

Force

Force

Cape Times 16/11/87

# No illness has been linked to sea pollution

From Dr REG COOGAN, Medical Officer of Health (Cape Town):

I REFER to your leading article "Safe at the Sea" (Cape Times, November 11) in which you discuss the CSIR study on pollution of our coastline.

It must be noted that the CSIR study is referring to the South African coastline as a whole and I am, of course, reporting on the bathing beaches for which the City Health Department is responsible in Cape Town. There are 12 of these on the Atlantic side and 18 on the False Bay coast.

You refuse to be comforted that I believe "the problem is one for the future because our beaches are usually within safety limits". Let me be more explicit.

These beaches are sampled for the presence of faecal coliforms on a fortnightly basis. Throughout the year September 1986 to September 1987 all of these beaches, with the exception of two, complied with the stringent European Economic Com-

munity Guideline (or Ideal) Bacterial standards for bathing waters. The two beach areas which did not comply are:

1. The zone adjacent to the Mitchells Plain Waste Water outlet and this is clearly marked as unsuitable for swimming. (One or two other notices may be found around the Peninsula which refer to testing results in previous years but where the quality has now been upgraded.)

2. The other beach which did not comply, and which is still under investigation, is Surfers Corner at Muizenberg. There is no sewage here. But an intensive search is being conducted because it is felt that some old stormwater outlets may run into the sea after rain has fallen on this area. However, it is noteworthy even here that the levels of Coliforms never approach anywhere near the European Economic Community mandatory (or upper limits) standards for bathing waters. If necessary, this area will also be signposted.



Dr Reg Coogan

You will notice that all the above testing refers to the bacteriological content of the sea water. It has been assumed (though not necessarily correctly) that virological levels would roughly correspond to these readings. Virological testing, which is complicated, time consuming and very expensive, has not been done on an organized basis up to now. The CSIR suggests that this should be part of the strategy for the future. I agree. This is particularly so as the density of population and their access to beaches increases.

Finally, in the city of Cape Town, with its population of well over one million people, from January to September 1987, no cases of cholera, no cases of amoebic dysentery, no cases of polio, and only 165 cases of viral hepatitis and two cases of typhoid were reported.

Each of these was fully investigated and not one instance was linked to marine pollution. So, you really can enjoy your swimming this summer.

# Polluted coastline probe launched

SB  
14/1/87

**JOHANNESBURG** — The government is starting a full-scale ministerial investigation into claims of serious pollution of South Africa's coastal areas, details of which were published in the Daily Dispatch on Tuesday.

The probe follows CSIR warnings that South Africa's R3bn-a-year tourist industry could be at risk with surfers and swimmers in danger of contracting cholera, typhoid and type A viral hepatitis.

The Economic Affairs and Technology Minis-

ter, Mr Danie Steyn, yesterday gave an undertaking to investigate.

He said his department was making certain that everything possible was being done within technical and financial capabilities to reduce industrial effluent.

The National Health Minister, Dr Willie van Niekerk, said while he was not aware of the details of the CSIR pollution findings, he would be taking immediate action.

Dr van Niekerk said a permanent committee of

the CSIR's Institute of Water Research reviewed the results of research and established the norms for bacterial counts. The committee would be asked to look into the latest claims.

Dr van Niekerk said: "If there is a real danger to health in areas which cannot be rectified in the short term the public will receive proper warnings."

One of the CSIR's findings was that while danger signs had been erected in some areas where the public had free access, other

coastal regions were completely unmarked.

The CSIR project director, Dr Willie Grabow, who undertook the three-year research programme, declined to identify the affected regions where sewage release was pushing up pollution levels.

But Dr Grabow said other viruses could also be contracted not only by swallowing polluted seawater but by swimming, diving and surfing. These included gastroenteritis, dysentery, respiratory and ear, eye and skin infections.

10/1/87

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# Clerics in aid plea to Botha

DURBAN church leaders have sent a letter to State President PW Botha calling for more government money to be given to Natal flood victims..

Reconstruction of homes has been slow. Almost constant rain has made reconstruction difficult. Some areas are still all but isolated.

Church group Daikonia is distributing 20 000 Zulu and English housing crisis leaflets to mobilise a month-long campaign to focus on Durban's homeless.

It starts on November 29 with a shackland tour.

It continues the next day with a photographic exhibition at the Central Methodist Church, where Inanda residents - one of the areas worst hit by the floods - will build Umjondolos with packing crates and Ijuba packets.

The campaign ends with Rev Frank Chikane's first trip to Durban since he became general-secretary of the South African Council of Churches.

Chikane will conduct a service at Shembe Church in Inanda on December 6, highlighting 1987 as the United Nations' year of shelter for the homeless.

Meanwhile, 15 squatters told by the Durban Magistrates' Court to tear down their own homes meet on Sunday to discuss their positions.

The court told the Kennedy Road and New Germany Road squatters, who were charged with trespassing, that they would not be jailed or fined if they tore down their own homes. - Concord.

LOS ANGELES TIMES 13/11/87

# Bayer farmers in row

By SHAUNA WESTCOTT  
Supreme Court Reporter

A FUNGUS called *Oidium tuckeri* and a poison called Bayleton are at the centre of a R2,2-million row between Hex River Valley farmers and the giant multi-national pharmaceutical and chemical company Bayer, the Supreme Court heard yesterday.

The South African wing of Bayer is being sued for R111 589 by Mr Jacobus Viljoen, of the farm Millhurst near De Doorns, in a test case which will decide the further 13 suits pending against the company.

Mr Viljoen claims he lost this amount when Bayleton he sprayed on his grapes failed to curb the fungus — popularly known as powdery mildew — to which his 1983-84 harvest subsequently succumbed.

Bayer denies selling the Bayleton to Mr Viljoen, which is why the Western Province Co-operative — which supplied the Bayer product to some of the farmers — has been joined as a party to the suit.

Alternatively, Bayer denies liability, saying it should have been understood that Bayleton curbed powdery mildew only if it was "applied at the appropriate times, intervals and strengths and under proper conditions and by correct methods". It is described as "toxic to fish and wildlife".

The hearing continues.

Mr Justice A P Burger presided. Mr J van der Berg and Mr W R Duminy, instructed by N E Visagie, appeared for Mr Viljoen. Mr W H R Schreiner SC, with Mr L Bowman and instructed by C K Friedlander Kleinman and Shandling, appeared for Bayer. Mr R van Riet and Mr W J Louw, instructed by Van der Spuy and Partners, appeared for the Co-op.

13/11/87 (48) (56) FM

## Water for Africa?

After more than three decades of procrastination, firm bids to get the Lesotho Highlands Water Project (LHWP) off the ground are finally afoot. The first water could flow into the Vaal Dam system in 1995.

According to sources, finance has been secured for the design, investigation studies, and related administration costs of Phase 1a — due to be completed in 1990. The money has been obtained through SA and Lesotho. It includes, on Lesotho's side, amounts from various international financing agencies.

The first phase will cost about R1,4 billion in 1985 prices. Estimates are being updated. The project will be self-financing, in the sense that revenues from the commodity it delivers will repay all loans.

It was foreseen at the time of signing the treaty between SA and Lesotho last year that finance could come from SA, the World Bank (via the International Development Agency), the European Economic Community (EEC), and smaller funding agencies, such as the Development Bank of SA.

The project consists of two elements:

- A hydroelectric dam in Lesotho costing about R250m; and
- The water transfer scheme.

It seems that the EEC is only interested in financing the Lesotho hydroelectric power station. The *FM* understands that the World Bank may be prepared to finance the part of the project in which SA has an interest.

The main construction funding is still under negotiation. Advisers are being appointed for securing finance for phase 1a. According to a source, everything is "going to schedule, but it is too early to provide indications on the possible sources of finance."

So far nothing has been signed.

There are "firm" moves to issue tenders in 1989; construction of "advanced" access roads should start in 1988, and main construction in 1990.

When completed, the project will engen-

der spin-offs lasting well into the next century, for example, benefiting Lesotho by about R124m a year when fully completed — equal to a quarter of its current GDP.

It appears that the project will still be tackled in several phases. Water could reach Vaal Dam by 1995 at a potential rate of 17 m<sup>3</sup> a second — almost the monthly average consumption of a single household.

Special weirs have been constructed to monitor and measure the volume of water available in the highlands. Project feasibility studies began "in earnest" in 1983. A 19-volume report was completed in 1986, showing that the scheme could provide at least 2 000m<sup>3</sup> of water a year.

The first phase will include a programme

to provide infrastructure, including access roads for about 80 heavy vehicles a day. One major dam will be built, and two tunnels.

The next phase will consist of a 153 m high dam on the Senqunyane River near Mohale and a 32 km connecting tunnel with the Katse dam. This phase (expected completion, 2007) should meet water demands in the PWV area for the next 10 years.

The last phase involves a 155 m high dam at Tsoelike to provide a final flow of 65 m<sup>3</sup> a second in the year 2019. Other dams could be added to increase this to 70 m<sup>3</sup> a second.

Says a source: "SA is getting down to its last utilisable water resources. The cost of additional water would eventually be far higher if it does not buy from Lesotho." ☐

Trends to cities 'must be curbed'

GERALD REILLY

PRETORIA — The over-concentration trend in metropolitan areas would have to be curbed before infrastructural and social problems reached unmanageable proportions, Constitutional Development and Planning Minister Chris Heunis said yesterday.

Addressing the Natal Municipal Union at Margate, Heunis said the abolition of influx control had not changed government policy of regional industrial development.

Neither did the policy clash with orderly urbanisation.

Because 80% of the country's industrial production took place in four metropolitan areas, which represented only 2%-4% of the geographical area, put too much strain on the existing infrastructure and social services of these areas.

He stressed a policy of planned urbanisation included urbanisation at rural points.

These points had the potential to develop into alternative metropolises, mini-metropolises or cities in the future.

# Govt to probe polluted coast

MICK COLLINS

GOVERNMENT is start a full-scale ministerial investigation into claims of serious pollution of SA's coastal areas, details of which were published in Business Day on Monday.

The probe follows CSIR warnings that SA's R3bn-a-year tourist industry could be at risk with surfers and swimmers in danger of contracting cholera, typhoid and type A viral hepatitis.

Economic Affairs and Technology Minister Danie Steyn yesterday gave an undertaking to investigate the position.

He said his department was doing everything possible within technical and financial capabilities to reduce industrial effluent.

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Dr van Niekerk said a permanent committee of the CSIR's Institute of Water Research reviewed

the results of research and established the norms for bacterial counts. The committee would be asked to look into the latest claims.

Dr van Niekerk said: "If there is a real danger to health in areas which cannot be rectified in the short term the public will receive proper warnings".

One of the CSIR's findings was that while danger signs had been erected in some areas where the public had free access, other coastal regions were unmarked.

CSIR project director Dr Willie Grabow, who undertook the three-year research programme, declined to identify the affected regions where sewage release was pushing up pollution levels.

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NEWS 9/11/07

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CITY/NATIONAL

# Heavy rain hits Natal beaches, vegetable crops

The Argus Correspondent

DURBAN. — Heavy rain over the weekend caused extensive damage in parts of Natal.

In the Tala Valley, a violent hailstorm on Saturday smashed cabbage, tomato and other vegetable crops and damage is estimated in hundreds of thousands of rands.

This is the third disaster to hit more than 20 growers recently — first was the damage allegedly caused by the use of weedkillers and then the floods last month.

The hail struck in a three-kilometre-wide band from Mid-Illovo to Camperdown and growers said most of the crops could not be saved.

## Seedlings lost

Most of the vegetables were being grown for the festive season and vegetable prices in Durban and Maritzburg may rise as a result.

Nurseryman Mr J G de Gouveia of Killarney Isles said he had lost more than 300 000 cabbage, tomato, lettuce, cauliflower, flower and exotic vegetable seedlings.

The heaviest rain in Natal fell at Stanger with 96mm, followed by Port Shepstone on the South Coast with 90mm. Durban had 70mm.

## Clearing beaches

The wild, wet weather played havoc with Durban's beaches, which have already been badly hit by the recent floods. Heavy seas at the weekend washed up more debris, which will set back the city's beach-clearing programme.

"We have all available staff and machinery working flat-out seven days a week. We hope to clear the beaches by the end of this month," said Mr Alan Pembroke, assistant director of Parks, Recreation and Beaches.

More rain is expected over the next few days, according to the weather bureau.



Survey conflicts with Govt figure

# Floods 'left 590 000 homeless'

(S) (S) 9/11/87 SMC

By Lesley Cowling

The Natal floods have left about 590 000 people homeless and destroyed about 118 000 houses, adding to South Africa's housing backlog, according to the SA Institute of Race Relations' *Social and Economic Update*.

This estimate comes from an independent survey of the area by the University of Natal and differs from the Government estimate of about 50 000 homeless, the *Update* says.

The total black housing backlog, including the "independent" homelands, is more than 1,1 million units. The coloured housing backlog could be between 90 000 to 100 000 units and there is an oversupply of white housing of about 27 000, the *Update* says.

However, it says that developments in the past quarter again show that the Government regards black housing as a priority. Significant quantities of land were being released to be used for

housing, legislative changes were to be introduced to speed up housing delivery and freehold title was finally to be registered.

But racial land zoning and limitations on land for blacks in the urban areas continue to obstruct the increase of housing. A result of racial zoning is the existence of "buffer zones" on the borders of townships, on which an estimated 100 000 houses could be built.

Political analysts had suggested that white local authorities and Members of Parliament feared the allocation of suitable land for black housing would prompt right-wing resistance.

## Soweto needed most land

Because not enough land was available for low-cost black housing, prices were being driven up in areas earmarked for development. In the Transvaal, Soweto required the most land for housing in the first half of this year.

Affordability was the most significant constraint to the increase of housing. New housing development appeared to be restricted to black people who had subsidies from their employers or the State, but this "middle-class" was drying up, the *Update* reports.

Local authorities in black townships face allegations of favouritism and corruption and a building society official has alleged that some officials demand bribes of R1 000 a stand from developers before allocation.

There are at least 1,3 million squatters in South Africa, according to official figures, and demolition of squatter shacks continues, the *Update* says.

● See Page 11.

Natal floods leave rebuilders with major headache

# Mammoth task to rebuild devastated communities

12/11/87  
MS  
SPR

By Inga Molzen

After the widespread devastation of the Natal floods, there have been as many stories of goodwill as there were of tragedy.

The Zululand Rural Foundation (ZRF), established by community members with the short-term aim of helping to restore houses and shelters, said yesterday the private sector, voluntary organisations and ordinary people have rallied to keep even the most isolated areas going.

Many areas in Natal and kwaZulu are still reeling from the ravages of the floods which started in the last week of September and "funds are still desperately needed for longer term projects", said Mrs Reg Anthony, an executive member of the foundation.

"Many areas have had more than 500 mm of rain in the last three months. In some areas it's still raining. There are thousands and thousands of people without homes."

Mrs Anthony said the long-term objective of the ZRF was to "keep going so that when we come out of this tragedy we will have more substantial houses than we had before".

## SUPPLIED FOOD

Working closely with organisations such as the Red Cross and the Urban Foundation, more than R1 million in goods and services has been given to flood victims through the efforts of 3 000 members in 250 Round Table Clubs in South Africa, South West Africa and the homelands.

In the first phase of their Natal Flood Relief Fund, the Association of Round Tables in Southern Africa has assisted in supplying and distributing food and clothing, said its national press liaison officer Mr Ian Clements.

The second stage was geared towards improving services and providing materials for rebuilding homes.

The Zululand Rural Foundation said that with an estimated 4 000 houses needed for each of six magisterial districts, the "magnitude of the project is enormous".

A member of the kwaZulu Legislative Assembly, Mr Baldwin Ngubane, said that in the Umfolozi area, 75 per cent of the houses of about 180 000 people had been washed away or had collapsed with the recent heavy rains.

"What is more important though", he said, "is the enduring spirit of the people."

● Financial donations for the purchase of building materials can be sent to the Round Table/Urban Foundation Building Relief Fund, Box 2039, Durban 4000.

# Top-level probe ordered into SA coastal pollution

*AKC 12/11/87 (56)*

## Political Staff

CLAIMS of serious pollution of some of South Africa's coastal areas are being investigated at ministerial level by the Government.

And warnings were made today that the tourist industry could be affected, following the claims in the CSIR magazine, *Scientiae*, that pollution was at dangerously high levels.

The Minister of National Health, Dr Willie van Niekerk, said today he was not aware of the details of the CSIR investigation but was taking immediate action.

The Minister of Economic Affairs and Technology, Mr Danie Steyn, who is in charge of tourism, also gave an undertaking today to investigate the position.

His department was making certain that everything was being done within technical and financial capabilities to reduce industrial effluent.

## Permanent body

Dr van Niekerk said a permanent committee of the CSIR's institute of water research reviewed the results of research and established the norms for bacterial counts.

The committee would be asked to look into the latest claims.

Dr van Niekerk said that if

there was "a real danger to health in areas which cannot be rectified in the short-term" the public would receive proper warnings.

The CSIR is still declining to identify the affected regions where sewage release is pushing up the danger levels.

Meanwhile, Mr Renier Schoeman MP (NP Umhlanga) is planning to lead a delegation to see Dr van Niekerk soon to discuss the problems of increasing pollution of the sea.

## Is perturbed

Mr Schoeman, who is playing an increasingly active role in representing the views of conservationists, particularly of coastal regions, said today he was perturbed by the reports.

He had already held preliminary talks with various Ministers and their deputies and had received assurances that everything would be done to resolve the problems.

Mr Schoeman said he had been receiving reports for some time of serious pollution from a number of areas, "which I considered in a very serious light".

"There are serious consequences not only for conservation but also for the tourist industry," he said.

# Another threat to Durban's water

56  
Due to  
13/10/87

DURBAN — Steady rain, which fell over the city today, caused an Umgeni Water Board spokesman to say that "there is now a renewed threat of mudslides which could knock out the two operating pipelines which are conveying water to the city".

It also rained throughout yesterday, adding to the danger, and by in mid-morning today, there were no signs that the weather would be clearing.

The city's reservoirs were 90% full by early today — and they could be full by tonight if circumstances don't change.

This was the good news from Durban's Assistant City Engineer, water supply, Mr Neil MacLeod, but he again warned the public to use water as spar-

ingly as possible.

Meanwhile, Umgeni Water Board (UWB) officials were keeping a wary eye on the weather and said that if rain continued to fall, it would increase the possibility of landslides and consequent damage to vital aqueducts supplying the city.

The improvement in Durban's water reserves has taken place despite the big water supply switch-on to industry.

Mr MacLeod said the reservoirs supplying industries had held their levels throughout yesterday and last night.

"We need to keep consumption down so as to reduce the demand on the UWB. They have problems with the aqueducts and with treating the water, which has an enormous amount of solids in it. There is one good aqueduct and one leaking one. It is very important to keep our storage up."

Mr Graham Ward, the UWB's chief engineer, operations, said today that rain made the situation "risky".

He said the ground was still very wet after the floods and if more rain fell, it could cause more landslides and consequent damage to the aqueducts.

The Durban City Engineer's Department has said that water restrictions will remain in force until backup aqueducts are fixed.

Aqueducts 1 and 2 are expected to take about eight weeks to repair. — Sapa

# Storms, hail cause nationwide havoc

The Argus Correspondent  
**JOHANNESBURG.** — Widespread storms have caused severe wind and hail damage.

Rain fell in Natal, Lesotho, Transvaal, eastern parts of the Free State and eastern parts of the Cape. Thunderstorms and isolated hailstorms broke out over parts of the Transvaal yesterday afternoon.

The Weather Bureau expects thundershowers today in the Transvaal.

Winds of up to 100km/h ripped roofs off houses and uprooted trees.

Hailstones the size of tennis balls damaged buildings and vehicles at Ngoqwana, in the Lowveld, during a 10-minute storm.

A dog trapped in the storm was killed, hundreds of window panes were broken, parked vehicles were badly dented and dozens of windscreens were smashed.

### Saturated

But the heavy rain brought relief to many parts of the northern and north-eastern Transvaal. While last month's early spring showers were isolated, this week's downpours have been widespread and are the first major regional rain of the summer rainfall season.

Heavy, soaking rain fell over Natal yesterday afternoon, and weather forecasters at Louis Botha Airport predict the rain will continue until this afternoon.

Farmers at Bulwer could not plant their mealies as downpours again saturated fields.

Snow capped the higher peaks of the Drakensberg.

In Kwazulu, steady rain fell throughout yesterday. The weather office at Louis Botha Airport said two "lines" of thunderstorm activity, with rain, threatened Northern Natal and Zululand.

### Blizzards

Rescuers searching for hundreds of people trapped by blizzards in the mountains of Lesotho found the bodies of two herdboys yesterday, bringing the death toll there to 10.

Efforts to rescue survivors stranded without food by the torrential rain and blizzards that have blanketed the area since Saturday were hampered by more bad weather and inadequate food supplies.

Two South African military helicopters, which have been dropping supplies to remote mountain settlements over the past three days, were forced by the freak weather to turn back.

The aircraft had been on a relief mission to Mokhotlong, 120km east of Maseru, where the authorities said several hundred people were trapped on freezing mountain peaks.

### Emergency

Lesotho's military rulers have asked for international help to fight the disaster.

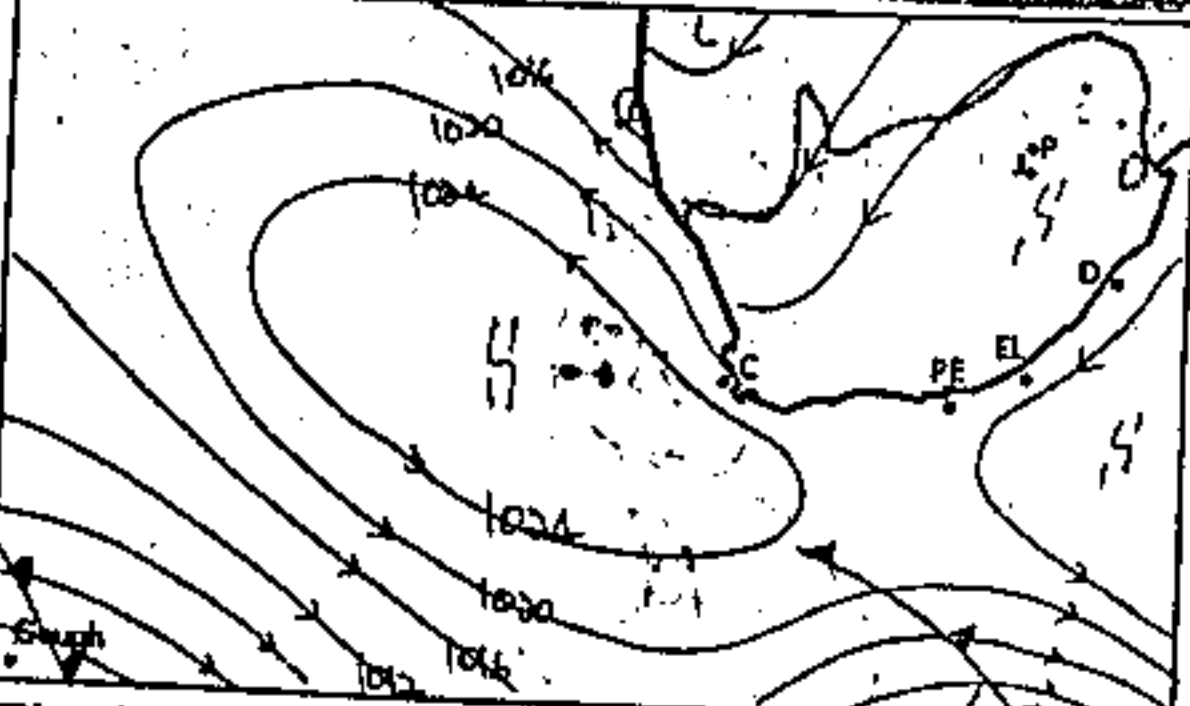
The emergency, described by officials as the worst the mountainous kingdom had known, was brought about by heavy rain and snow during the past two weeks which destroyed roads and bridges, cut communications and killed hundreds of cattle, sheep and goats.

As well as the 10 people found dead, frozen in thick snow, 11 suffering from exposure have been flown to hospital in Maseru.

The Kwazulu Government has asked the Department of Development Aid for R73-million for flood relief.

The Secretary of Finance, Mr Koos van Tonder, says assessments of the flood damage have shown that they will need immediate relief of R10-million for repairs to buildings, roads and bridges, R2-million for short-term relief and more than R41-million for long-term relief.

## WEATHER TOMORROW



The high pressure system south of the country will cause sunny weather with a strong south-easter over the Western Cape.

## Sunny and mild

WEATHER forecast for the Peninsula, Bolland and Overberg for the period ending 6pm tomorrow:

- Sunny and mild.
- Wind: Strong south-easterly reaching gale force in places.
- The minimum temperature at D F Malan Airport will be 13 deg C and the maximum 23 deg C.

### THE MOON

Last quarter.....	Oct 14
New moon.....	Oct 22
First quarter.....	Oct 29
Full moon.....	Nov 5

### THE SUN

Sets today.....	1858
Rises tomorrow.....	0605

### THE TIDES

High water:	
Today: 0743; 2029	
Tomorrow: 1004; 2252	
Low water:	
Today: 0110; 1419	
Tomorrow: 0254; 1656	

### WATER TEMPERATURES

Sea Point:	
Sea.....	12
Pool.....	17
Muizenberg:	
Sea.....	15
Pool.....	17
Newlands.....	18

DF MALAN climatological data for yesterday Oct 13 (The figure in brackets shows the average for the month)

Maximum temperature.....	21,0 (21,3)
Minimum temperature.....	5,5 (10,3)
Mean temperature.....	13,3 (15,5)
Maximum humidity.....	93 (97) %
Minimum humidity.....	46 (49) %
Mean humidity.....	70 (74) %
Mean atmospheric pressure.....	1019,5mb (1017,6)
Rainfall 8am - 8am.....	0,0mm
Progressive rainfall for the month.....	8,6mm (35,5mm)
Sunshine.....	11,4 hours (8,9)
Prevailing wind direction.....	S (S)
Maximum hourly velocity.....	S 11,0 (NW 18,5m/sec)
Maximum gust.....	S 20,4 (WNW 28,5m/sec)

### 9am TEMPERATURES

Johannesburg.....	13
Kimberley.....	17
Durban.....	19
East London.....	20
Port Elizabeth.....	19
George.....	15
Uptington.....	22
Cape Town (yesterday 2pm).....	20,2
Cape Town (today 9am).....	18,0

For the latest weather information ☎ 4 0881 and advice on windspeed/direction ☎ 56 1723 (Bloubergstrand), ☎ 88 8226 (Muizenberg) and ☎ 80 1298 (Scarborough).

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# hit hardest in floods

South 8-14 110/87

DURBAN. — As Natal counts the costs of last week's floods, the biggest disaster is clearly that those who had the least to lose lost the most. Almost one fifth of Durban's 590 000 residents were left homeless.

The destitute, already victims of the poverty of apartheid, suffered again when relief was provided. Surveys have shown that the House of Delegates prevented other organisations from providing flood relief in some areas, and that flood relief has been manipulated to crush anti-government activity.

Much of the relief activity has been transferred from the Red Cross to Inkatha, and residents claim tents and sites were being given only to Inkatha members. Lindelani squatter leader Thomas Mandla Shabalala is not able to respond to allegations of bribery and nepotism. He left last week for an anti-sanctions tour of Britain and America.

The poor infrastructure of the shacklands rendered residents particularly vulnerable to natural disasters. The state of the roads, especially in the outlying areas, meant that a water tanker could not pass, leaving the people dependant on rivers for water.

Most squatter settlements are only visited by the water trucks once a day. Residents and aid workers say there is not enough water to drink. According to a survey conducted by the Built Environment Support Group (BESG) — a group of University of Natal architects and town planners, the floods destroyed up to 45 percent of homes in the shacklands surrounding Durban.

Storm water management had been terribly neglected, with no means being provided for removal of water. All the pit latrines were washed away, mainly into the rivers, and the raised water table meant that excrement from new latrines would wash into these rivers.

### No water

Local anti-apartheid leaders said many volunteers were cold-shouldered when they offered assistance at the Verulam Civic Centre where relief aid was being coordinated by the local authority and other state apparatus.

Verulam Youth Congress official Mr Kush Rangobin said while State officials claimed they had everything under control, hundreds of Indian families were being pushed from pillar to post. Thousands of African families in the outlying areas were completely neglected, he said.

Community organisations have formed The Inanda Relief Committee and pledged to assist as many people as possible.

A member of the Verulam Town Council, Mr N Naidoo, said "It is nice that these people want to assist, but we have everything under control."

Mr Lechesa Tsenoli, publicity secretary for the UDF in Natal, urged the authorities not to concentrate on immediate relief for those affected, but to include a long term solution which should be evolved with the communities likely to be most affected by such disasters in future.

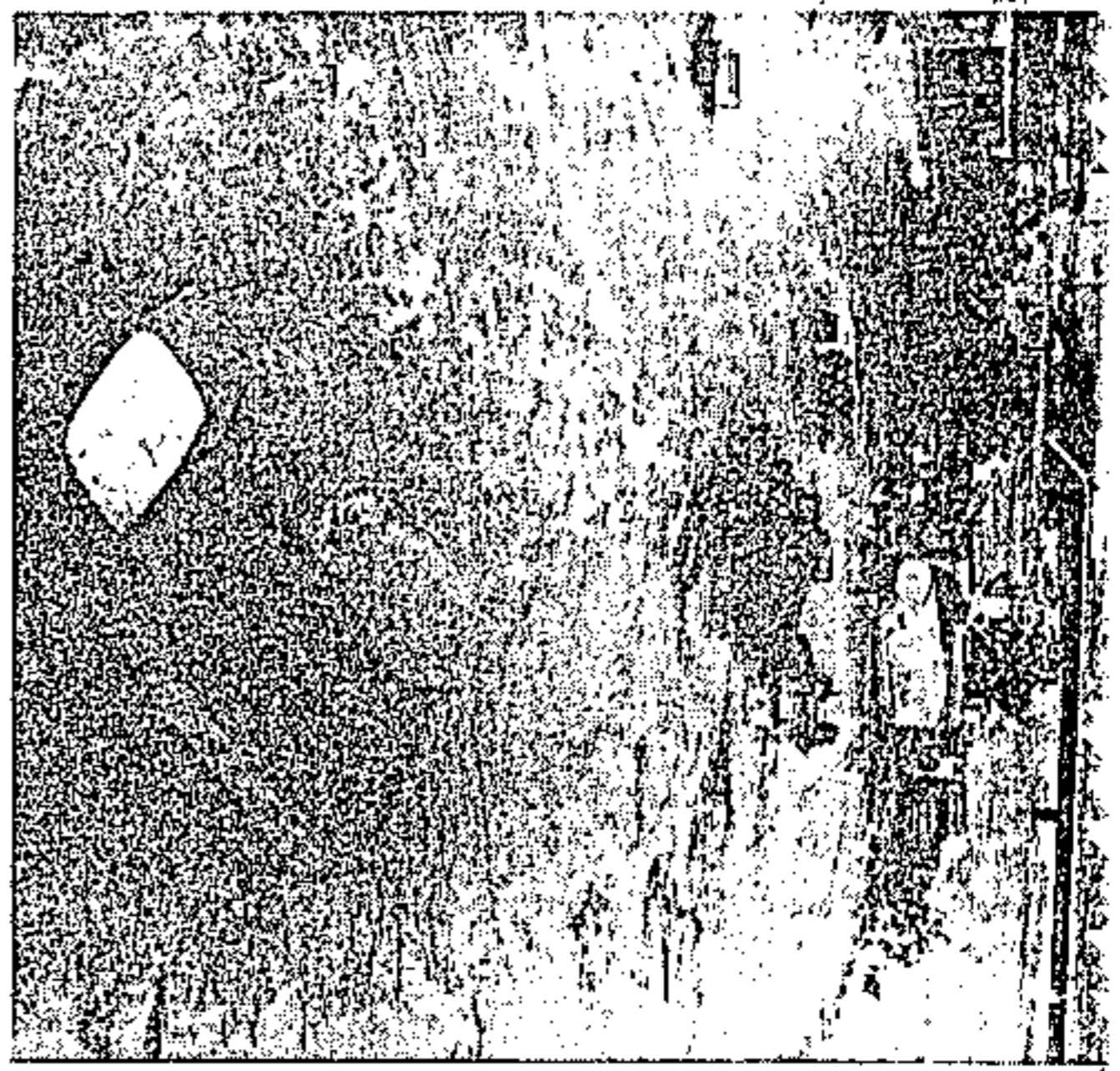
PICTURES: CEDRIC NUNN, AFRAPIX, WALTER DHLADHLA AND TREVOR SAMSON, AFP  
REPORT: PRESS TRUST OF SOUTH AFRICA AND CONCORD NEWS AGENCY



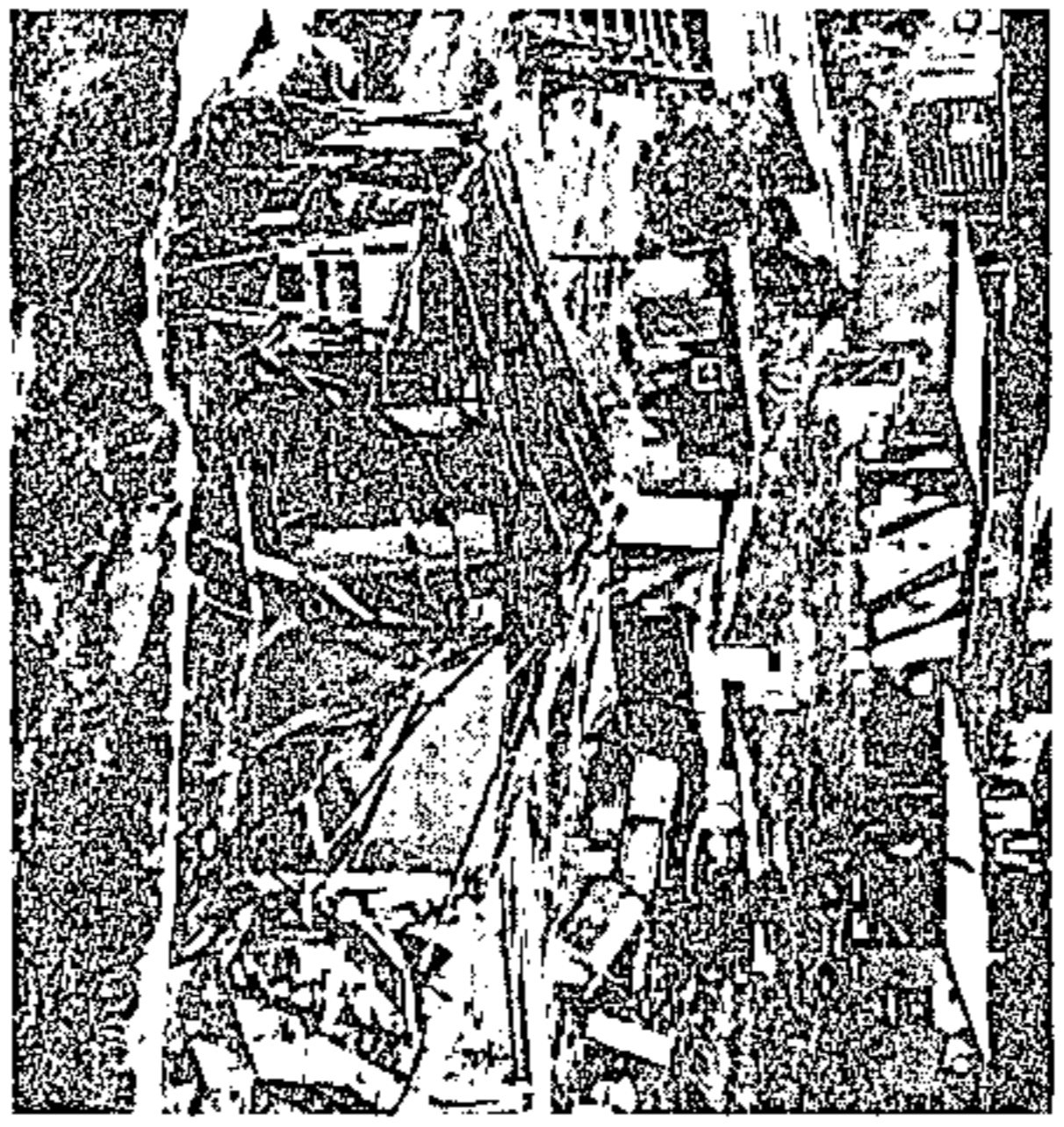
Woman at the ruins of her house in Lindelani camp



Old man surveys damage done to his Botha's Hill home by heavy rain



The Umgeni River floods its banks in Durban



Devastation at Lindelani camp outside Durban



Man at site of his house in Mbulwane camp

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9-15/10/87  
W/Trail

# Floods: JMCs flex muscles

THE aftermath of the devastating Natal floods is proving a golden opportunity for the local Joint Management Committee system to flex its muscles.

By CARMEL RICKARD,  
Durban

At the same time the situation is proving a minefield for churches and other organisations who want to help flood victims but who do not wish to work through the South African Defence Force and the controversial JMCs.

Among the groups which have been using the JMC network to distribute help is the local branch of the International Red Cross.

A few churches have apparently been unconcerned about working closely with the SADF/JMCs on flood relief.

The JMC structure controlling the flood relief programme is operating at SADF headquarters in Durban.

It is also understood that even before the floods, the JMCs had made overtures to some churches perceived by them as "neutral", with a view to incorporating them into the JMC network.

Roads and other communications links were broken during the floods, and only the SADF and the South African Police had the infrastructure to reach victims.

Most agencies suspicious or hostile to the JMCs believe the system has become a permanent fact of life. However they suspect the direct involvement of the SADF among flood victims will not continue for long and there is still massive scope for "independent" reconstruction and help.

Churches and other agencies did not have access to the helicopters, personnel and other resources available to the combined security forces, so virtually all assistance, at least during the first week after the floods, had to be channelled through the JMCs.

## Counting the

# How many homeless? (50) Flood figures can differ by tenfold *w/ view*

By CARMEL RICKARD,  
Durban

THE official death toll in the Natal floods has soared above 250 and with over 150 people reported missing it is expected to rise still further.

However, the number of homeless is in dispute, with state figures of 56 581 being strongly contested by Natal University academics who say the total number of people whose houses will have to be rebuilt is over 500 000.

The Built Environment Support Group at Natal University, Durban, a group of experts in town planning, urban geography, architecture and other disciplines, sent teams out to do extensive surveys of flood-ravaged areas around Durban.

Besg's initial figures, announced last week-end, were dismissed by the state. In a report released yesterday, Besg says it is sticking to its estimate and suggests state figures may be based on the numbers "who most obviously present themselves as homeless, occupying church halls or wandering in the rain", rather than including those whose homes will have to be rebuilt and who are living with relatives or occupying structures not fit for habitation.

In this way the state can present a picture of a manageable number of destitute "welfare cases" rather than a massive problem of reconstruction.

Besg surveys have been conducted in the "Durban Functional Region" - from Amanzimtoti in the south to Verulam in the north and inland to Hammarsdale/Cato Ridge.

In this area they found 18 600 dwellings destroyed and 32 000 so badly damaged that they are no longer habitable.

Experience from other parts of the world indicates that in these kinds of floods and heavy rains, latent water-caused damage surfaces within a year in 15 percent of houses.

In all, therefore, Besg believes 58 100 houses will have to be replaced in this region and, with an average of nine people in each, this means 522 900 people in the Durban Functional Region are effectively homeless.

Over 40 percent of people in this area live in "informal settlements" and researchers feared their plight would be neglected, according to the Besg report.

They were also concerned that the people in these areas "would lose out in the allocation of disaster funds and



As the waters subside a flood victim counts the cost

Picture: CÉDRIC NUNN, Afrapix

that efforts would simply be directed to restoring the *status quo* rather than changing the conditions which have made the informal settlements the real victims of the disaster".

Simply to replace the existing

shacks would cost a minimum of R1 000 each, involving a rehousing bill of over R50-million. Besg urges that the authorities adopt a different attitude and take the opportunity to

●To PAGE 2

9-15/10/8



# More rain for sodden Natal

56  
B/day  
15/10/87

MICK COLLINS

**MORE** rain is forecast for Natal today after steady showers which fell in many parts of the flood-hit province again yesterday.

An official at the Umgeni Water Board said the rains of the past two days had caused a number of mudslides on access roads to aqueducts supplying Durban, but had not caused further damage to the aqueducts themselves.

He said work was at present underway on repairing or pushing through access roads to the two aqueducts which were still out of action. Repairs to these aqueducts would not be able to start before the middle of next week.

A spokesman at Durban's Louis Botha Airport said thunderstorms were developing over a number of Drakensberg areas, and some of these would spread to the coast.

Falls of up to 30mm could be expected in the upper Berg areas.

Heavy falls were recorded in many part of northern Natal in the

24 hours that ended at 8am yesterday.

Durban's city engineer Don MacLeod yesterday announced a further easing of restrictions as reservoirs were reported nearly full.

MacLeod said the restriction on air conditioners which used water was lifted with immediate effect.

MacLeod said other restrictions still applied but they might be eased further on Monday.

The Trust Bank yesterday donated R50 000 to the Natal Flood Relief Fund, which has been handed to the Red Cross for distribution.

About R15 000 of this was contributed by its staff members countrywide, to which the bank added R35 000.

Assistant GM public affairs Jaap Metz said the donation was an ongoing affair, and the bank would continue raising funds for the fund.

NATIONAL fuel contingency plans are in operation following Natal's devastating floods which halted operations at SA's vital oil refineries.

16/10/87 Bldaw  
**Fuel plans in use after floods**

Initial fears that petrol rationing was on the cards were discounted yesterday but industry sources said any change in the situation would mean that the threat of shortages was very real.

A spokesman for the office of Economic Affairs Minister Danie Steyn confirmed that "Contingency Plan D" was in operation.

Under the Petroleum Products Act of 1973, Business Day is precluded from publishing details of damage to certain

**MICK COLLINS**

installations, refined storage stockpiles or details of contingency plans.

"We have always had contingency plans. The threat of terrorist attacks and the blowing up of oil installations is with us so we have to be prepared. The flood-

● To Page 2 →

**Fuel contingency plans enacted**

ing was just such an emergency."

However, the spokesman said immediate rationing was not envisaged despite concern during the first week of the flooding when Durban's refineries shut down.

He said the Shell/BP (Natref) refinery was still out of commission and the other water-ravaged refinery, Mobil, was back in operation but would shut down for repairs once Natref came back on stream.

Shell and BP fuel oil requirements

← ● From Page 1

were being handled by Mobil, he said. Shell CE John Wilson said rationing was not on despite water damage at Natref estimated at between R10m and R20m.

He could not give an assessment of what had been lost in production.

The situation was compounded, he said, by the crash shutdown which took place when water supplies to the refinery were cut off.

# National fuel contingency plan invoked

58

11/10/87

Daily Dispatch Correspondent

**JOHANNESBURG — National fuel contingency plans are in operation following Natal's devastating floods, which halted operations at South Africa's vital oil refineries.**

Initial fears that petrol rationing was on the cards were discounted yesterday, but industry sources said any change in the situation would mean the threat of shortages was very real.

A spokesman for the office of the Minister of Economic Affairs, Mr Danie Steyn, confirmed that 'Contingency Plan D' was in operation.

Under the Petroleum Products Act of 1973, newspapers are precluded from publishing details of damage to installations, refined storage stockpiles or details of contingency plans.

"We have always had contingency plans. The threat of terrorist attacks and oil installations being blown up is with us so we have to be prepared. The flooding was just such an emergency," the spokesman said.

However, immediate rationing was not envisaged, despite concern during the first week of the flooding when Durban's refineries shut down.

"We were worried. Any further rains would have meant rationing. But we didn't have more floods so the position was saved. Luckily the rains stayed away and one of the refineries was able to restart operations."

He said the Shell-BP (Natref) refinery was still out of commission. The other water-ravaged refinery, Mobil, was back in operation, but would shut down for repairs once Natref came back on stream.

said rationing was not on despite water damage at Natref, estimated at between R10 million and R20 million.

He could not give an assessment of what had been lost in production.

The situation was compounded, he said, by the crash shutdown, which took place when water supplies to the refinery were cut off.

"The refinery was 'hot' when suddenly it was drenched. We just don't know the extent of the damage done."

Extensive flood damage first had to be dealt with before a proper assessment could be made.

"It will be several weeks before we can get back on stream; but in the meantime there are adequate stocks of refined fuel available."

In the vital computer nerve-centre of the refinery, flood water to a depth of nearly 1,5 m had poured in.

"Added to this we had our workshops completely destroyed, while electric motors and general infrastructure were badly damaged."

Shell and BP fuel oil requirements were being handled by Mobil, he said.

Shell's chief executive, Mr John Wilson,

# Violence comes w

MARITZBURG — In the rising tide of violence round Maritzburg in which at least 40 people have died in the past three weeks, certain districts have become no-go areas for flood relief agencies and the public.

Red Cross workers distributing food parcels in Edendale have met with so much violence in some areas that they have refused to return. And a spokesman for the South African Council of Churches said their relief workers were having the same problem.

Several Maritzburg businesses are also experiencing problems with staff being prevented from reporting for duty.

Police spokesman Colonel Chris Jonker said, however, that as far as they knew there was no area in which movement was restricted.

However, reports have been received of:

- Certain areas in townships, allegedly under the control of either UDF or Inkatha, where non-members cannot enter.
- Vigilantes of different groups waking up residents at night to march the streets.
- Employees of various businesses unable to get to and from their homes.
- Employees appealing to em-

## Forty have died in three weeks

17/1/87

### Death toll reaches 315

DURBAN — The death toll in Natal from the floods reached 315 yesterday. Police liaison officer Lieutenant Bala Naidoo said there had been 223 deaths in Port Natal, 24 in northern Natal and 68 in the rest of Natal. There were 130 missing in Port Natal, seven in northern Natal and 24 in the rest of Natal. — Sapa.

ployers to be allowed to go home early because they were afraid of attacks late in the evening.

According to the Maritzburg Agency for Christian Social Awareness, since January there have been 225 recorded unrest related incidents, 90 deaths, 154 injuries and 111 cases of damage to homes, vehicles and shops.

Mr Velaphi Ndlovu, the kwaZulu Legislative Assembly MP for Vulindela — all the kwaZulu urban and rural areas surrounding the city — confirmed that the situation was extremely bad.

“Just recently the violence has begun to erupt in almost every township around the city. People are dying. I don't want to blame anybody, but I believe there is

terrible misunderstanding.

“The principle of our organisation is to sit and talk, and I want to appeal to everybody that the killing must stop and we must all start talking.”

Mr Ndlovu denied that Inkatha was engaged in any campaign to kill anybody. Reacting to accusations that young people were being driven out of the townships, he said that no one had the right to chase anyone from their homes.

“If people are running out of the townships, they are not doing the right thing. If Inkatha or UDF people are running they should rather go to their leaders and tell them to do something about the violence,” he said.

Trade union leaders have said the situation in the townships was frightening.

Mr Norman Middleton, the Maritzburg co-ordinator for the National Council of Trade Unions (Nactu), said workers came into its offices every day with stories about killings and intimidation.

“People are terrified to go home, and the matter has become one of grave concern which affects all black areas,” he said.

Mr Harold Raybould, chairman of the Maritzburg Red Cross Society, said his field workers distributing food parcels had met with so much violence in some areas that they refused to return.

Mr Paul van Uytrecht, manager of the Maritzburg Chamber of Commerce, confirmed that they were aware of extensive violence in townships and were extremely concerned about it.

“We have not received any reports from our members that their employees were having difficulty in getting to work, but it is possible.

“At the moment we are concerned about the escalating number of people being killed and injured,” he said.

A spokesman for the Congress of South African Trade Unions (Cosatu) expressed extreme concern and said the issue needed urgent attention. — Sapa.

## Gold Rush deadline extended to cope with flood victims

Operation Hunger has extended the Gold Rush III competition deadline to raise cash to feed 71 000 people left homeless and facing starvation after the Natal floods.

Operation Hunger director Mrs Ina Perlman, just returned from the disaster area, told a press conference yesterday the organisation needed an extra R1,5 million they had not budgeted for to feed flood victims. They already feed 110 000 people in Natal.

“The situation there is quite frightening,”

### MELANIE GOSLING

she said. “It is still raining and there are many areas our Natal team could not reach. At Tugela Ferry there is nothing left of our self-help scheme where 300 people who we used to feed were growing food for themselves. Everything has been swept into the Indian Ocean — even the water pump.

“There is no firewood, no cooking pots and no food. The plastic for emergency shelter

has run out. The University of Natal estimates about 1,5 million people are homeless.

“We appeal to the public to buy competition tickets. It is one of the quickest ways to get help to where it is needed most.”

The competition deadline has been extended from October 24 to October 31. The draw date of November 24 is unchanged.

Mrs Perlman said the target of securing the prize money had been reached.

# ith the rains

# State to bail Natal flood victims out

VICTIMS of Natal's devastating floods are looking to the Government for aid — and if the authorities' response to the 1981 Laingsburg floods is anything to go by, that help may run into hundreds of millions of rands.

Generous Government grants and private contributions — estimated at more than R85-million — enabled the people of Laingsburg to rebuild their town and to replace much of what they lost to the floodwaters.

But the scale of devastation in Natal makes the calamity in the little Karoo town almost pale into insignificance.

At this stage, no-one is prepared to estimate how much the Government is likely to make available to people who lost their businesses, homes and other property in Natal.

By ALAN DUGGAN

Mr Japie Visser, chairman of the board which administers the disaster fund, told the Sunday Times this week that contributions from business and private individuals had swelled the coffers from about R3-million (the sum remaining after aid to the Laingsburg flood victims) to R4,2-million.

Money was still coming in and a special Cabinet committee was still to determine how much Government aid would be given.

Applications for aid would be treated strictly on merit, Mr Visser said.

He promised that the administrators of the Disaster Relief Fund would trim "red tape" to the minimum.

Local committees would identify the most needy cases.

The Disaster Relief Fund was intended for longer-term relief through the provision of funds for reconstruction of houses and compensation for the loss of furniture, clothing and similar items, he said.

Short-term relief such as food and emergency shelter was handled by local authorities, welfare organisations and other bodies.

● Urgently needed relief for floodstricken Natal has prompted Operation Hunger to extend the closing date of Gold Rush III.

# Natal flood claims to affect premiums

20/10/87 By Martin Challenor

The major impact of the estimated R500 million loss to the insurance industry in the Natal floods will eventually fall on the industrial and commercial sectors, Mr Bill Rutherford, chairman of the South African Insurance Association (SAIA) said yesterday.

"In the long run, premiums reflect losses, and losses have to be paid for," Mr Rutherford said, "but it will not be immediate."

It is the biggest insurance claim for a natural disaster in Africa. In South Africa, the previous largest insurance claim was for R48,4 million following the Reef hail storms in October/November 1985.

Insured damage caused by the Laingsburg disaster was R47,6 million and Cyclone Demoina cost the insurance industry R35 million in 1984.

Mr Rutherford said: "The Natal disaster shows dramatically the enormous exposures our industry now faces after years of extensive industrial and commercial expansion, coupled with growing urban sprawl."

Mr Rutherford said industry and commerce would claim for material damage caused by the floods, and also for the resulting loss of business and profits — consequential loss.

"This is far more serious than the material damage in most instances," he said. Claims would also be made for the loss of business when the taps serving industry in Durban dried up.

"Everyone wants to know what the likely increase in premiums is to be now. Most of the bigger losses have arisen from industrial risk. The cumulative effect of domestic risks might be large, but is not in the same league as the industrial losses," Mr Rutherford said.

Possibly as much as 90 per cent of the direct insurance loss would be recovered from reinsurers — about a third of this by South African reinsurers and the rest overseas reinsurers.

# Death toll climbs in Lesotho disaster

MASERU — At least 14 herdboys have died in Lesotho's worst natural disaster caused by torrential rain and snow in the Southern African kingdom's mountain areas, the government said yesterday.

Four more bodies were found by rescue teams in the past few days, raising the official death toll from 10 reported early last week, a spokesman said.

Relief operations under way in the eastern highlands of Lesotho to aid villagers cut off by heavy snowfalls and flooding rivers have managed to bring the situation under control, according to Lesotho.

Lesotho's military government declared the mountain region a disaster area 10 days ago after heavy rain washed away roads and bridges, cut communications and killed cattle, goats and sheep in the eastern highlands.

The government appealed for international aid and South Africa, which surrounds the kingdom, sent in military helicopters.

The South African aircraft left at the weekend, after ferrying piles of food to Mokhotlong and Sehonghong, east of the capital Maseru, from where it will be distributed to disaster-hit settlements.

The co-ordinator of the emergency task force set up to implement the relief operation, Mrs Tabitha Mokohoto, said the last emergency flights had taken place on Saturday and now the task force hoped to be able to get supplies to major centres in the disaster area by road.

"We are still using Lesotho and Red Cross helicopters to distribute some of the food supplies built up in some centres, but I don't know how long that operation will continue," she added. — Sapa and Argus Africa News Service.

## Temporary housing for homeless the top priority

# More relief is pouring in for stricken flood victims

More relief is on its way for victims of the recent Natal/kwaZulu floods, with aid from a co-ordinating committee, World Vision, First National Bank and the Government.

The co-ordinating committee represents the Urban Foundation, kwaZulu, the Red Cross, Round Table and World Vision.

It has appealed for poles, roof-sheeting, heavy-duty plastic, nails, wire, doors, door and window frames, suitable tools and transport, reports Sapa.

Committee chairman Mr Mike Murray, said yesterday: "Urgent arrangements are being made to set up an appropriate delivery system of equally appropriate building materials.

"It is essentially a shelter-to-housing type of programme to respond to the emergency needs of the most stricken communities housed in informal situations in kwaZulu.

"The situation is still very confused but we are monitoring and receiving reports from communities themselves, as well as aid agencies.

### STAGGERING

"The potential size of the tragedy is staggering."

He said in the Durban functional region alone, at least R50 million worth of housing stock had been destroyed or substantially damaged.

World Vision will provide aid in the form of a temporary shelter programme for Natal's homeless families.

It said in Johannesburg yesterday that more reports of damage were filtering in from remote areas, and that last week's heavy rains had caused more buildings to collapse.

Temporary shelters in remote rural areas are among World Vision's priority response.

"Isongolweni's magistrate estimates that 10 percent of the kraals in 13 tribal authorities have been affected. This means 5 000 people are without homes, in this area alone."

World Vision will erect a number of prototype plastic shelters costing around R50 to R85 each.

### OVERSEAS

World Vision has so far raised R30 000 for flood relief and reconstruction.

Every rand raised in South Africa by World Vision will be matched with another rand from its overseas partnership to support the area's recovery programme.

Mokgadi Pela reports that more assistance for flood victims came as First National Bank announced its donation of R122 000 and the Government indicated it was considering giving financial aid to farmers who lost livestock and crops.

First National Bank said it decided to raise its original donation of R100 000 by R22 000. The bank also indicated that the donation would be spread among relief organisations operating in the area.

The Government said its assistance would be confined to the reclamation and restoration of crops and pastures.

Direct losses were not included in the proposed scheme and farmers could apply to the Central Disaster Fund for help.

● The Natal Agricultural Union has decided to accept offers on behalf of the victims.

It said that donations would be placed in a specific aid fund.

## DJs will duel to aid Natal

Johannesburg disc jockeys and bands will entertain guests at a gala party on Saturday evening to raise money for the Natal Flood Relief Fund.

Highlight of the evening, which starts at 5 pm at the The Junction at the intersection of Bree, Claim and Mooi streets (admission R6), is a "Duel of the DJs" between Wits' Radio and the Bronxbrats from the Hillbrow Record Centre and Inner Sleeve Record Library.

Judges Alan Pierce and Neil Johnson will hand down their decision on the "duel" at midnight.

Bands appearing are Larry Amos's Blues Project and the Cherryfaced Lurchers. Khaki Monitor may also be on the programme.



United Democratic Front patron Father Smangalis Mkhathshwa talks about freedom of the press ... "A government that muzzles the media has something to hide". Other speakers were (from left) Mr Ignatius Jacobs of the South African Youth Congress, Mr Sefako Nyako of the Association of Democratic Journalists and Mr Frank Meintjies of the Congress of South African Trade Unions.

● Picture by H Mabuza.

## Journalists 'Black W'

By Jo-Anne Collinge

The lesson of "Black Wednesday" 1977, when *The World and Weekend World* were banned along with 17 opposition organisations, is that "the Government sees no difference between those who suffer their oppression and resist it

## Natal flood 'was top disaster for insurers'

The recent flood disaster in Natal was by far the greatest catastrophe ever to hit South Africa, says Mr Bill Rutherford, chairman of the South African Insurance Association (Saia).

But he added in a statement in Johannesburg that Saia members would be able to absorb the claims.

"Preliminary estimates put the insured damage at some R500 million. By comparison, the previous greatest catastrophe in terms of insurance payments was the R48,4 million for claims after the Reef hailstorms in October/November 1985.

"Damage caused by the 1981 Laingsburg disaster was R47,7 million and Cyclone Demailina cost the insurance industry R35 million in 1984.

"I believe that the Natal disaster shows dramatically the enormous exposures that our industry now faces after years of extensive industrial and commercial expansion coupled with growing urban sprawl. It is clear that insurance and reinsurance companies will have to build up their reserves to be able to meet future contingencies of this magnitude.

"We have no reason to believe that any insurance company is in danger of collapse as the result of this catastrophe. Incidents of this nature are heavily reinsured to reduce and spread the immediate impact of such losses."

Mr Rutherford added: "I was upset to read what I regard as mischievous statements to the effect that some insurance companies may be trying to avoid their responsibilities. I believe that there is a genuine wish on the part of the companies to meet their liabilities.

"Because the companies will initially be able to recover a large proportion of their losses from reinsurers, they will not feel the full impact of this catastrophe immediately.

"Reinsurers, on the other hand, will experience immediate losses of a serious nature. However, the ultimate cost will inevitably be passed back to direct insurers and their clients.

"In the long run, of course, premiums reflect losses. No immediate massive increases are likely just because of the storms, as equally important in determining premium levels.

"While the action clients can take to protect their property against flood damage is obviously limited, we will more than ever expect the public to take every reasonably possibly preventative measure to reduce the risk, and in this way make their contribution to containing costs.

"There is no doubt the latest Natal floods represent a very costly loss to the insurance industry, but this is what insurance is all about." — Sapa.



# Big Border boost for Natal flood victims

by DAVID MARRS

EAST LONDON — An appeal to the public here for donations to Natal flood victims has resulted in 80 tons of clothing and more than R10 000 being sent to the province in less than three weeks, the regional director of the Border Red Cross, Mr Algy Johnson, said.

Mr Johnson yesterday described the response by East Londoners as "overwhelming" and said several large firms in the city had volunteered to help in the collection of the clothing.

Up to five large boxes of second-hand blankets, jackets and other garments were being brought to the Red Cross offices every day, he said.

"Cash contributions have been streaming in, mostly in the form of small donations by individuals.

"Cheques of R50 to R100 are common and some larger amounts have been received.

"Only the other day a man came in and gave us a R3 000 cheque which he said was the money he and his wife were planning to spend on their annual holiday at a Drakensberg resort.

"He had decided that the people of Natal needed the money more than he needed a holiday," Mr Johnson said.

He added that South African Airways was transporting the clothing to Durban without charge twice a week and two large haulage firms had indicated that the

Red Cross could use any open space on their vehicles that were travelling to Natal.

"The Red Cross here has acted as the collection point for the Border region, co-ordinating contributions from Aliwal North, Molteno, Queenstown, Stutterheim and Barkly East."

He said donations were still being received from these areas

despite extensive damage through heavy snowfalls and flooding in the past few weeks.

"Approximately 100 Red Cross tents have been distributed, 75 to the Thornhill, Tentergate, Mitford, Spring Grove and Kleinbulhoek areas of Ciskei and 25 to the rural areas of Barkly East.

"A feeding scheme has been under way in these districts for some time now and we have conducted regular field trips to determine which people need aid most."

Mr Johnson said donations of clothing and non-perishable food-stuffs for the Natal flood victims will be accepted at the Red Cross offices in Fleet Street.

● Sapa reports that the Natal flood death toll now stands at 319.



Mr Johnson with some of the donated goods.

## NATAL FLOODS

### Advice ignored

Natal has had adequate warning that it can expect floods as severe or worse than the one which struck at the end of September.

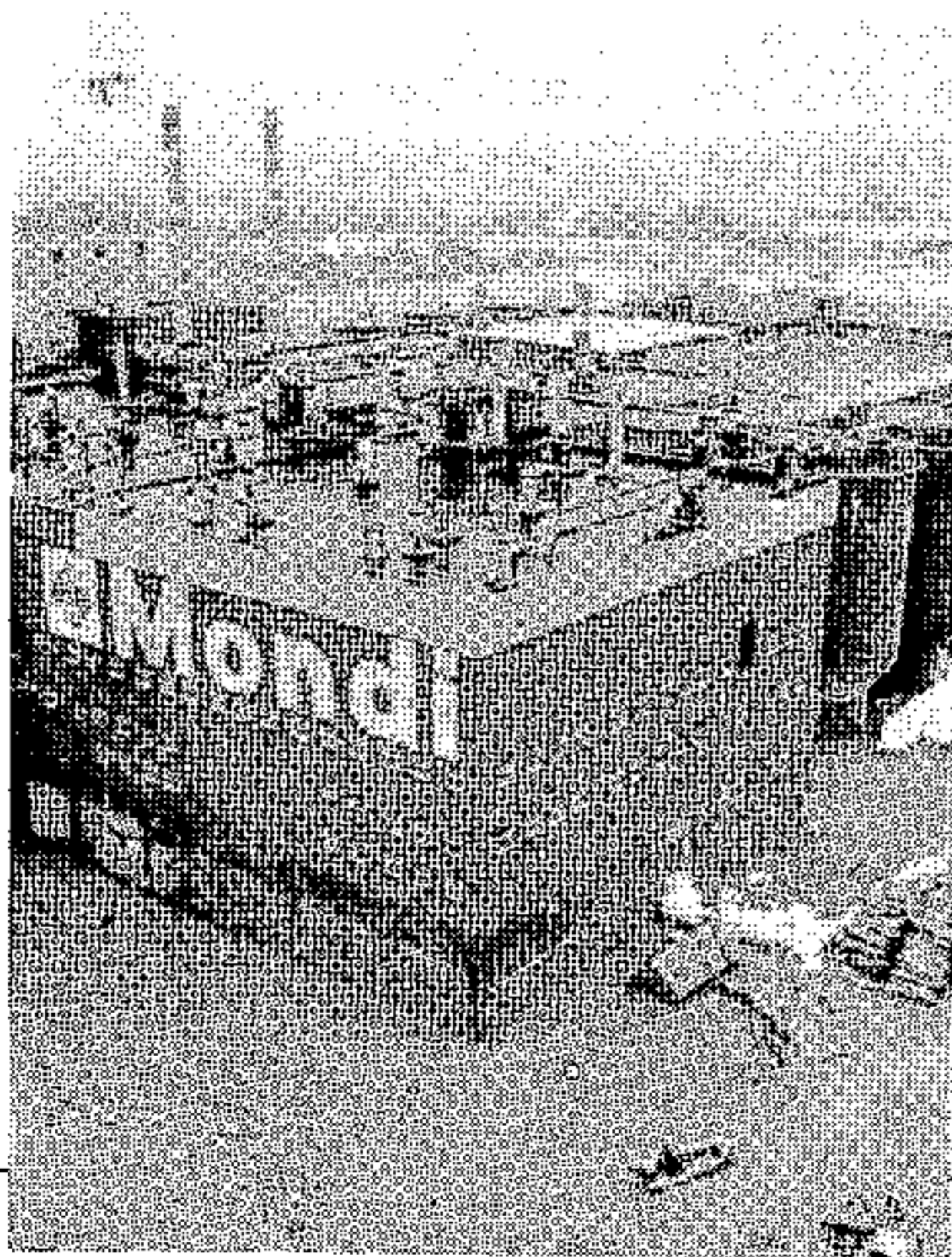
However, across the nation the question of flooding seems to be greeted with complacency. As a municipal official surveying a still sodden Ladysmith observed: "When the sun comes out, people tend to forget."

Certainly, the Weather Bureau's timely warnings on TV, radio and in the press that the region could expect heavy flooding were largely ignored — with catastrophic consequences.

No doubt there would be those who would argue that there are few precautions that one could take which would offer protection from the elements. But there is evidence to suggest that if more attention was given to the possible scale of flooding in Natal, at least some of the infrastructure lost might still be standing today.

Professor Desmond Midgley, former executive director of the Hydrological Research Unit at Wits, maintains that none of Natal's major bridges would have been washed away had designers heeded advice which has been freely available for 28 years.

#### Mondi Paper . . . counting the cost



In 1959 he and his team, working for the SA Institution of Civil Engineers, produced a study that showed the probable size of major floods all over SA. Unfortunately, it could not predict when they would occur.

Those findings entitled *Storm and Flood Studies* by the Hydrological Research Unit at Wits, were published in manual form in 1969 and updated and republished in 1972 and in 1979.

In 1959 seminars were held in the major centres to acquaint civil engineers with the findings, help them design structures, particularly dams and bridges, that could withstand the biggest probable floods.

Midgley remembers going out of his way "to stress how deep scour can be in Natal rivers" and warned that unless bridges were built with very deep piers they will be lost in the first major flood.

The road bridge over the Tugela River north of Durban, washed away at the height of the September storm, is a case in point. "Its piers went because they were not deep enough," he claims.

As an engineer, he accepts that designing to avoid flood damage is a matter of economics; it would cost too much to design structures to withstand all floods.

Moreover, he accepts that the superstructure of bridges may be lost in torrential downpours. They can be replaced fairly easily. But it is anathema to him that the piers of major bridges on trunk routes can be washed away.

"Not one railway bridge was lost," Midgley, who is now a consultant, points out. "Their piers are deep enough. Even the old railway bridge builders knew they had to go very deep. The piers of the old railway bridge over the Umfolozi River, built in 1925, were snapped off by Cyclone Demoina. They weren't scoured out."

Interestingly, the new bridge over the Umfolozi was not affected by the floods, nor was any government dam. They are all built to withstand six times the maximum probable rainfall.

How accurate is Midgley's study? He claims it has been faulted only in certain smaller catchments. The Laingsburg flood, for example, was 6 500 m<sup>3</sup>/second — not far off Midgley's estimate of a probable maximum of 7 100 m<sup>3</sup>/second.

The disturbing thing about Midgley's study is that the recent Natal floods were a dress rehearsal for what can be expected in future.

Yet people don't seem to learn. Ladysmith is a good example. Half the town is submerged every time the Klip River comes down because building development has been allowed to encroach the floodline.

Happily, it is a question the municipal authorities are currently attending to. Midgley endorses their action.

"Something will have to be done there soon," he says. "There are areas in Ladysmith that should never have been inhabited. They were even flooded at the height of SA's worst drought." ■

# 'Damned' forgotten people

CP Correspondent

THE recent floods in Natal have filled up the new Inanda dam and now at 37 homes are entombed forever at the bottom of the dam on the Umgeni River.

This week *City Press* drove to the deep gorge and found many homeless "dam people" and other flood refugees.

They were silently gathered, seated in school desks on the lawn outside the Umgeni Primary School on a peninsula above the dam.

Many were old and infirm, all were wretched.

In the adjacent Lutheran Mission Church, 23 families were billeted among their last belongings.

The people wanted someone to tell them where they were going.

"What are we to do? Where is the land we were promised? The flood has come and our homes are now under water," one angry tribesman said.

By coincidence, a parliamentary committee approved the

purchase of land at Waterfall farm the week the rains came down, was according to Pierre Cronje, PFP breakaway MP for Greytown who is now a member of the National Democratic Movement.

He was a member of a delegation of concerned whites who visited the site to see what could be done.

He said that in 1981 the government announced it intended building a massive dam, sending a wave of anxiety through the

families living in the shadow of the proposed dam.

In 1984, with the Waterkloof resettlement land issue still undecided, the Department of Water Affairs moved in and began building the dam.

The shack dwellers panicked and some immediately moved away to the shack lands outside Durban, while all demanded compensation.

In May 1984 hopes rose dramatically when Cronje was told by a Minister during a parliamentary debate that the government was to only build a small weir at the site.

By the end of the year, a great drought had set in and construction of the dam was renewed in earnest.

Leroy Ngcobo, 61, a retired assistant mechanic at Badco Contractors in Durban, said his house, numbered S70 by officials in preparation for the removal, was closed down.

"We have nothing. We are starving. When are we going to get this land?" he said.

Bauty Xhosa, 42, a mother of three young children, said the floods had resolved her problems. "My neighbour, 150m away was given a number, but we were not told if we were in or out." When the rain came, she discovered she was "in".

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TO ADVERTISE ON THIS PAGE — TELEPHONE

# Council no to more aid for Natal

Daily Dispatch Reporter

**EAST LONDON** — An appeal by a city councillor to his fellow councillors to double the city's donation to the National Disaster Fund in aid of Natal flood victims was in vain.

Mr Eric Whitaker, seconded by Mr Willem Morris, proposed the motion at last night's open council meeting that the city's R5 000 donation be increased to R10 000.

Mr Whitaker said that a "crisis situation" existed in Natal with the death rate growing daily.

"We owe it as fellow citizens to give more," Mr Whitaker added.

Mr Donald Card said that it was impossible for the city to increase the donation without cutting some local budget short of funds.

"We haven't got the money to spend. I'd love to

give them a million, but the funds are not available," Mr Card said.

Both Mr Robbie de Lange and Mr Joe Yazbek said they agreed with Mr Card and that the R5 000 donation was more of a gesture than a means of finance.

● The Johannesburg city council have increased their flood relief contribution to R250 000 — R50 000 more than originally decided on.

## Agri-losses mount

An updated checklist of agricultural losses caused by Natal's September flood was presented to the SA Agricultural Union congress in Durban last week.

Since the survey is incomplete and negotiations over State aid continue, no estimate of costs will be released "at this stage," regional director of Agriculture Chris MacVicar tells the *FM*. Earlier estimates of R40m cannot

*FM 30/10/87*

be regarded as accurate, he warns.

Latest estimates reveal that some 2 000 ha irrigation land was irreparably destroyed, together with 3 000 ha of dry lands. Irrigated land lost but reclaimable, and dry lands which could be reclaimed, each amount to around 3 000 ha.

Stock farmers were particularly hard hit, with 934 head of cattle drowned, a further 1 458 dead from exposure, 1 659 sheep drowned, and 5 953 dead from exposure.

In addition, 159 dams under 5 m in height were damaged and 143 breached. A total of 135 dams over 5 m high were damaged and 151 breached, while 351 irrigation pumps were destroyed and 117 km of canals and furrows were damaged.

Private roads totalling 1 366 km in extent were damaged, together with 864 bridges or

river crossings, 793 km boundary fencing, 1 321 km internal fencing, 187 stock watering dams, 212 anti-erosion dams, 3 557 km contour banks, and 266 km waterways.

MacVicar says an ad hoc committee has been established to estimate costs of damage and the procedures to be adopted in administering aid. It is yet to complete its work and make recommendations to government. ■

# Good spoke, but no one was listening

78/10/11  
MKS  
31/10/87

When the Natal floods were at their height, a man from greater Edendale, a peri-urban conglomeration sprawling for more than 20 km to the south-west of Maritzburg, said: "It is God talking."

"He is saying we must stop this violence between ourselves, by showing us some violence of His own."

Although Edendale was battered by the floods, the level of the violence hardly faltered. And it has increased steadily since then.

Inkatha and the United Democratic Front — or people claiming to represent these organisations — are the main protagonists in what has escalated into terrifying, savage civil strife.

The violence has the flavour of gang warfare: cars with darkened windows, vans containing hit squads. Shades of Nazi Germany: the battering down of doors at night; removal of reluctant youngsters for night marches, shrieks and executions.

## DEATH THROES

And the unmistakable flavour of present-day South Africa: the ideological fervour, the rallies and funerals, an intensely politicised youth, the pangas and clubs of an otherwise unarmed proletariat, an education system in its death throes.

"It's anarchy here," a white who works in Edendale said, "the centre is definitely not holding. Things are getting steadily worse. In fact, it's a total mess."

According to official unrest reports, there have been close to 60 deaths in the Maritzburg area in the past five weeks. According to other sources, the figure is considerably higher and could run into hundreds since the beginning of the year.

Inkatha and the UDF are locked in a fearsome power struggle — intent on increasing their constituencies. The struggle began with the establishment of the UDF in 1983. Both organisations were implacably opposed to the mooted tricameral parliamentary reform, but sud-

A man said grimly: "I think the only chance of peace in Maritzburg now is for the whole thing to end in an open battle where there is only one decisive winner."

Many people pray that he is wrong. Maritzburg townships are trapped in what is being described as the worst and most sustained civil violence South Africa has known. **DAVID ROBBINS** of *The Natal Witness*, winner of the CNA Literary Award, reports.

Recently Inkatha's powerbase began to be eroded. That sparked a conflict which has often erupted into terrifying violence throughout the province. Now it stalks the Edendale valley.

"It seems to me," a black professional man said, "that there has been some directive from Umtali regarding recruitment. There is a real vehemence about increasing membership now." On both sides.

Listen to a young Edendale teacher: "The UDF people are threatening my home and family. They want me and my mother and sisters to join them."

And another: "The Inkatha recruiters came to our area. They tried to force us to join. Now all the people of my area are standing firm. We are not so much for UDF as anti-Inkatha."

## SEVERE BEATINGS

The result is that in many parts of Edendale, "no go" areas have been established. They are physically guarded at night and unauthorised entry usually means death, or at least a severe beating.

Someone told me: "Inkatha used to have a decent, law-abiding image. But no longer. Very often the local leaders now are unemployed, illiterate. To be fair, though, the UDF is little better. It was people purporting to be UDF members who began what is becoming a standard thing: once the victim has been identified, you rape first, then murder."

And murder leads to more murder, revenge to counter-revenge.

"It's no longer an ideological struggle," a black man said. "There are no masterminds behind it. And there are bands of hoodlums now..." Like the men who don political T-shirts and plunder houses before they burn them; and youths who set up roadblocks and exact tolls.

A black man said grimly: "I think the only chance of peace now is for the whole thing to end in an open battle where there is only one decisive winner." Many pray he is wrong.



I THOUGHT YOU BOYS WERE SUPPOSED TO FIGHT ME?

How Derek Bauer of The Argus, Cape Town, sees the "war" between the UDF and Inkatha.

## Editor's bottom line on violence

Early last week I thought it was about time someone had the guts to read political gangsters the Riot Act.

We have been treating the violence sparked by political opportunism with kid gloves for just too long. Most of us were too damned frightened to say anything about it.

In the end some of us who are presumed to be opinion-makers are faced with the impossible task of defending our people for doing the indefensible. It has been almost impossible to explain the necklace thing away. In fact there is no way we can hold our heads up after that thing. Now we have the savagery in Natal which puts us back into the Dark Ages.

I am furious. The cause of this is the way in which a child was beheaded by hoodlums, murderers, near Maritzburg last week. I don't care what the magnitude of your political pas-

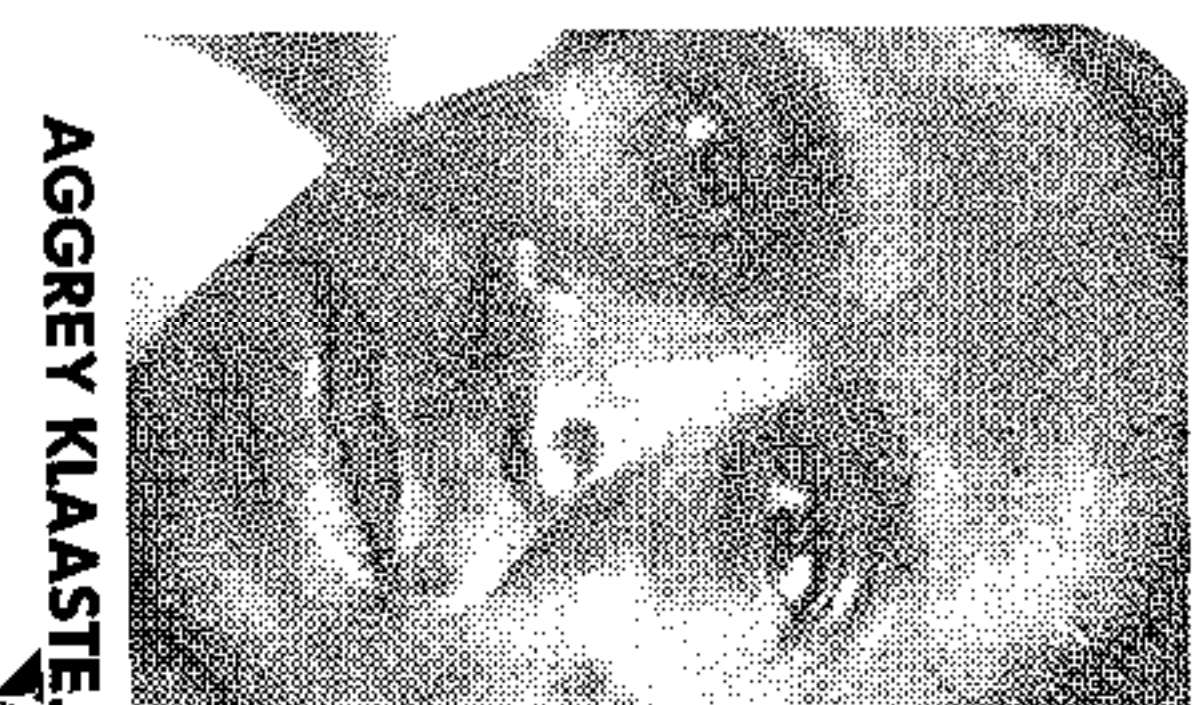
Assistant Editor of the Sowetan **AGGREY KLAASTE** this week published one of the strongest condemnations of black political violence yet to have appeared in any black newspaper. Here are excerpts from his weekly column "On the Line" which appeared on Monday:

sion is, you don't do such things. They are always telling the world they abhor violence.

How can we when we murder children, chop their heads off with an axe, in broad daylight? We must simply shut up, we blacks.

The hypocrisy in the struggle is having a grave effect on honest committed people who are honestly fighting for the freedom of the people of South Africa. I cannot see how we will accept such leadership.

What makes matters worse is that these same people are forever moaning to the world about their innocent democratic struc-



AGGREY KLAASTE

(50) SAM 2/11/87

Relief agencies angry over Government inertia

# Not a cent yet paid to victims of Natal floods

Own Correspondent

DURBAN — Four weeks after the worst floods to hit Natal and kwaZulu, not a cent from the Government's National Disaster Fund has been paid out to victims, thousands of whom are living in bushes because they are homeless.

Yet when the floods hit the Karoo town of Laingsburg in 1983, the entire government machinery moved in with emergency aid and a whopping R85 million compensation was paid in a short space of time.

### NOT ENOUGH FOR A ROOF

While Natal and kwaZulu still reel from the ravages of the floods which started during the last week of September, help has been coming

mostly from the private sector and voluntary organisations.

And when the payouts are made, victims are in for a double shock. They will have to wait for up to three weeks before they get any money. When they do receive the cash, it will not be enough to provide a roof over their heads.

### A TRICKLE INTO THE COFFERS

Since Natal and kwaZulu was declared a national disaster area, just R2,7 million has trickled into the fund, increasing it to R5,7 million.

According to official figures, 56 581 people are homeless, which means that they would get just under R100 each, unless there is a massive cash injection.

Major relief organisations, such as the Red Cross, World Vision, Operation Hunger, Islamic

Relief Agency and St John Ambulance have been forced to start programmes to rebuild homes, develop subsistence farms and schools in a bid to aid the flood victims.

Fund chairman Mr Japie Visser admitted that not a cent has been paid out and that applications for compensation were still being processed at local level. Once this has been done, each request will be scrutinised before payouts are made.

He said 25 committees had been formed to handle applications from victims throughout Natal and KwaZulu.

### 'THE SYSTEM WORKS'

"When a local committee sits to decide on how much compensation is to be paid out, a member of the fund joins them to make a decision. At this stage we have received no requests for payments from any of our committees. But I think it will be soon and we hope to start making payments in three weeks time," said Mr Visser.

The fund will only pay compensation for loss of property and personal belongings, he said. Mr Visser insisted that the system used by his officials was effective, even though it took a long time to make payouts.

"Rightly or wrongly, it is the system we adopted and it is the only one which works for us."

But for relief workers, the logjam caused by the red tape has caused anger and dismay.

Mrs Dot Collins of Operation Hunger said that victims were receiving emergency food supplies, but many more needed homes, especially in rural areas which are not accessible by road because of landslides and washed-away bridges.

### HOMES AND FARMS

"We have started on the second phase of our work and that is to help rebuilding homes and subsistence farms. We look at it as part of the programme to rehabilitate these communities," said Mrs Collins.

Mr Husain Asmal, co-ordinator of the Islamic Relief Agency, said workers had found entire communities in various rural areas with no shelter and who were forced to sleep out in the open.

"Most of them are not sure whether they would get help from any official quarter to rebuild their homes, farms and communities," he said.

Mr Bill Spencer of St John Ambulance said the organisation was assembling block making experts so they could concentrate their energies on rebuilding homes.

"The main thing now is to get shelter for all these homeless people, but we have to help them rebuild houses which will be stronger and will withstand the ravages of floods."

Mrs Alison Maritz of the Pinetown Citizens Advice Bureau said that on Friday the organisation had been told of a community living in a rural area outside Cato Ridge which had been isolated by the floods and was now destitute.

"It was the first time we heard about these people. It makes me very angry to hear about money just sitting in a fund while so many are forced to live under harsh circumstances," she said.

# Red tape stops payouts to Natal flood victims

JOHANNESBURG —

Four weeks after the worst floods ever to hit Natal and Kwazulu, not a cent from the government's National Disaster Fund has been paid out to victims, thousands of whom are living in bushes because they are homeless.

However, the Minister of Health, Dr Willie van Niekerk, gave an assurance yesterday that the administrators of the fund were working 18 hours a day to expedite the relief payment and awards should be made from next week.

Dr van Niekerk, who is co-ordinating the government's relief programme in the devastated areas, said it had been necessary to set up a large organisation in less than a month.

Thousands of relief application forms had to be printed and distributed over a massive area and everyone had to be given an opportunity to establish whether they qualified for payment from the fund.

The government's relief efforts in Natal and

Kwazulu have been compared unfavourably with the situation when floods hit the Karoo town of Laingsburg in 1983, when the entire government machinery moved in with emergency aid and R85-million compensation was paid in a short space of time.

While Natal and Kwazulu still reel from the ravages of the floods which started during the last week of September, help has been coming mostly from the private sector and voluntary organisations.

Dr van Niekerk said it was malicious to suggest the government was dragging its feet in assisting the victims of the Natal floods.

The area affected by this year's disaster was much greater than Laingsburg.

"One cannot just go around with a sack of money and hand out cash to anyone who asks for some.

"Certain procedures laid down by the law have to be followed and the fund has to be properly audited. Nonethe-

less, I am satisfied we could not have proceeded faster," he said.

When payouts are made victims may be in for a double shock. They could wait for up to three weeks before they get any money. When they do receive the cash, it may not be enough to provide a roof over their heads.

Since Natal and Kwazulu was declared a national disaster area, just R2,7-million has trickled into the fund, increasing it to R5,7-million.

According to official figures, 56 581 people are homeless, which means that they would get just under R100 each, unless there is a massive cash injection.

Dr van Niekerk appealed again yesterday to people in the private sector to donate to the fund.

The government hopes to raise about R10-million for the fund from the scheme to add a voluntary 10c surcharge to ordinary postage stamps.

The scheme will be launched this week. — Sapa

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3/11/87



# Man gagged, chaos in Ndwende relief

By S'BU MNGADI

MAGISTRATE BJ Buthelezi who, through *City Press*, highlighted the plight of about 30 000 starving villagers in the rural Natal community of Ndwende as a result of being cut off from the rest of the world by the recent floods, has been prevented from giving further interviews.

A source at the Ndwende Magistrates' Court said Buthelezi had been gagged by the Kwazulu's Secretary for the Department of Justice, JG Jordaan, as Kwazulu civil servants were not allowed to make Press statements.

Meanwhile, the pilot of a private company hired to fly in food and medical supplies at the weekend, pulled out at the last minute.

Operation Hunger spokesman Dot Collins said relief workers from his organisa-

tion had hired the helicopter earlier to prepare people to be ready to receive food the following day.

But pilot Vaughan Peacock told journalists that when he had flown to the village he found it to be normal.

He said that the business people in the area were angry that Operation Hunger was sending in food and feared this would cripple their businesses.

When probed about claims by relief workers that they had seen children with distended stomachs, he replied: "Young African children do suffer from distended stomachs. It's normal."

He denied his pullout was a result of pressure from the Kwazulu government.

However, a video shot by an Operation Hunger team during their tour of the area showed starving children with sunken eyes.

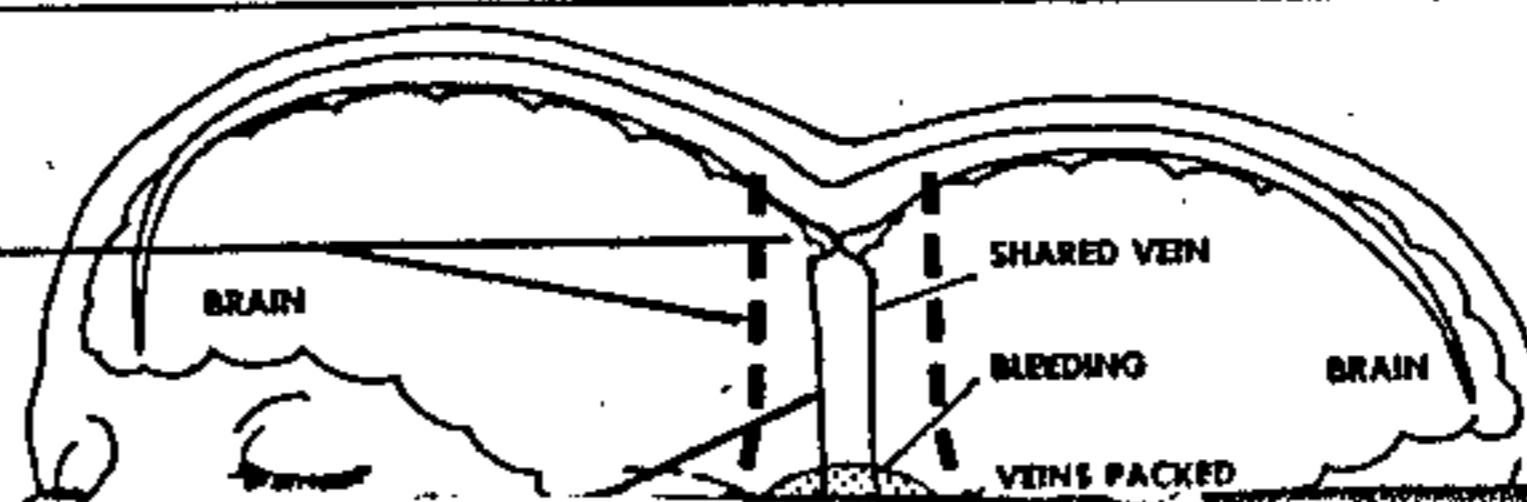
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entry in

1st operation and post operative treatment: Shared vein clamped and tightened as blood successfully reroutes through other veins.

2nd operation on Monday.



CPM Tips 3/11/87

# Natal waits for aid

56

**JOHANNESBURG.** — Four weeks after the worst floods ever to hit Natal and KwaZulu, not a cent from the government's National Disaster Fund has been paid out to victims, thousands of whom are living in bushes because they are homeless.

However, Health Minister Dr Willie van Niekerk gave an assurance yesterday that the administrators of the fund were working 18 hours a day to expedite the relief payment and awards should start from next week.

The government's relief efforts in Natal and KwaZulu have been compared unfavourably with the situation when floods hit the Karoo town of Laingsburg in 1983, when emergency aid was immediately available and R85

million compensation was paid in a short space of time.

When payouts are made, victims may be in for a double shock. They could wait for up to three weeks before they get any money. When they do receive the cash, it may not be enough to provide a roof over their heads.

Since Natal and KwaZulu was declared a national disaster area, just R2,7 million has trickled into the fund, increasing it to R5,7 million.

According to official figures, 56 581 people are homeless, which means that they would get just under R100 each.

Dr Van Niekerk appealed again yesterday to people in the private sector to donate to the fund.

# Minister defends aid fund

PRETORIA — National Health Minister Willie van Niekerk yesterday rejected claims that bureaucratic delays were blocking compensation payment from the Disaster Relief Fund to victims of the Natal floods.

He said at a Press conference 25 regional committees had been set up to vet applications for aid.

About 2 000 applications had been received and processed and first payment would be made in the next 14 days, he said.

Funds director Jaap Visser pointed out each individual claim had to be looked at. There was no across-the-board formula for granting aid.

GERALD REILLY

Some people were insured against flood damage, and this and other factors complicated investigations. Of necessity processing of applications was a tedious, time-consuming task.

Van Niekerk said two committees assessing agriculture and State housing losses would report to a special Cabinet committee on Friday.

Between October 1 and November 3, nearly R3m had been donated to the fund.

Damage to government structures and infrastructure would amount to about R400m.

NATAL hotel occupancies were hard hit during the floods. Cancellations between 30% and 40% were recorded, says the Federated Hotel, Liquor and Catering Association (Fedhasa).

# Natal hotels get back to normal

Business Day Reporter

But, it added, now that things were getting back to normal there were heavy re-bookings and every indication that the province — and Durban in particular — would experience a good Christmas season.

Christmas bookings in the rest of the country were also looking "extremely good", said Fedhasa operations executive director Fred Thermann.

"South Africans definitely have a little more money this year and the mood is more optimistic. We are seeing an improvement in occupancy levels and nationwide the Christmas season looks like being an excellent one," Thermann said.

The Drakensberg and Eastern Transvaal, for example, had record

forward bookings, although accommodation was still available.

The Wilderness was full and Cape Town was also heavily booked with the promise of a bumper season — although some accommodation was still obtainable.

In the northern Transvaal and Rustenburg area, there was still accommodation. In Johannesburg there was ample accommodation.

Thermann said all stops were being pulled out to have Natal hotels fully operational.

Quoting Durban sources, Thermann said beaches had been cleared, the shark nets were back in place and functional, and all access routes and bridges would be operational for the Christmas season.

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Cape Times 9/11/87

56

# CSIR study exposes deadly sea pollution

Own Correspondent

**JOHANNESBURG** — Deadly industrial pollution off South Africa's coastline has created a major health hazard with surfers and swimmers in danger of contracting cholera, typhoid and type-A viral hepatitis.

And an impeccable source has said he is aware of untreated sewage being emptied into Hout Bay.

Results of a three-year probe to evaluate the threat of pollution to South Africa's R3-billion-a-year tourist industry, says wastewater outfalls along the South African coastline posed definite dangers to human health.

The report, released by the CSIR in its *Scientiae* magazine, indicates health risks at certain sites to which the public has free access.

While making clear that Durban and

Cape beaches are carefully monitored and are considered safe, project director Dr Willie Grabow of the CSIR's National Institute for Water Research declines to identify the problem sites.

He says municipalities are sensitive to the issue.

"We are not keen to pick on certain areas. Some dangerous sites have warnings signposted but others do not," he said.

This study is in the national interest and was also conducted to protect South Africa's shellfish industry, Dr Grabow said.

Despite the fundamental role of public health, many of the diseases — including gastroenteritis, dysentery, respiratory, ear, eye and skin infections — are not notifiable.

To page 2

P.T.O.

# Floods bill now put at R700m

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day

ESTIMATES of the insurance bill resulting from the Natal floods have been revised upwards to "a conservative R600m", SA Insurance Association CE Rodney Schneeberger said yesterday.

And at least R100m would be needed to repair all the bridges damaged, the province's executive director of roads, Ray Smith, said yesterday.

The bill for road, rail, public works and uninsured property damages are not included in those figures.

Initial estimates of insurance losses were put at about R200m, but estimates kept climbing and could still exceed the latest figure.

"The situation is getting worse every day," said Schneeberger.

Insurers most affected are believed to be Mutual & Federal (M & F), SA Eagle, Guardian National and Commercial Union, as well as Protea, Aegis and some US companies such as Signa and American International.

M & F and SA Eagle are joint lead insurers of worst-hit paper manufacturer Mondi, which by latest estimates has suffered R182m damage.

M & F MD Ken Saggars said the company was involved in all the big risks — Mondi, Barlows, Toyota and SAB — and had already received a "good 3 000 claims".

HELENA PATTEN  
and Own Correspondent

He said things were still so "muddy" it was not possible to be sure of the extent of claims. However, M & F's exposure would probably cost it between R30m and R40m — "if not more".

He said M & F had adequate reinsurance, which would help curtail losses. Depending on individual contracts, claims would cover damage to physical property and loss of stock, production time and profits.

An SA Breweries spokesman said plant, equipment and stock had not been damaged, but SAB had incurred production losses, the extent of which was not yet known, because of the water supply problem. It was insured against such losses.

He said brewing was expected to resume at the weekend with the plant in full production by Monday.

Nampak MD Donald McCartan said apart from having to write off a "smallish" plant which manufactured basic cheque forms, damage was minimal.

Smith said it could be more than two years before flood-damaged bridges were repaired.

He hoped most bridges would be repaired by the end of March 1989.

NATAL FLOODS (56)

## Delicate balance

Durban factories will limp back next week, as water starts flowing normally again. Switch-on date, after a repair programme costing around R20m, is scheduled for October 12. But the Umgeni Water Board warns that back-up supplies will not be restored for another three months.

The Midmar supply to Howick is back; Maritzburg will have its link with the Henley Dam restored by Friday. The No 3 aqueduct from Nagle Dam has been Durban's only

FIM 9/10/87

source since September 29, but No 4 should be fully operational by Friday. The other two should be repaired by December.

Durban Town Clerk Gordon Haygarth says holidaymakers should feel happy about coming for the weekend. The shark nets have been restored on some beaches. ■

## INDUSTRIAL RELATIONS

### Flooded wage bills

Will the thousands of workers sent home because of the Natal floods be paid? Many of them could be forced to stay off work for two weeks.

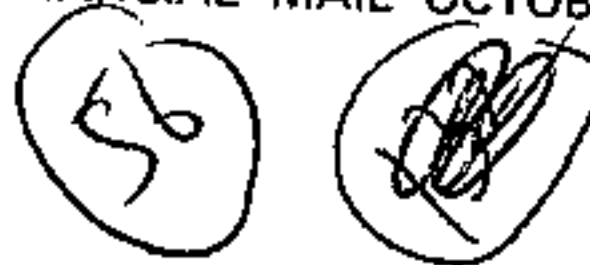
This issue is new to industrial relations. Rarely does an industrial council agreement (the Transvaal knitting industry is one exception) contain provision for payment in the event of unavoidable production stoppages. The motor industry in the eastern Cape, for example, is *not* obliged to pay its workers in certain circumstances (such as plant breakdown or raw materials shortage).

The Durban Metropolitan Chamber of Commerce says it has issued no directive, saying that it's very much a domestic company matter, and that conditions vary. Early this week the chamber had no idea of the number of companies or workers affected.

At least one large employer in the area, Frame, has arranged to pay "the average normal wage" to those employees who've been prevented from working because of the floods. It's a private arrangement, explains a Frame spokesman, adding — crucially — that "we're in the fortunate position of being insured, which covers wages."

Frame employs about 10 500 workers in the Durban area. Most are not working. The wage bill for two weeks would normally be around R2m. A spokesman for the textile workers' union says he sees no problem with the arrangement.

FINANCIAL MAIL OCTOBER 9 1987



According to one industrial relations adviser, most companies would look to paying for a few days, at least. But he doubts whether most could afford the full amount in addition to other reparation costs. Some would ask workers to take early paid leave, "but they will lose somewhere along the line."

Toyota and the metal workers' union (Numsa) have held talks on the matter. According to Numsa, Toyota proposes paying for four days — which would have to be made up in the form of overtime, on about eight Saturdays, at the normal wage rate.

The union is not happy with this, and would have preferred full normal pay. But it will let the members decide.



FM  
9/10/87

CIVIL ENGINEERING

**Natal floods a boon**

The silver lining emerging through Natal's flood scenario — if there is one — is that restoration work could prove to be a tremendous fillip for the region's stagnant civil engineering industry.

SA Federation of Civil Engineering Contractors (Safcec) executive director Kees Lagaay says a number of members have already been approached by the Natal provincial authorities, Sats and municipalities to handle repair work.

"There simply isn't time to consider tenders, and contractors are making their own financial arrangements directly with the authorities. One problem is the authorities don't have the money. Damage runs into hundreds of millions of rand and central government might have to step in."

Murray & Roberts Natal MD Andrew Stewart says 14 bridges in the province have suffered structural damage to a greater or lesser degree. Moreover, a lot of the damage caused to pipelines and aqueducts — not to mention houses and buildings — also falls into the province of civil contractors.

Lagaay says the situation is still somewhat confused and it is difficult to accurately quantify the total value of the work.

"But this will not be done in a day. Immediate priority is to effect temporary repairs to get things on an even keel. After that, more permanent repairs will take months, even years, to effect. In the case of the John Ross bridge, for example, we are looking at a complete structural rebuild, possibly involving new design techniques, that could take two to three years to accomplish."

**Emergency supports**

A spokesman for M & R in Johannesburg says group subsidiary Armco is already supplying emergency culvert supports to Sats, having moved onto a number of sites over the weekend.

"This is a real case of where one man's poison is another man's meat," he adds wryly.

However, LTA Construction chairman and current Safcec president Brian Hackney believes the respite for the industry may only be of a temporary nature and localised to Natal.

"While we are obviously more than happy to be part of the restoration process, there is a fear that some monies may be diverted from other projects to meet the more pressing needs of Natal."

# Picking up the pieces



It looks like being SA's worst natural disaster to date. A full accounting of the losses arising from Natal's devastating flood is unlikely ever to be made: even the provisional estimate

of R400m excludes final bills for items such as lost production, structural damage not yet apparent, crop losses from fungal disease, and the even more remote consequences of new labour practice emerging from union bargaining over enforced downtime. The insurance bill is provisionally put at R500m (see next article).

Practically impossible to quantify is the cost to agriculture of environmental degradation; not to mention the tragic loss to their families of the 200-odd victims of the flood.

Certainly, the total damage wrought by cyclones Imboya and Demoina, which struck Natal in quick succession in 1983, pales into insignificance by comparison.

For all that, by the *FM's* calculation, estimates that the final cost of the flood could amount to R1 billion appear to be overstated.

Accurate information is still difficult to come by. But current snapshots of the sectors worst hit by the flooding do provide some

**The cost of the Natal disaster can only be quantified by an examination of affected sectors. Nothing quite on this scale has happened before — which is not to say that more could not have been done by way of emergency planning.**

indication — if incomplete — of the devastation.

□ **Manufacturing production.** The weekly output of factories in Natal/KwaZulu is around R100m. The Durban-Pinetown industrial axis, which is expected to be without water for a minimum of 10 days, to October 12, accounts for 65% of this.

Downtime in Natal's industrial heartland will therefore cost around R130m in lost production — on the assumption that severed water supply links will be restored by next Monday. Losses will accumulate at the rate of around R65m a week until the water supply is restored.

Some of this may be recovered by working overtime, currently the subject of management-union talks. At Toyota's Prospecton plant, where normal daily production is 415 vehicles valued at R9m, executive director Ralph Broadley believes a solution can be thrashed out with unions.

At issue is a trade-off between paying wages to 4 700 workers sent home during the shutdown, and docking leave or exacting overtime in return.

Justin Schaffer, MD of the Frame Group, says all the group's Natal textile factories with the exception of those at Ladysmith are at a standstill. He declines to estimate losses. Trade-offs will be discussed with representatives of the 12 000 employees affected, "but they will be getting their money, as it would be immoral not to pay them," he says.

Mondi group MD and chief executive Tony Trahar said until losses have been assessed and agreed with insurers it would be "misleading to speculate."

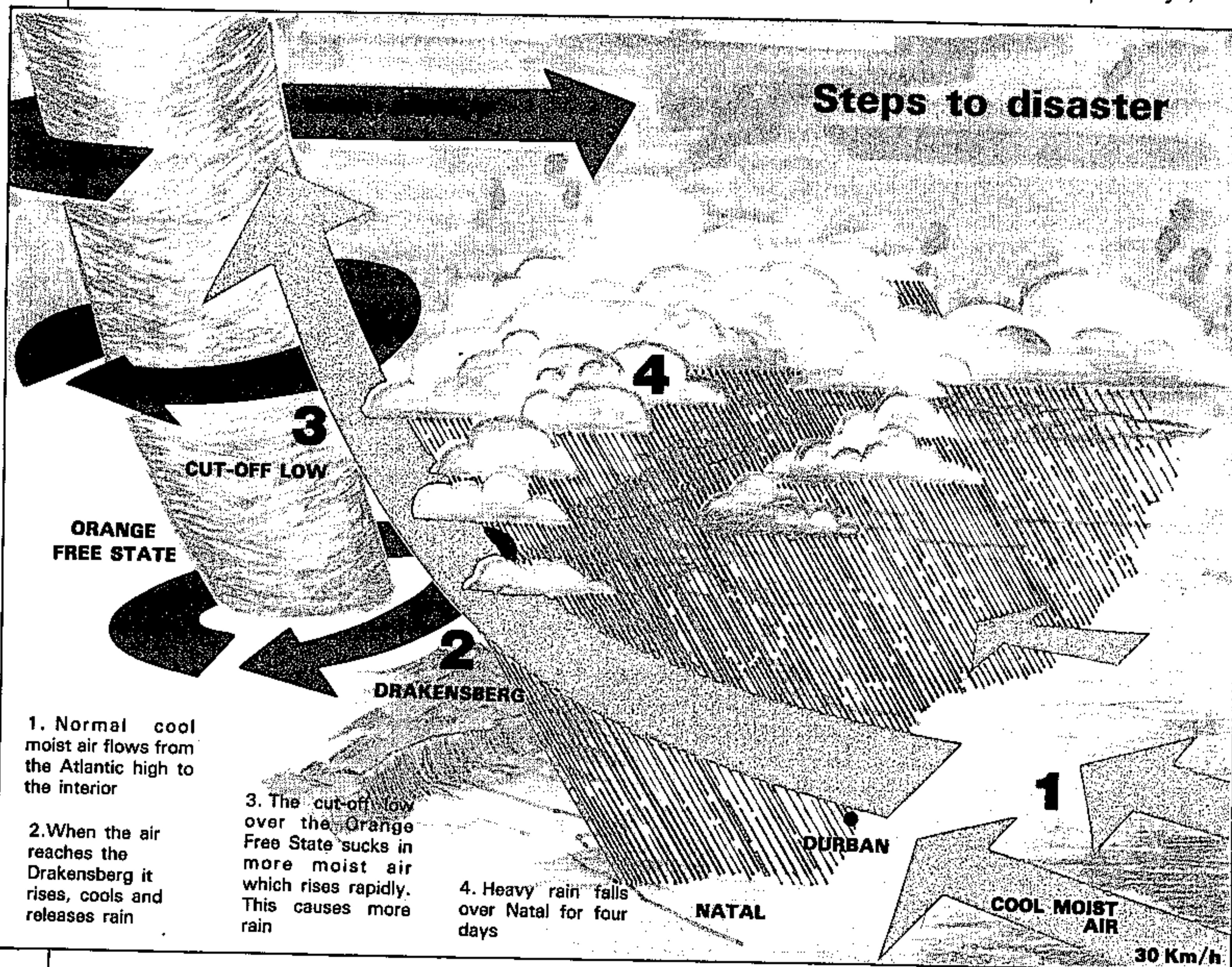
Rated capacity of Mondi's paper mill, extensively flooded by the adjacent Umlaas canal, is 450 000 t/year, which includes 290 000 t of newsprint. It may be weeks before the mill is running at full capacity. Trahar says the group is determining countrywide stock levels with merchants and that it is too early to predict shortages or price increases.

At SAB's Prospecton brewery, where normal daily output amounts to 10 000 hectolitres, stock levels are adequate to satisfy demand for an "extended period," according to general manager Barry Smith. Lost production would be recovered from overtime, he says;

□ **Industry's repair bill.** This will take months to settle with insurers. Shell-BP MD Andy Warner estimates costs of mopping up at his refinery on the banks of the Umlaas canal at upwards of R15m. No doubt other substantial claims will follow. However, Natal Chamber of Industry director John Pohl says any assessment is academic;

□ **Tourism.** Direct income from tourism amounts to R2,2m per day on average, according to André Kiepiela, marketing director for the Durban Publicity Association. Losses from cancellations will cut this by 38%-40%, which will amount over 10 days to at least R10m.

Within two weeks damage will be restored, beaches cleaned up and shark nets replaced. Whether December trade is affected will depend on the success of a boosted publicity campaign. "But this will involve additional funds which we do not yet have," Kiepiela says. Spot surveys will be conduc-



ted to establish the need and thrust of such a campaign;

□ **Provincial roads and bridges.** The repair bill for five major bridges either wholly or partially destroyed and sundry mudslides and washaways on major roads in the province was provisionally put at R100m by Gil Marais, chief director, Roads and Professional Services, for the NPA.

Three north coast bridges have been affected. The John Ross bridge over the Tugela, which drains around a third of Natal's surface area, has virtually vanished — "a complete mystery," comments Marais. Traffic has been re-routed over an older steel bridge upstream. Reconstruction of the bridge could take a year and cost up to R15m.

Two spans of the N2 over the Umdloti, just north of Durban, were destroyed and will take between two and three months to repair. And the bridge over the Umkomaas between Richmond and Ixopo has been destroyed.

On the south coast, bridges on the new N2 survived the flood. However, on the old South Coast road (the R102), the bridge

## BUT RAIN CAN BRING GROWTH TOO

In general, the excellent early spring rains have given a massive boost to agricultural expectations. But for SA's two largest farm sectors — red meat and maize — the outlook is mixed.

Maize farmers, whose gross earnings this year dropped from R2,1 billion in 1986 to some R1,7 billion, might bounce back slightly — depending on the eventual size and quality of the crop and actual prices realised on local and export markets. But with Gulf fob export prices still hovering in the region of US\$78/t, "we will need a 60% improvement in world prices before we could break even on exports," says Maize Board GM Hennie Davel.

And on the local market the outlook also remains grim, with annual consumption now dropping to below 5 Mt/year — more than 1 Mt below the former average annual consumption of 6 Mt/year.

The Maize Board's price scenario, which provides for sliding prices of some R258/t for a 6 Mt crop, R205/t for 8 Mt, R173/t for 10 Mt and only R153/t for a 12 Mt crop, will therefore have to be "stringently" implemented this year, says Davel. The higher the crop, the lower the price. An 8 Mt crop should therefore gross farmers R1,64 billion, while a 10 Mt crop should push this up slightly to some R1,73 billion.

While maize farmers cannot rejoice over the possible favourable impact of the bountiful rains, many might decide to retain crop proceeds for animal fattening rather than sell to the board at reduced prices. But the past five years' savage droughts and the lack of grazing have also forced farmers to slaughter most of their lower-quality breeding stock. National cattle and sheep numbers — at 7,9m and 27m respectively — are below par and producers will have to wait a year or two until they can reap the full benefit of increased stock levels.

"While we expect the good rains and better grazing to increase calf reproduction levels to 60%-70%, this will take place off a low base," says Meat Board statistics chief Pieter Kempen. "We expect beef shortages to persist throughout 1988. The quality of the national herd has been vastly improved and sufficient A-quality beef should be available. But the

shortages in lower-grade beef should lever prices upward over the next year or two."

The heavy Natal — and Transvaal — rains have already helped push beef prices up by 5%-10% over the past week. While many farmers find it difficult to move stock over waterlogged lands, and with Natal communications widely disrupted, heavy demand is now being put on limited supplies.

Kempen says: "Farmers can now get up to R1 000 a head — but supplies remain low. This shows that either stock



**The dams overflow ... but still more is needed**

numbers are still too low to push through in sufficient numbers, or that supplies have been disrupted by the floods and heavy rains."

Whatever the case, red meat prices should remain high in the short term, while consumers can only expect relief by 1989 or 1990. Farmers should therefore benefit richly, while chicken producers should also be able to increase their stake of the total meat protein market in SA.

With the structural readjustment in the summer rainfall area and farmers forced by market realities to move away from maize, coupled with the best spring

rains since 1981, alternative crops could boom this year.

The Wheat Board has already announced an expected record crop of 2,36 Mt, which would mean that SA should again be self-sufficient in wheat this year. And with the wheat price recently increased to an average of R380/t, farmers could gross R875m this year, compared with last year's R800m.

Cotton plantings are expected to increase sharply and, future weather permitting, farmers could well produce 500 000-600 000 bales this year, compared with last year's 295 000. This might well sharply increase gross earnings to R450m, compared with this year's R126m.

Other crops also look to yield bumper returns, thanks to the good rains. A grain sorghum crop of 500 000 t-600 000 t would not be unexpected, compared with this year's 465 000 t, while a bumper 1 Mt sunflower seed crop might earn farmers R500m, compared with this year's R141m. Groundnuts could gross R117m, compared with R95m, while the deciduous fruit industry might weigh in with R650m earnings, compared with R617m.

Vegetable prices are not expected to go down in the short term, as supplies are still tight and even held up by the rains. But, by early 1988, consumers might well be rewarded by lower prices, as the excellent rains bring their reward of increased supplies to the nation's fresh produce markets. Currently average prices are still some 30%-35% above last year's prices and farmers expect to gross some R820m for the 1986-1987 season.

Milk prices should remain high until April 1988, grossing farmers R800m, while chicken and egg producers are still riding the red meat bandwagon.

According to SA Agricultural Union economist Koos du Toit: "Gross farm income this season (1987-1988) should well exceed the current season's R12,5 billion. With some 20% sourced from exports, SA stands to gain handsomely by 1988 from the best countryside spring rains in years. This season's net earnings of R3,8 billion (well above the previous year's R2,2 billion) should also be well exceeded, injecting some life in sectors dependent on agriculture."

not be able to predict them yet with any finite degree of accuracy — and even when they do their warnings tend to be met by a general air of complacency. This attitude has to change.

If there is anything at all that we can learn from the devastation that surrounds us it is that we should take their warnings seriously. Planners, especially those in Natal, should be less dismissive with clichés like “once-in-

a-lifetime-event” and pay more attention to the outside parameters of possible flooding. If nothing else the flood damage in Natal should leave us all with renewed respect for the power of the elements.

## SHORT-TERM INSURERS

# Into the storm

It was perhaps too much to expect that insurers would suffer so few storm losses a second year running. But this year, as we now know, the losses have shot up with a vengeance.

The Natal storm on September 28 was so severe that it will cost the insurance industry more than it paid out for the entire eight-year period 1979-1986 (see graph). Yet it is only the start because underwriters have yet to face the hail season on the Reef.

During the last few years the industry has had a welcome respite from major catastrophe. Total losses under this category touched a peak of R107m in 1984 — the year of cyclones Demoina and Imboya — and fell to R61,2m in 1985 and to just R32,7m in 1986. Catastrophes include losses from storm, flood, earthquake, and hail.

At this early stage underwriters can only guess at the damage done by the Natal storm to their portfolios. The last disaster in the area was cyclone Demoina, at the end of January 1984 — and that cost insurers R34m.

Says Don Gallimore, executive director of Priceforbes Federale Volkskas: “It’s too early to give an accurate loss picture. But I’d be surprised if the insured losses were not at least 10 times that caused by Demoina.” Taking inflation into account, that suggests R500m. But even half that would be the worst in South African insurance history.

“Remember,” adds Gallimore, “Demoina mainly went through the more rural areas, while most of the physical damage affected government buildings and infrastructure, much of which was not insured.”

This time there have been a lot more insured losses to private dwellings and factories. To the cost of flood damage must also be added the costs of compensation for loss of profits through machinery breakdown, and disruption to supplies of materials, electricity and water.

As for the infrastructure (roads and bridges, for example), as one insurer comments: “I’d be surprised if there was any insurance on them.”

Rex Henning, the financial officer for Durban Municipality, says: “We are generally self-insured, although we take out our own reinsurance on world markets.” What the city is able to claim, however, will depend on the excesses applicable for the relevant risks.

Henning has no damage reports as yet, let alone an indication of whether a loss is insured or not. “Our resources are strained and

**The short-term insurers are going to come under severe pressure because of the Natal disaster. Reinsurance is going to become more tricky, and premiums will inevitably rise. Another blow can scarcely be provided for.**

the priority is to restore essential services and ensure safety and security.” However, Durban does have 85 claims for damaged houses so far, sold under its suspensive sale scheme. Some will have to be completely rebuilt.

NBS also has a preliminary list of claims. “At this stage we know we will have to rebuild at least 10 houses, predominantly in white areas,” says Keith Emery, MD of NBS Insurance. He has also had at least 500 claims for “fairly serious damage.” In total, costs of some R2m-R3m are being talked about. And there are more losses to come as the floods subside. One house in the Pinetown area, for example, fell a day after the storm had ended simply because the soil had become destabilised.

Although societies generally exclude subsidence from their basic policies, Emery says he wants to assure clients that any damage will be repaired. The costs of removal of debris — and even alternative accommodation — will be covered if necessary.

Direct insurers too are only beginning to appreciate the scale of the losses. “They could be anything,” comments Ken Sagers, MD for Mutual & Federal. “We haven’t got the remotest idea at the moment, but it’s going to

be severe. We’ve had thousands of claims already.”

But the estimates for losses are not as important as the implications for the industry. “I have no doubt there will be a major impact on reinsurance treaty negotiations,” Sagers adds.

Gallimore says reinsurers will pick up most of the bill for the storm under their catastrophe treaties. Of the R500m, perhaps R375m will be for their account, with around 70% of that going to overseas reinsurers.

“I’ve been concerned about insurance companies showing such good results so soon after making losses in previous years,” he adds. “And while they’ve been caning the consumer through the very high premiums, the profits that have been announced have been aimed more at the shareholder than at the policyholder.

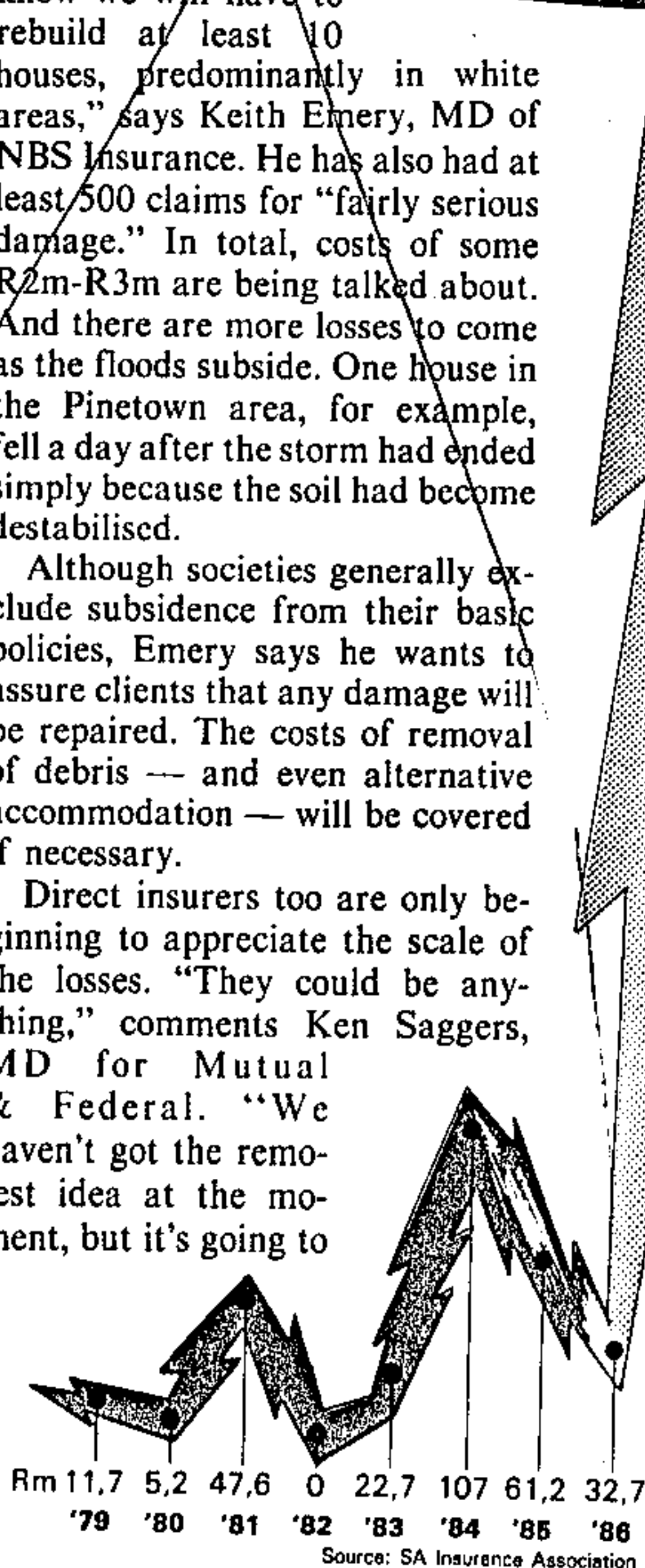
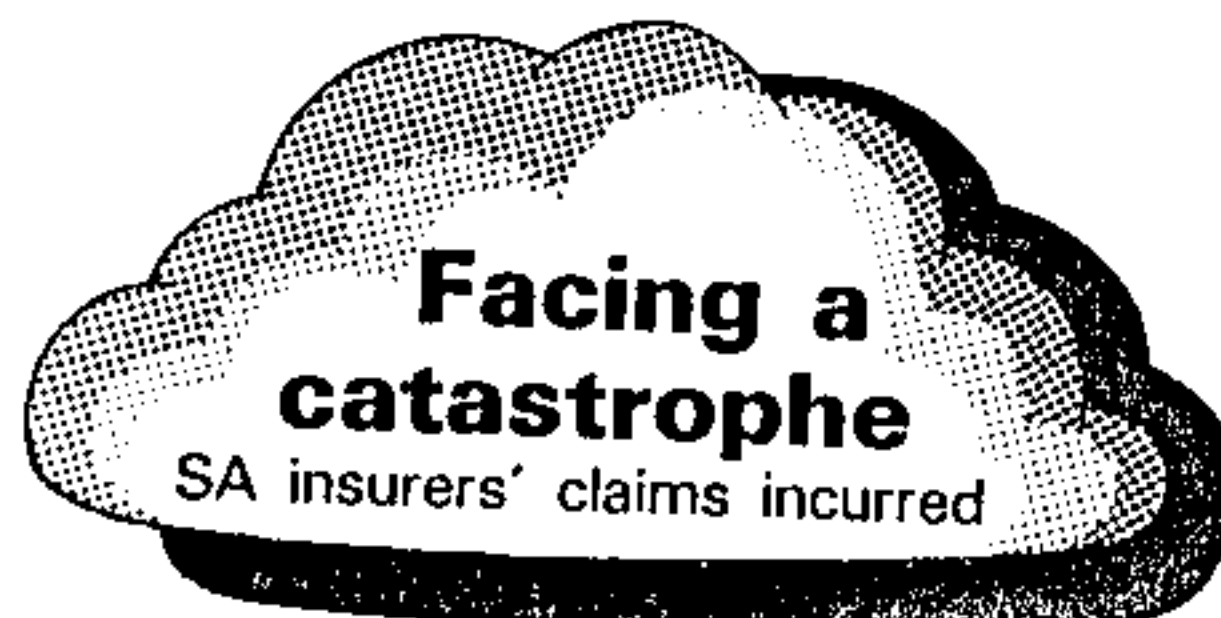
“So have they put enough into technical reserves to cover for this sort of catastrophe now and in the future?”

One underwriter also asks: “I wonder whether some insurers have got enough catastrophe cover anyway. If they’ve only bought, say, R10m from their reinsurers, then they will have to pick up the losses that come in over that. Some companies could be walking the gangplank on this one.”

Rodney Schneeberger, chief executive of the SA Insurance Association (SAIA), believes the industry can handle the losses this time round, but is none too happy about future prospects. “We have the rainy season in the Transvaal to contend with, and then of course we can expect very tough treaty renegotiations for January 1 renewals, because reinsurers will obviously want to start recouping losses. It will take years to sort this lot out.”

(Schneeberger also believes that the trend which began last year in SA towards inducing protective and preventative measures — arising mainly out of the increases in car thefts and house burglary — will continue. “The public in SA has simply got to become more security conscious.”)

Meanwhile, he says local insurers will have to look toward increasing their reinsurance covers while improving their asset position. “In SA, over the last 20 years, suburbia has rapidly expanded so that we have much



MS645 9/10/82

# All SA's help needed for Natal flood recovery

DURBAN. — The whole country will have to help Natal in a vast recovery plan following the havoc caused by the flood.

The Minister of National Health, Dr Willie van Niekerk, said all the provinces faced a "tightening-of-belts situation" in order to pay for the damage.

"This is going to need hundreds of millions of rands. It can be done only if we take money from somewhere else," said Dr van Niekerk after a helicopter tour of the hardest-hit areas yesterday.

The death toll in the wake of the floods was put at 269, with a further 157 people still missing.

## Homeless

Police said 56 581 people were homeless.

The lives of 1 362 had been saved by the combined work of police, rescue services and the Defence Force since the flooding, which began on September 27.

Dr van Niekerk, who is heading the special Cabinet committee dealing with the disaster, said a reallocation of the Government's budget priorities would be made once the full cost of rebuilding the infrastructure was known.

He paid tribute to the people of Natal for their resilience and determination and praised the co-ordination of the civil defence, the joint management committee, the provincial administration, welfare organisations and others.

Insurance claims from

homeowners and businesses hit by the Natal floods now look likely to be more than R600-million, which more than equals the entire toll of natural disasters in South Africa over the past decade.

The estimate came from the South African Insurance Association, which represents most of the leading short-term insurance companies. Chief executive Mr Rodney Schneeburger said the final count of damage costs may go even higher.

"The final costs may be as much as 20 times higher than the toll of the dreadful Delmoina cyclone that struck Natal three years ago," he said.

Claims on flood damage from the huge Mondi pulp and paper mill alone had been provisionally estimated at around R182 million, according to Mr Ken Sagers, managing director of Mutual and Federal.

A 19-year-old man from the Emolweni Valley, near Hillcrest, died yesterday of suspected cholera.

Dr van Niekerk said he was not worried about a possible outbreak of cholera or typhoid.

The Administrator of Natal, Mr Radclyffe Cadman, and MEC Mr Val Volker, who accompanied the tour yesterday expressed concern that contributions to disaster funds had diminished in the past few days.

The President's Disaster Aid Fund for Natal and KwaZulu, launched with a Government contribution of R2.8-million, has already received public contributions amounting to R687 093.



olding their trophies, South Africa's top winemakers were presented with their awards at the 1982 Wine Show in Goodwood yesterday. From left are: Jan Momberg of Mid-vaal (champion wine), Carel Nel of Boplaas (champion non-muscad fortified wine), Wilhelm Linde of Boplaas (champion muscad fortified wine), Nicky Versteid of Welmoed (champion dry wine), and Marinus Bredell of Kleine Zalze (champion natural sweet wine).

# The hopeless plight of the homeless

Cabinet ministers, Government officials and insurance companies are trying desperately to estimate the cost of the Natal floods — both in terms of human life and damage to property.

But tens of thousands of homeless people in the valleys and hills are faced with even more urgent problems: where will their next meal come from and where can they erect new "homes"?

Welfare organisations admit that feeding the homeless on an on-going basis will tax their resources to the limit, but the provision of homes presents seemingly endless problems.

The people who suffered most are mostly unemployed, have no money to build new "shacks" and even if they could raise the R300, the sites they once occupied have disappeared.

People in Natal agree it is almost impossible to estimate the cost of rebuilding the province. The floods which swept away thousands of houses, leaving hundreds dead or missing, also destroyed roads and bridges, disrupted water supplies and devastated crops.

## Five out of the 17 in this house died

When the four families who share a house in Chatsworth, Durban, said goodnight and went to bed one night last week it was raining heavily, but this disturbed them not at all.

Who was to guess that at 1.30 am each family would have lost a member, that five of the 17 people in the house would be dead?

The story of the catastrophe was recounted by a neighbour, Mrs Ashnee Thotratram, this week. "I woke up about 1 am on Tuesday morning because I could hear water running," she said. "I was standing at the window looking at the rushing torrent behind the house when the embankment suddenly gave way. I heard what sounded like a clap of thunder and I saw my neighbour's house collapse before my eyes."

Twelve people escaped with injuries but Mrs Rukmin Jaimungal lost her husband, Royithal, and two of her three children, Geetha and Asha. Rosheen Devall and Anand Govender also died.

Not even the return from hospital of 10-month-old Prathia Jaimungal, buried beneath the rubble for eight hours before being rescued, gave Mrs Jaimungal cause to smile.

## WINNIE GRAHAM reports from Natal

Experts say damage runs into hundreds of millions of rands. But the question uppermost in the minds of many remains: what is the future of the homeless?

The vast squatter camps around kwaMashu, the settlements around mission stations, the tribal areas in the Valley of a Thousand Hills, the urban areas? What will become of the jobless people who have lost the little they have?

St John Ambulance, the Red Cross, welfare organisations and churches are ferrying food and water to the destitute every day.

The Commissioner of St John in Natal, Mr Henry Stone, said this week the organisation was feeding 7 000 a day at a cost of about R2 000 (excluding donations of food). Efforts between the various organisations and churches, he admitted, had not been co-ordinated but, incredibly, there was not much duplication. The need was too great, the resources very thinly spread.

At the Catholic mission of Shongweni, high on a hill about 50 km from Durban, people are virtually cut off from the outside world.

## DORMITORIES FOR 3 000

Sister Gertrude, however, is coping as best she can. The school classrooms have been converted into huge dormitories for about 3 000 flood refugees.

Their houses were washed down the mountain-side by floods and mud slides. In one hut nine people died — the mother, son and seven grandchildren.

Has she enough food and water? The nun shrugs. People have been given food and clothes. The Church at Pinetown brought food and clothes. The Catholic Diocese was helping. Sometimes individuals arrived with blankets. But there were so many to look after...

Water supplies remain critical, the threat of a cholera epidemic is ever present, and starvation is only just being held at bay.

Possibly only welfare organisations appreciate the enormity — the hopelessness — of the problem.

The fear remains that people will tire of giving, that eventually the homeless will remain without homes, the hungry will have to go without food and jobs will remain as elusive as ever.

## Shanty town youngsters tuck in ...



**GIVE US THIS DAY OUR DAILY BREAD:** small children, left homeless by the Natal floods, tuck into their daily meal at Lindelani, a shanty town about 30 km from Durban. The bread, donated by a local bakery, was distributed by St John Ambulance who are feeding about 7 000 flood victims daily.

## 56 000 homeless? 'Not likely'

**DURBAN** — The University of Natal's Built Environment Support Group (BESG) — which has estimated that about 480 000 people had been left homeless in Natal after the floods — has questioned the Government's figure of 56 000.

A statement issued by the group this week said that Government sources had criticised the preliminary results of the BESG survey which were released last Friday.

The group estimated that about 18 600 dwellings had been destroyed and 32 000 had been "so badly damaged as to be uninhabitable", while the Government estimate was 50 000 left homeless in Natal.

"Given that the population of Natal is some 6.4 million, this would suggest that only some 0.7 percent of Natal's population was homeless," the statement said.

"Reliable figures from the Valley Trust Area (the districts of Embo, Nyuswa, Ngqolosi, Mlweni and Qudi) which have been obtained from follow-up surveys in this area, indicate there are some 20 000 people being accommodated in schools, halls and other emergency shelters in these areas alone.

"Using the Government's figure of 50 000 homeless in the province implies that some 40 percent of Natal's homeless are clustered in the Valley Trust Area."

BESG estimates of food damage were based on "considered detailed knowledge of the informal settlements in Durban, using acceptable survey methods," the statement said.

"The estimates are being corroborated by reports received from many other sources."

The decision whether Durban's industries will be supplied with water on Monday has been deferred to midday tomorrow, according to Town Clerk Mr Gordon Haygarth. He said the Umgeni Water Board had been unable to recommmission a second aqueduct to supplement the city's one lifeline and pump station.

World Vision has committed itself to raising R200 000 to aid the victims of the disaster.

As part of the fund-raising scheme, the organisation has been granted permission by the Transvaal Rugby Football Union to collect donations at today's match at Ellis Park between the touring South Pacific Islands team and the South African Barbarians.

The health secretary of the Azanian People's Organisation has collected clothing and food donations and set up a depot in Johannesburg to help flood victims.

Most North Coast beaches were still subject to bathing bans yesterday. But, with one or two exceptions, there was swimming as usual at all South Coast resorts.

Mrs Beulah Davies, director of the Natal Sharks Board, said "great difficulties are still being experienced in getting offshore nets into position again at the northern beaches."

The police and Defence Force saved the lives of 1 382 people during the floods. Dr Willie van Niekerk, Minister of National Health, said on Thursday night.

"I think that is an impressive performance," he said while on a tour of the area. — Saturday Star Reporters, Correspondents and Sapa.

# More US cash for the *CIPres* flood victims

*11/10/87*  
AMERICAN ambassador Edward Perkins announced in Cape Town that the United States had donated an additional R80 000 to assist victims of the recent floods in Natal.

*728*  
Total US donations to date is R130 000. *56*

Last week the United States gave an initial emergency grant of R50 000 to aid the stricken area.

The additional funds are being used to purchase thousands of heavy-duty plastic sheets to temporarily repair houses badly damaged in the disaster.

The plastic sheeting will be distributed through local community organisations.



**Edward Perkins**

# Moments away



FLASHBACK . . . Johannes Eksteen, left, and Mike Pelser at the sinkhole near the bridge moments before it was washed away

TRAGEDY struck minutes after two senior traffic officers were photographed inspecting road damage at the height of the Natal floods. Officers Johannes Eksteen and Michael Pelser were drowned when the bridge on which they were standing collapsed into the raging Umdloti River near Tongaat. The photographer, Mr Alexander Lawson, of Umhlanga Protection

By PRAVEEN NAIDOO and DENYSE ARMOUR

Services, had parked his truck on the bridge to take the shot shortly before it collapsed. The picture was published in some editions of last week's Sunday Times.

Mr Lawson said the two men had

been inspecting a huge sinkhole which was threatening to undermine the bridge on the N2 highway. "We spoke for a while, mainly discussing the bad weather," said Mr Lawson this week. "We never thought we were in danger, although we did speak about whether the bridge was going to hold. "The sinkhole was getting bigger all the time as more sand was

washed away. I moved my truck to the bridge after taking the picture. "The bridge seemed stable and the supports were intact. The traffic officers inspected the bridge continuously, but the road had already been closed." Shortly afterwards Mr Lawson drove away, only to be told later that the bridge had collapsed and the officers had been washed away.

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# State's total ch

A MAJOR discrepancy has emerged in figures given for the number of people left homeless by last week's Natal floods.

By SHAUN HAP

Now a row threatens to erupt between university researchers and government departments.

create the impression that the social structure was supported by more "squatters" than actually was.

The official number of homeless people, according to Minister of National Health Dr Willie van Nie-

"I would like to know their methods of arriving at these figures could be compared with the logistical support they have," he said.

"We have actual figures based on the number of people being housed in

OFFEE



But researchers at the University of Natal put the present figure at 461 400, and say with latent damage to structures the figure could swell to well over 500 000.

Dr van Niekerk, speaking from Cape Town yesterday, said he was "not interested" in the university's figures.

He implied he thought there could be political motivation behind them, saying some people might want to

sent out.

The chairman of the University of Natal's built environment support group, Dr Errol Haarhoff, said he would like to take Dr van Niekerk to the Valley Trust area (in the Valley of a Thousand Hills, north of Durban) and let him do a head count of the number of people forced to live in schools and other alternative accommodation.

# Toll 281, but 157 missing

By PRAVEEN NAIDOO

AS MAMMOTH relief and mopping-up operations continued throughout flood-devastated Natal this week, the official police death toll in the province stood at 281 yesterday.

But the figure could top 400 if 157 people reported missing cannot be accounted for.

Police report that 56 581 people are homeless — the University of Natal's Built Environment Support Group has disputed this figure and estimates the number at more than 460 000.

■ **WATER** supplies to all houses in Durban have been restored, the assistant city engineer, Mr Neil Macleod, said yesterday.

However, supplies to industries — which have been without piped water for 12 days — will not be restored until all Durban's reservoirs have been filled.

## Schools

■ **RESIDENTS** of flood-damaged homes built from government funds have been granted a moratorium on the payment of instalments. Applications must be made through municipalities and must be supported by municipal officials.

Flood victims can obtain

claims forms from magistrate's offices or by contacting Mrs Rhona Ramdin of the House of Delegates at Malgate House, Stanger Street Durban (tel: 031-3270419). Completed claims forms must be returned to regional offices of the House of Delegates.

■ **SCHOOLS** in Merebank and Marianhill are still being used to house victims, and arrangements are being made to find alternative accommodation for the homeless in Verulam, Chatsworth and Ladysmith.


## Relocating

The House of Delegates has also made available the Southern Cross School in Chatsworth.

■ **TUGELA RAIL** businessmen and representatives of the area's development and services board are looking at the possibility of relocating the central business district, in which 10 houses and eight shops will have to be demolished because of flood damage — estimated at R3-million.

■ **SPORTING** facilities which have had to be closed include the Papwa Sewgoolam golf course at Linear Park in Springfield, where damage is estimated at R1-million. Several playing fields at the Siripat Road soc-

die; the R615 between Est-  
court and Bergville (closed to  
heavy traffic); the R65 to  
Richmond and Hella-Hella  
and between Richmond and  
Ixopo; and the road between  
Maritzburg and Greytown  
(traffic is being diverted  
through Dalton).



■ **BEACHES** in Durban  
from Battery Beach 1 to the  
Umgeni River mouth are  
closed for bathing this week-  
end due to damaged shark  
nets.

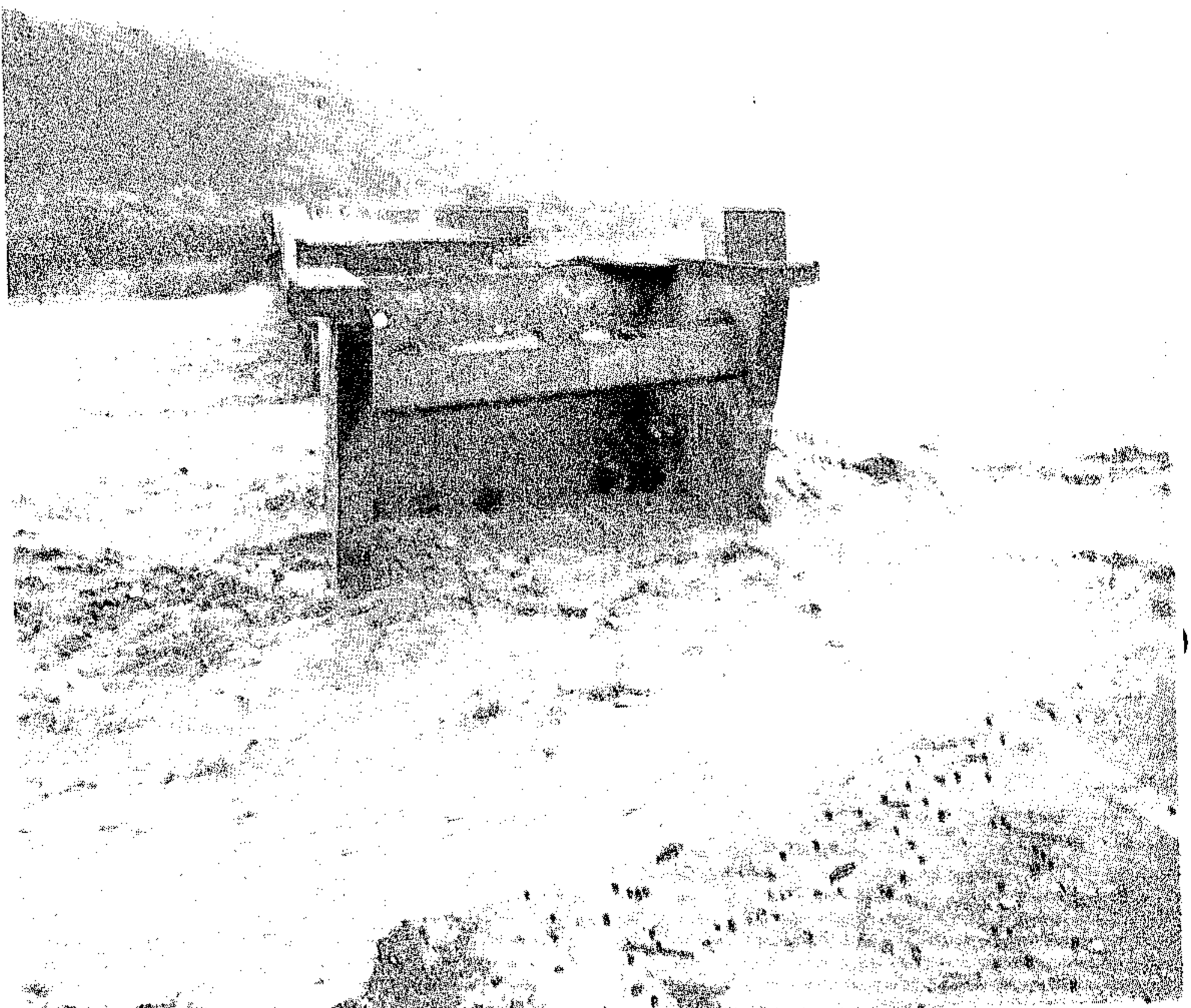
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**DEATH BRIDGE . . .** all that was left of the Umdloti bridge where the two traffic officers died

They were last seen by two NPA artisans struggling against the currents about 100 metres downstream. Mr Eksteen, a father of two, was the principal provincial inspector based in Verulam. He was due to retire soon. Mr Pelser, also with two children, was Mr Eksteen's deputy. Mr Eksteen's body was washed up on La Mercy beach the next day. Mr Pelser's body has not been found.

# homeless allenged

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"He will count at least 20 000 people. According to his figures for the province, this means 40 percent of Natal's homeless are clustered in the Valley Trust area?"

"I wonder if Dr van Niekerk accepts that 1.4-million of Durban's population live in informal settlements."

Dr Haaroff said he thought the official figures were unreliable because they had not included the informal areas. Dr van Niekerk would not accept this, saying they had taken squatter areas into account.

"Those were the first areas we sent aid to. No other people in Natal have the organizational structure we have, certainly not people sitting in offices," he said.

By SHARON CHETTY  
A CAT and a dog shared a table for two during the floods which hit Natal last week.

But it was not out of love that they had sought each other's company. The floating table became their rescue raft while the floodwaters swirled around them.

And they managed to contain their healthy hatred for each other until help came in the shape of SPCA chief inspector, Mr Bruce Manning.

The cat and the dog were found floating on a kitchen table at Sea Cow Lake, Durban.

The animals went adrift after their owner's home was flooded and most of the furniture washed away by floodwaters.

Mr Manning waded into the swirling waters, fastened a rope around the table and

**A dog and  
a pussycat  
went to  
sea . . .**

pulled the makeshift raft in.

In another incident, an 18-month-old cross corgi was rescued from a pile of earth and rubble after a mudslide in Redhill, Durban.

The corgi had been buried by the mud for some time before rescue workers found it. No one knows how the dog managed to survive.

A large flock of ducks was, however, not too keen on being helped.

The SPCA was told by a

caller that the ducks were stranded on a tiny island near the raging Umgeni River.

"Although I told the caller that ducks can fly and they didn't need help, he insisted the birds were trapped," said Mr Manning.

"A colleague and I went out and sure enough, there on a tiny island, the birds appeared to be rooted to the ground.

"We started wading through a six-metre wide gully. The birds looked at us, quacked in unison, and took off," Mr Manning said.

Many and varied animal carcasses were washed up after the floods.

Lifeguards at Amanzimtoti, south of Durban, reported finding one ox, one roobok, and several dogs and cats.

At Ballito, north of Durban, lifeguards found two dead cows and a live leguana.

CAM-Turk  
12/10/87 (56)

# Durban industry drought ends

Own Correspondent

DURBAN. — The industrial "drought" here ended yesterday when the City Engineer decided to reopen water supplies to industry.

But the city's water restrictions are still in force and reservoirs in the area were only about 60% full by yesterday afternoon.

The only concession to ordinary consumers yesterday was that vehicle washing would be allowed — but only from buckets.

The use of hosepipes is still banned but Durban's Assistant City Engineer, Water Supply, Mr Neil Macleod, said that builders needing to use hoses could apply to his department for a special permit.

Laundromats have also been allowed to reopen.

Mr Macleod said the decision to reopen the supply to industries had been taken on the assumption that the Umgeni Water Board would be able to continue delivering as much water as possible to the city.

A number of industries had their taps turned on yesterday and Mr Macleod said still more would be turned on today.

A relieved Mr John Pohl, executive director of the Natal Chamber of Industries, yesterday said the chamber was "absolutely delighted" at the decision.

Meanwhile, the chief executive of the Umgeni Water Board, Mr Graham Atkinson, said he thought things were "looking up" as far as the water supply was concerned.

"We are beginning to see the light at the end of the tunnel."

He added that water-purification problems were still being experienced by the board, slowing down water production.

(56)

# 8 boys die in Lesotho blizzard

MASERU — Eight herdboys have been trapped and frozen to death in a freak blizzard which dumped snowdrifts up to three metres deep on the kingdom of Lesotho.

South Africa sent military planes and helicopters to help in rescue work, finding two of the eight bodies and saving four villagers trapped by the snow, the Royal Lesotho Defence Force announced.

Nine schoolchildren were airlifted to hospital in Maseru.

Emergency food is being airlifted to isolated villages.

Snow and torrential rains led the government to declare the eastern mountain region a disaster area last week and appeal for help from foreign governments.

The US Embassy announced today that Washington would give \$25 000 (R50 000) for relief.

The two South African Air Force helicopters provided by the South African Government from Bloemfontein began their combined operation with the Royal Lesotho Defence Force today.

# Durban water situation slowly returns to normality

DURBAN — Durban industries — crippled for nearly two weeks by the water crisis — have been given the green light to reopen.

The decision comes after a meeting yesterday when the needs of the industrial sector were discussed. City engineer Mr Don MacLeod said although the reservoirs were far from full, industries could not be kept out of operation any longer.

Laundromats are also allowed to re-open.

Water restrictions are still in force and people have been asked to use water very sparingly. The only

concession to householders is that cars may be washed — but only from buckets.

Mr MacLeod said today that the Umgeni Water Board should have the third of Durban's four aqueducts back in operation soon.

He said "this could see the city's current water restrictions lifted within six to eight weeks".

The official death toll in the Natal Floods has risen to 292 with the discovery of more bodies over the weekend.

The police and defence force saved the lives of 1 362 people during the floods, the Minister of National Health, Dr Willie van Niekerk said last night.

He said 510 people were rescued by the army, 134 by the air force, 541 by the police, and 177 by the navy.

"This, I think, is an impressive performance," Dr Van Niekerk said.

The Kersaf group, Sun International and Douglas Green Company said today they were donating R150 000 to the Flood relief fund. — Sapa

56

## Natal flood death toll rises to 291

DURBAN. — The official death toll in the Natal floods has risen to 291 with the discovery of more bodies at the weekend.

The figure for the Port Natal area has risen by 12 to 213 since Friday and there are 127 missing.

The death toll in the Maritzburg district rose on Friday to 56 with the discovery of a further 10 bodies in the Greytown district, a police spokesman said.

There are 27 people missing and 30 000 still homeless in the district.

In Northern Natal, 22 people have died, seven are missing and 1 000 are homeless, according to the last available figures.

● Meanwhile, it is reported from Johannesburg that the Kersaf group, Sun-International and Douglas Green Company are contributing R150 000 to the flood relief fund. — Sapa.

56 3/day 13/10/87

# Floods: 'insurers will not go under'

THE COLLAPSE of any of SA's insurance companies as a result of huge claims following Natal's floods is not on the cards, say industry leaders.

The general consensus is that adequate catastrophe reinsurance taken out by insurers makes collapse highly unlikely.

Deputy Registrar of Financial Institutions Piet Badenhorst says: "It will take a long time for all the claims to come through, but I don't think there is a chance of having another AA Mutual on our hands."

Guardian National chief GM Keith Nilsson says the floods are not the sort of event to put a company under, while Aegis MD John Bull says large companies will certainly not collapse, and it is improbable smaller companies will suffer such a fate.

Nilsson quotes Guardian National's expected gross claims at just under R50m. He says his company is seriously exposed in the sugar industry and also carries a share of the risk of

HELENA PATTEN

Barlows and SA Breweries.

Mutual & Federal (M & F), joint lead insurer of Mondi (damage to which has been estimated at R182m), is said to be in for at least R40m in claims. SA Eagle, which shares M & F's Mondi lead, is unable to say what its loss will be, but says it is in on most of the large risks.

Commercial Union (CU) MD John Kinvig says the company has already received claims of R25m and expects much more. CU is "well represented on all the large risks".

General Accident CE Clive Dean says maximum claims of R14,5m are expected. Protea Insurance is also said to have been badly hit.

By contrast, companies like Santam, IGI, Federated Insurance and Aegis appear to have got off lightly with expected claims ranging from R500 000 to about R4m.

## Warning on insurance premiums

FEARS of nationwide increases in insurance premiums for the man-in-the-street, because of the Natal floods, were unfounded, General Accident CE Clive Dean said in a statement.

Insurance rates in Natal, however, could be expected to rise substantially, especially since until now they had been among the low-

est in SA.

He said the increases in premiums would bring Natal rates more in line with those of the rest of the country.

Dean also warned that businesses based in Johannesburg and elsewhere, with subsidiaries in Natal, could expect heavy rate hikes.

# Ravaged Natal picks up pieces, starts work

(56) 8/day  
13/10/87

THE WHEELS of industry in flood-ravaged Natal began turning again yesterday, albeit slowly, after a forced two-week shut down.

The start-up was given the green light after a meeting between industry, city engineers and water authorities at which the needs of the industrial sector were discussed.

Commentators yesterday declined to put a cost figure on the forced stoppage but one industrial source said "it could be billions".

Natal Chamber of Industries director John Pohl said it would be about 48 hours before factories got into full production.

## Pipelines washed away

He couldn't put a figure on the stoppage cost which saw all of industry grind to a halt after floods swept away vital water installations.

"We will leave that to the insurance companies who are sure to come up with a fairly comprehensive figure.

"There is still a certain amount of stress and industry is not out of the woods. We will need to husband every drop of water."

Of Durban's four pipelines, he said pipeline numbers one and two were totally out of commission with over 200 metres of pipe washed away.

"Pipeline number three requires nursing as it is still leaking but number four is going well."

Durban city engineer Don MacLeod said although the city's reservoirs were far from full, industry could not be kept

MICK COLLINS

out of operation any longer.

However, he warned that unless the Umgeni Water Board could continue to supply the city reservoirs with enough water, industry would have to be closed off again.

"The reservoirs are only 60% full and I expect them to drop as soon as industry starts using water. Our supplies of water are entirely dependent on the Umgeni Water Board. Certainly judging from what has happened over the past two weeks, I shall be surprised if they can supply sufficient water."

He also warned that full restriction were still in effect for domestic and commercial consumers and that air conditioners, for instance, which relied on water, could not be switched on.

An alarming factor of the floods is the extent to which the river courses on the coast and further inland have been scoured out, Natal's director of Agriculture and Water Supply, Chris MacVicar said.

## Sugar cane fields flooded

The Umfolozi Flats which were badly eroded during the Demoina floods suffered once again, as did the Umhlatuzi River valley near Richards Bay where considerable areas of sugar cane were flooded.

"Reports have been received from Mtubatuba concerning extensive damage on the Umfolozi Flats to the banks containing the Umfolozi River as well as to the infrastructure for transporting sugarcane to the mill."





**AIRLIFT . . .** A worker at Mondi Paper Mill, south of Durban, is winched to safety by a helicopter crew.

Own Correspondent  
**DURBAN.** — As the death toll in the Natal floods reached at least 100 yesterday, estimates of the damage to the province's economy were put at around R1 billion.

And in the Valley of a Thousand Hills and the Inanda area, people are crying out for food. Many having not eaten since Sunday.

Family kraals have disappeared. And with them the animals which could have provided food.

Nearly all major industrial activity has ground to a halt after water to industries was cut in an effort to save the city's meagre supplies. Many factories are still flooded and debris-strewn.

Thousands of workers have been unable to reach their jobs as rail services and roads are still in chaos.

Insurance companies could have to pay out an estimated R200m for flood damage.

A spokesman for the SAP Port Natal Division in Durban said 63

*SAPK 7/15 1/10/87*  
**100 dead,  
 56  
 thousands  
 homeless**

people had died in floods in the area since Sunday night.

An 18-year-old student of the University of Natal, Maritzburg, from Rivonia in Johannesburg, Miss Jenny Sutton, died in the Elizabeth Ross Hospital at QwaQwa after suffering exposure when she and a party of five other students were caught in snow and rain in the northern Drakensberg.

The deaths include 11 people drowned at Oaklands near Verulam, 20 at Stanger, one at Amanzimtoti, one at Sydenham and three at Richards Bay.

Another eight bodies were washed up on the beach at Amanzimtoti, but were believed to have come

from a graveyard, the spokesman said.

The KwaZulu Commissioner of Police, Brig Andries Laas, last night confirmed the deaths of 15 people in floods in the Kwa-Mashu, Lindelani and Ntuzuma area, which falls under his command.

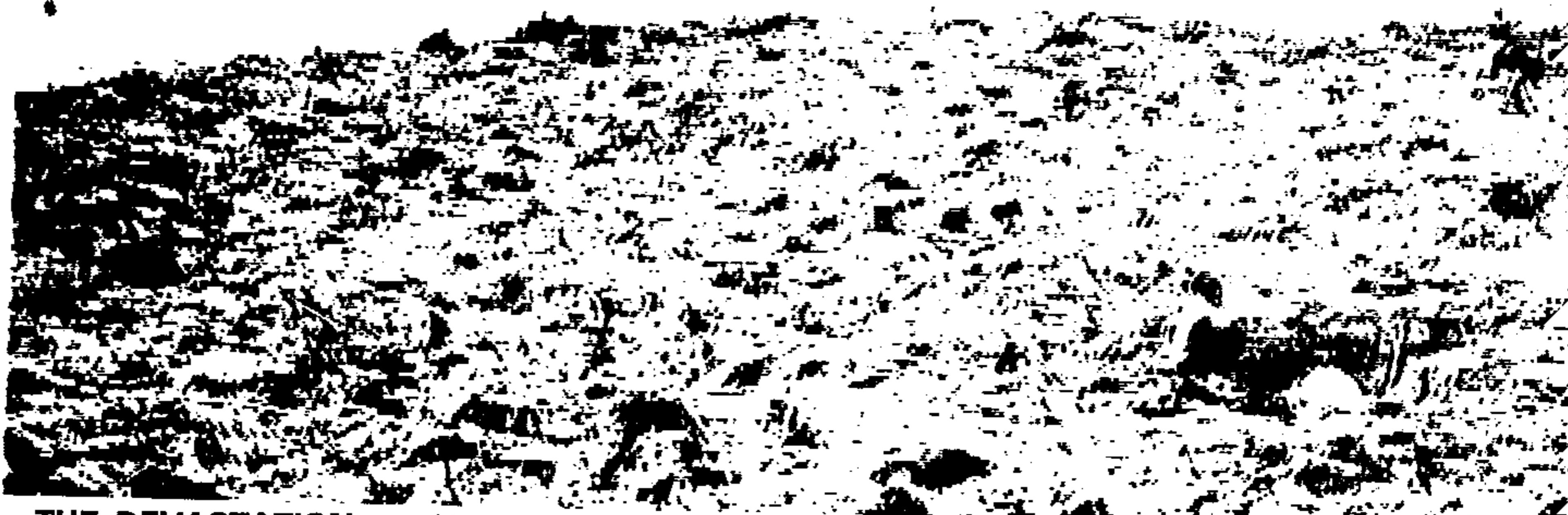
Six more people were reported to have drowned in the greater Inanda area, where 200 huts collapsed and 800 people were left homeless.

At least 2 000 homes are believed to have been destroyed in the Durban area.

A spokesman for the Northern Natal Division of the SAP said 10 people had died in his

56

# Natal sta



**THE DEVASTATION** ... Huge mountains of wood, reeds and other debris which had been swept away yesterday. Sightseers and flood victims searching for lost belongings picked through the wreckage.

## Chaos hits Natal economy

# Flood damage likely to cost over R1 bn

Own Correspondent

**JOHANNESBURG.** — Flood damage to Natal's economy is likely to exceed R1 billion.

Major industrial and commercial activity ground to a halt yesterday after a total cut-off in water supplies. Many other factories were still flooded and debris-strewn.

Thousands of workers were unable to reach their jobs as rail services were thrown into chaos.

The chief executive of the SA Insurance Association, Mr Rodney Schneeberger, said insurance companies could have to pay out an estimated R200m for flood damage.

Natal roads department sources said first estimates of repairs to roads and bridges would be about R100m, but could double.

The Natal Chamber of Industries (NCI) said production losses alone would run into hundreds of millions of rands.

NCI executive director Mr John Pohl said the authorities had no alternative but to cut all water supplies to major users.

"This is not just restrictions. This is total cut-off."

The Umgeni Water Board could give no clear indication of when the water supply will be restored.

their Durban plant, which had been flooded like the adjacent Shell/BP oil refinery, could be out of action for two months.

An SA Breweries spokesman said that till water supplies were restored, their plant would be shut down, but there should be no problem with supplies if the water came on again by the end of the week.

M & R (Natal) MD Mr Andrew Stewart said 14 bridges had been seriously damaged.

The acting president of the Durban Chamber of Commerce, Mr Mike Meehan, called on all chamber members to assist with relief work and in the manning of essential services.

One source said municipalities would have to find huge amounts to repair and replace roads, water supplies and other essential services.

SA Transport Services (SATS) inspectors were making assessments of bridge collapses and mudslides. No estimate has yet been made of the total bill, but sources said it could run into the multi-million bracket.

SATS spokesman Mr Gerrie van Zyl said the main line between Johannesburg and Durban was not expected to be opened again before the weekend, and 400 trucks were reported to be stuck in the area.



**FOOD RELIEF** — Volunteers help with the distribution of food to flood victims.

Volunteers help with the distribution of food to flood victims.

... Food is now the greatest need in the Durban area. ...

# arts counting the cost



vept downstream by floodwaters covered the beach at Blue Lagoon at the mouth of the Umgeni River  
neir way through the litter, which will be removed by city council personnel this week.



**WATER CARRIES OFF CAR . . .** Mosley Park, south of Durban, was one of the areas hit hardest by flooding yesterday morning. The car in the picture was swept across the road by water and debris and slammed into the house.



## Food airlifted to starving villagers

DURBAN. — Starving villagers scrambled for loaves of bread airlifted to them in the Valley of a Thousand Hills yesterday.

At least 20 000 people — 20% of the population in the valley — had been left homeless by the floodwaters, said Mr Chris Mann, director of the Valley Trust, which promotes health in the area. "We have had 13 deaths in the valley and at least 10 injuries," he said.

The trust was distributing food, tents and blan-

## A valley cries out for food

Own Correspondent

no clear indication of when a sufficient supply might be restored, as there were still serious difficulties in reaching the sites of the worst damage.

A spokesman said that at best there would be 20% of capacity in service by the end of today.

Road links between Richards Bay and Johannesburg are open, but road traffic between Richards Bay and Durban is possible only via Eshowe and Maritzburg. The N3 link between Johannesburg and Durban was reopened late yesterday.

Sapa reported that damage estimated at tens of millions of rands was caused to the Mondi paper mills at Umgeni and Merebank by floodwaters.

MD Mr Tony Trahar said the water at Umgeni had receded but there was still a lot of debris in the building.

A Shell Chemicals spokesman said

held up at Howick. The harbours at Durban and Richards Bay were open once more, but moving goods to and from the ports could be a problem for some time.

Mr James Sagar, of the Public Carriers' Association, said heavy goods traffic between Johannesburg and Durban on the N3 highway was moving slowly from north to south, and not at all from south to north.

He said that till roads and bridges were fixed, the economic effects of transport difficulties would obviously be serious.

Railway staff worked through the night to restore some Durban suburban train lines, SATS liaison officer Mr Alan Lubbe said.

Already reports have been received of devastating farm losses in East Griqualand, the lowlying areas of the Natal Midlands and the entire coastal sugar belt.

from Lindelani and Inanda with food devastated homes to search for household items. Rae (left) and Kevin Hauser pass on bread from a bakery.

## SAAF flies in relief supplies

Own Correspondent

DURBAN. — The SAAF flew tents, blankets, food and medical supplies to flooded areas in Natal as part of the SADF's flood-relief measures yesterday, while some boarders at schools, closed early for the holidays because of the floods, were airlifted to their homes which were inaccessible by road.

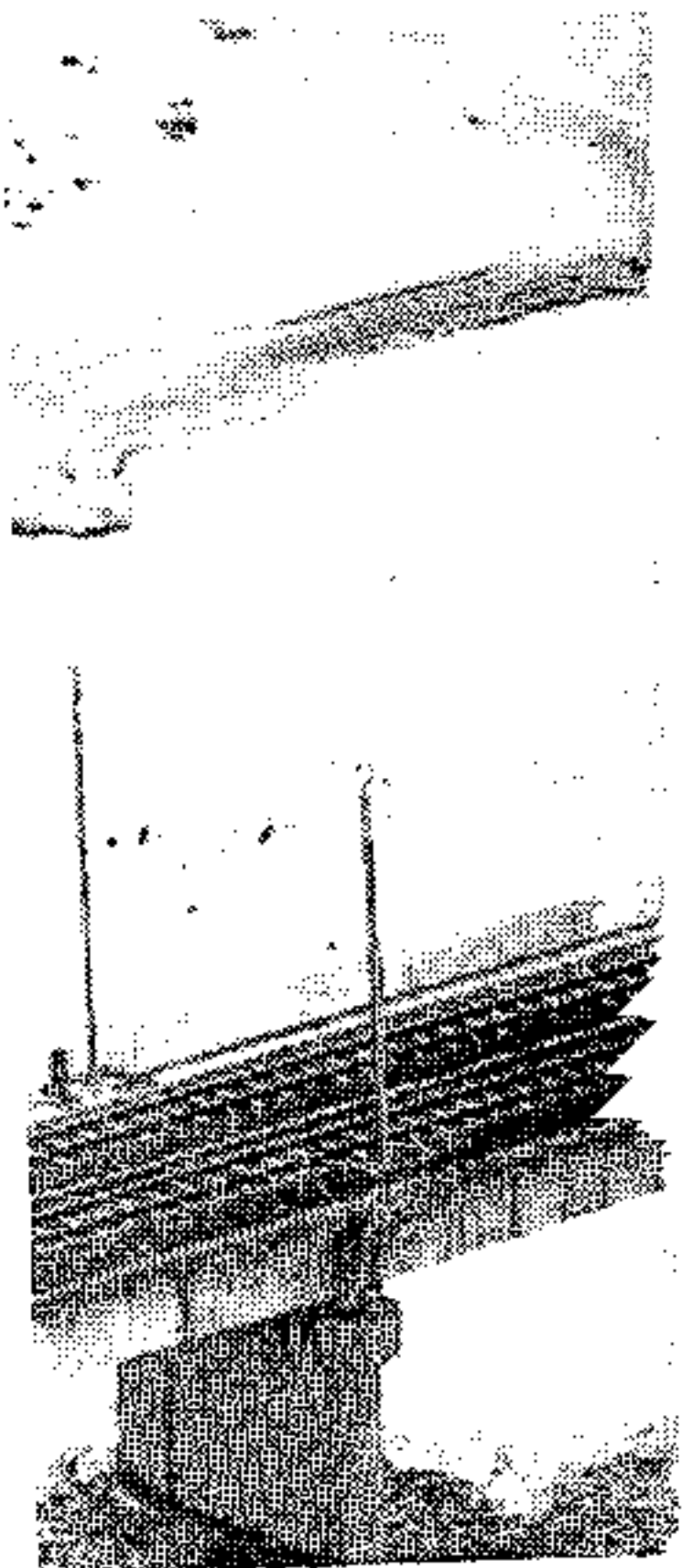
An operations room has been established at Natal Command in Durban where all relief measures carried out are being co-ordinated.

Two C130 Hercules aircraft, a Dakota, seven Super-Frelon, four Alouette and two Puma helicopters were being used to ferry tons of essential commodities to stricken communities.

Yesterday's food supplies included bread, yeast, mielie-meal, canned food, fresh vegetables, meat, soup and milk.

The provisions were supplied by the state.

A SAAF spokesman said the flights would go on till roads were usable.



A damaged s

## SAA introduces

JOHANNESBURG. — A number of measures to help them to their destinations.

Measures to be introduced include:

- All flights between Johannesburg and Durban will be open to all hold class train tickets.

- Holders of bus tickets will also be able to board SAA flights at no extra charge.
- Additional special fares will be introduced.

Sapa

## Bathing ban

DURBAN. — A bathing ban has been imposed along the entire Natal coast from the north down to Port

### From page 1

area, and that details of injuries were not available.

Our Maritzburg bureau reports that at least 17 people are known to have died as a result of the floods and another 13 people are missing in the Maritzburg and surrounding districts.

A youth, 16, and a six-year-old boy were found buried in mud after a house collapsed at Shongweni.

Police also found the bodies of three women under wrecked houses in the area.

At Greytown five people died, including two unidentified men, aged about 40, who apparently died of exposure.

Other victims in the region were a four-year-old girl who died when a hut was washed away at Kranskop and a two-year-old girl who was found drowned in the same area.

Stanger was still completely cut off yesterday, police said.

In the area 20 people had died and 48 had been injured.

More than 1 400 people were being accommodated in the Stanger Town Hall after their homes were destroyed, while three squatter camps had been washed away, wrecking more than 500 homes and leaving about 2 500 people homeless.

At Empangeni three people, one woman and two men, were killed on a bridge over the Umhlatuze River after a massive hole appeared in it.

About 250 people were without shelter in the town last night.



REMAINS ... The fragmented remains of the massive John Ross Bridge over the Tugela River at Mandini which collapsed on Monday night.

# Natal mops up as

By DIANE CASSERE

A BELEAGUERED Natal began its mopping-up operations yesterday in bright sunshine while the Natal Roads Department made a conservative estimate of R100-million needed for repairs to roads and bridges.

However, the already battered and water-logged province faces more rain later today and tomorrow. According to the central weather bureau in Pretoria, conditions will become cloudy and cool again with light rain along the south coast and southern interior.

By tomorrow, the entire province can expect light rains.

"This will be nothing like what they have already experienced," a spokesman for the weather bureau said.

The unofficial death toll is already close to 100 as reports from outlying districts trickle in.

Fears are also mounting that malar-

ia, cholera and other diseases could follow swiftly in the wake of flood damage.

The Durban branch of Operation Hunger has had hundreds of calls from churches and other service organizations requesting food, blankets, medicines and other essentials.

Helicopters and light aircraft are being used to get the supplies to marooned communities.

The Durban regional organizer of Operation Hunger, Mrs Dot Collins, said yesterday that many children being rescued from disaster areas had high temperatures and coughs.

"I had to find 100 baby bottles, 100 bottles of cough medicine, 100 of temperature medicine and as many blankets as we could supply.

"Calls are coming in from all over the place, requesting mielie meal, milk powder, soup — any kind of food and warm clothing. The situation is

desperate. No matter how much supply, more will be needed.

Mrs Collins said that the disaster would be worse when the rural areas have the damage to crops and livestock estimated.

In Natal, roads departments have already gone to stricken areas to make checks. By the time they are mustered, the bill for repairs is estimated to be doubled on the original estimate.

Parks Board officials are also planning desperate rescue operations to save people, cattle and sheep from the roofs in the village of

The Natal Agricultural Department is taking a full look at the damage and the losses they have suffered to crops, stock and farm buildings.

Farmers fear that the damage will run into millions of rands.

provide flood victims in their return to their old goods. Here Waleen had donated by a local

keys to homeless people who had been squashed into school buildings or had lived in the open since Sunday. Most areas are inaccessible by road and many had been without food since Sunday. Further flights will be made today.

DURBAN. — Food is now the greatest need in the Valley of a Thousand Hills and the Inanda area. This was graphically expressed yesterday by a woman who told a reporter her "breasts were dry" and her babies were hungry. They had not eaten since Sunday.

The MP for Greytown, Mr Pierre Cronje, was taken into the area by the Hillcrest police. Mr Cronje's prime concern was for those people still living in the area which is soon to be part of the Inanda dam. Aerial pictures on Tuesday night showed how the partly completed wall had caused back flooding into the valley.

At Dip Tank — normally the second overnight stop on the Dusi Marathon — the waves on the river were still soaring metres high.

One woman told of how the water rose so swiftly that no matter how fast they ran, it kept swirling around them. They had time only to grab their babies before they fled.

Hillcrest police said eight bodies had so far been brought to the police stations.

Men have formed working parties, using picks and shovels to repair washaways in the roads.

On the Umgeni River banks an elderly woman pointed to a vast expanse of mud and said: "There is my house. My bed, which I finished paying R300 for in July, has gone. Everything has gone."

Complete family kraals have disappeared. And with them have gone the animals which could have provided food. Chickens, goats, cattle ... all gone.

The PFP office in Lillie's Building, Hillcrest, is a collection point for the Valley Trust.

But the greatest need immediately is FOOD. The common cry throughout the valley was: "We are hungry."



ction of railway bridge near Stanger on the Natal North Coast.

## es special flights

SAA has introduced a num- flood-affected travellers get

uced by the airline include: Durban and Johannesburg rs of valid first- and second-

ts from the major liners will the Durban/Johannesburg charge. lights will be introduced. —

## long Natal coast

bathing has been imposed coast, from Richards Bay in Edward.



The Mhlatuze River near Richards Bay where three people died in two separate accidents. The two occupants of this car were killed when it plunged over the damaged section of the bridge and hit the opposite bank before cartwheeling.

# more rain is forecast

ow much we eded."

the extent of known only dried out and d fields could

atment inspec- ut to the many e on-the-spot se final reports ould well have l R100-million

had to mount a tion yesterday and dogs from lbert Falls. l Union is tak- ght of farmers, ve incurred in g equipment. op losses will l and industri-

alists, too, will be bombarding insur- ance companies with claims once the full extent of the floods have been measured.

Already East Griqualand dairy farm- ers say that serious urban milk short- ages can be expected. Thousands of litres of milk are piling up with no means of transporting them.

Reports have been received of dev- astating losses in East Griqualand, the low-lying areas of the Natal Midlands and the entire coastal sugar belt.

Durban and Maritzburg also faced severe water rationing as efforts were still being made to get purification works to establish the extent of dam- age to essential viaducts.

In the aftermath of the floods, the threat of malaria could increase dra- matically, according to a Johannes- burg microbiologist, Dr Celia Young. She said yesterday that it was obvi-

ous this year's incidence seemed to follow the 1986 pattern.

"For the period January to June this year, 5 564 cases of malaria were re- ported to the Department of Health as against 5 745 cases for the same period last year. This does not show a great reduction in the incidence.

"Although the Department of Health maintains a vigorous spraying programme, the recent widespread rains will complicate their work and increases in malaria cases could be expected. It is, therefore, essential that visitors to malarial areas protect themselves by taking the necessary precautions."

Dr Young said malaria prophylaxis was easy and simple. Two tablets should be taken before leaving for a malarial area and thereafter two tab- lets once a week, while in the area, and for four weeks after returning home.

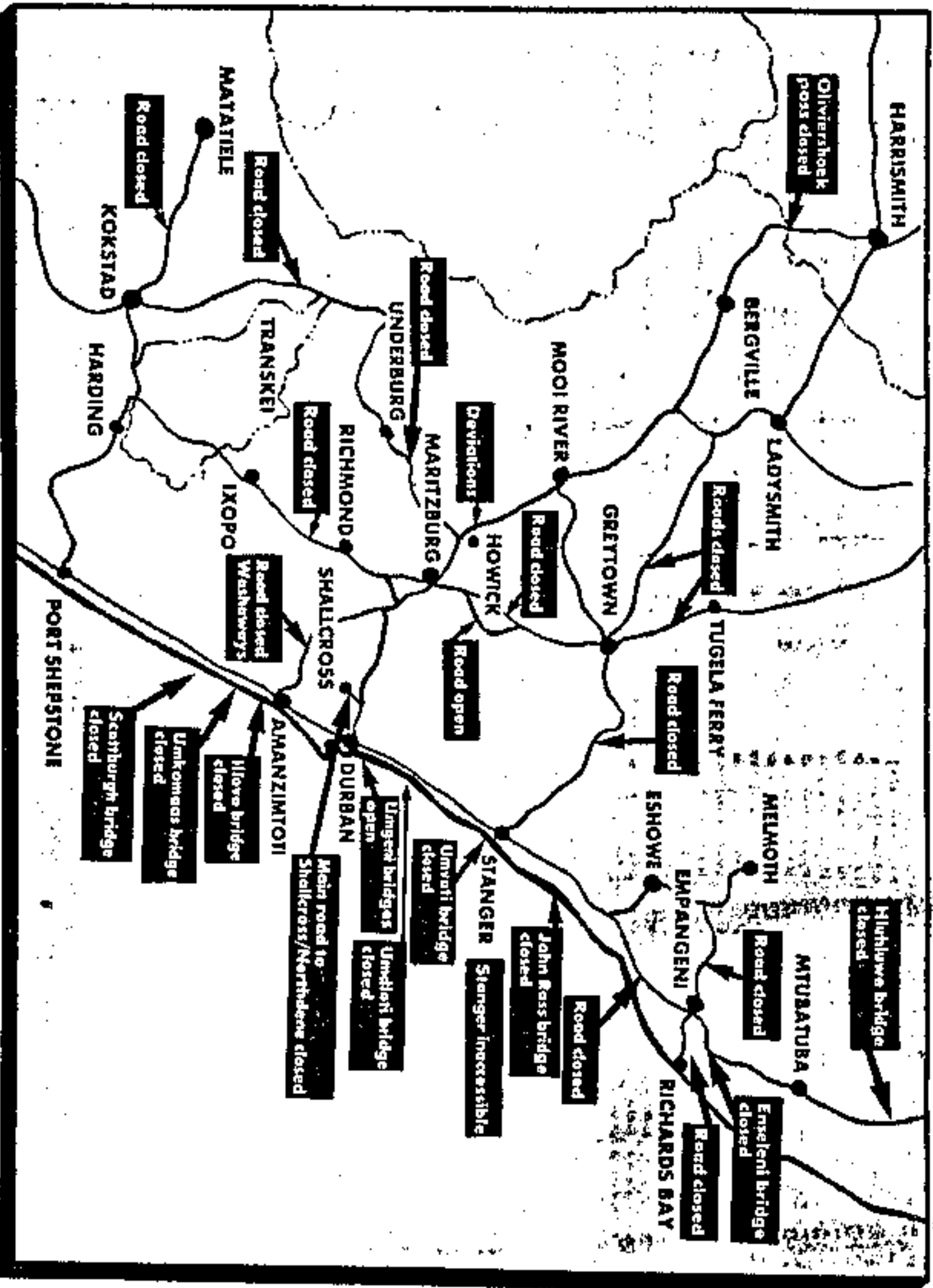
The excessive rainfall over most parts of Swaziland since last Friday has brought production at Swaziland's three major sugar mills at Simunye, Mhlume in northern Swaziland and Ubombo ranches at Big Bend in the east, to a halt.

The Swaziland United Bakeries and the Swaziland Dairy Board have also reported huge losses due to their pro- ducts not being delivered. Bad road conditions in various parts of the country as a result of the weekend rains and floods have hampered deliv- eries.

● The Cape branch of St John Ambu- lance is appealing to the public to send cash donations to a relief fund for victims of the Natal floods.

Donations can be sent to St John Ambulance, 80 Darling Street, Cape Town.

# State of the roads



The state of Natal's main roads. Information was supplied by the Automobile Association and is accurate as of noon yesterday.

# Government and public rally to aid of disaster-hit Natal

Political Staff and Staff Reporters

The Government has proclaimed the Natal floods a disaster, giving victims access to the Disaster Relief Fund and opening the way for full civil defence relief.

Announcing this last night, President Botha said he had appointed a special Cabinet committee, chaired by the Minister of National Health and Population Development, Mr Willie van Niekerk, to co-ordinate relief measures.

The committee would advise the Government continually on ways of dealing with the disaster. It would have the authority to co-opt other people and would liaise closely with the KwaZulu government.

The Defence Force would give civil defence service in KwaZulu.

Mr Botha added that the Government would supplement the R3 million in the Disaster Relief Fund and be appealed to the public to contribute.

Contributions to the Disaster Relief Fund can be deposited at any bank for the fund's account at Volkskas, Pretoria (account number 0000-282 928).

The South African Red Cross is working round the clock to co-ordinate relief schemes and distribute aid to the thousands left destitute by the floods.

The Red Cross is channelling cash, blankets and food to the victims as charities, businesses and the public rally to help.

A Red Cross spokesman, Mrs Phyllis King, said yesterday that they were still trying to assess which areas needed help most.

"The worst-hit areas have lost contact with the outside world and they are obviously those who need help most. As communications are restored, we expect to be overwhelmed with requests for help. With the weather forecast predicting more rain from today we expect the situation to become critical."

Mrs King said the United States government had given the Red Cross R50 000 to help alleviate the plight of thousands of homeless residents in townships, settlements and rural areas.

"We have set up soup kitchens in community centres and halls round Durban and are feeding thousands daily. Food donations have come from supermarkets and the public but we have a critical shortage of blankets. We were giving out tents but have none left."

### COLLECTION POINTS IN STORES

Checkers has given R100 000 in cash, food and blankets. All major supermarket chains have established collection points at their stores for the public to donate groceries, clothing and blankets.

Ms Phillida Secombe, manager of The Argus Community Projects, said the Sunday Tribune/Red Cross Emergency Relief Fund had raised R130 000 for flood relief so far.

The Sunday Tribune and the Daily News had given R40 000. Mr Raymond Ackerman, chairman of Pick n Pay, had given R25 000, and Mobil Oil R30 000, Ms Secombe said.

"We've had donations from the general public ranging from R2 to R700. A bakery has given us 5 000 loaves of bread and the Hare Krishnas are distributing 1 000 meals in Chatsworth every day."

In Durban, the Mayor's Disaster Fund has raised R250 000 for the rebuilding of homes in the greater Durban area.

Fund organisers met last night to establish how much more would be needed.

Round Table held an emergency meeting this week and has collected R7 000.

World Vision has appealed for donations to raise R100 000 to rebuild houses destroyed in the floods. A spokesman said each R1 collected in South Africa would be matched by R1 from their overseas offices.

The Community Chest in Pietermaritzburg is offering a new Porsche as a prize to one of the first 2 000 people to donate R200.

Blankets which were collected by Radio 702 were flown free to Natal by South African Airways yesterday.



A home collapses in Westville.

## Natal floods could cost insurers R400-m

By Dan Side and Own Correspondents

South African short-term insurers estimate they face a R400 million bill for the Natal floods — a national record for a single storm-related disaster.

Mr Rodney Schaeberger, chief executive of the South African Insurance Association, said the expected massive claims could seriously affect the financial results of short-term insurers.

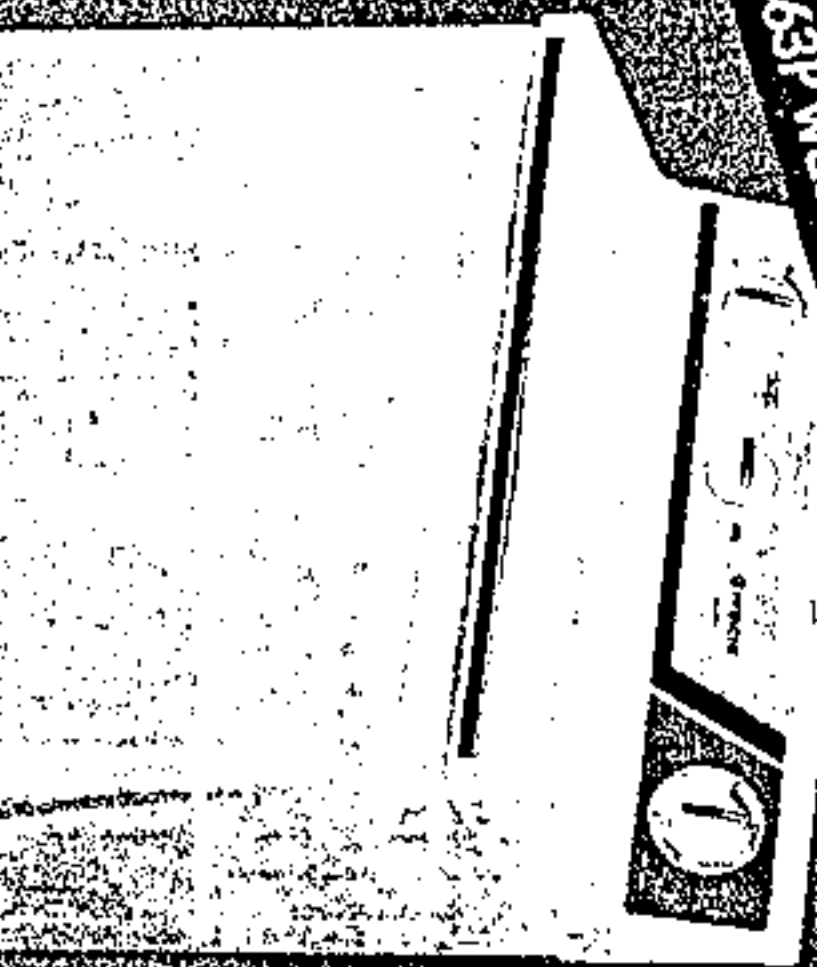
"We've never faced anything like this. The damage to insured buildings, from factories to homes, is fantastic. This is the worst disaster so far."

Over the past six years, claims paid on storm damage due to incidents classified as catastrophes amounted to R288 million. This figure does not include payments from isolated incidents, such as local hailstorms, which add half as much again to the total.

Insurance companies paid out R34 million for devastation from Cyclone Demoina in 1984 and successful storms in December last year.

The previous disaster record was R50 million from the nationwide storms in October-November 1985.

**SAVE UP TO R100 MACHINES ON WASHING MACHINES. e.g. Hitachi PS63P was R699. Now R599.**



**SAVE UP TO R100 OVENS ON MICROWAVE OVENS. e.g. Empical Instamatic was R899. Now R799.**



# SPRING CLEARANCE — Millions of stock

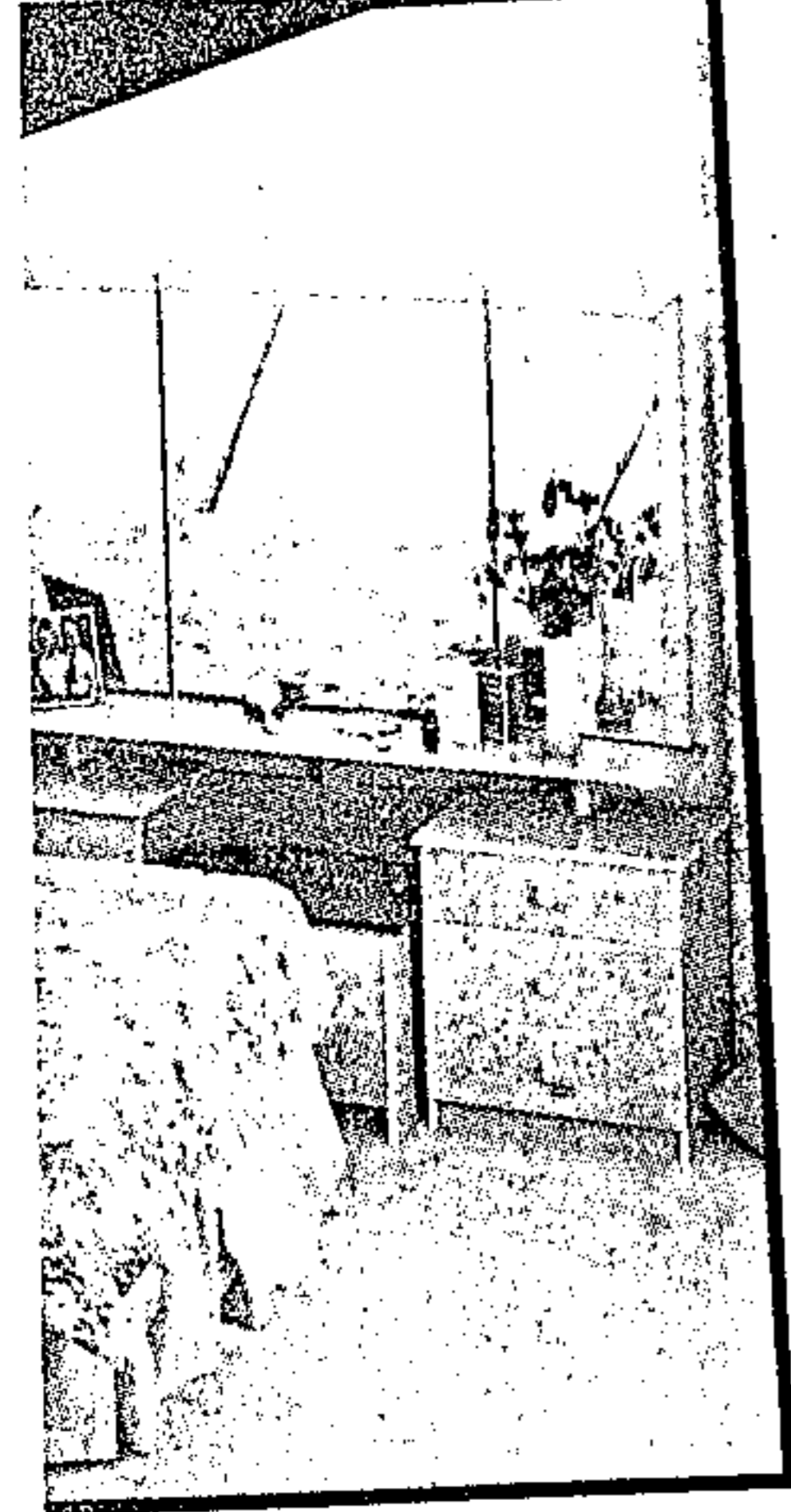
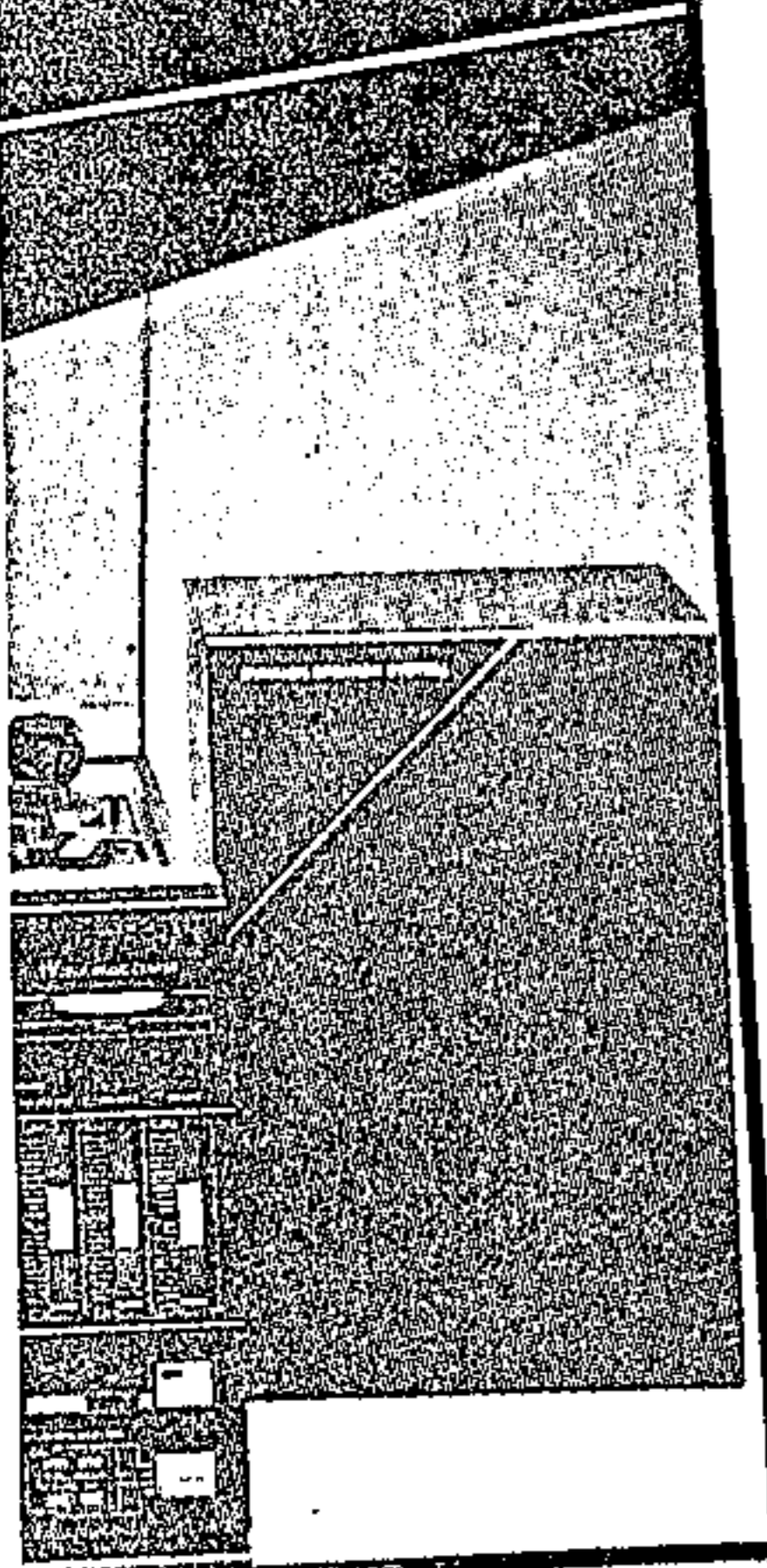
ber!

Blankets which were collected by Radio 702 were flown free to Natal by South African Airways yesterday.

ful claims amounted to R33 million after the country wide storms in December last year. The previous disaster record was R50 million from the nationwide storms in October-November 1985.



Removing rubble washed on to Durban's beachfront.



## Walls of water cut links

Political Staff

The freak storms in Natal punched a massive hole in the coastal communications and infrastructure of Natal as the water forced its way in huge torrents to the sea.

Debris and silt-laden water, which is still pouring out of enormously wide river mouths, is pushing kilometres out to sea.

This was part of what a high-powered Government inspection group saw in an aerial survey of the damage yesterday.

Flood waters surrounded Louis Botha Airport and the first major damage seen was a cemetery which had been torn in half by the floods.

The obvious and most expensive indications of damage were the damaged bridges, cut roads, and undermined railway lines.

In kwaZulu around Verulam and Stanger and in the black townships of Maritzburg there was evidence of numerous homes being totally destroyed.

## Black tea in Durban

MARITZBURG — Durban faces an acute milk shortage in the next few days as dairy farmers have been cut off by the floods from their main distribution areas.

Mr Willem Louw, head of the Natal Fresh Milk Producers' Union, said yesterday that farmers had been forced to "waste" milk as the floods had washed away farm roads and bridges and prevented tankers from reaching farms.

Many farmers in the Mooi River, Nottingham Road, Donnybrook, Boston and Ixopo areas had been hand-milking because power failures earlier this week knocked out milking machines.

## Victims get US grant

CAPE TOWN — The United States has made a grant of R50 000 immediately available to assist victims of the Natal flood disaster, the American ambassador, Mr Edward J Perkins, announced yesterday.

The grant would, through the Red Cross, provide food, blankets, clothing and shelter to the "thousands of homeless residents in townships, settlements and rural areas". — Sapa.

## Fears dispelled

Tourism bodies in northern Natal were anxious today to reassure Transvaal visitors that they could reach holiday spots — despite the floods.

The St Lucia Publicity Association said the road from Matubatuba to the town was open.

## Big demand for flights

By Inga Molzen

There has been an "overwhelming" response to South African Airways' special emergency flight plan to break Durban's virtual rail and road isolation, says SAA public relations officer, Mr Francois Louw.

SAA has announced that all scheduled flights will be operating as usual and passengers in possession of valid tickets and reservations can travel as normal. Special flights will be introduced to meet demand until the situation returns to normal.

All Durban/Johannesburg flights will be open to all holders of valid first and second-class train tickets, as well as holders of tickets of Translux, Greyhound Intercity and City Liner bus tickets. SAA will exchange these tickets at face value and at no extra cost.

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Thulani Dlamini is accommodated in one of the emergency tents set up to shelter the homeless at Lindelani.

## Starvation continues as relief chaos reigns

CP Correspondent

ALTHOUGH the sun was out in Natal this week, it shone on disorganised relief agencies which increased the chances of starvation for many, including residents of communities a mere 15km from Durban's boundaries.

Initial estimates of flood-related deaths should be doubled or trebled, according to the South African Council of Churches' relief division.

"The final death toll may exceed 500, including flood-related deaths from typhoid, dysentery and pneumonia, and if there is a cholera outbreak, the figure

could increase dramatically," said Rev S Jacob, of the SACC.

In shacklands like Lindelani, relief organisations such as the Red Cross were nowhere to be seen, having relinquished control to "existing township structures".

A relief worker, stuttering with fatigue, said: "You saw what happened when the Red Cross tried to hand things directly to the people. There was a riot. However, what other way of doing it is there?" he said in defence of the policy.

At Lindelani, this meant 3 000 people eating soup distributed by the wife of squatter leader Thomas Mandla Shabalala.

Many of the homeless said that although they were on the list, tents and sites in Shilling, a new "suburb" of the huge shackland, were given first to friends and relatives of the Shabalala faction.

Shabalala was not in her security-gated house to answer allegations of nepotism and corruption.

The leader of the church aid expedition, John Heslop, lashed out at the "arm-chair critic" politicians who had announced in local newspapers that aid would be diverted from areas where damages had been exaggerated.

"Those damages are under, not over-exaggerated, and we need more, not less aid," he said. — Concord News.

## ANC crackdown 'one of biggest'

CP Correspondent

POLICE have arrested 38 people, including four regional commanders of the ANC, and Jenny Schreiner, the daughter of Natal academic Professor Denyse Schreiner, in connection with a spate of explosions in the Western Cape.

It is believed that members of the ANC intelligence unit, its special operations group, as well as couriers, are among the group of people arrested.

Police this week called the arrests one of the biggest breakthroughs against the ANC ever.

In a statement on Tuesday, the Minister of Law and Order, Adriaan Vlok, said the latest arrests of 11 people, including 30-year-old Schreiner, was linked to a series of blasts in the Cape.

The latest detentions follow the arrest of 18 other people in August this year.

Vlok claimed that five members of the group had been trained in Angola, Russia and East Germany.

Vlok said that a large quantity of arms and ammunition had been recovered, some of it in a flat in the white suburb of Wynberg.

Vlok said the cases against the arrested people were still under investigation and dockets would soon be presented to the Attorney-General, Niel Rossouw.



# Floods worst SA disaster

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B

CAPE TOWN — The Natal floods were the worst natural disaster ever to hit South Africa and reconstruction of the province would take years, the Minister of Health, Dr Willie van Niekerk, said yesterday.

Addressing a press conference as chairman of the special 13-member Cabinet committee which has been appointed to co-ordinate relief work and which visited the region, he said the damage was worse than expected.

The official death toll stands at 135, but so far 76 people have been posted as missing and the final number of deaths may be more than 200.

Between 30 000 and 50 000 people have been left homeless.

Widespread damage would cost "hundreds of millions" to repair, Dr Van Niekerk said.

He said the various

departments represented on the committee were assessing their needs and would report back to the committee on October 16 when the full extent of the damage would be known.

He said he had been impressed by independent offers of aid and assistance from the public.

The Deputy Minister of Education, Mr Sam de Beer, said 30 tons of mealie meal, 10 tons of milk powder and 10 tons of soup powder had been distributed.

The death toll would have been much higher without the intervention of air force and police helicopters, Dr Van Niekerk said.

But the committee was concerned about the health situation, he said.

Extra doctors and health workers have been sent to Natal.

More reports page 8

'Biggest disaster in South African history'

# Waterless Durban faces health hazard

(56) SPAN  
2/10/87

All water supplies in Durban are to be "cut off immediately" and residents will have to collect drinking water in buckets from fire hydrants, the city engineer, Mr Don MacLeod, announced this morning.

The greatest water crisis to hit the city came as the Natal flood death toll reached 180, with more rain and floods forecast for the province this weekend.

Yesterday water supplies were cut off to all industries in the Durban area. Now all areas will lose their tap supplies because of the breakdown of the city's last remaining pipeline to Nagle Dam.

The city council has appealed to industrial workers to stay at home and not to attempt to go to work. Residents will get water rations from selected fire hydrants.

Warnings of major health hazards have been issued in the wake of the floods — now being described as the biggest disaster in South Africa's history.

As fears grew of outbreaks of cholera, dysentery and malaria, a team of health experts was flown into Natal yesterday on the instructions of the Minister of National Health, Dr Willie van Niekerk.

There are fears of a massive increase in pneumonia among children who have been left homeless and exposed to the elements.

Further grim news is that more rain and floods have been forecast for the province.

At a press conference yesterday Dr van Niekerk estimated that between 30 000 and 50 000 homes had been lost — the majority in black areas.

With sewage treatment works being flooded and at least three cemeteries being partially washed away, already hazardous health conditions had been exacerbated.

He warned that precautions had to be taken with all untreated water.

Food, blankets and tents were being distributed as rapidly as possible to the homeless.

More than 30 000 tons of maize meal, 10 000 tons of soup powder and 10 000 tons of milk powder had already been distributed, he said.

Every effort was being made to establish the position in black areas, many of which were inaccessible because of flood damage.

## 200 deaths predicted

Dr van Niekerk told the press he had no doubt that this was the worst disaster to befall

South Africa and he predicted that the final death toll would top 200.

"It is becoming more and more apparent that the picture is worse than expected."

Flood-connected insurance claims are expected to exceed R400 million.

Mr Rodney Schneeberger, head of the Insurance Association of South Africa, said that bills for property losses and damage in the past several days were already more than R100 million higher than the entire total since the 1970s.

"The massive cost of the flooding is growing by the hour as telephone links are restored and homeowners and companies

● To Page 3, Col 8 ■

## Roads to Natal resorts are open

Transvaal holidaymakers going to Natal for the mid-year school break which begins today and ends on October 12 can reach most of the major holiday areas by road but what they will find at their destinations will not be what they expect.

Whole beaches were washed away by the high surf on Monday and swimming has been banned along the entire Natal

coast. Shark nets have been washed away in the worst damage they have suffered in 20 years.

The N3 between Johannesburg and Durban is open but sections between Lions River and Tweedie have only a single carriageway.

P.T.O



A coffin lies empty at the Lamontville cemetery after floods swept through the Durban suburb.

## Waterless Durban faces health threat

● From Page 1

file more and more claims," said Mr Schneeberger.

The SAAF has rescued more than 200 people in two days and is still ferrying aid in the form of food, tents and blankets to the homeless.

Commandant Koos Smit, liaison officer for the SAAF, said in Johannesburg yesterday that some of the people were rescued from a hotel in Umzimkulu and others from the roof of the Mondi paper factory.

He said a Hercules C-130 transport plane had ferried 37 980 kg of food, equipment, tents, blankets and water purification substances to Natal this week.

Two SAAF helicopters yesterday airlifted food supplies to hundreds of villagers who were running short of food in the Mataluti mountains as the result of heavy snowfalls.

An undetermined number of people are still missing and the death toll, at present 180, could be much higher.

A spokesman for the SA Police Port Natal Division, which stretches from Port Edward in the south to Stanger in the north and inland to Hammarsdale, confirmed 106 deaths by last night.

A spokesman for the police in northern Natal said 14 people were dead and five reported missing — but it was difficult to ascertain how many people were actually missing.

The official death toll for kwaZulu stands at 15, but kwaZulu Chief Minister Dr Mangosuthu Buthelezi said this figure was "no true reflection of the actual figure".

The toll in the Maritzburg police division has risen to about 30 with many people still missing.

— Own Correspondent, Political Staff, Staff Reporters, Sapa.

Mrs ANTHONY . . . Implanted with fertilised egg.

doing well.  
A Johannesburg

## Grim floods toll rises

THE death toll in the Natal floods could eventually be as high as 200, the Minister of National Health, Dr Willie van Niekerk, said yesterday.

He told a Press conference in Cape Town after the first meeting of the special cabinet disaster relief committee, of which he is chairman, that as at 1pm, 145

deaths were recorded and another 76 people were missing.

"While it was very difficult to assess the number of homes damaged in the disaster, it could be as high as 30 000 to 50 000.

"I have no doubt this is the biggest natural disaster this country has ever encountered," he said.

"The picture that emerged at this morning's report-backs from several Government departments was worse than I had expected," he said.

The deputy Minister of Transport, Mr Myburgh Streicher, told the Press conference it was hoped that all trains in the province would be running within the next four to five days.

(56)

~~(56)~~

Smietman 2/10/87

● Baby girl drowns at washed away bridge  
 ● Flood toll rises to 174

# Car death plunge

The Argus Correspondents

A 10-MONTH-OLD girl drowned in the Mooi River near Muden in Natal today as the official death toll in this week's killer floods in the province rose to 179, with 76 missing.

The toddler, Mukelisiwe Mkhize, died after the car in which she was travelling drove past a sign warning that the bridge had been washed away and plunged into the river.

The driver, Mr Michael Ndebele, 25, and passengers Mr Babylon Khumal, 25, Mrs Fobi Mkhize, 20, and a five-year-old boy, Zawankhose Mkhize, were injured.

Major Charl du Toit, police public relations officer for Port Natal, said today the deaths of 132 people had so far been confirmed in the Port Natal police district, 14 in Northern Natal and a further 28 in other parts of Southern Natal.

Warnings of major health hazards have come in the wake of the floods — now being described as the biggest natural disaster in South Africa's history.

## Pneumonia

A team of health experts were flown from Cape Town to Natal yesterday on the instructions of Minister of National Health, Dr Willie van Niekerk, as fears grew of outbreaks of cholera, dysentery and malaria.

Also causing concern is that there could be an increase in pneumonia among children who have been left homeless and exposed to the weather.

Dr van Niekerk said yesterday between 30 000 and 50 000 homes had been lost — overwhelmingly in the black areas.

With sewage treatment works flooded and at least three cemeteries partially washed away, already hazardous health conditions had been made worse.

He warned precautions had to be taken with all untreated water.

Food, blankets and tents were being distributed to the homeless.

By yesterday 30 000 tons of maize meal, 10 000 tons of soup powder and 10 000 tons of milk powder had been distributed.

## Final toll?

He said the floods were the worst natural disaster to befall South Africa, and predicted the final death toll would top 200.

Dr van Niekerk said a major problem was the flooding of the petroleum refineries near Louis Botha airport.

The Mobil Refinery was expected to be back on stream in two weeks but the Natref refinery, closer to the Union Canal, would take longer.

The condition of the off-shore oil discharge terminal was not known. Inspections were being made.

Cash donations to the President's Disaster Relief Fund can be made at any bank in the country.

The account into which money may be deposited is Number 0000282928 at Volkskas, Pretoria.

Donations blankets and food can be sent to the Regional Office of the Department of National Health, Commercial City Building, 16 Floor, Commercial Road Durban or Private Bag X5418, Durban (☎ 031 31 9375, Ext 20).

## Free service

And a Durban container company has offered a free service for Cape Town friends and relatives who want to send Natal flood victims food or household goods.

A spokesman for the company, Intralink, said the firm was prepared to transport the equivalent of one suitcase a household to flood victims.

Goods should be left at the company's offices at Gerry Ferry Crescent, Epping 1 and could be collected at Intralink

(Continued page 3, col 1)

## Natal flood death toll rising

(Continued from page 1)  
 Warehouse, South Coast Road, Durban.

For more information ☎ 54 2237.

Durban's water supply remained critical today with a stop-start flow giving only sufficient for drinking.

The City Engineer, Mr Don Macleod, said water supplies were being cut off progressively and residents would have to fetch water in buckets from strategically selected hydrants.

Today was bright and sunny in Durban and along most of the Natal coast, with a fresh wind.

But weather officials predicted the weather would change drastically later with more — and in places heavy — rain.

● A flood warning has been issued to farmers below the Orange River's giant H F Verwoerd dam, which is expected to overflow by tomorrow.

About 60 farmers on the banks of the river between the dam and the P K le Roux dam 100km away have been warned of possible flooding.

Engineer Mr J B Stoll said today water was flowing into the dam at the rate of 3 760 cubic metres a second.

This was down from yesterday's 5 290 cu/m a second but the dam had filled up considerably since yesterday, when it was 88,720 percent full. This morning it was 94,65 percent full.

Mr Stoll said any further increase depended how long rain continued and how fast snow

melted in the catchment areas. Reports of snow flurries and light rain were coming in.

"Flood warnings had gone out in the past. We just present farmers with the facts and it's up to them to decide if they want to evacuate or not."

The farmers would at least have to remove their pumps from the river to avoid losing them in the event of a flood.

A circular letter saying floodwaters were on the way was sent out to farmers yesterday.

● Snow has already started falling in some parts of the Border as the region prepares for a predicted cold weekend. Plummeting temperatures have been reported from various Border towns.

## WANTED: Motocross mercy riders

DURBAN. — Flood relief workers are desperately seeking motocross riders. The bikers are needed to get essential supplies into otherwise inaccessible areas in the Inanda Valley.

The riders will take in baby food and medicines tomorrow. — Sapa

● Bellville to give cash aid to flood victims — page 9.

1704 2/10/87 (ML)

1704 2/10/87 (ML)

(52) 2/10/87

# Young mother swept away by floodwaters

**PIETERMARITZ.** — A woman was swept away by floodwaters while she and her husband were desperately trying to drag their furniture out of their home.

The disappearance of Mrs Ntombizodwa Maria Mbonywa, 22, the mother of an eight-month-old boy, is just one of many tragedies of the past few days.

Mrs Mbonywa, and her husband, Mr Dudu Mbonywa, were among many Slangspruit residents hard-hit when the Umsindusi first broke its banks on Saturday.

"The waters started coming up to nearly a metre high and we were trying to drag our furniture to our neighbours higher up," Mr Mbonywa said yesterday.

"I took some furniture next door, and left my wife trying to get other furniture out. When I came back, she was no longer there."

"The water was flowing strongly."

Their baby, Sandile, had been with the neighbours and was safe, he added.

At least 10 homes in Slangspruit were destroyed in the flood which also claimed the life of a man yesterday. — Sapa

# 6 000 destitute in devastated areas

**DURBAN** — Nearly 3 000 families in Natal had been left homeless by the floods, the Commissioner of Police, General Henne de Witt, said here yesterday after an helicopter tour of the devastated areas.

Speaking at a Press conference at C.R. Swart Square, he said the majority of the homeless were from the area around Hibberdene where 2 822 people have been left destitute.

In Verulam, 500 families were homeless, 1 000 at Ezakheni and about 350 at Umzintlo, Gen De Witt said.

About 40 people, including women and children, were being sheltered at the Glendale Police Station, near Stanger, which is completely cut off from the outside world.

"We are flying in supplies of food to the station by a police chopper," he said.

Gen De Witt added that the police had recovered 138 bodies of flood victims in Natal so far. Of these 106 were from the Port Natal Division of the SAP and 10 from northern Natal.

Nearly 40 people had been reported missing.

He said postmortems were being done on all the bodies recovered and every effort was being made to establish their identities. — DDC

# Appeal to shippers to use Maputo harbour

**DURBAN** — An urgent appeal has gone out to shippers to make use of Maputo harbour following serious disruption of imports/exports in the wake of the Natal floods.

The chief executive of the South African Foreign Trade Organisation (Safro), Mr Wim Holtes, said it was vital to keep trade links open and urged shippers in urgent need of alternative routes to contact him.

"Maputo has seen a resurgence of activity over the past few months and is being revamped to the tune of \$75-million. The port can handle chemicals, steel, general cargo and

A Safmarine spokesman said yesterday that in order to ensure minimum delay to imports Sats and Safmarine had implemented an action plan for vessels on or due on the coast.

"But the situation is fluid and a lot will depend on whether or not it starts to rain again."

Meanwhile in Cape Town, the deputy Minister of Transport, Mr Mburgh Streicher, said yesterday he hoped all train services to Natal back to normal in four or five days.

Mr Streicher, who visited Natal with the special cabinet committee handling the relief

# Water crisis in Durban area after floods

**Daily Dispatch Correspondent**

**DURBAN** — Water supplies have been cut off to all industries in the Durban area and many residential areas are expected to lose their supply today following the breakdown yesterday of the city's last remaining pipeline to Nagle Dam.

The City Council has appealed to industrial workers to stay at home and not to attempt to go to work today.

There was no clear indication yesterday when Durban would get a satisfactory supply of water.

And in a dramatic attempt to save the situation, the Minister of Water Affairs, Mr Gert Kotze, last night intimated and demanded that the Durban Corporation and Umgeni Water Board co-operate in a massive operation to restore supplies.

Durban's town clerk, Mr Gordon Haygarth, confirmed that an emergency meeting between the board and the corporation would be held in here this morning.

He said every attempt would be made to bring relief to the area as soon as was humanly possible.

Previously supplies had only been cut to the 29 industries using the most water, but the city engineer, Mr Don Macleod, said last night that the situation was so critical that people were being put first.

Mr Kotze said last night there had been a difference between the two organisations about "priorities".

"I have given instructions that there must be co-operation. This is not a question of who's territory is who's. I want water for Durban."

"I have given instructions that the Durban City Council must move in there in the morning and use all its resources to restore water supplies to the city."

"We cannot allow opposing forces to operate against each other in this situation," Mr Kotze said.

The water board's chief engineer, planning and design, Mr Brian Walford, said last night that the board and the corporation were already co-operating in that the board was using the corporation's plant and equipment.

"We have got a mammoth task and we are using all resources. Escom experts are assisting us with a temporary pumping scheme and we have appointed contractors to move in and fix the pipelines as soon as possible."

"Problems are being experienced on aqueduct 3 and our team will work through the night to sort them out."

"We are not sure of the extent of the problem at this stage."

Meanwhile, the city is facing one of the biggest crises in its history.

There was no water flowing into the city's water treatment works last night and its already meagre water supplies were dwindling fast.

Issuing an emergency warning, Mr Macleod said he would have to continue cutting off water to residential areas if the remaining water in reservoirs dropped too low.

As this happens water will be rationed for drinking purposes only. This will be done from street hydrants.

Mr Macleod said it was logistically impossible to supply the whole of the Durban area, which includes portions of the north coast, south coast and KwaZulu townships, from tankers on a regular basis.

He said that the water crisis in the city was far more serious than it had ever been before. "We have got no water coming in and our reserves are dropping fast."

He was not prepared to say how much water was left in the city's reservoirs, but the situation was already so bad yesterday that even before the supply from the aqueduct was lost water supplies to Queensburgh, Chatsworth Units Six, Seven, Eight, Nine and 11 and Klaarwater were cut.

One of the largest employers in the province, the Toyota vehicle assembly plant at Prospecton, has been closed since Wednesday and expects "very substantial" financial losses.

# Deluge devastates farms

**Daily Dispatch Correspondent**

**PIETERMARITZBURG** — Reports of serious damage to farms in the Natal Midlands and southern Natal continue to be received.

The swollen Umkomaas and Illovo rivers have flattened farm

stock have been lost in East Griqualand.

Many farms are still cut off from the rest of the province because of impassable roads.

The swollen Umkomaas and Illovo rivers have flattened farm

Downed lines and impassable roads have made it difficult to obtain a full picture of the extent of the flood damage to farming areas, but information obtained so far indicates that the farming community in southern Natal has been badly hit.

The loss suffered by Indian cane farmers in Natal by the devastating floods was expected to run into millions of rands, Mr Dewchand Baidul, president of the Natal Farmers' Union, said last night. — DDC

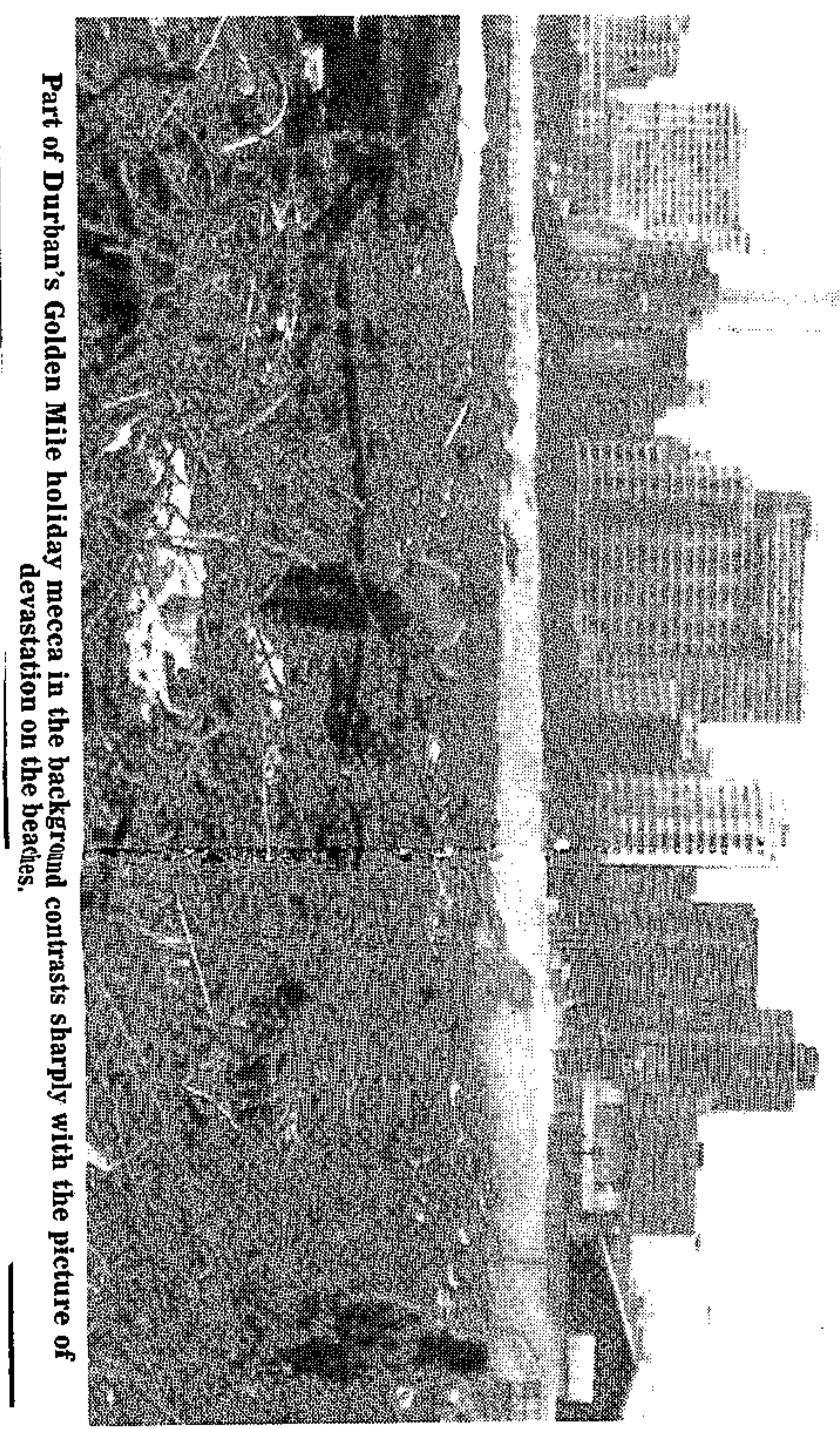
# Relief from EL

**EAST LONDON** — The Red Cross here is to start collecting money and clothing from anyone who wants to help those left homeless by the Natal flood disaster.

The assistant regional director of the Red Cross, Mr Roy Wyatt, said yesterday that the Red Cross had started a nationwide fund and that the East London branch would see that any items or money given by concerned East Londoners would reach those in need in Natal.

"We have heard from one shop that people are handing in items, but they don't know what to do with them."

Mr Wyatt said that anyone who wanted to give anything, be it clothing, food or money, could hand it in at Red Cross House in Fleet Street. — DDR



Part of Durban's Golden Mile holiday mecca in the background contrasts sharply with the picture of devastation on the beaches. — DDC

CMB TIME 56



**MILE MESS . . .** Part of Durban's Golden Mile holiday mecca in the background contrasts sharply with the picture of devastation on the beaches.

# Flood toll 'at least 180': More deaths expected

**Own Correspondent**

**DURBAN.** — The death toll in the Natal floods has risen to at least 180 — but with an undetermined number of people still missing the casualty figure will still rise a lot higher.

A spokesman for the SA Police, Port Natal Division, which stretches from Port Edward in the south to Stanger in the north and inland to Hammarsdale, confirmed 106 deaths by last night. In Northern Natal 14 people were dead and five had been reported missing, but it was difficult to ascertain how many people were actually missing.

The official death toll for KwaZulu stands at 15, but KwaZulu Chief Minister Chief Mangosuthu Buthelezi said in a statement yesterday that this figure was "no true reflection of the actual figure".

Deaths in the Maritzburg police division had risen to about 30, with "countless" numbers of people still missing. There were 14 dead on the lower South Coast.

Nearly 6 000 families in Natal have been left homeless by the floods.

SATS suffered at least R12 million damage during the floods, which have thrown rail and bus services in Natal into chaos. Embankment washaways, rock-falls and landslides severed railway lines in scores of places and emergency repair crews were working day and night.

The losses suffered by Indian cane farmers in Natal were expected to run into millions of rands, Mr Dewchand Badul, president of the Natal Farmers' Union, said last night. He said the damage to crops, agriculture land and farming implements

was the "worst in living memory".

The areas seriously affected are Glendale, Nantoti, Sansuci, Darnall, Kikembe, Chaka's Kraal, Tongaat, Verulam and Umkomaas.

Reports of serious damage to farms in the Natal Midlands and southern Natal continue to be received.

Large numbers of livestock have been lost in East Griqualand and there has been enormous damage to implements, irrigation equipment and storage dams in the region.

Many farms are still cut off from the rest of the province because of impassable gravel roads.

Meanwhile, the reburial of about 600 bodies unearthed from Natal cemeteries has begun and should be completed by the weekend.

## Woman swept away

**MARITZBURG.** — The wife of a young Natal man was swept away while the couple were trying to drag their furniture out of reach of floodwaters raging through their home.

Mrs Ntombizodwa Maria Mbongwa, 22, mother of an eight-month-old boy, and her husband, Mr Dudu Mbongwa, were among Slangspruit residents hard-hit when the Umsindusi River first broke its banks on Saturday night.

"I took some furniture nextdoor. When I came back, my wife was no longer there," Mr Mbongwa said yesterday.

The baby, Sandile, was safe, he added. Ten homes in Slangspruit were destroyed. — Sapa

## Copters in demand Floods: Brave cops

**Own Correspondent**

**DURBAN.** — The giant Tongaat-Hulett group chartered a helicopter to fly its executives to its head office this week after road and telephone links between Durban and the North Coast were severed by the floods.

"We had to ensure that Saunders, and the chief executive, Dr Geoffrey Cleasby, were able to maintain communication," said group public relations manager Mr Ron Phillips.

A spokesman for National Airways Corporation in Durban said there had been an "incredible demand" for use of their helicopters

**Own Correspondent**

**MARITZBURG.** — At least five Maritzburg policemen are being considered for bravery awards for their actions during the flood disaster.

Brigadier J Kotze, Police Divisional Commissioner for Natal, praised the actions of all police officers yesterday who worked round the clock during the floods.

He said at least five local members were in line for special awards.

Members of the local fire department and civil-defence teams could be also be considered for awards.

REPUBLIEK  
VAN  
SUID-AFRIKA



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# Staatskoerant Government Gazette

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PRETORIA, 2 OKTOBER  
OCTOBER 1987

No. 10964

## PROKLAMASIE

van die

*Staatspresident van die Republiek van Suid-Afrika*

No. 152, 1987

### VERKLARING VAN STORMS IN DIE PROVINSIE NATAL TOT 'N RAMP

Kragtens die bevoegdheid my verleen by artikel 26 van die Wet op Fondsinsameling, 1978 (Wet 107 van 1978), verklaar ek hierby die storms wat die provinsie Natal sedert 27 September 1987 getref het vir die doeleindes van genoemde Wet tot 'n ramp.

Gegee onder my Hand en die Seël van die Republiek van Suid-Afrika te Kaapstad, op hede die Dertigste dag van September Eenduisend Negehonderd Sewe-en-tagtig.

P. W. BOTHA,  
Staatspresident.

Op las van die Staatspresident-in-Kabinet:

W. A. VAN NIEKERK,  
Minister van die Kabinet.

## GOEWERMENSKENNISGEWING

### DEPARTEMENT VAN ONTWIKKELINGS- BEPLANNING

No. 2239

2 Oktober 1987

#### VERKLARING VAN RAMPTOESTAND

Ek, Jan Christiaan Heunis, Minister van Staatkundige Ontwikkeling en Beplanning, kragtens die bevoegdheid my verleen by artikel 2 (1) van die Wet op Burgerlike Beskerming, 1977 (Wet 67 van 1977), verklaar hierby dat met ingang van 2 Oktober 1987, 'n ramptoestand binne die provinsie Natal, met uitsluiting van die gebied waarvoor die KwaZulu Wetgewende Vergadering ingestel is, bestaan.

J. C. HEUNIS,  
Minister van Staatkundige Ontwikkeling en Beplanning.

(Lêer 12/9/9/4/1)

573—A

## PROCLAMATION

by the

*State President of the Republic of South Africa*

No. 152, 1987

### DECLARATION OF THE STORMS IN THE PROVINCE OF NATAL TO BE A DISASTER

Under the powers vested in me by section 26 of the Fund-raising Act, 1978 (Act 107 of 1978), I hereby declare the storms which hit the Province of Natal since 27 September 1987 to be a disaster for the purposes of the said Act.

Given under my Hand and the Seal of the Republic of South Africa at Cape Town, this Thirtieth day of September, One thousand Nine hundred and Eighty-seven.

P. W. BOTHA,  
State President.

By Order of the State President-in-Cabinet:

W. A. VAN NIEKERK,  
Minister of the Cabinet.

## GOVERNMENT NOTICE

### DEPARTMENT OF DEVELOPMENT PLANNING

No. 2239

2 October 1987

#### DECLARATION OF STATE OF DISASTER

I, Jan Christiaan Heunis, Minister of Constitutional Development and Planning, under and by virtue of the powers vested in me by section 2 (1) of the Civil Defence Act, 1977 (Act 67 of 1977), do hereby declare that with effect from 2 October 1987, a state of disaster exists in the Province of Natal, excluding the area for which the KwaZulu Legislative Assembly has been established.

J. C. HEUNIS,  
Minister of Constitutional Development and Planning.

(File 12/9/9/4/1)

10964—1



# Natal: More floods forecast

CAPC Times 2/10/87

56

Own Correspondent

DURBAN. — The Natal floods were the worst natural disaster ever to hit South Africa and reconstruction of the province will take years. And it's not over.

Further grim news is that the Weather Bureau has issued a flood warning for the province, forecasting more heavy rain and snow in the Drakensberg.

Heavy rain has been forecast for some areas of Natal between today and Sunday, with more snow expected to fall on the Drakensberg.

The rain is bad news for the authorities as it could cause further damage to pipelines and spell disaster for many areas, including Durban.

Water supplies have been cut off to all industries in the Durban area and many residential areas are expected to lose their supply today following

the breakdown late yesterday of the city's last remaining pipeline to Nagle Dam.

The serious water crisis has raised fears about the possibility of a cholera epidemic worse than that in 1981 which killed about 400 people.

The Durban city council has appealed to industrial workers to stay at home today. It said residents without water would be able to get a rationed supply from fire hydrants.

There was no clear indication when Durban would get a satisfactory supply. No water was flowing into the city's water-treatment works last night and its already meagre reserves were dwindling fast.

Residents were warned that water would continue to be cut off.

As this happened, people would be restricted to water for drinking purposes only.

Meanwhile, five Durban townships were without water for the second day yesterday.

The Minister of Health, Dr Willie van Niekerk, said yesterday that the official death toll stood at 135. A further 76 people had been posted missing. Total deaths could exceed 200.

The chairman of the 13-member cabinet committee to co-ordinate relief work said damage was worse than expected, particularly in the outlying areas.

He estimated that between 30 000 and 50 000 people were homeless, many of whom had already been issued with tents, blankets, clothing and food.

Damage to the province's infrastructure would cost "hundreds of millions".

● Flood death toll 'at least 180' — Page 4

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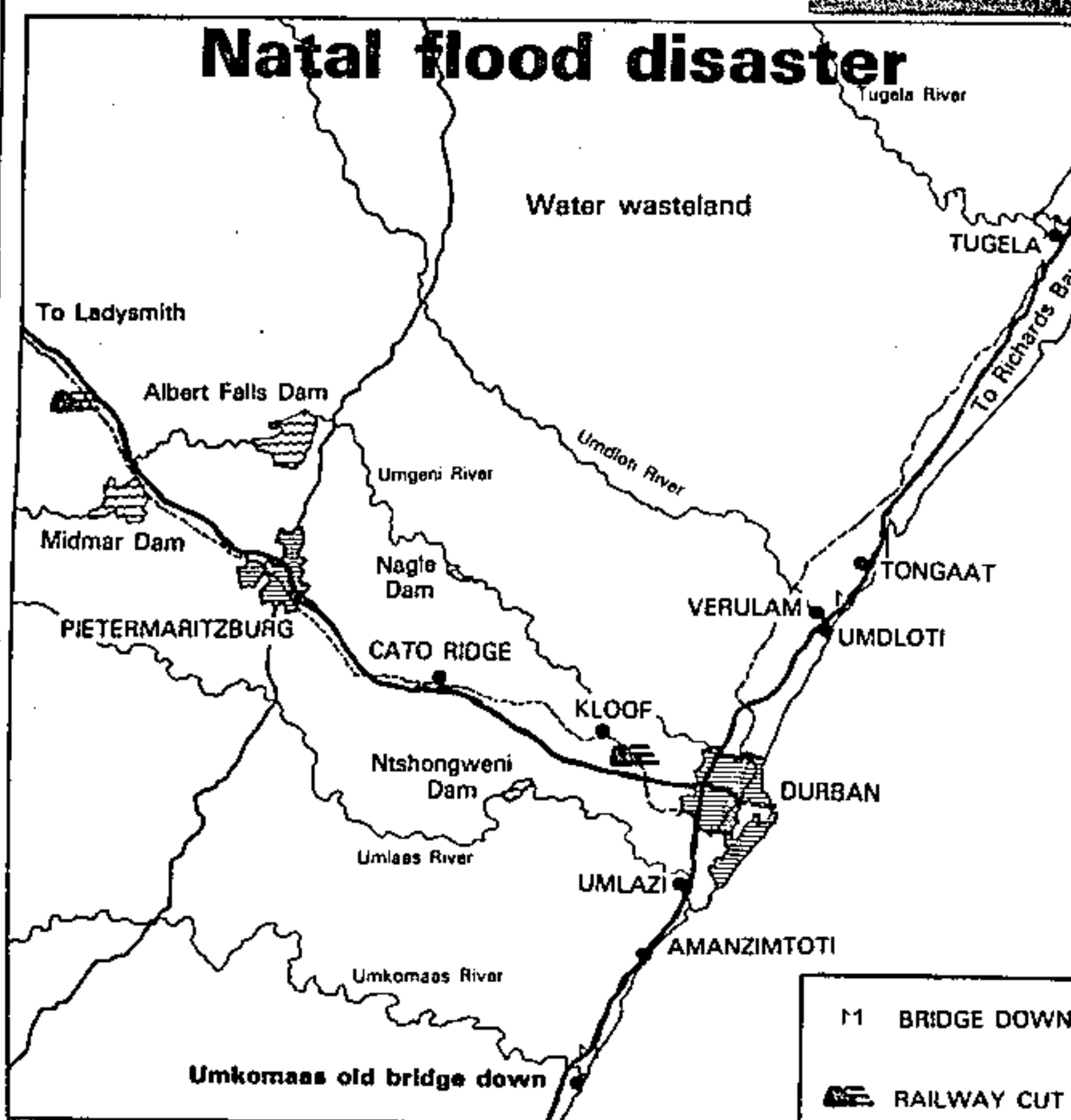
## NATAL FLOODS

# Worse than Demoina?

Unabated rains are delaying the harrowing task of counting the cost of the worst floods in living memory in Natal — but it seems clear that eventual damage could exceed that caused by the massively destructive 1983 Demoina floods.

The province-wide downpour entered its fourth consecutive day on Tuesday. And as the flooding continued, ominous warnings were issued that more heavy rain was on its way.

All harbour traffic has come to a stand-



Natal ... counting the cost

still, vital rail links with the PWV and Richards Bay have been cut and it is impossible to say when production and transport will return to normal. Damage estimates — which could deal a harsh blow to SA's short-term insurance industry — will only be available once clearing-up operations begin.

Industry throughout the province has been paralysed by flooding, mudslides, washaways and severed communications. In Durban all water-dependent factories were shut down on Tuesday after municipal water supply links to the Nagle Dam were destroyed.

The net result is that SA's second largest industrial centre has been cut off from its major water sources in the Midmar and Albert Falls dams on the Umgeni River and the city now depends on the small Shongweni Dam for its water supplies.

Also forced to shut down were the city's two oil refineries. The Shell/BP refinery,

located near the Umlaas Canal, was in danger of flooding. The canal, converted from a 15 m wide stream to a 250 m wide torrent, also flooded parts of the nearby Mondi paper mill.

With the Nagle coffer dams knocked out, water rationing for Durban residents is on the cards. This was one of many decisions facing city councillors who met in emergency session as the *FM* went to press.

The deluge saw 288,3 mm of rain falling in Durban over the weekend. To the north, in Empangeni, 401 mm fell in a 24-hour period to 8 am on Tuesday. In the South,

during the same period, 208 mm fell at Scottburgh and 332 mm in nearby Umbumbulu.

Director of the Natal Chamber of Industries John Pohl says: "The problem is serious. I have not the foggiest idea how long industry will be without water. But it will certainly be a minimum of 36 hours."

Pohl says the severity of the problem demands government intervention. "I have no doubt the State President will issue a statement. I think Natal should be declared a disaster area," he said.

Natal's vital sugar industry has also been paralysed, with most sugar mills forced to close. Rex Hudson, GM of the South African Cane Growers' Association, says the Umzimkulu and Glendale sugar mills were evacuated because of rising flood waters, while the Umfolozi Flats was hit as hard as in 1983.

"While no cane deliveries are taking

place, there are sufficient stocks in hand for processing," he tells the *FM*.

Flood waters have washed away dozens of bridges in the province, which, if Demoina is anything to go by, will cost millions to replace. Seven metre swells across the sand bar forced the closure of the harbour and Louis Botha Airport has been periodically shut to air traffic.

An embargo has been placed by Sats on delivery of all fresh produce and livestock cargoes between Durban and Johannesburg and both goods and passenger links were down until further notice. Suburban lines north and south of Durban, which normally carry around 100 000 passengers daily, were closed.

On the north coast road bridges over the Umdloti, Umvoti, Hluhluwe and Tugela rivers were closed due to flood damage, while on the south coast many bridges on the old road had suffered the same fate. The AA says motorists could get as far as Port Shepstone on the N2, but the road from there to Kokstad was closed.

Director of the Natal Agricultural Union Steve Shone says an accurate damage assessment is impossible under the circumstances. A clearer picture would emerge after a helicopter survey by nominated NP MP Rudi Redinger, a farmer in the Dalton area, to-

gether with Department of Agriculture officials.

However, it was already apparent that heavy stock losses had been incurred in the East Griqualand area.

Sats spokesman Alan Lubbe says it is impossible to predict when the Durban harbour would be reopened to the 12 ships currently marooned in the bay. Many of the washaways and mudslides on the rail link to the interior were at inaccessible places and the extent of the damage was not yet known.

However, he added that passenger traffic between Durban and Johannesburg was likely to be interrupted for several days.

Durban Town Clerk Gordon Haygarth claimed it was impossible to estimate the cost of the flood damage to the city, which saw hundreds of people evacuated from their homes, or predict when water supplies would be restored to normal.

# Tap-water drought as Natal flood toll nears 200

SB  
WPCST  
3/10/87

JOHANNESBURG — The death toll in this week's killer floods in Natal has risen to about 200, with police reporting 197 deaths while an unspecified number of bodies was found in outlying areas overnight.

Many people are also still missing.

And while there's "water, water everywhere", the drinkable water supply has all but run out — in some areas it has — adding another biting edge to the disaster.

But to the west, the heavy rains have eased the lot of Transvaalers — water restrictions in force since 1983 are being lifted, now that water is pouring into the Vaal Dam.

Durban industries that have had their water supplies terminated may not reopen before October 12, Mr Don McLeod, Durban's City Engineer, announced today.

The water situation in Maritzburg has begun to deteriorate due to damage to the main supply pipeline from the Henley Dam. A City Engineer's Department spokesman said the water in storage was down to 23% would drop further.

Meanwhile, aid and assistance of all kinds is pouring into Natal from individuals, organisations, businesses, welfare societies and cities and towns throughout the country.

Hundreds of thousands of rands and large quantities of clothing, blankets and foodstuffs have been pledged and many consignments have already arrived for the flood-stricken victims.

Light vehicles can now move between the Transvaal and Natal, but major routes within the province are still closed, it was reported today. Almost the entire N3 highway was opened to light vehicles this morning.

The main railway line inland from Durban to Maritzburg was still blocked today, along with the North Coast line and South Coast line from Umgababa southwards.

The Trans-Natal is on track, but passengers are being transported between Durban and Ladysmith by road. Most SATS buses are also running.

A state of emergency was also declared today in the flood-stricken districts of Umzimkulu and Umzimvubu in Transkei. — Sapa

# Natal water crisis hits consumers, jobs, tourism

Daily Dispatch Correspondent

DURBAN — Water supplies to at least 25 residential areas in Durban were cut by last night leaving more than 150 000 people with drinking and cooking water only.

While the city battled to stay alive with only a limited water supply from one pipeline, the national economy received a major blow with the news that most industries in Durban would be without water for at least another 10 days.

Only industries essential to the survival of the city will be allowed to continue operating.

Mr John Pohl of the Durban Metropolitan Chamber of Industries said the situation could only be described as a "major catastrophe" and a national disaster as industry in Natal provided 16 per cent of the gross national product.

The forced shutdown is expected to cost the country millions of rands and affect thousands of workers.

Mr Pohl said he was sure that unions would be understanding under the circumstances.

He added that he believed most industries affected would take "the most humanitarian stance they can".

Last night the city's reservoirs were reported to be "holding their own" as measures taken to cut back on consumption and the small inflow from the solitary Umgeni Water Board supply line began to take effect.

The board's chief executive, Mr Graham Atkinson, said late yesterday the board was pumping out about 130 megalitres a day for Durban and surrounding areas.

Areas without water last night included Chatsworth, Silverglen, Kharwastan, Northdene, Queensburgh, part of Woodlands, lower Morning-side, Newlands West, Firwood, parts of Virginia and Glenashley, Clare Estate, Umhlanga, La Lucia, Effingham, Yellowwood Park, Redhill and part of Glenhills.

As the flood death roll rose to almost 200 yesterday, a spokesman for the Lower South Coast region said 15 bodies had been found, while Northern Natal reported 14 dead but said an unspecified number of bodies had been found overnight in outlying areas.

The updated figure would only be available on Monday, he said.

Although "a lot" of bookings for the coming holiday period had been cancelled because of the recent floods, Durban's tourist industry had suffered minimal damage and was able to cope with tourists, the marketing director of the Durban Publicity Association, Mr Andrzej Kiepiela, said yesterday.

He called on Durban people to be "practical" about the situation and not to exaggerate the extent of the problem.

"Tourism is a very sensitive business and the wrong impression among potential visitors can cost the city R4 500 000 to R5 000 000 in direct tourist income."

●The Postmaster General, Mr William Ridgard, said in a statement last night that all telephone services in Natal should be restored by Monday. About 5 000 telephones, mainly in Durban and Pietermaritzburg are still out of order. Thirty thousand were affected by the floods.

●An SPCA inspector braved the icy and deep waters of a Durban quarry to rescue a trapped dog yesterday.

Chief inspector Bruce Manning, roped himself to a helper on land and used a 200 l drum for ballast to cross a 20 m expanse of water, climbed the quarry wall and returned to safety with the animal, a cross-Corgi.

According to quarry workers, the dog had been stranded by the rising water last Saturday.

See also page 11

## 6 000 homeless Inanda Valley's five tribal areas

Weekend Argus Correspondent  
DURBAN. — Sixteen thousand people of the 60 living in five tribal areas of the Inanda Valley are homeless.

The Inanda Valley Trust near Botha's Hill is acting as a Crisis Relief Centre for the area. Heavy winds ripped through the valley at about 30 crisis workers met the director Chris Mann, to co-ordinate aid distribution and to discuss how to use the crisis to their advantage for the future.

Many parts of the Inanda Valley were difficult to reach before the flood. Now some are accessible except by helicopter.

The Crisis Relief Centre has set up field kitchens which have asked tribal authorities and government committees to form community centres. These decide who will get blankets, clothing and tents.

With the help of architectural students and the Environment Support Group at the University of Natal, the relief centre is also working up simple plans for one-roomed huts, costing them and finding help with materials so that people can rebuild their houses.

The story of Tandi, a young mother, is a tragedy.

Monday night she lost her 10-month-old daughters, Precious and Patricia, to a heavy pelting rain against the tin roof of her shanty in the townships of a Thousand made it difficult to sleep.

On Monday it was the mighty Umgeni River overflowing.

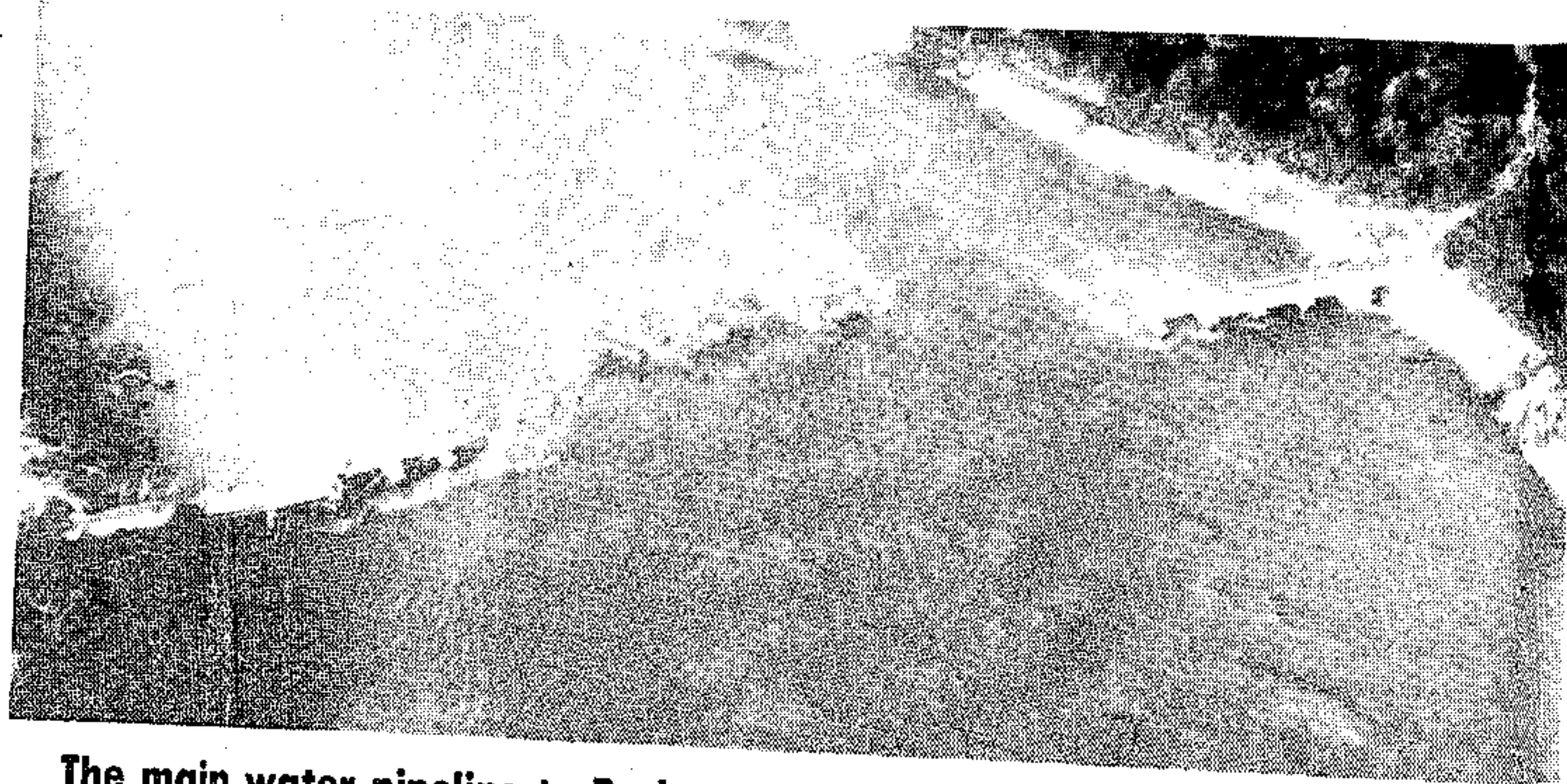
Stricken, Tandi was soaking her children and other relatives huddled up a hillside at Umgeni School.

She looked at her home had no water.

No house, no blankets, no food for myself or my children, no nappies, weeping mother has no hope.

After being without water for two days residents of some of Durban's suburbs fill containers with the precious fluid. Tough water restrictions were imposed on the city during the 1983 drought but now, with the province literally swamped, even less water is available.

# Fuel crisis follows flood: Refineries out of action



The main water pipeline to Durban ... smashed by the raging Umgeni River.

Political Staff  
DURBAN. — SOUTH Africa has come close to another fuel crisis following the Natal floods, with the Government having to implement top secret contingency plans.

With two refineries in Durban out of action and checks still being carried out on the off-shore discharge terminal and on the pipeline to the Reef, the major supply line for the country is out of order.

A spokesman for the Ministry of Economic Affairs and Energy today declined to reveal what contingency plans were being used.

Although there were shortages in certain areas in some parts of the country, as a result of the floods there was no need for restrictions, he said.

The position could alter if there was further flooding.

There is a shortage of petroleum gas in Natal.

Flooding of underground tanks at petrol stations was also causing problems.

A critical diesel shortage has developed in northern Natal with special deliveries being rushed into the area last night. Rail fuel containers have been attached to a passenger train heading to Richards Bay from Secunda.

## Clear rubble

The diesel is needed for heavy plant being used to repair damaged road and rail links and to clear flood rubble and silt.

Tankers have been kept waiting while the off-shore terminal is being checked.

Government spokesmen have indicated that the Mobil refinery should be back on stream next week with longer delays before Natref gets going.

Meanwhile, our correspondent in Durban reports that "drastic action" is necessary to rehabilitate Natal's catchment areas and wetlands.

Dr Nolly Zaloumis, president of the Wildlife Society, warned that Natal and other parts of the country would suffer increasingly frequent and severe flooding if this was not done.

If action was not taken both the potential for flooding and the effects of drought would be increased, he said.

Dr Zaloumis said, while the Natal flood was unavoidable, the devastation caused by it could have been far less if better environmental practices were applied. Among the factors he outlined were:

- Settlement and industrial development of floodplains in areas like Ladysmith, Verulam and Isipingo should be avoided at all costs.

- Destruction of vegetation along the river banks by farmers and developers should be stopped. He said indigenous vegetation was far more suitable for stabilising river banks than alien vegetation, including sugar cane.

## Swimming ban, water shortage hit tourism

Weekend Argus Correspondent

DURBAN. — Strict water restrictions affecting hotels, the debris-strewn beaches and the ban on swimming has resulted in mass holiday cancellations.

Tangled shark nets have been washed away or lifted all along the coast and it is unlikely the ban will be lifted for two weeks.

Durban's publicity director, Mr Andrej Kiepiela, has come under flak for going on TV and radio to urge holidaymakers not to cancel.

"Here we are struggling without water at home and he's telling people to come here to hotels and use more water. It's ridiculous," one woman said.

Mr Kiepiela defended his position, saying he estimated that about 20 percent of holidaymakers had cancelled their bookings.

"This is going to affect the city and it is estimated that in the next 10 to 12 days it would lose about R1-million. If we have more cancellations this figure will rise sharply.

"It does not mean that because we have a water shortage we must ruin the tourism industry. We do have a water problem and the beaches do have debris, but there are many other facilities in the city to help visitors to enjoy their stay."

## Debbie, 18, dies after heroic fight

Weekend Argus Correspondent

DURBAN. — Eighteen-year-old Jenny Sutton gave up the fight to live as she and her hiking companions waited, entombed in a tiny, snow-covered tent, in a Drakensberg blizzard. She died just 30 minutes after the clouds started lifting on Tuesday.

Jenny and five other young hikers left last Saturday on the trip — during which they planned to clear up litter in the Amphitheatre. Snow began to fall later that afternoon and they were forced to wait.

In the ensuing ordeal they lost two tents, were completely buried under heavy snow and forced to sit for more than 10 hours in freezing water. For four days they stretched their food resources and tried to keep warm in sub-zero temperatures.

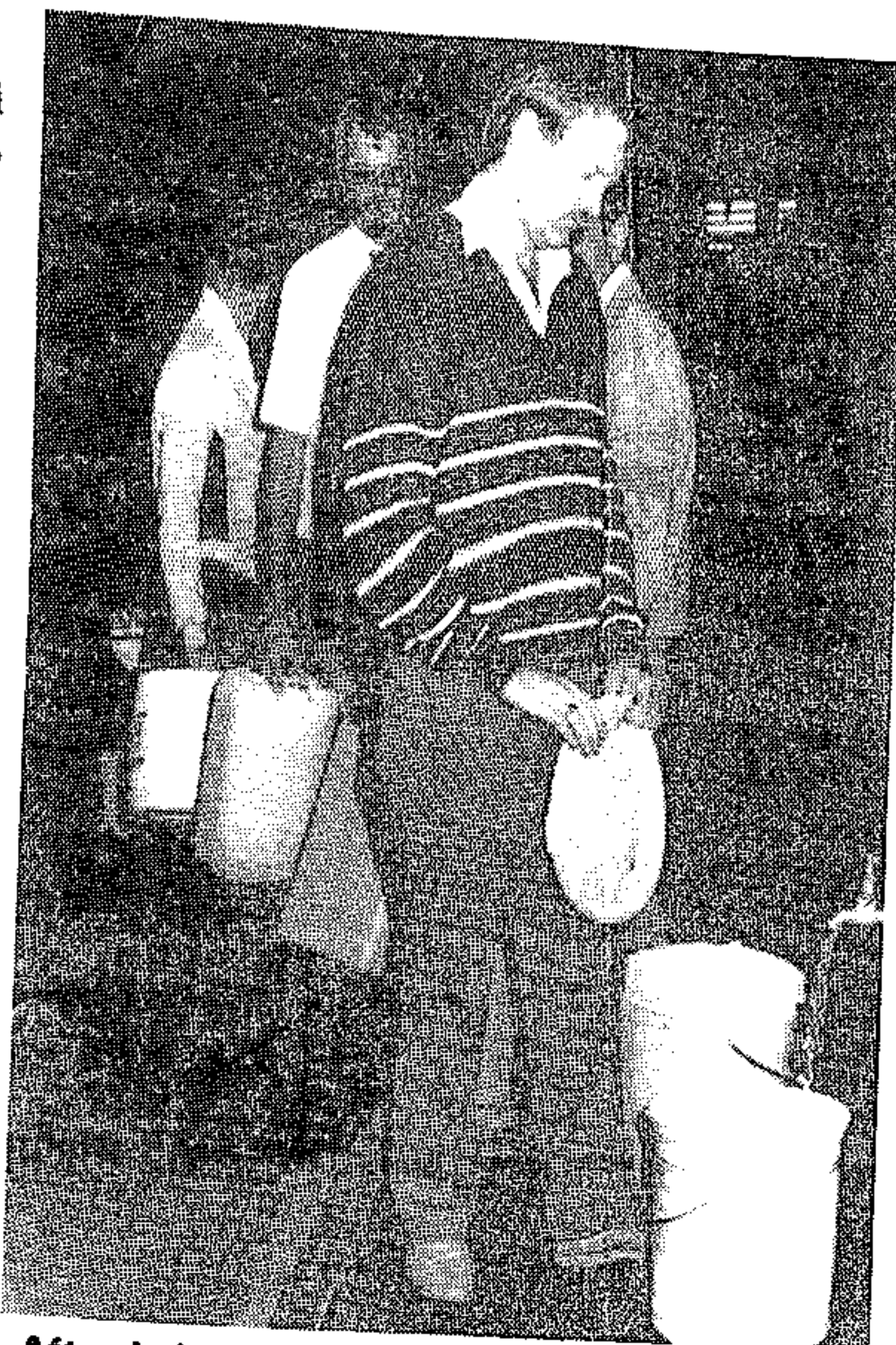
But Jenny, an athletic and enthusiastic young girl, gradually became weaker. She was very thin. Tony Wiecx, her boyfriend, said she had been weakened after a bout of German measles three weeks earlier.

On Tuesday, as they prepared to try to walk down the mountain, Jenny lost consciousness.

"She was mumbling softly," said Debbie Jarman, also a Maritzburg student.

"She was semi-conscious, had lockjaw and was frothing at the mouth. She seemed to be having a fit. We tried to revive her but when we called her name her only response was a flicker of the eyes."

Tony tried mouth-to-mouth resuscitation but soon afterwards Jenny's heart stopped beating. Debbie, Tony and their companions, Lisa Gotte, 18, Stevyn Cavanagh, 20, and Mark MacGlinchey, 20, were picked up by a helicopter later on Tuesday.



# 500 000 lose homes in floods

CAPE TIMES  
3/10/87  
56

**Own Correspondent**  
**DURBAN.** — As the Natal death toll rose to almost 200 yesterday, relief officials fearing epidemics shut off contaminated drinking water supplies and ordered bucket lines at fire hydrants.

More than 590 000 inhabitants of the shack-

lands of the greater Durban area — between 12% and 19% of the total population — have been left homeless by the worst floods in South African history.

Water supplies to at least 25 residential areas in Durban were cut off by last night, leaving more than 150 000 people with

drinking and cooking water only.

And industrialists and export firms were urged yesterday to divert cargoes to Maputo to avoid bottlenecks on damaged railroads between Johannesburg and Durban.

While the city battled with only a limited water supply from one pipe-

line, the national economy received a major blow with the news that most industries in Durban would be without water for at least another 10 days.

Only industries essential to the survival of the city will be allowed to continue operating.

Limited fresh water was reserved for hospitals, bakeries and other essential services, city officials said.

Short-term household and motor vehicle insurance premiums are expected to rise by 20% in the near future as a result of the Natal floods, SABC-TV News reports.

"Preliminary indications" were that the loss to the insurance market would be more than R400 million, the chief executive officer of the South African Insurance Association, Mr Rodney Schneeberger, said.

By comparison, in 1984 Cyclone Damoina cost the industry R33 million. The October/November 1985 floods had resulted in a payout of R49 million and the 1981 Laingsburg floods, R47,6 million.

Compared with the latest flood damage, "they pale into insignificance," he said.

A survey by the Built Environment Support Group in the informal settlement areas in the Durban Functional Region, an area bounded by Haysmarsdale, Verulam and St. Marks Mission, estimated the cost of restoring each home to the level before the floods — without any form of upgrading at all — at between R40 million and R60 million.

## From page 1

The death toll in a week-long deluge over the east coast of Natal climbed to nearly 200 as weather forecasters warned of further weekend flooding.

Police said 197 people had died in the floods, while many more were still missing.

Military helicopters and transport aircraft continued round-the-clock mercy flights, ferrying food, blankets, tents and medical supplies to flood victims.

Relief teams asked off-road motorcycle riders to carry baby food to communities isolated by washaways.

The government yesterday sent health teams into the region and distributed pills to purify drinking water.

Sewage spilled from flooded plants and bodies flushed from cemeteries by floodwaters heightened risks of cholera and dysentery epidemics, relief officials said.

Flooded communities stranded for days without food or medication are also at risk from malaria and pneumonia.

Hundreds of thousands of people in Durban were urged yesterday to collect fresh water in buckets from hydrants at fire stations, a city official, Mr Don MacLeod, said.

Water to the city's industrial fringes was shut off from Thursday and factory workers were urged to stay at home.

Council officials said emergency plans to purify drinking water for the

than I expected," Dr Van Niekerk said on Thursday after a helicopter tour of devastated areas. "It is the largest natural disaster we have had in South Africa."

Hardest-hit are tribal black and low-income Asian neighbourhoods around Durban and along river valleys inland.

Higher-income householders said they used water from their swimming pools to flush toilets and collected rainwater for drinking.

Among the areas still cut off yesterday were Mapumulo and Ndwedwe on the North Coast; Msinga/Tugela Ferry in the Natal interior; and settlements in the Greytown area.

● SABC News reports that three Maritzburg policemen are to be recommended for bravery awards following courageous acts during rescue operations in the floods earlier this week.

The men, who were part of a team rescuing people trapped in houses at Edendale, risked their lives several times swimming after people who had been washed away by the strong current of the Umsunduzi.

At a news conference in Maritzburg, a senior police spokesman said Warrant Officer Herman O'Connell, Constable Barry de Klerk and Warrant Officer Freddie Steyn dragged nine people from flooded houses.

● Nearly 85% of the more than 30 000 telephone services in Natal out of order due to the flood damage have been restored, the Department of Posts and Telecommunications said yesterday in Pretoria. — UPI, Own Correspondent and Sapa

is president, Lord Steff, a summed it up in six rules, good human relations with 'ers', is as important as any. down in the days, over a provided a small room over where the staff could eat e hot drinks. In the grim -found salesgirls not eating t had to be shared amongst try store was given its own

## To page 3

cap 7.18 3/10/82 (56)

# Relief funds pour in for flood victims

Staff Reporter

HUNDREDS of thousands of rands in relief funds have begun to pour into Natal in the wake of the devastating floods, along with millions of rands worth of material assistance such as meals and helicopter transport.

Mr Tony Bloom, chairman of the Premier Group, announced yesterday that his group would be giving a million free meals to those people who needed them most in the KwaZulu disaster area.

The "Airwolf" (Bell 222) helicopter, which has been on display at appearances of popular television hero Jan-Michael Vincent, will be flying in to bring aid to victims in the disaster areas, Checkers announced yesterday.

Vincent will appear at a retail chain store in Port Elizabeth at 1pm today. A crowd of tens of thousands is expected.

Checkers financial director Mr Sergio Martinengo urged those who attend the promotion to bring food, clothing and blankets for the destitute in Natal to the Red Cross collection point at the Checkers Warehouse Store.

All donations made there would be flown by Airwolf to disaster areas in Natal, Mr Martinengo said.

Checkers had also donated R100 000 worth of groceries, blankets and cash to the flood victims, he added.

Red Cross collection points have been established at stores countrywide so that members of the public can donate goods.

The Cape Town City Council announced yesterday it had decided to give R50 000 to the South African Red Cross to assist all those suffering hardship in Natal following the floods.

The council will also make "technical staff, expertise and materials" available as required by affected local Natal authorities to rebuild damaged infrastructure in the stricken province.

The Mayor of Parow, Mr Giel Basson, said his council would donate R5 000 towards the disaster fund.

Bellville's deputy mayor, Mr Willie van Schoor, announced that his council would also give R5 000 to the relief fund and R50 000 to the State President's fund.

A Cape Town freight company, Grindrod Cotts Intralink, has offered to transport goods to stricken people in Natal free of charge.

The Argus Printing and Publishing Co has given R75 000 for flood relief.

# Health Department act to curb threatened cholera outbreak

SMK  
3/10/87  
25

# Flood toll: 250-plus

**DURBAN — More than 250 people are now feared dead in the Natal flood disaster.**

The official death toll has reached 197 with 80 confirmed missing. The bodies of dozens more flood victims were recovered on Thursday and yesterday.

But it is speculated that disease and exposure could eventually kill more people than the raging rivers.

A South African Air Force Dakota is being used to drop pamphlets to groups isolated by the floods, to instruct them on how to purify water, SABC radio news reports.

The operation was requested by the Department of Health, which said it was concerned about the possible outbreak of water-borne diseases such as cholera.

The weather forecast is cloudy and cold with rain in places over the interior of Natal and the North Coast overnight. Today it is expected to be cloudy with intermittent rain over the North Coast.

Fears were running high that Durban would run dry this weekend as an emergency water plan was put into action last night. In a huge co-ordinated effort under spotlights, units were working against the clock last night to try and revive Durban's rapidly dwindling water supplies.

There was just 25 per cent of water for domestic use left in the reservoirs and, according to City Engineer Mr Don Macleod, unless residents dramatically cut down their consumption, they would have to contend with just 20 litres a day.

This will come from fire hydrants fitted with taps in specially selected streets in Durban fire hydrants in Chatsworth, Virginia, Glen Ashley, Woodlands, Lower Morningside, Etlingham, Red Hill, Glen Hills, Northdene, Queensburgh, Newlands West and top of the Bluff were fitted with taps last night, which are controlled by staff members of the City Engineer's Department and civil defence.

● To Page 2

P.T.O.

**SATURDAY STAR  
CORRESPONDENTS,  
POLITICAL STAFF, AP and SAPA**

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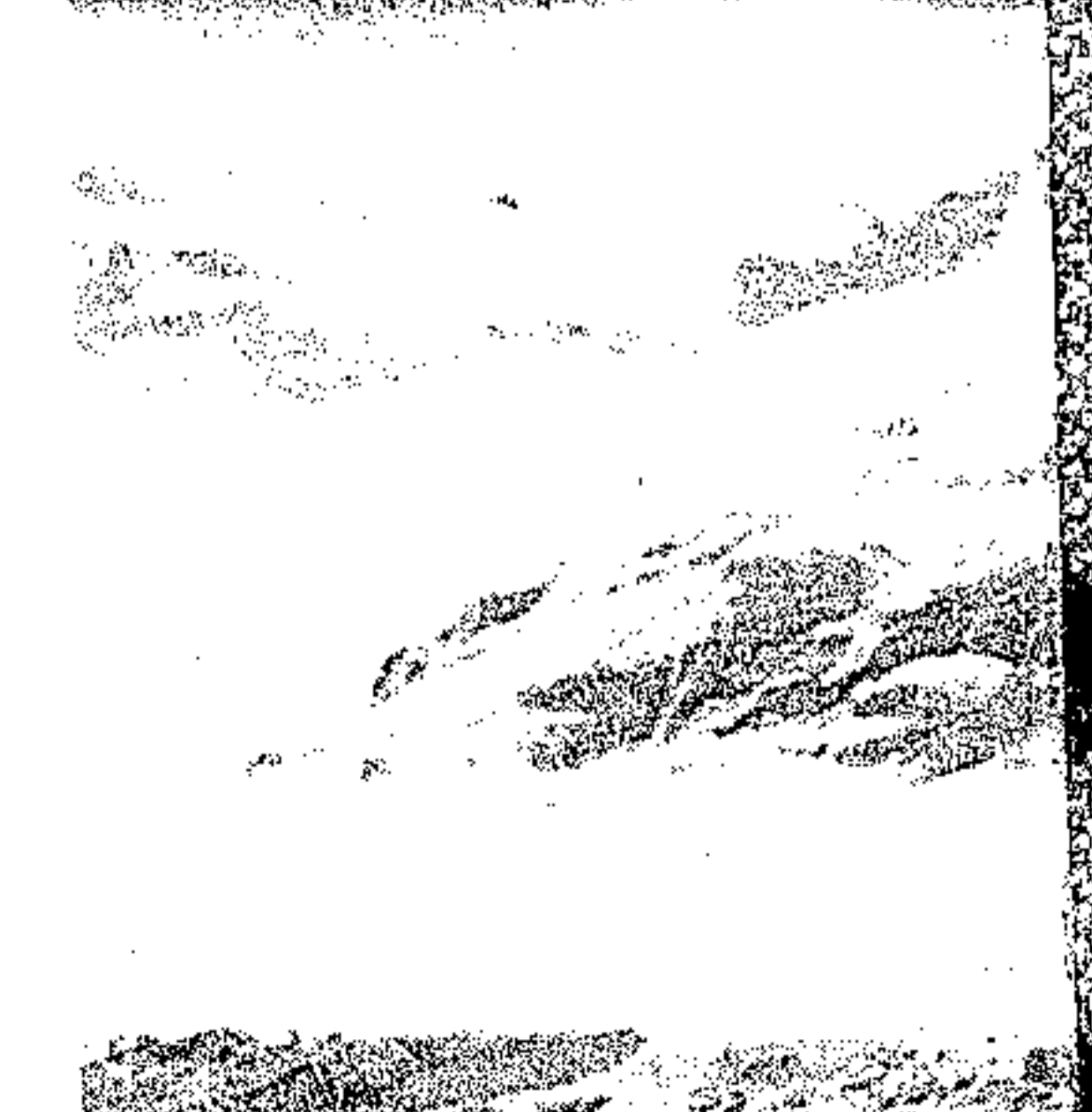
**THE PEOPLE'S PAPER**

**THE DAILY**

**OF**

**DEATH**

56/99/100  
4/10/87



# 1st Press

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Send name and address for more information or come personally. - Price changes without notice

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For prices  
elsewhere:  
See Back Page

October 4, 1987 ★★

As the killer waters subsided they bared the horrific remains of family graveyards.



## mother's triplets are well

SOUTH Africa's surrogate mother, Pat Anthony, gave birth to her own daughter's triplets by caesarean section at a private clinic in Johannesburg yesterday.

The triplets - two boys and a girl - are said to be in good condition.

Anthony, 48, agreed to bear the children of her 25-year-old daughter, Karen Ferreira-Jorge, whose uterus was removed after complications at the birth of a son three years ago.

Ova from Mrs Ferreira-Jorge were fertilised by sperm from her husband in a laboratory through the process known as in vitro fertilisation. Four eggs were then implanted in Anthony's womb.

Normally, only one embryo develops in the process, but in this case three of the ova began developing, resulting in triplets.

**FLOOD-stricken Natal has been officially declared a disaster area by State President PW Botha.**

**Flood-related deaths could rise to hundreds by the end of the week as information tickled in from areas virtually turned into islands by the four-day killer floods.**

And the Weather Bureau in Pretoria has predicted even more rain for Natal over the weekend warning that, as the ground is saturated and rivers are already overflowing, more floods can be expected.

Squatter camps - that today have a population of 1.7-million in the greater Durban area alone - rural and low-lying areas were the worst hit.

About a million people are believed to have been left homeless.

Their mostly wattle and daub homes either collapsed during the incessant rains or were washed away by swollen rivers.

Most outlying black areas are inaccessible by road and the communities have been without food since Sunday.

In the Valley of Thousand Hills, about 30 000 people are starving after being left homeless. Villagers had to scramble for loaves of bread airlifted to them by the SAAF and other relief organisations after being without food for three days.

Hungry people grabbed loaves as fast as they were off-loaded and wild scrambles developed for food.

Health workers in the area reported 13 deaths and scores of injuries. The Umgeni River swept through the area, flattening houses and crops and killing livestock.

Nearly all major industrial activity has ground to a halt in the Durban-Maritzburg region after water to industries was cut to save supplies after water pipes were washed away.

Many factories are still flooded and thousands of workers had, by yesterday, still been unable to reach their jobs as rail services and roads are still in chaos. Some of the bridges may take months to be rebuilt.

Residents said that when the water started rising a number of police vehicles pulled up at Constable Lesane's home and carried out his possessions.

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From Page 1

## Engine on the head Praise heaped

**As Lindelani squatters scramble to identify bodies washed up from the nearby graveyard, a terrible smell haunts the camp, sparking off fears for health.**

# Cut off from his neighbours

CP Correspondent

**CONSTABLE** Mahlanya Lesane, of the Maritzburg security branch, cut a lonely figure as he swept piles of sludge from the doorway of his wrecked Duke Street home in Sobantu township on Tuesday.

Across the way, neighbours Talo Ndlela, Kay Zulu and Valokisa Ngozwana stood together at the edge of the receding flood-water mark, waiting to help each other salvage the remains of their possessions.

This was the scene in Sobantu township hours after the Umzumuzi River, together with its smaller tributary, the Masekwana

stream, had leapt up by more than three metres engulfing their homes and those of at least 60 others in just 30 minutes.

"I had returned from night shift, got into my pyjamas and went to bed. I knew the water was rising, but it normally stops at the first telephone pole," said Valokisa Ngozwana, a 57-year-old bus inspector at a metal printing firm in

Maritzburg.

"At 10.30am on Tuesday the youths came and awakened me. The water was already at my doorstep. They started helping to carry out my possessions. I phoned my wife, Letticia, and told her to come home immediately, but it normally stops at the first telephone pole," said Valokisa Ngozwana, a 57-year-old bus inspector at a metal printing firm in

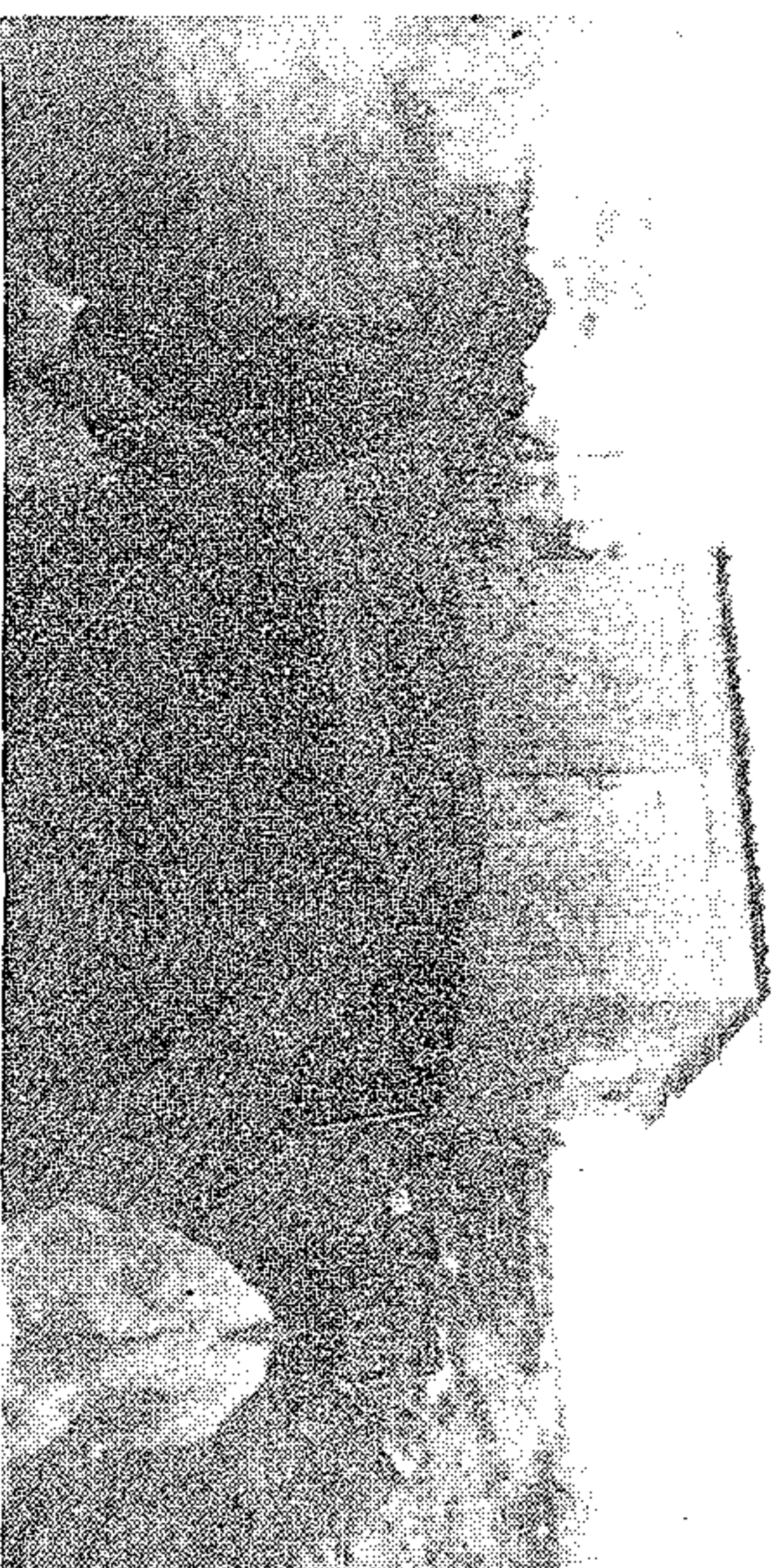
Maritzburg.

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**Tragedy struck this family home as the floodwater washed away the very floor from under them.**



# Shack owners' lives at risk

CP Correspondent

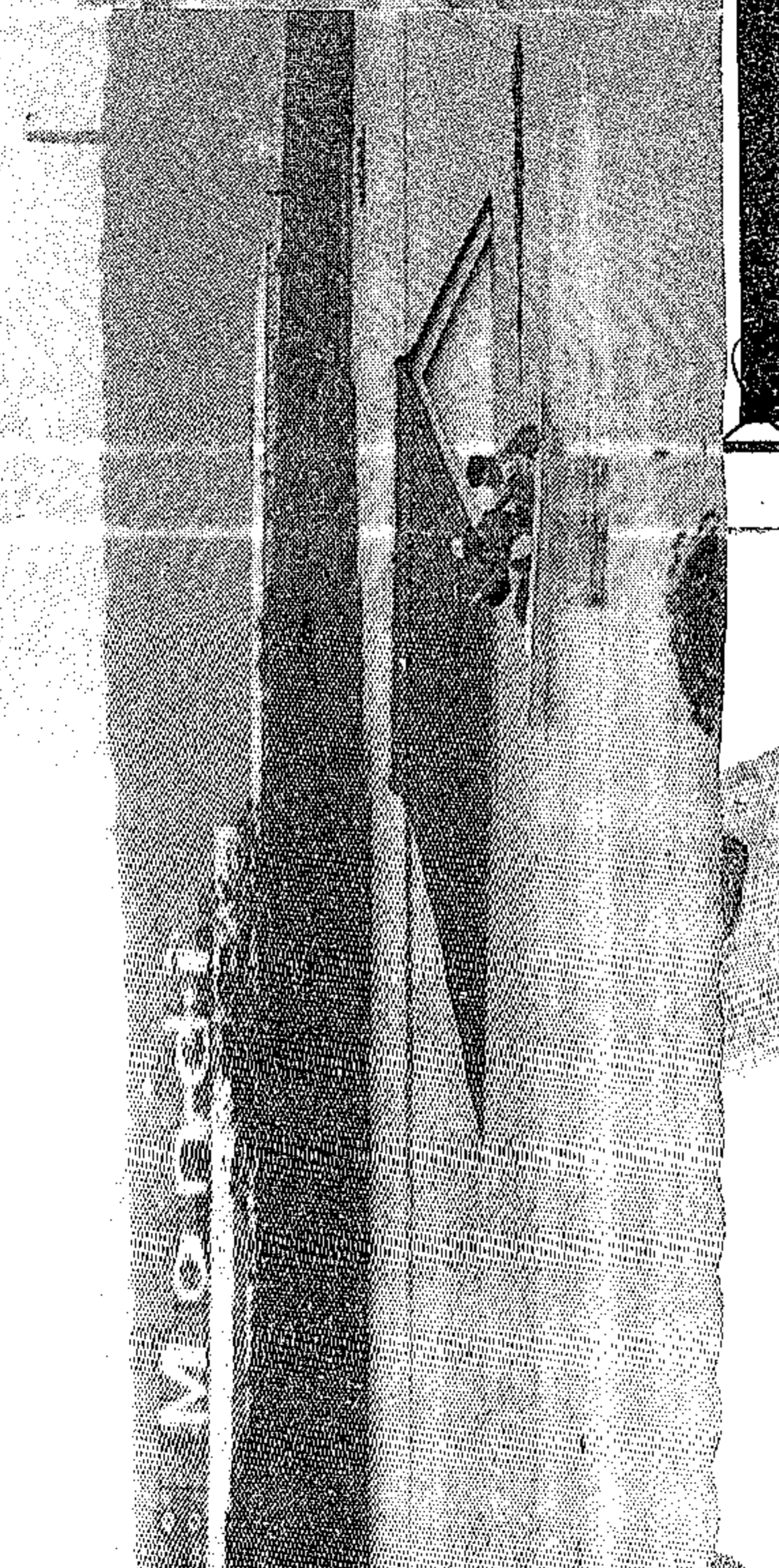
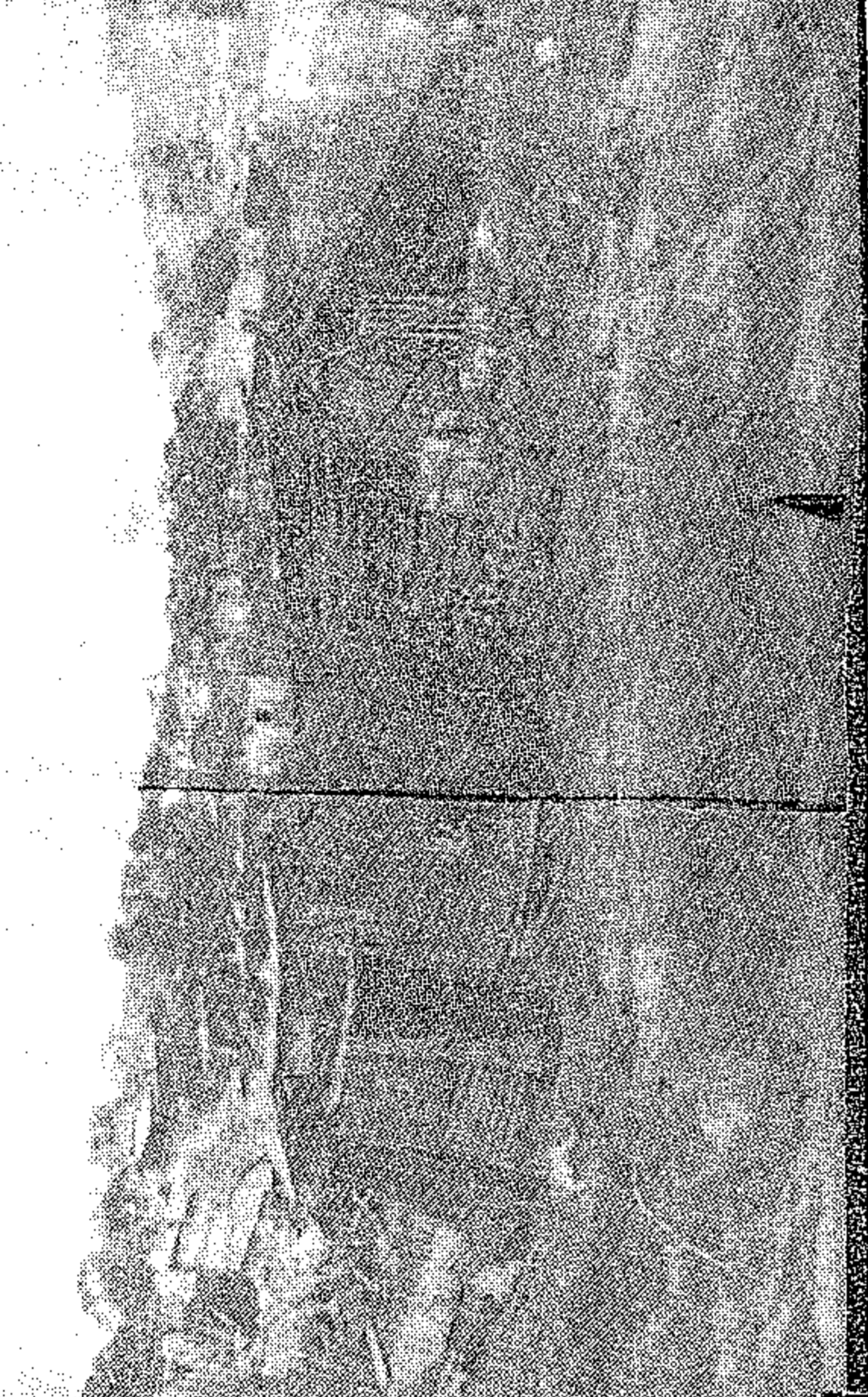
THE lives of thousands of shack dwellers in Natal were at risk this week, following the worst floods in living memory.

Already over 100 people, mainly from the black areas, have died or are missing and thousands are homeless.

But the real disaster, according to information flowing into the South African Council of Churches' Natal office is the disintegration of the "imjondolos," (flimsy wattle and daub shacks), housing the majority of the region's population.

Two of the worst hit areas are round Durban and Maritzburg.

On Wednesday, Reverend Sol Jacobs, a director of the SA Council of Churches and co-ordinator of the SACC hunger and relief fund, blamed the government for failing to provide adequate housing and infrastructures in the black areas.



25

1981

# Insurers face claims flood from Natal

SHORT term insurers are bracing themselves for claims totalling R350-million-R500-million following the Natal floods.

After doubling premiums in the past year, the industry was just recovering from underwriting losses amounting to tens of millions of rands when the worst natural disaster in SA's history struck.

Total taxed profits of the industry last year were R120-million — only a quarter of potential claims.

Fortunately reinsurers overseas carry a large part of the risk, so the loss to the local industry will be a fraction of the total.

## Hard hit

Guardian National is believed to have been hardest hit among local insurers. It covers major corporate accounts such as CG Smith, Tongaat Hulett and David Whitehead.

General manager Keith Nollson says it will be at least another week before the total damage caused by flooding and sewage spillover to plant, machinery, buildings and stock can be assessed.

Claims arising from water cuts will be substantial, he says.

## Business Times Reporters

"It is early days and we cannot put a figure to it. But the losses will be big, not only to us as a company, but to the country and the international insurance community as well," he adds.

He warns it will, inevitably, take time to pay out the bigger claims as there are funds only for small household policy claims at this stage.

Consequential losses arising from the damage will add immeasurably to the bill. It will be months before all claims are submitted.

And for the country, of course, there will also be the cost of replacing the province's ravaged road and rail infrastructure, much of which is uninsured.

But insurance shareholders have not over-reacted to the industry's blow. Hardest hit share price was Mutual & Federal which lost 125c over the week to close at 650c.

Santam was another heavy loser down 50c to 190c.

But IGI lost only 10c to 580c, SA Eagle and Guardian both held their ground and Commercial Union actually firmed 150c to 1 500c.

An analyst warned: "It takes only one catastrophe to knock the industry back to square one."

Any expectations of a major boost for the construction and civil engineering in-

dustries from reconstruction also appears misplaced, in the short term at least.

SA Federation of Civil Engineering Contractors executive director Kees La-gaay says: "Don't think we are rubbing our hands."

Municipal and government authorities are likely to deviate from budgets allocated earlier this year, dropping or shelving development plans in favour of emergency projects.

However, the stock market apparently has a different perception.

Most of the leading counters moved up by Friday, led by Grinaker which firmed 75c to hit 1 050c after the magnitude of the disaster had been assessed. LTA was up 10c to 295c, Group Five was up 20c to 470c and Goldstein improved 15c to 385c.

## Rate war

Ironically, the disaster occurred as the short term insurance industry was poised for another rate war after last year's return to profitability.

Fortunately for the industry, more than half the total loss amount will probably fall in the catastrophe category of agreements with foreign reinsurers, as a result of which more than half the amount of claims will eventually be paid by the international short term insurance market.

Loss adjusters and support teams have moved into Natal to help assess damage to buildings, industrial plant, stock in trade, vehicles, roads and bridges. But their priority is to help industrialists get their manufacturing, supply and delivery operations going to keep consequential losses to a minimum.

"It's impossible to say at this stage what the total cost will be," says Don Gallimore, managing director of PFV, South Africa's largest short term insurance broking organisation.

"The extended loss of water, gas and electricity could lead to enormous claims. One can only guess at consequential losses caused by the business disruption."

The flood damage is ten times worse than that caused by Cyclone Demoina.

Minet managing director Barry Jenkins believes most major risks on the North Coast and in Durban have come off relatively lightly.

"But the feedback is devastating. Those who have suffered most are the smaller commercial risks and householders."

Mr Jenkins believes the promised rate war will be delayed by a "sobering pause".

Fred Haslett, MD of SA Eagle, is pessimistic. He says that while most well-run companies will have limited exposure, perhaps in the R500 000 to R1-million range, premiums will increase.

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# FLOODS:

## Times gives R50 000

46  
SIT 12

THE SUNDAY TIMES and its readers have donated R50 000 towards flood relief in Natal and KwaZulu.

The money is being sent to the Red Cross, whose workers were in the front line of bringing aid to stricken flood victims this week.

The trustees of the Sunday Times National Charity Fund this week joined major companies, individuals and other agencies who have rallied to provide emergency relief following South Africa's biggest natural disaster.

● Yesterday the full, calamitous consequence of the flood was felt in thousands of Natal homes as water supplies were cut off in many urban areas.

● The official death toll in the province had risen to 174 — and could ultimately soar to more than 300.

● The full extent of material damage was being assessed — insurers are bracing themselves for claims that could total as much as R500-million.

● See Pages 2, 4 and 5 and Business Times

3kg

“When faced with a revolving door to precede a lady or to follow her. I offer cigarettes, I have no doubt as



\* A gentleman who patronises the more expensive rule. Turning to one's choice of cigarettes, an invitation to enjoy Mills Special opens all fine, expensive tobacco.

The boys  
weight

# Drop to drink

under siege this weekend as for water from tankers and all industry has ground to a

se remains real and the grim task of rrvivors is still going on. In a province e still receding, authorities are batt- water to Durban.

Throughout almost all the city's suburbs — from the sprawling townships to elite white areas — people have been forced to queue with buckets and containers to get drinking water from tankers and fire hydrants.

The official toll of people who died in the floods stood at 174 last night, with 86 people still listed as missing.

But the figure is certain to rise as contact is made with several communities still isolated by floodwaters.

Reports from the more rural districts and informal settlement areas of Natal are patchy — it is not known how many people might have died or are missing there.

In Durban and surrounding areas, well over 400 000 people are homeless, their houses either washed away or damaged beyond repair by the floods.

Yesterday, Durban city engineer Don Macleod warned that even the central city and beachfront areas were under threat.

"Water to the entire city could be cut if domestic consumption does not drop immediately."

He said tankers would be able to continue supplying drinking water, but until a second bulk pipeline was repaired, the situation would worsen.

The city is getting water supplies from only one of the four pipelines through which

## Durban under siege as people queue up for water from tankers

Sunday Times Reporters

its water usually flows.

The four aqueducts which feed water to the greater Durban area from the Nagle Dam were swept away at the height of the floods. Emergency teams repaired one aqueduct and are busy trying to repair a second.

Before the floods, the city's water consumption was about 370 megalitres a day. Now we're getting about 160 megalitres through the

Residents of New Germany, near Durban, bring their buckets and line up for precious water from a tanker



one pipeline," Mr Macleod said. Other Natal towns — mostly along the North Coast — have also had water supplies cut.

### Disease

But Graham Atkinson, executive director of the Umgeni Water Board, said supplies to most towns would be restored this weekend.

Amanzimtoti, south of Durban, is likely to have a

temporary water supply secured this weekend.

Inland, Maritzburg's water supply was slightly disrupted as the city is receiving only about 60 percent of its usual water supply.

Mooi River and surrounding townships have been without piped water since Tuesday. Most of Howick is also without water.

Health authorities and the Minister of National Health, Dr Willie van Niekerk, have warned that the major problem now facing Natal is disease.

People are using water from polluted rivers, increasing the already serious threat of an outbreak of waterborne diseases in the province.

Fuel supplies to the entire country have also been disrupted as both Durban's oil refineries were flooded and closed down at the start of the floods.

Deputy Director-General of the Department of Mineral and Energy Affairs, Dr D C Neethling, yesterday confirmed that secret contingency plans had been taken which would ensure the supply of fuel throughout the country.

See Pages 6 and 7 and Business Times.

## Water rationing ends as dams fill

By MARLENE BURGER

IN the wake of the devastating floods in Natal this week, there was good news for the PWV area.

Water restrictions imposed on domestic and industrial users four years ago are to be lifted.

A spokesman for the Department of Water Affairs said the notice ending restrictions would be gazetted on Friday.

Although the Vaal dam is only 21 percent full at pre-

sent, Mr H J Best, manager scientific services, said early spring rains had indicated that a normal meteorological year was likely.

"The PWV area is not supplied from the Vaal dam alone and in view of the fact that feeder dams for the Vaal — Sterkfontein and Bloemhof — are filling rapidly, there is no further need to ration water."

However, consumers should wait to be advised by local authorities before ignoring existing restrictions.

921

**NATAL'S  
FLOOD  
TRAGEDY**

# My lit



Mrs Sitharanie Jaimungal comforts her 10-month-old daughter, Prathika, after her rescue from mud

**LITTLE Prathika Jaimungal's mother calls her a miracle baby.**

The 10-month-old infant was still alive when she was dug out deep mud 14 hours after her parents' Chatsworth home was atttered by a landslide — killing seven members of two milies — as freak floods pounded Natal this week.

virtually unscathed by the

**REPORT by  
PRAVEEN  
NAIDOO  
Pictures:  
M S ROY**

Whole page (S6)

# Little miracle!

— by the  
mother  
whose  
child  
lay for  
14 hours  
trapped  
under  
the mud



Remains of the house where seven people died and Prathika emerged virtually unscathed

## World-famous

of rubble  
down around her



rescue of the...  
 helped... a work-  
 ing through... night in  
 driving... they had  
 lost hope... the baby  
 alive... heard a muffled  
 cry within the ruins.  
 Frantic digging into the  
 rubble revealed Prathika lying  
 in a cavity.

Late this week the baby was being treated in hospital alongside her injured mother, Mrs Sitharanie Jaimungal.

"It's a miracle that my baby is still alive," Mrs Jaimungal told the Sunday Times as nurses brought her daughter to her for the first time after their duplex in Road 720 disintegrated under the weight of the mudslide.

The child's cheeks were scratched and she stopped crying when her mother held her to her breast and called her name.

### Asleep

Mrs Jaimungal's daughter, Roshnee, 16, a 14-year-old nephew, Anand, her brother-in-law, Royithlal, 42, his son, Ashan, 8, and daughter, Geetha, 12, were crushed to death when the house collapsed.

Their neighbour in the semi-detached house, Mr Sunny Govender, 45, and his 17 year-old-son, Cyril, were also killed.

Mrs Jaimungal said from her hospital bed that she had been asleep in an upstairs bedroom shortly before the mudslide hit the house.

"I woke up when I heard noises in the kitchen. The plates were falling on the floor. The next thing the whole house started moving.

"As I got out of bed the floor and walls started breaking up. I fell and was pinned down by a wall. I remember screaming for my children, but there was no answer."

### Freed

Mrs Jaimungal was freed by rescue workers who used a crane to lift the slab of broken wall off her. She sustained leg injuries.

Her husband, Mr Deolal Jaimungal, said he was awakened by a loud bang and realised the house was falling apart.

"Before I could get out of bed the roof came down. Parts of the house were falling down all around me.

"Someone found me lying in the rubble. I am lucky to have so few injuries," he said, adding that his finger had been fractured and legs bruised.



Rain, rain, go away . . . Tracey Naidoo waits to go home, comforted by her doll

"But my daughter . . . my girl is gone. They found her body . . . a wall fell on her."

A neighbour, Mr Mohamed Adam, described how he saw the house sliding down an incline as it broke up.

"There was a loud bang, like an explosion," he said. "I ran to my window and saw the house moving slowly. Then it suddenly lurched forward and began to topple over.

"Everything happened within seconds.

"I ran outside. There were already people trying to get the injured out of the rubble.

### Crying

"There was mud everywhere and it kept sucking us down. I found a girl and tried to pick her up, but she couldn't move. I put her on my back and carried her to a neighbour's house.

"Some people were pinned down by collapsed walls and we couldn't move the blocks of bricks and masonry.

"It was very dark and raining heavily. We couldn't see clearly . . . we could only hear moans and people crying."

## Rain stops kids' play

Sunday Times Reporter

**THAT'S MY DOLL!** Tracey Naidoo reflected the joy of all children who salvaged their favourite toys from this week's floods.

The homes of more than 50 families, including Tracey's, were flooded after the Umlaas canal near Louis Botha airport became a raging torrent.

### Roof

Later, Tracey played happily with her treasured doll in unfamiliar surroundings — a church hall near her Merebank, Durban, home. But rain DID stop another kind of play.

The University of Durban-Westville's drama department was to start the run of a children's play, Toad

of Toad Hall, tomorrow.

But it had to be postponed after this week's devastating rains put a stop to rehearsals.

"People with flooded homes have more on their minds than rehearsals," said a spokesman.

"Also, materials for the play's set could not be delivered to the university.

"And the roof of the Asoka Theatre, where the play was to have been staged, has developed a leak above the stage lights, making use of the lighting system dangerous."

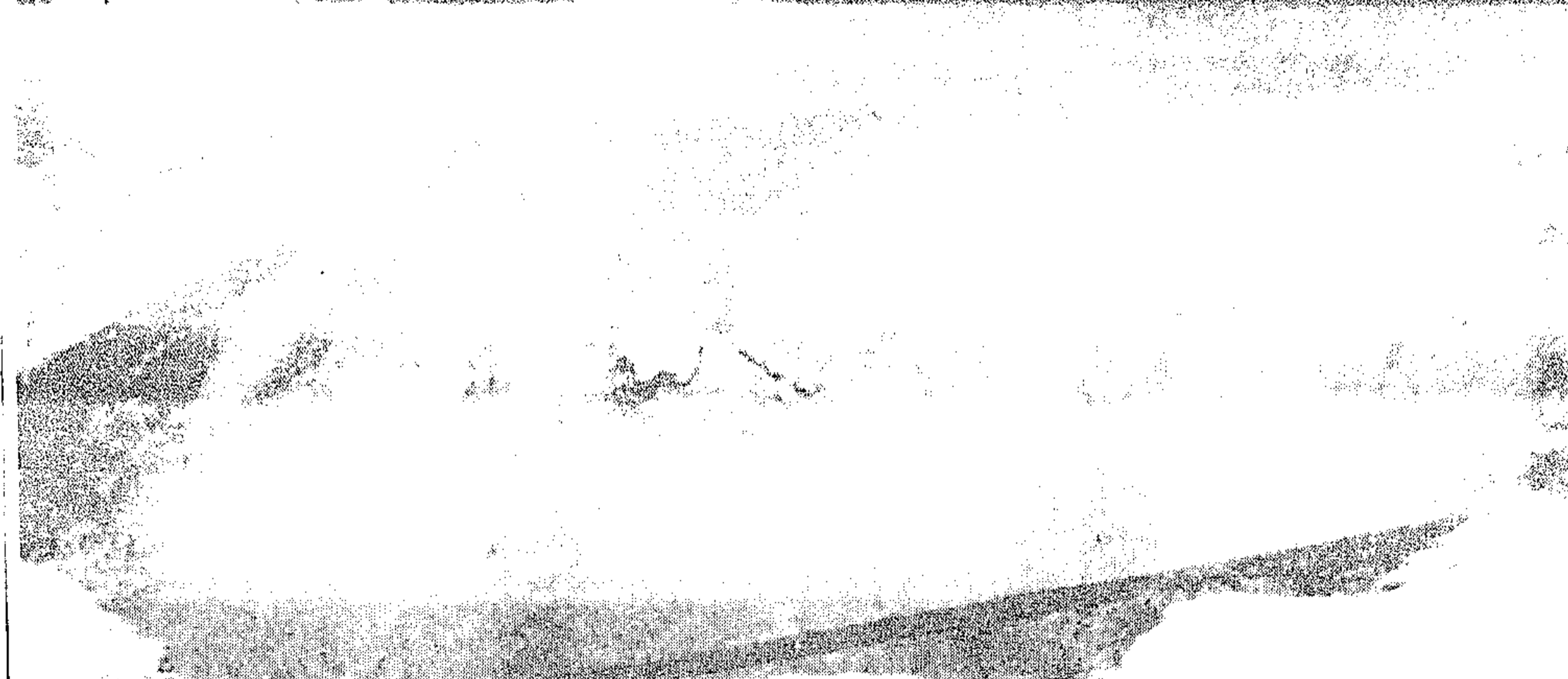
The play is now scheduled to start on Wednesday and will run until Saturday, with two shows daily at 1.30pm and 7pm.

Also available

A TRA

(S6) whole page

# DEVASTATA



**IMPASSABLE:** This huge sinkhole on the road to the North Coast has cut Tongaat off from Durban

**DEADLY** diseases now pose the greatest threat to flood-ravaged Natal and KwaZulu.

Cholera, typhoid, viral hepatitis, dysentery, pneumonia and malaria are the next killers faced by the thousands left homeless and destitute by the torrential rains and floodwaters.

As the floods recede, leaving behind tracts of waterlogged land and contaminated water supplies, Natal's health authorities are preparing for possible epidemics.

Rural settlements and the vast squatter communities round Durban are most at risk. Many of these areas did not have regular and safe water supplies even before the floods and such diseases were

## And dangerous — as disease

By DENYSE ARMOUR

already endemic, but the risk of epidemics is now inestimably higher.

Even the cities and towns of the province are not totally safe.

Many Durban suburbs have had water supplies cut completely, and householders are having to collect rations of water from mobile tankers and selected fire hydrants.

The danger lies in residents foraging for alternative water supplies from contaminated sources.

The Department of National Health has flown in a team of doctors — from the armed forces — who are experts in the field of epidemics. The team will be studying the health consequences of the floods.

### Homeless

Meanwhile, the department is planning an urgent and massive health education drive throughout the region.

"The principal threat lies in water-borne diseases in areas where normally

safe water supplies "With the cold we numbers of homeless also expect an increase in diseases such as cholera," said a spokesman of National Health.

She said the problem is exacerbated by even more already overcrowded shanty towns as the city shelters the homeless.

The department is planning extra support

**1st PRIZE: R1 000 000**

2nd Prize: R100 000

3rd Prize: R50 000

4th Prize: R10 000

12 Prizes of R5 000

30 Consolation Prizes of R1 000

SUPPORT



# TING

## NATAL'S FLOOD TRAGEDY



THIS usually busy intersection in Mobeni, south of Durban, was turned into a vast lake

### ase threatens

ave been disrupted. ther and the large s people, we could ease in respiratory ds, flu and pneumo- man for the Depart- ealth in Durban. ms would be exacer- overcrowding in the d shacks of the shan- mmunities tried to s. has made arrange- plies of medicine to

be obtained at short notice should a seri- ous outbreak occur. "As yet we've had no increased demand for our services. But it still early days," she said. The department runs mobile clinics in the outlying rural areas, and it hopes that these services will resume this week as roads are repaired. "The long-term solution is the raising of living standards in these areas and introducing piped water," the spokeswo- man said.

Dr Muriel Richter, Durban's medical officer of health, said the risk within the city limits was "absolutely minimal", though there could be "sporadic out- breaks".

"There is a clear distinc- tion between urban and rural areas. Where drinking water is suspect — mainly in rural areas — cholera, typhoid and gastro-enteritis are likely.

ONE of Natal's most popular sightseeing attractions, the Valley of a Thousand Hills outside Durban, has been transformed into a valley of death and destruction by the floods of the past week.

Mercy airlifts of food and clothing to communities iso- lated by the raging Umgeni River and impassable roads began when the rains stopped on Wednesday.

For many whose homes had been destroyed when the downpour started at the weekend, the bread brought in by helicopters from 15 Squadron, stationed at Dur- ban's airbase, was the first food in four days.

In one ravaged village on the steep hills above the Um- geni, starving villagers grabbed loaves of bread from the rescue workers, desperately tearing off chunks.

People were trampled un- derfoot in the fight for food. From the air, the devasta-

## Starved villagers grab loaves from rescue workers

One old man, repairing his mud-and-iron shack, said: "My children were all inside when it fell on top of them." His family were lucky — no-one was badly hurt.

But in another village, an entire family were killed when their shack collapsed onto them.

Most of the homeless have been sheltered in schools, tri- bal courthouses and in the few homes still standing.

### Appeal

The situation has been

tion, is co-ordinating emer- gency relief for the area.

Mr Chris Mann, director of the trust, said blankets, cloth- ing, food and building mate- rials were desperately need- ed.

But the centre was also trying to raise money for a rotating credit fund.

"People need cash to set up at least one proper one-room dwelling. They'll borrow money to buy decent building materials and repay it inter- est-free.

"The money can then be rotated for other communit-

**\* IMPORTANT**  
30% of total ticket sales, if total sales less than R4 200 000.  
All finalists under 18 years of age must be represented by their legal guardians.



First National Bank

# OPERATION HUNGER R1 MILLION GOLD RUSH III

6TH AUGUST

TO

24TH OCTOBER 1987

THIRD TIME LUCKY!

Single tickets can be purchased at all branches of the following companies:

CASHBUILD: CNA: FAMILY CIRCLE  
PHARMACIES: FIRST NATIONAL BANK:  
FLEET RENT: FURNITURE CITY: GEEN &  
RICHARDS: GOLD REEF CITY: GRAND  
SUPERMARKETS: GREATERMANS:  
GUARD BANK: MAKRO: Mc NAMEES:  
METRO: MIKES KITCHEN: PICARDI  
HOTELS AND OFFSALES: PICK 'n PAY:  
RUSSELLS' SPAR: SURTEES: THRUPPS  
WORLD FURNISHERS: BEARES: FEDICS  
CANTEEN: PETITE JEWELLERS:  
LUBNERS' PLATE GLASS: PG WOOD

Whole books MUST be purchased through Operation Hunger offices.



**PUBLIC DRAW**  
24TH NOVEMBER, 1987.  
**FINALISTS' COMPETITION**  
28TH NOVEMBER, 1987.

R10 PER TICKET

**How to enter**  
Tickets are on sale all over the country. Just look out for the Gold Rush posters in your nearest supermarket, store or shopping centre, or send in the coupon below and get your tickets **directly** from Operation Hunger. If you'd like to sell tickets, contact Operation Hunger and we'll give you one free ticket for every book you sell.

### Closing Date

OPERATION HUNGER GOLD RUSH III this year is sponsored by South Africa's leading bank, which recently changed its name to **First National Bank of Southern Africa.**

**TICKETS ON SALE:**  
6th August to 24th October, 1987.

**DRAW:**  
24th November, 1987 — in public. The 30 consolation prizes of R1000 will be posted to the lucky ticket holders within one week of the draw.

**FINALISTS' COMPETITION:**  
28th November 1987 — at First National Bank Race Day at Turffontein Racecourse.

**Turffontein Racecourse** celebrates its centenary this year.

All you have to do is answer these three simple questions and send R10 to Operation Hunger.

All correspondence should be sent to Operation Hunger Gold Rush, P.O. Box 31547, Braamfontein 2017 or Dunwell House, 35 Jorissen Street, Braamfontein, Johannesburg.

1. What is the new name of South Africa's leading bank?

2. Which Johannesburg Racecourse is celebrating its centenary this year?

3. What is the date of the First National Bank Race Day?

Single tickets can be purchased at all branches of the following companies:

CASHBUILD; C.N.A.; FAMILY CIRCLE PHARMACIES; FIRST NATIONAL BANK; FLEET RENT; FURNITURE CITY; GEEN & RICHARDS; GOLD REEF CITY; GRAND SUPERMARKETS; GREATERMANS; GUARD BANK; MAKRO; Mc NAMEES; METRO; MIKES KITCHENS; PICARDI HOTELS AND OFF SALES; PICK 'n PAY; RUSSELLS; SPAR; SURTEES; THRUPPS; WORLD FURNISHERS.

Whole books MUST be purchased through Operation Hunger offices.

For every ten tickets you buy direct from Operation Hunger you get one ticket FREE!

1. Please send me  tickets at R10.00 each.  
2. Please send me  books of 10 tickets at R90.00 per book.

NOTE: NEW TEL. NO. (011) 403-6750/9

NB when posting  
Please do not enclose CASH, send only CROSSED cheques or postal orders.

Surname

Address

Tel. No.

Please debit my.....

Credit Card No.

Signature:

Initials

Postal Code

Code

(Credit Card Name)

Tickets

Brill Bros.



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**24 OCTOBER, 1987**  
 Press for time and place  
 public draw on Tuesday 24  
 November, 1987

**RESULTS OF THE DRAW**

**NOVEMBER 24**  
**First Draw**  
 16 Finalists for the \*R1  
 first prize and 30 con-  
 on prizes of R1 000 each.  
 entrants who have  
 answered the questions on the  
 s correctly will be eligible).

**NOVEMBER 24**  
**N.B. Second Draw**  
 of the 16 finalists will be  
 d with a top athlete at a  
 draw on the same day.

**NOVEMBER 28**  
 Saturday, November 28th,  
 g the First National Bank  
 day, at Turffontein Race-  
 se, Johannesburg, the  
 les will run the 1600 metre  
 e just before the main

**NOVEMBER 28**  
**Third Draw**  
 order in which the athletes  
 will determine the order in  
 the finalists will each  
 one of the 16 unmarked  
 oles containing the name  
 horse running in the  
 ure Race and will be  
 ed by the contestants in  
 c, once the horses are in  
 starting stalls, immediately  
 e the race begins.  
 A winner will not be  
 ared until the last horse has  
 ed the winning post, the  
 lear' has been sounded and  
 placings have officially  
 confirmed.

**THE PRIZES**  
 arms of the rules set out  
 re:  
 The winning horse will  
 re the R1 million for the  
 list paired with it.  
 The second horse will win  
 000 for the finalist paired  
 it.  
 The third horse home will  
 R50 000 for the finalist  
 ed with it.  
 The fourth horse home will  
 R10 000 for the finalist  
 ed with it.  
 The rest of the field will each  
 R5 000 for each of the 12  
 lists paired with them in  
 ns of the rules as set out  
 ve.

he event of a horse being  
 atched at the last moment,  
 unmarked envelope contain-  
 the horse's name will re-  
 in with the 16 unmarked  
 elopes in the THIRD DRAW  
 ealled above and the  
 alist choosing it will be  
 gated to the status of an  
 so rail and win R5 000.  
 ould the race finish in a 'dead  
 at' the prizes will be added  
 gether and divided equally  
 tween the appropriate fina-  
 ts. The same will apply  
 ould a dead heat occur in the  
 nor placings.

**DEATHS**  
 "In urban areas where  
 treated water is supplied,  
 either in the reticulation sys-  
 tem or in tankers, it will be  
 safe," Dr Richter said.  
 But she warned that in  
 places where there was a  
 total switch-off of water, peo-  
 ple should assume that all  
 water in rivers and streams  
 was contaminated.

Raging rivers have flooded  
 sewerage works, washed  
 livestock and human bodies  
 downstream and are filled  
 with debris of all descrip-  
 tions.  
 Household users using water  
 from their swimming pools  
 should first test chlorine lev-  
 els, Dr Richter warned.  
 There is also a threat of  
 food poisoning arising from  
 spoilt food supplies or dirty  
 eating utensils.  
 Health authorities are also  
 watching for an increase in  
 malaria-carrying mos-  
 quitoes.

**Cop heroes  
 in line for  
 bravery  
 citations**

**By GEORGE MAHABER**  
**SEVERAL** policemen are to  
 be recommended for bravery  
 awards for their roles in dar-  
 ing rescues during this  
 week's Natal floods.  
 In Maritzburg, members of  
 the Dog Squad and Diving  
 Unit rescued almost 60 peo-  
 ple trapped in floodwaters.  
 Police spokesman Captain  
 Pieter Kitching said the two  
 squads helped rescue people  
 who were stranded in the  
 Howick and Edendale areas.  
 At Edendale, five Diving  
 Unit members saved nine  
 people trapped on the roof of  
 a house.  
 "The swollen Umzindusi  
 River was rising fast and it  
 was extremely dangerous,  
 with all the flotsam on the  
 river," said Capt Kitching.  
 "But the police formed a hu-  
 man chain and dragged the  
 people to higher ground."

**Trapped**

During the operation a  
 woman was washed away in  
 the strong current, but War-  
 rant Officer Herman O'Con-  
 nell unhesitatingly dived into  
 the river and saved her.  
 Captain Kitching said that  
 five people were trapped on  
 an island in the raging Um-  
 geni River, below Howick  
 Falls.  
 "Sergeant Ben Barnard  
 loaded his own boat on a  
 truck and, with four mem-  
 bers of his squad under Cap-  
 tain Deon Terblanche, raced  
 to the scene.  
 "The boat sprang a leak  
 and the propeller shaft broke,  
 but the policemen managed  
 to rescue five members of the  
 Vorster family and their  
 three dogs."

tion was clear a few shad-  
 were still standing.  
 It is estimated that in the  
 five tribal districts which  
 make up the area, 20 000 of  
 the estimated 80 000 popula-  
 tion are homeless.

**Shelter that turned  
 into a killer**

**By HOUSEN KOLIA**

**DEATH** came in the middle  
 of the night to a tiny village  
 near Glendale on the Natal  
 North Coast.  
 At the height of the killer  
 floods, and under the force of  
 driving rain, the mountain  
 under which the village shel-  
 tered simply collapsed on top  
 of the sleeping settlement.  
 At least one person is  
 known to have been killed —  
 but the death toll in the vil-  
 lage could be as high as 12.  
 The settlement has for  
 generations sheltered in the  
 shadow of the mountain over-  
 looking the Umvoti River.  
 We reached it on Thursday  
 afternoon in a small Bell he-  
 licopter after our pilot had  
 gingerly put it down on wa-  
 terlogged land.  
 Before us there were in-  
 credible scenes of destruc-  
 tion. Part of the mountain  
 overlooking the village had  
 tumbled down onto the val-  
 ley. Huge boulders covered

the valley, burying half the  
 village in a broad band of  
 devastation.  
 Sleeping villagers were  
 crushed under tons of rock or  
 drowned in the waters from  
 the swollen river.

**Terrible**

An eerie silence hung over  
 the scene. Abandoned and  
 crushed homes, a single shoe  
 and a pair of trousers bore  
 testimony to the tragedy that  
 had befallen the villagers  
 who had lived for generations  
 on the banks of the river.  
 Then, a little girl in red  
 came towards us, waving her  
 arms about wildly. She spoke,  
 but we could not understand  
 what she was saying.

But it was clear something  
 terrible had happened there.  
 Later more villagers  
 emerged, seemingly out of  
 nowhere. They had seen the  
 'black bird' come out of the  
 sky bearing people with cam-  
 eras.  
 The women — the men had  
 already returned to work in  
 the canefields — told us they  
 had no food or supplies.  
 They said at least one  
 woman had either been  
 crushed under the rocks or  
 swept away in the flooded  
 river. Her body had not been  
 recovered.  
 Another two villagers had  
 been injured and taken to  
 hospital.  
 Police dropped food and  
 supplies to the villagers on  
 Friday, a police spokesman  
 in Durban said.

**Yours for only R50!!!**

**WIN 2 CARS** **STRIKE A DOUBLE**



**HONDA BALLADE 130**

**ONLY 2 200 TICKETS**

Two Honda Ballade 130s can be yours for only R50. Hottentots-Holland High School, Somerset West offers this competition in order to raise funds for essential educational projects.

**RULES:**

1. Complete the adjacent entry form, answer the question and post the entry form(s) together with your crossed cheque or postal order (made out to HHH Motor Competition) to the address on the form.
2. The first 2 200 entries will be accepted. To each of these entries a number will be allocated.
3. All entries exceeding 2 200 will be returned together with the donations by registered post.
4. The closing date is Friday, 20 November 1987.
5. The winner will be determined by the organisers and the draw will take place on Friday, 27 November 1987 at 18h00 at Rola Motors, Somerset West.
6. The competition is under the control of Ginsberg & Kassel, auditors, Somerset West.
7. Anyone may enter, except the partners of Ginsberg & Kassel, their staff members and their immediate families or agents.
8. The organisers retain the right to extend the closing date of the competition.
9. The winner will be notified and his/her name will appear in the Sunday Times.
10. The decision of the organisers is final and no correspondence will be entered into.

Cars will be supplied by: **ROLA MOTORS**  
 Your Local Dealer

**ENTRY FORM**  
 Please enter my name for this competition.  
 QUESTION: (Indicate the correct answer with an "X")  
 Which car can be won in this competition?

Honda Ballade 130   
 Honda Ballade 150   
 Initials and surname: .....  
 Postal address: .....  
 Postal code: .....  
 Phone: (W).....  
 (H).....  
 Enclosed my cheque   
 postal order  for R50.  
 I understand and agree to the rules and conditions of this competition.  
 Signature .....

Post entries to:  
**HHH Motor Competition,**  
**PO Box 358,**  
**Somerset West 7130.**  
**CLOSING DATE:**  
**Friday, 20 November 1987.**

7998

ARGUS 5/10/75 (56) (2/2)

NA

# City man drowns — flood toll now 205

The Argus Correspondent

DURBAN. — A Cape Town member of a navy rescue team has drowned, taking the official death toll in the Natal floods to 205.

A further 118 people are still missing and the final death toll could exceed 300.

Sub-Lieutenant Gavin John Shalto Douglas, 22, of Rondebosch, drowned after two inflatable rescue boats capsized in rapids on the swollen Umgeni River on Saturday, according to naval headquarters in Pretoria. The boats had been searching for stranded residents 6km south of the Nagel dam.

An estimated 55 676 people have been left homeless in Natal and Kwazulu.

More than 50 000 people need food urgently and many young children have virtually nothing to wear, according to the Minister of National Health and Population Development, Dr Willie van Niekerk.

Dr van Niekerk is expected to release a detailed health report tomorrow.

## SEARCH

More than 400 000 of greater Durban's population of nearly 600 000 are without water.

Maritzburg's reserves were down to 20 percent today.

The navy said Sub-Lieutenant Douglas failed to reach the bank with the rest of the crew after the boats capsized. Helicopter searches for him failed and his body was discovered by a member of the public.

Sub-Lieutenant Douglas, a member of the Permanent Force, is survived by his mother, who lives in Rondebosch.

Officials in Durban said one of four damaged aqueducts carrying purified water to the city from the Nagel dam had been repaired, but taps shut off on Friday would probably not be turned on again until Wednesday.

Industries have been ordered to shut down possibly until October 12 to conserve water.

At least 80 percent of Pietermaritzburg's residents were still without water yesterday and most areas surrounding Pietermaritzburg were in the same predicament.

Water points and tankers are supplying people in various places along major routes.

## RELIEF FUND

South Africa's largest pulp and paper manufacturer, Sappi, has begun a R500 000 relief project for disaster-stricken Natal and the West German government is to give R55 000 to victims.

The embassy said a second gift of R55 000 to the SA Red Cross is under consideration.

Some of the passenger train services that were interrupted because of the flood damage have been reinstated.

The Trans-Natal service between Durban and Johannesburg was resumed yesterday.

A spokesman for South African Transport Services said delays could be expected on this line.

The North Coast line should be reopened on Wednesday and the South Coast line on Thursday.

# Flood toll rises to 205 — could exceed 300

The official toll in the Natal floods has risen to 205 with the death of Sub-Lieutenant Gavin John Sholto Douglas (22), a member of a naval rescue team who drowned while assisting flood victims.

Another 118 people are still missing and the final toll could exceed 300.

About 55 676 people are homeless in Natal and kwaZulu. More than 50 000 need food urgently and many young children have virtually nothing to wear, according to details released by the Minister of National Health and Population Development, Dr Willie van Niekerk.

In addition, more than 400 000 of greater Durban's population of nearly 600 000 are without domestic water services.

Maritzburg's reserves are down to 20 percent today.

Navy headquarters in Pretoria said two inflatable rescue boats capsized in rapids on the swollen Umgeni River on Saturday while searching for stranded residents about 6 km south of the Ngela Dam.

Sub-Lieutenant Douglas failed to reach the bank with the rest of the crew and helicopter searches by the SAAF failed to locate him. His body

was later found by a member of the public.

Officials in Durban said one of four damaged aqueducts that normally bring purified water to the city from the Nagle Dam had been repaired but water taps shut off on Friday would probably not be turned on until after Wednesday. Industries have been ordered to close, possibly until October 12, to conserve water in the metropolitan area.

At least 80 percent of Pinetown's residents were still without water yesterday and most areas surrounding Pinetown were in the same plight.

Water points and tankers are supplying people in various places along major routes.

Some of the passenger train services interrupted by flood damage have been reinstated.

The Trans-Natal service between Durban and Johannesburg was resumed at 6 pm yesterday with other trains scheduled to leave the two cities at 8 pm.

It is expected that the North Coast line will be reopened on Wednesday and the South Coast line on Thursday.

SMC  
5/10/87

City Times 5/10/82  
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# City naval officer dies in flood rescue

Own Correspondent

DURBAN. — A navy sub-lieutenant drowned while searching for stranded flood victims on the Umgeni River south of Nagle Dam at the weekend.

Navy Headquarters in Pretoria identified the man as Sub-Lieutenant Gavin John Shalto Douglas, 22, a Permanent Force member who is survived by his mother in Rondebosch.

In a statement yesterday, the navy said two of their inflatable rubber boats were used on Saturday to search for people stranded along the river, about six kilometres south of Nagle Dam.

About 2.30pm the boats capsized while negotiating rapids. On reaching the river bank the crew members noticed that Sub-Lt Douglas was missing.

"At daybreak yesterday a helicopter from the SA Air Force and another from the SA Police were requested to search for the crews," the statement said.

## Scuffles

The helicopters found the crews and continued to search for Sub-Lt Douglas, who was found later in the day by a member of the public who reported finding the body to the police.

On Durban's beaches, meanwhile, scuffles broke out between angry surfers and lifeguards yesterday after surfers attempted to ignore the ban on bathing.

At Dairy Beach some defiant surfers were pulled out by lifeguards using an inshore rescue boat, a spokesman for the Beach Office said yesterday.

He said some people wanted to go surfing at Brighton Beach and reacted angrily when stopped by lifeguards.

Meanwhile, talks are to be held in Durban today between officials of Durban's Parks Recreation and Beaches Department and the Natal Sharks Board to assess the situation and see at which beaches shark nets can be re-installed.

● The official death toll in the Natal floods remained at 205 yesterday afternoon but the number of "missing" had increased to 118, according to a spokesman from the Ministry of National Health.

Commenting on reports at the weekend that 500 000 had been left homeless by the floods, a ministry spokesman said the official figure was 55 676.

● No piped water —  
Page 9



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# WAVE OF DISEASE SET TO HIT NATAL

**ANOTHER wave of death and disaster is set to break over flood-ravaged Natal as increasing violence, crime, disease, and hunger come in the wake of the deluge.**

Last week's non-stop four-day rain turned the province into a death bowl, killing 174 people and wreaking damage estimated at R1-billion. But the tragedy is far from over.

As many as a million people in Natal and KwaZulu are estimated to have had their homes destroyed and for them the suffering is just beginning.

Violence has already flared in the desperate struggle for food in isolated parts. On Friday fighting broke out at the Red Cross depot at Inanda-Newtown and a nurse was injured in the scramble for food.

Experts predict Durban is likely to feel a backlash of increased theft as people who have lost everything in the flood turn to crime in a desperate effort to survive.

Shortages — of food, particularly vegetables, water, and building materials, particularly in cut-off places — are likely to increase the hardships, despite promises of aid to victims of

## SOWETAN CORRESPONDENT

South Africa's worst natural disaster.

There are still many places across the province which are totally isolated. People in the worst-hit areas, which the Red Cross has been unable to reach, may have been without food for nearly a week. The state's relief operation will swing into full operation only today — a week after the devastation.

The full wrath of the flood was vented on people living in shacks and huts in the rural areas and outskirts of cities. A survey by Natal University's Built Environment Support Group found an average of 30 percent of black homes in informal settlements outside Durban were no longer habitable — leaving nearly 600 000 people homeless. If the survey is a reflection of the rest of KwaZulu, 1 200 000 of the area's four million people could be without adequate shelter.

The health hazards facing these people are frightening. The number one killer of young children, even before the flood, was gastro-enteritis and the shortage of clean drinking water is likely to exacerbate this.

Floodwaters destroyed pit latrines and the rivers are now polluted with sewage. The critical shortage of water and inaccessibility on roads for water tankers mean that many people are resorting to ground water. But unless it is chlorinated, there is a high chance of catching a water-borne disease, warns consultant microbiologist Dr Ahmed Bhanjee.

Epidemics of typhoid and cholera threaten. Add to the list an increase in the cases of malaria, bilharzia, and infectious hepatitis.

Pneumonia, the second biggest killer of young children, is also likely to claim lives, particularly those of children who have lost their homes and do not have proper shelter.

Professor Walter Loening, expert on child diseases, predicts the present high death rate of young children in the rural areas (13 percent) is likely to increase in the wake of the floods.

"I have no doubt the high mortality rate of young children will increase, purely because their families were already living on a knife-edge."

Although the state has flown a special squad of health specialists into

Natal, there are fears the pending health crisis will become too big to cope with. The KwaZulu health department was in trouble even before the floods, with a shortage of funds and a critical lack of doctors in the rural areas.

Roads ravaged by the floodwaters compound the problem: mobile clinics are not able to reach many communities, and some areas are still totally isolated.

The main killer of black babies — gastro-enteritis — can be cured easily if the child receives medical attention and rehydration in time. But experts fear large numbers of children will not be reached in time.

Poor families will be yet poorer after the floods, with ensuing socio-economic problems.

Because of structural damage to the roads, many workers are unable to get public transport, and their jobs are on the line.

Jeff McCarthy, of Natal University's department of Geographical and Environmental Sciences, predicts that increased economic pressure will lead to an increase in violence.

Cape Times 5/10/87

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# No piped water for 60% of Durban

DURBAN. — Emergency teams are using floodlights in a non-stop effort to restore water supplies to homes in Durban, where about 60% of the city is still without piped water.

But it could take at least another three to four days before taps start running again.

Meanwhile, Maritzburg continues to face a water crisis unless consumption in the city is cut drastically. City engineer Mr John Robbins said the public had not responded well to an appeal to cut down.

As a result the stored water in the capital's reservoirs had dropped by another 4% by yesterday and was now down to 20%.

Mr Robbins said this was sufficient to supply the capital with water for another day at the present rate of consumption.

In Durban, four more residential areas, including parts of Durban's Berea and the Bluff, were added to the growing list of areas

without water.

Mr Neil Macleod, assistant city engineer (water supply), said supplies to parts of Berea, the Bluff, Woodlands, Sydenham, and 10 units in Phoenix were cut yesterday.

He said Durban Corporation teams were distributing water from fire hydrants and tankers in the affected areas and there was no hope of industries getting water before at least another week.

Mr Macleod said there was no guarantee that supplies to existing areas would not be affected.

Mr Graham Atkinson, the chief executive of the Umgeni Water Board, said last night repair teams were working at full pitch on two main projects.

"The situation generally appears to be improving. Today, we started pumping water from the Hazelmere Dam at the rate of 10 megalitres a day and the Verulam pipeline should be ready tomorrow.

"The supply to the whole of

Amanzimtoti has been restored and raw water is now being piped to Umlaas Road, which means that the supply to Hammersdale, Cato Ridge and Pietermaritzburg will be improved."

Mr Alan Gooderson, chairman of the Durban branch of the Federated Hotel Associations of South Africa, said most Durban hotels still had piped water supply, but they had self-imposed restrictions.

There had been "Quite a lot of cancellations" as a result of the floods, he said.

Meanwhile bathing was still banned on the entire coast, from Richards Bay to Port Edward, yesterday.

The old steel bridge across the Tugela River linking the north to the south — following the collapse of the John Ross — is showing signs of strain and traffic authorities have imposed weight restrictions on vehicles crossing the bridge. Yesterday only one vehicle a time was being allowed across. — Sapa

# After the floods hardship sets in

AS the Red Cross vehicles wound their way through the flood-ravaged and bitterly cold hills of the Natal North Coast, people huddling along the roadside screamed at us, begging us to stop and give them food.

Unable to speak to us in English, they showed their hunger by rubbing their stomachs. Tiny children pleaded with their hands held together as if in prayer.

We drove on, trying hard not to look, and whenever possible we explained to them that if they could get to the trading store there would be food for them.

Thousands of people in the rural area stretching from Durban to the Tugela Valley are isolated.

They have been trapped for almost six days, without homes, food or warmth and with no one to turn to in a vast landscape of hills, raging rivers and land ripped open by the massive flood which has left nothing but misery in its wake.

Although aid has poured in from around the country, they have received none because they cannot be reached.

Roads which once were arteries of survival turned into savage rivers as the endless rain pelted down. The ceaseless deluge of water swept over verges and roared down hills, smashing the small mud homes as it forced its way to the sea.



**STAFF OF LIFE: A youngster makes a break with a loaf of bread during a scramble for food in the Valley of a Thousand Hills.**

Homes which were not wrecked, simply dissolved in the continuous onslaught of hammering rain, leaving only their thatched roofs like peaked mushrooms on the ground.

Most people were taken by surprise as they slept, and had to scramble for their lives to reach higher ground. Their cattle and all they owned were swept away.

To see how these people are suffering — and will continue to suffer until aid, if any, reaches them — is heartbreaking.

But for a few there was a glimmer of hope on Friday when six remarkable men from the Transvaal ventured into this devastated land.

A few days before, the men closed their businesses or put in for

leave. Then they climbed into their four-wheel drive vehicles and headed for the South African Red Cross headquarters in Durban to offer their help.

The men — Tony Yeo, Carrots Fieberger, Colin Frankenberger, Mike Crawford, Mike Harvey and Alan Powell — are all members of the Off-Road Marshalling Association.

They have dedicated themselves to helping people and, with their all-terrain vehicles and driving skills, can reach inaccessible areas.

On Friday morning, after working flat-out for many hours, they loaded their vehicles with blankets and food once again.

A reporter joined the convoy of "mean machines" — bristling with sophisticated equipment and powerful two-way radio systems — and we headed for two drop-off points in Stanger and a trading store in the heart of Glendale Valley in the Mapumulo district, one of the worst-hit areas.

Stanger had no water and throughout the town there were tankers serving queues of people.

There are more than 500 homeless being cared for in a number of schools and community

halls but, according to a social worker, thousands who live in small pockets in valleys surrounding the town are cut off by swollen rivers and mudslides.

Some have managed to get through, and they bring pitiful tales of stranded and starving people.

After unloading we left for Glendale Valley. As we turned on to the dirt road leading into the valley we met a group of people sitting on the side of the road.

When they saw our Red Cross stickers they began ululating and screaming with joy, thinking we would stop for them. When we did not they ran shouting after us, and this happened throughout the day.

As we drove through the hills we saw unbelievable devastation. In places the road had been almost completely washed away and there was often only room for one vehicle to drive through — on one side a hill, on the other a sheer drop.

Houses dotted along the hillsides had been smashed to the ground. Some stood like empty shells with only a few walls left supporting the roof. Others had gaping

holes where the water had forced its way through.

The Cupu River, which flows through the valley, had subsided by the time we got there, but soil washed down from the hills had turned the crossing point into an enormous mud patch.

Five of the vehicles managed to get through, but one became embedded and could only be pulled out with the help of a massive tractor. We saw 11 abandoned buses stuck in the mud.

We attracted much attention as the vehicle was being pulled out, and the crowds followed us the few kilometres to the store. When we arrived, there was already a long queue.

As the vehicles were being unloaded we were shown an area where hundreds of people have been trapped for days. We saw an air force Dakota flying over and dropping off pamphlets, but we were unable to establish what they were about.

Some of the supplies were kept back as the team decided to try to get into areas no one had been able to reach.

We stopped at many places, and as we handed out tins of food, baby cereal, bags of mealie meal, and blankets, people wept. One little woman cried uncontrollably as she clutched a tin of baked beans to her breast.

Blankets were like manna from heaven, and as the heavy dark clouds once again enveloped the valley, it became freezing.

At times, when we were unable to stop for fear of getting stuck, we threw supplies off the vehicles.

It is tragic to see starving people scrambling for food in the mud.

We got to within 20km of the Tugela River, but were unable to continue as night was falling and there was no visible road left.

## FOCUS

SOWETAN CORRESPONDENT

# 228 dead, 55 000 homeless in Natal

6/10/87

~~55000~~ 56 *level*  
DUST

DURBAN — More than 55 000 people are still homeless in Natal following the recent devastating floods — and the official death toll now stands at 228.

Port Natal tops the death list with 172, followed by Natal Midlands and Maritzburg with 38, and 18 in northern Natal.

In addition, 125 people are still officially listed as "missing".

Meanwhile, water services have begun improving as essential repairs have been carried out.

Last night New Germany, Pinetown and surrounding areas had "limited supplies" through taps — but residents were warned to "co-operate by using as little as possible" until full repairs had been effected.

At Canelands, Verulam and Ottawa, residents today had running water for the first time in a week.

But vast areas in Durban were still "dry" as the city was still being served today by only one of its four aqueducts.

From yesterday more than 50 tankers belonging to the Durban Corporation were being protected by armed security men following the hijacking of a tanker from the Umgeni Water Board on Sunday at Kwamashu.

The tanker was taking water to the township when it was hijacked by armed men.

The Minister of Health, Dr Willie van Niekerk, said at a Press conference yesterday he had been told the hijacking occurred because "certain people had told blacks they were short of water because it was being supplied to whites".

Dr Van Niekerk said he would be contacting Dr Mangosuthu Buthelezi later today to ascertain the latest situation in Kwazulu.

About 200 unemployed people were clearing

beaches and river areas. Work on breaks in canals would also continue.

The director of the Natal Sharks Board, Mrs Beulah Davies, said there were "definitely more bodies in the sea off Natal's coastline, human and animal, than has been the case since the PoW ship, Nova Scotia, was torpedoed in 1943".

Referring to the battering all beaches took, she said "there has been improvement. The nets have been replaced at some re-

sorts, but the water remains murky and dangerous. It is unlikely we will be able to lift the total ban on swimming for another couple of days at least, and then only at beaches where nets are again properly in place".

Latest indications are that the Clermont pump station on the Umgeni River will be brought into operation by early tomorrow morning, thereby doubling Durban's present crippled water supply. — Sapa

● See Page 11

... stars in different guises ca  
undresses for the beach with girlfriend Katy Lyn  
meets King Juan Carlos of Spain (middle

*Cape Times 6/10/82*

# Dead navy man went on mission 'eagerly'

Staff Reporter *56*

SUB-LIEUTENANT Gavin Sholto Douglas, 22, who died at the weekend while engaged in rescue operations for flood victims in Natal, had volunteered for the dangerous operation and was "eager" to go on the mission which cost him his life, the dead man's sister, Ms Shirlane Douglas, told the Cape Times yesterday.

Speaking from her mother's home in Rondebosch, Ms Douglas said the family had yet to be given the full story but had been told in brief by the Navy about the circumstances surrounding her brother's death.

A naval official told the family on Sunday afternoon that the previous day the inflatable rubber boat being used by her brother and two other members of the Navy on the Umgeni River had overturned in rapids.

"The other two managed to get out the water but Gavin did not," she said.

Sub-Lieutenant Douglas, a grand-nephew of Air Marshall Sir William Sholto Douglas who commanded the Royal Air Force's fighter and coastal commands during World War II, matriculated from the Paul Roos High School in Stellenbosch before entering the Navy.

He was the youngest member in his intake to graduate from officer training and was a well-known rugby player, having represented both Natal and Defence under-21 teams.



Sub-Lieutenant  
Gavin Douglas

# Natal health after floods is 'good'

*CARF Times 6/10/87*  
*56*

## Political Staff

THE health situation in Natal after the floods was "good" and "very encouraging", Dr Willie van Niekerk, Minister of Health and chairman of the special flood relief committee, said yesterday.

There were no signs of cholera, typhoid or other serious illnesses.

Dr Van Niekerk, who has been in contact with about 30 doctors in Natal, said that while there was a good "profile", the situation would have to be monitored on a daily basis.

He believed the favourable situation in poor circumstances was because of earlier health campaigns in the area which appeared to have virtually eradicated the threat of serious illness.

Dr Van Niekerk had high praise for the rescue and relief teams who had been working in the province for the past week.

"It's been absolutely fantastic with everybody from local authorities, to civil defence, to Defence Force, to police, to joint management committees and individuals co-operating.

"Last Monday night we did not know what we were dealing with and it was only on Tuesday we went in to a crisis mode.

"A week ago it was a disaster, and

everyone has done a great job to get as far as we have in a week."

Dr Van Niekerk, who will visit Natal again later this week, said the biggest problem at the moment appeared to be to find housing for the homeless, but, he dismissed independent "guesstimates" that there were 500 000 homeless.

The official figure late yesterday was 55 676.

"We are receiving information from all over the province and while it is impossible to be 100% accurate, we believe our figures are relatively accurate," he said.

"There has been a joint effort by everyone involved and the number of homeless can be expected to decrease as people return to their homes or find they were not as badly damaged as expected."

Dr Van Niekerk said the government was considering increasing the R100 000 it had made available for employing workseekers to clear Natal's beaches of the thousands of tons of debris which had been dumped there after coming down swollen rivers.

Work was progressing on the restoration of water supplies for domestic use in most areas but he did not expect water for industrial services to be on stream before October 12.

## Labour donates 'No fuel shortage in Natal' to flood relief

### Political Staff

THERE is no petrol or fuel shortage in Natal because of the floods.

This was confirmed by two independent sources yesterday, the Minister of Health and Population Development, Dr Willie van Niekerk, chairman of the committee co-ordinating flood relief, and a spokesman in the Department of Economic Affairs and Technology.

The spokesman said the department had a contingency plan to redirect fuel to a crisis area if its own sources were affected.

Strategic reserves could be used in emergencies, but this was not being done at present.

One of the main refineries in Durban which had been flooded was expected to be back in operation yesterday afternoon or today.

THE Labour Party has donated R10 000 for flood relief in Natal, Mr Peter Hendrickse, the party's media relations officer, said yesterday.

The party took exception to not having been invited on the official tour of the flood area last week, he said.

A report back by Mr Chris April, Minister in the House of Representatives, was expected later this week.

(56) South  
1-7/10/87

## Shack dwellers worst hit by floods

THE lives of up to 3,2 million shack dwellers in Natal were at risk this week after the worst floods in the region.

Already over 100 people, mainly from the black areas, have died or are missing, and tens of thousands are homeless.

According to the South African Council of Churches' Natal office, the real disaster is the disintegration of the "imijondolos" (flimsy wattle and daub shacks) housing most of the region's impoverished population.

The worst hit areas are around Durban and Maritzburg.

Urban Foundation research shows that two million black Durban residents are shack dwellers while statistics supplied by the Association for Rural Advancement (Afra) in Maritzburg show that 300 000 people there live in shacks.

The possibility of an epidemic of flood-related diseases in the sub-tropical region is feared.

Meanwhile, relief has not yet reached thousands of destitute Africans in outlying areas near the Natal north coast town of Verulam.

Their huts, shacks and meagre possessions were washed away in floods early this week.

A Verulam social worker said that while the Red Cross, St John Ambulance, local municipalities and the government were conducting an almost "war relief campaign", thousands of hapless people in the districts of Osindizweni, Ndwedwe and other African areas in Tongaat and Stanger appear to have been overlooked.

- (1) (a) What was the amount of the bridging finance provided to the council of Diepmeadow in the financial years ended 30 June 1985, 30 June 1986 and 30 June 1987, respectively, (b) (i) what loans were outstanding at the end of each of these financial years, (ii) what total amounts were in arrears in respect of each financial year and (iii) what action has been or is being taken to collect these amounts and (c) (i) what amount was owing to creditors at the end of each such financial year and (ii) out of which funds have these amounts been paid or will they be paid;
- (2) (a) (i) what were the accumulated deficits in respect of each of these financial years and (ii) out of which sources were the deficits financed and (b) what were the (i) estimated and (ii) actual deficits for each of these financial years;
- (3) what were the amounts received from each specified source of revenue in respect of each of these financial years?

**THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:**

- (1) (a) Year ended 30 June 1985 R—  
Year ended 30 June 1986—  
R486 619,  
Year ended 30 June 1987—  
R33 486 098.

(b)	(2) (a)	(i)	(ii)
	(i)	Accumulated deficit as at 30 June 1985—R5 312 513.	
	(i)	Accumulated deficit as at 30 June 1986—R18 612 493.	
	(i)	Accumulated deficit as at 30 June 1987—(Not yet available).	
	(ii)	From bridging finance.	
	(i)	Actual deficit	Estimated deficit
As at 30 June 1985		R 4 825 895	R 7 334 700
As at 30 June 1986		R13 786 598	R 5 185 900
As at 30 June 1987		Not yet available	R26 429 100

(3)	1985	1986	1987
Electricity	R4 123 414	R5 838 020	R 501 204
Water	R5 512 513	R5 516 266	R 542 971
Service charges	R1 909 612	R1 861 377	R 652 581
Health services	R 559 870	R 694 575	R 628 275
Assessment rates	R 337 517	R 388 531	R 417 650
Remaining services	R 426 375	R 615 711	R3 286 948
Site rental	R5 070 140	R5 587 700	R 600 295
House rental	R 520 481	R 457 653	R 112 069
Other	R1 160 860	R2 098 554	R5 763 339

HoA

**Diepmeadow: water/electricity supply**

399. Mr W J D VAN WYK asked the Minister of Constitutional Development and Planning:†

- (1) What total amount was owing to the city council of Diepmeadow in respect of (a) water and (b) electricity supply as at 30 June 1985, 30 June 1986 and 30 June 1987, respectively;
- (2) whether the outstanding amounts were checked and certified as correct by the auditors; if not, (a) why not and (b) what was the purport of the (i) report and (ii) recommendations of the auditors in this regard?

**THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:**

- (1) These figures unfortunately cannot be furnished separately as only one account is kept for water and electricity supply. The collective figures are as follows:
- |              |             |
|--------------|-------------|
| 30 June 1985 | R2 564 332  |
| 30 June 1986 | R5 726 134  |
| 30 June 1987 | R12 330 354 |

- (2) Yes.
- (a) Falls away.
- (b) (i) The auditors expressed their concern over the matter and;
- (ii) requested that urgent attention be given to the matter by the Council.

**Vaal Triangle: air pollution**

400. Mr J H VAN DER MERWE asked the Minister of National Health and Population Development:†

(i) Vanderbijlpark:	Municipal Laboratory	Municipal Workshop	Municipal Licence office	Municipal Test site
Summer average	15	35	20	20
Winter average	45	95	55	70
Annual average	30	45	35	45

HoA

- (1) (a) What was the level of air pollution in the Vaal Triangle as at the latest specified date for which information is available and (b) (i) what were the main causes thereof and (ii) what percentage of the air pollution is ascribed to each cause;
- (2) what percentage of the air pollution in the Vaal Triangle was caused by the Black townships of (a) Bophelong, (b) Boipatong, (c) Setokeng, (d) Evaton and (e) Sharpeville as at the above-mentioned date?

**THE MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT:**

- (1) (a) The level of pollution cannot be expressed in a single unit. There are two main categories of pollutants, namely particulates and gases. Gaseous pollution in turn consists of various components.

Measurements of various pollutants have been carried out and are still being continued at a number of sites in the Vaal Triangle. The following are the latest results available from continuous monitoring as well as from special short term investigations that were carried out at specific sites.

**(A) Particulates:**

The following averages are expressed in microgram per cubic metre and were obtained at continuous monitoring sites in (i) Vanderbijlpark and (ii) Meyerton for the time periods Summer: October 1986 to March 1987, Winter: April 1986 to September 1986.

(S)



*Municipal swimming pool*

Summer average . . . . . 15  
 Winter average . . . . . 50  
 Annual average . . . . . 30

(ii) Meyerton:

	City Hall	Rohdene City Hall	Kookrus (new site)
Summer average . . . . .	15	10	—
Winter average . . . . .	45	45	40
Annual average . . . . .	30	25	—

The acceptable level of concentration for this type of measurement is 100 micrograms per cubic meter annual average.

#### Trace elements

The following results were obtained from the ongoing programme for the monitoring of

	Lead	Cadmium	Nickel	Iron	Manganese
	12	7,3	34	4 335	1 154
	Zinc	Copper	Magnesium	Chromium	Calcium
	2 535	34	904	36	1 643
	Potassium	Sodium			
	450	396			

During the months of March, April and May of 1986 a special programme of monitoring total suspended particulates in air was carried out at Meyerton, in order to quantify the effect of the local industries on the town.

Calculation of dust concentrations was done every 24 hours and two monitoring sites were involved.

The highest recorded 24 hour average was 170 micrograms per cubic metre and the average for the two stations over the whole

trace elements in the atmosphere at Vereeniging. The averages of the latest available 12 months period are expressed in nanograms per cubic metre (1 nanogram = 1 milhardth of a gram) and covers the period February 1986 to February 1987. All values are within acceptable limits.

period was 70 micrograms per cubic metre.

The acceptable concentration for this type of measurement is 350 micrograms per cubic metre.

Further analysis of the collected material gave the following results:

Iron: 3 microgram per cubic metre (Acceptable level 50)  
 Manganese: 2 microgram per cubic metre (Acceptable level 10)

A programme for monitoring suspended particulate is currently being carried out at Vereeniging. The results for August 1987 were as follows:

Highest 24 hour average: 254 microgram per cubic metre

Average for August: 146 microgram per cubic metre

Using an optical type of instrument called a Nephelometer the following results were obtained for suspended particulates for the month of May 1987.

Location	Largest recorded daily mean
Vaalpark (Sasolburg) . . . . .	56,2 microgram per cubic metre
Slangheuwel (Vereeniging) . . . . .	47,4 microgram per cubic metre
Lethabo (Vereeniging) . . . . .	157,7 microgram per cubic metre
Three Rivers (Vereeniging) . . . . .	129,7 microgram per cubic metre

Acceptable level for 24 hour average, 350 microgram per cubic metre.

(b) Gases:

(i) Sulphur Dioxide: (formed during the combustion of fuels containing sulphur)

The following average concentrations were measured at Vanderbijipark. The results are expressed in micrograms per cubic metre. The time periods are Summer: October 1986 to March 1987. Winter: April 1986 to September 1986.

	Municipal Laboratory	Municipal Workshop	Municipal Licence Office
Summer average . . . . .	10	16	10
Winter average . . . . .	14	26	23
Annual average . . . . .	12	21	17

	Municipal Test site	Municipal swimming pool
Summer average . . . . .	3	10
Winter average . . . . .	9	18
Annual average . . . . .	6	14

The acceptable level for this pollutant is 80 micrograms per cubic metre as an annual average.

The next results of sulphur dioxide measurements for May 1987 are expressed in parts per billion.

	MM (50)	L.I.R. (600)	LHM (300)	LDM (100)
Vaalpark (Sasolburg) . . . . .	12,3	159	88,1	20,3
Slangheuwel (Vereeniging) . . . . .	5,66	88,9	50,1	10,8

The acceptable levels are indicated in brackets.

	MM (50)	L.I.R. (600)	LHM (300)	LDM (100)
Lethabo (Vereniging) .....	13,9	466	153	29,6
Makulo (Sasolburg) .....	8,08	106	66,9	13,4
Three Rivers (Vereniging) ..	4,82	110	50,8	11,3
Coaldale (Sasolburg) .....	3,87	106	59,7	11,3

MM — monthly mean  
 LI — Largest Instantaneous Reading  
 LHM — Largest hourly mean  
 LDM — Largest Daily mean

(ii) During combustion processes and certain chemical processes such as the manufacture of nitric acid, nitrogen oxides, known collectively as NOX, are released. The following concentrations, expressed as parts per billion, were measured at Vaalpark-Sasolburg during the month of May 1987.

The acceptance levels are indicated in brackets.

**Vaalpark' NOX Concentrations**

Monthly mean	27,5 (300)
Largest instantaneous reading	190 (1400)
Largest hourly mean	92,8 (800)
Largest daily mean	39,4 (400)

(iii) **Ozone**

Ozone is formed as a secondary pollutant under the influence of sunlight in the presence of hydrocarbons and nitrogen oxides.

The following concentrations expressed, as part per billion, were measured at Vaalpark-Sasolburg, during the month of May 1987. The acceptable levels are indicated in brackets.

**Vaalpark—ozone Concentrations**

Monthly mean	27,8 (30)
Largest instantaneous reading	166 (250)
Largest hourly mean	70,3 (120)
Largest daily mean	38,2 (50)

(iv) **Organic Pollutants**

A survey of organic pollutants was undertaken in and around Sasolburg during February and March 1985. Measurements were done at 24 different sites and 14 different organic compounds were quantified.

The following table presents some of the major compounds, with the highest concentrations found for each. The results are given in micrograms per cubic metre and the acceptable levels indicated in brackets.

Compound	Concentration
Benzene	150,4 (600)
Heptane	30,7 (32000)
Octane	24,6 (29000)
Nonane	8850 (21000)

A further monitoring programme was conducted inside the Sasol I factory during August 1985. The levels measured were found to be within acceptable limits, for example, the highest benzene concentration found was 2,4 parts per million and the acceptable level is 5 parts per million.

(b) (i) The main sources of air pollution in the area are firstly smoke emitted from Black residential townships and secondly emissions from major metallurgical and chemical industries. Many minor sources, associated with a densely populated and highly industrialised area such as the Vaal Tri-

angle, are also contributing to the pollution budget.

(b) (ii) In practice it is very difficult to uniquely identify the source of a specific pollutant. Hydrocarbons for example, can be emitted from petrochemical industries as well as from motor vehicle exhausts. It is therefore not practically possible to ascribe a certain percentage to each potential source.

From observations it is however clear that smoke emitted from coal stoves in Black townships in the area, is a main contributor to the visible pollution. A number of industries which have not been equipped with approved air cleaning installations, are also contributing to the smoke burden. These industries are however committed to ongoing programmes for improving emissions to acceptable levels.

Although the measured pollution concentrations confirm that conditions are still acceptable as far as health considerations are concerned, the fact remains that severe smog episodes do occur in Winter and every effort will have to be made to reduce levels of air pollution in the area.

(2) As was previously explained, it is not practically possible to categorize the total pollution levels and to ascribe a percentage to each source.

If it were feasible to establish monitoring networks inside the Black townships, it would be possible to have an indication of the total pollution emitted from these areas, and draw some conclusion from the results.

Previous attempts to establish such monitoring sites have however proved unsuccessful, because of factors such as security of personnel and equipment.

Visual observations do however confirm that the amount of pollution emitted from the Black townships is extremely high, and ways to reduce it, are currently under consideration.

**Dobsonville-Diepmeadow: electric power-units**

402. Mr W J D VAN WYK asked the Minister of Constitutional Development and Planning:

Whether electric power-units in (a) Dobsonville and (b) Diepmeadow are sold at lower prices than those at which they are purchased; if so, (i) why, (ii) at which prices were such power-units (aa) purchased and (bb) sold in each of these Black townships as at 30 June 1985 and 30 June 1987, respectively, and (iii) how are these price differences financed?

**THE MINISTER OF CONSTITUTIONAL DEVELOPMENT**

- (a) Yes.
- (b) Yes.
- (i)

(ii) 30 June 1985

(aa) purchased.....	21,0858
(bb) sold .....	442,4719
30 June 1987	
(aa) purchased.....	114,9430
(bb) sold .....	237,8657
(iii) From bridging finance	12,5021
	24,6241;

Soweto	30,1724
Nomonde	
Kwantsini	
Khanyiso	
Nkwenkwezi	
Mintuisi	
Day	
Beaufort	442,4719
Port Beaufort	114,9430
Kenton-on-Sea	237,8657
Despatch/Uitenhage	12,5021
Victoria West	24,6241;

67925  
539

# Natal floods death toll rises to 232

So  
we lost  
7/10/87

DURBAN — Natal's flood casualty list soared even higher today with 232 people confirmed dead and 139 missing.

The police liaison officer, Major Charl du Toit, also announced a substantial increase in the number of people left homeless.

Today's homeless tally exceeded 66 000.

The critical water shortage in the greater Durban area continued to ease, but some large residential areas, including Westville, are still without tap water.

Work on installing an emergency pump station on the Umgeni River at Clermont is expected to be completed today.

Only one of the four

pipelines which provide water from the Nagle Dam is operational. This pipeline is supplying less than half of Durban's needs and is also receiving attention because it is leaking.

Another one of the pipelines is expected to be repaired by tomorrow.

The bathing ban was due to be lifted today at Durban's Addington Beach and South Beach and at a number of South Coast resorts, following the clearing of debris and restoration of shark nets.

Mrs Beulah Davis, director of the Natal Sharks Board, said today that restricted bathing — but not surfing on boards — would be allowed from Addington to the West Street groyne and it was hoped this would be extended to North Beach and as far as Snake Park later in the day.

"If all goes well, we hope to extend Durban's shark net installations all the way to Battery Beach by tomorrow. It depends on the weather and whether there is a lot of debris

El motor

# Armed men called in to protect water in Natal

## Own Correspondent

DURBAN. — The Natal floods are set to cost the insurance industry more than R400 million — the biggest loss due to a natural disaster ever suffered by insurers and re-insurers in Southern Africa.

But of utmost concern is that insurers are losing between R10 million and R20 million every day that industry in the Durban area is unable to operate due to water cuts.

In a bid to see industry back on its feet as quickly as possible, representatives of the SA Insurance Association had a meeting with Mr Graham Atkinson, chief executive of the Umgeni Water Board, yesterday to assess the situation.

Following this meeting, an emergency meeting has been organized for 10.30am today. The City Engineer, Mr Don Macleod, has indicated that the earliest in-

dustry can expect to have its water restored is Monday.

Meanwhile, armed security men are escorting water tankers to some of the flood-hit areas around Durban without water. From Monday more than 50 tankers belonging to the Durban Corporation were being protected by armed security men after the hijacking of a tanker from the Umgeni Water Board on Sunday at KwaMashu.

## Death toll

The confirmed death toll in the Natal flood disaster had risen to 228, with 132 people still missing, according to the Minister of National Health and Population Development, Dr Willie van Niekerk. The number of homeless had also risen by about 400 to 56 051.

While Durban waits for water, it was announced that the bathing ban could be lifted at some

Durban central and lower South Coast beaches tomorrow if the water clears.

Natal Sharks Board director Mrs Beulah Davis said the nets at Durban had been inspected yesterday morning and there was very little debris and no sharks.

Meanwhile, many of the beaches are still a mass of debris and the Department of Parks, Recreation and Beaches has employed more labourers to help clean up.

But surfers were ignoring the bathing ban.

They were called "irresponsible" by Mr Alan Pembroke, acting director of the Department of Parks, Recreation and Beaches.

"Not only are they endangering their own lives but also the lives of others who would feel morally obliged to go to their assistance if they were attacked," Mr Pembroke said.

# 232 killed by floods, 139 missing, 66 000 without homes

56  
7/10/87

## Political Staff

THE death toll in Natal's flood disaster continued to rise today with 232 people confirmed dead and 139 missing, according to police.

Natal police liaison officer Major Charl du Toit also announced that the number of people homeless now exceeded 66 000.

The Minister of Health, Dr Willie van Niekerk, has announced that the Disaster Relief Fund had received R567 521,90.

He thanked the public for their compassion and appealed for more money.

## Blankets, food

Cash contributions to the fund can be made at any bank. The account into which money may be deposited is No 000 028 292 8 at Volkskas, Pretoria.

Offers such as blankets and food can be made to the regional office of the Department of National Health, Commercial City Building, 16th Floor, Commercial Road, Durban, or Private Bag X5418, Durban ☎ (031) 319 375 Ext 20.

The British Embassy has given R100 000 to the Red Cross for flood relief.

A delegation of Ministers and MPs from the Labour Party who visited Natal yesterday said in a statement that the floods had made worse what was already poor housing.

Speaking on behalf of the group, Mr Tommy Abrahams MP (LP Wentworth) said the poor housing and lack of stormwater drains in many areas "were an invitation to disaster".

Meanwhile Durban's critical water situation is expected to improve significantly, but shortages and restrictions will remain for at least another week.

Early today most of Durban was still without piped water, although supplies had been restored to some areas which had been cut off.

## Reservoirs, aqueducts

It is hoped that supplies to city reservoirs can be increased with the Clermont pumping station being brought into action today and a second aqueduct repaired by tomorrow.

"Water supplies to Durban reservoirs should then reach pre-flood levels, but it will still take until next week to fill the reservoirs," said an Umgeni Water Board spokesman.

"Hopefully all will be full by Monday."

City engineer Mr Don MacLeod explained that because the water system relied on gravity and not on pumps, it was possible for one home to have water while a neighbour might not.

The bathing ban was due to be lifted today at Addington and South beaches and at a number of South Coast resorts following the clearing of debris and restoration of shark nets.

Families search for missing kin in Natal's desolation valleys

56

# Devastation in worst hit township

SPR 9/10/87

By Winnie Graham

Emmanuel Dube was searching through the mud and rubble with his bare hands when we came across him, a slim youngster of 16.

He was looking, he said, for his nine-year-old brother who had disappeared a week before when the flood waters, with breath-taking speed, had come at 10 am on Tuesday and destroyed their tiny shack home.

"My mother's body was found a few hours later," he said in perfect English, "but Mduduzi must be here, buried under this mud."

We were in Lindelani, a township comprising tens of thousands of little shacks about 30 km from Durban and probably the worst hit of the flood areas. Even now, more than a week after the deluge, people are still looking for members of their families, hoping by some miracle, to find them safe.

The lonely Emmanuel is just one of those still searching. Another was a distraught mother, convinced that her baby, swept away in the floods, was out there somewhere, hungry and frightened.

But, before we left Lindelani yesterday, a police officer arrived to fetch her. The body of a baby had just been found some distance away. They thought it might be her child. Would she come and see? The devastation of Lindelani, where people live cheek by jowl at the best of times, is almost impossible to comprehend. In this area alone — and it comprises just a few hills and a couple of valleys — thousands are without homes and food, for the flood waters not only smashed their inadequate homes and furniture, but also washed away their meagre food supplies and clothes.

## Hundreds of coffins swept away

In Emmanuel's valley the devastation is particularly bizarre. His home was built below a cemetery, the main burial ground for the people of kwaMashu, Durban's largest black township. When the floods came the side of the hill collapsed, sweeping hundreds of long-buried coffins away.

The water had gone yesterday, but the scene was even more macabre. With the hillside gone, it was possible to walk below the level of the coffins, dozens of which were jutting out the side of the hill.

Below the cemetery, where hundreds of shacks once stood, there is nothing now but bits of twisted corrugated iron and rubble. I clambered down the bank to take a closer look and found I was literally walking in a valley of desolation.

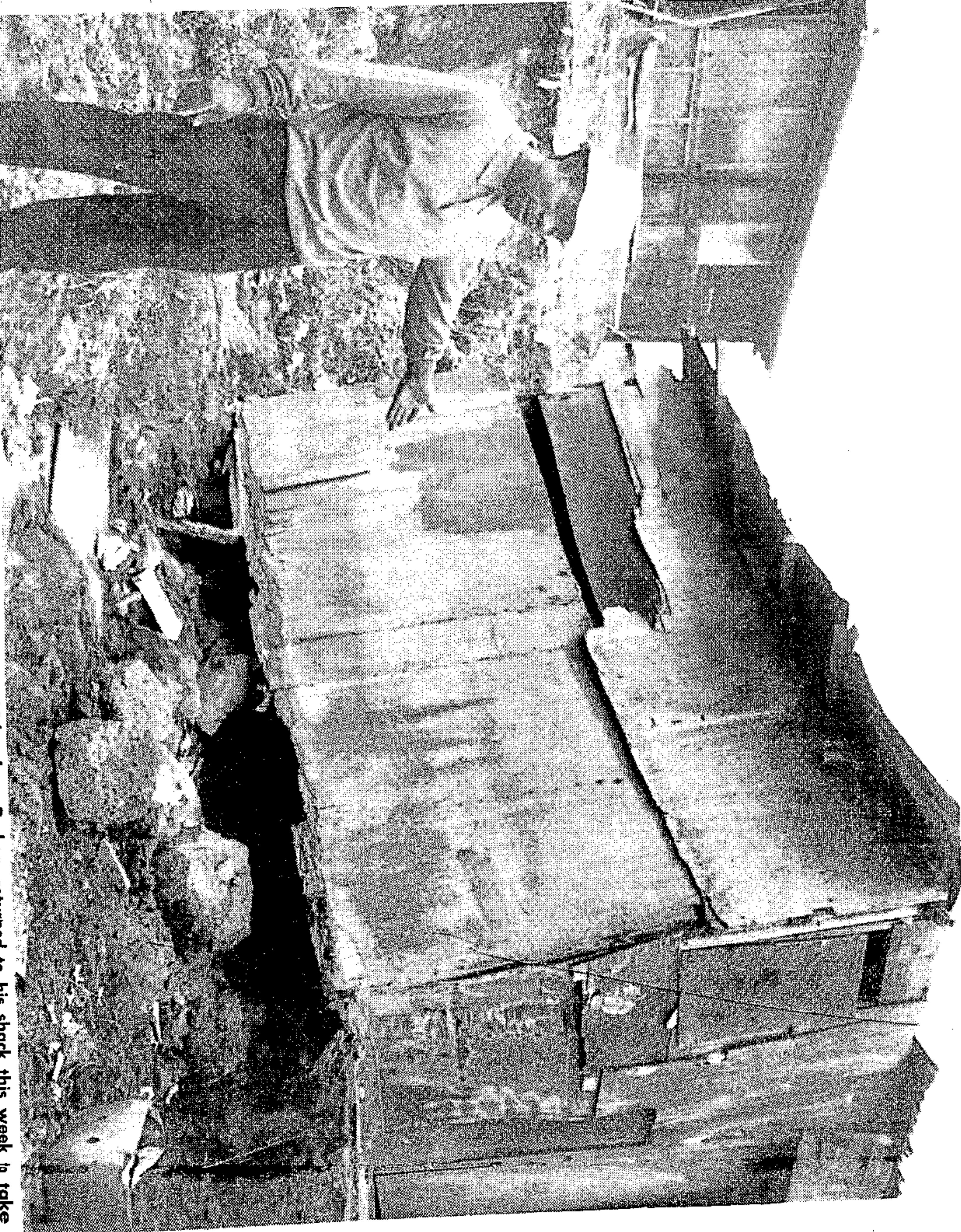
Many of the fragile coffins had broken in the floods and human bones were scattered everywhere. Skulls and bones were lying among broken toys and soggy books. The shroud-like blankets, in which the people had wrapped the coffins of their dead, often still covered the bones of their people.

There were few folk around yesterday. It has become a place people keep away from now. Yet, in the midst of the desolation, we found Emmanuel looking for the body of his brother.

With him were two other youngsters, Lucky Sosibo (18) and Emmanuel Mkhonza (15) who had lived in adjoining shacks. They had come to help their friend.

"There was no warning of the flood," Emmanuel said. "The water just came. I grabbed two little boys and ran. Only later I found my mother had died and my brother was gone."

People living in nearby shacks were warned to vacate their homes, he said, and just as well. The second flood came at 7 pm that night, totally destroying the tiny houses there.



This was my home. One of the people of Lindelani, a squatter town 30 km from Durban, returned to his shack this week to take stock. He was one of the lucky ones. His house is still standing and can be rebuilt. Most of the shacks were totally wrecked.

Emmanuel and his homeless friends are now living in a small tent. They are luckier than many who are still without shelter. The Red Cross, he said, had provided him with dry clothes and, if all is well, he gets food once a day.

We were still at Lindelani at lunchtime yesterday when Mr Bill Spencer, director of St John Ambulance, arrived with 700 loaves of bread, a donation from a Durban bakery. Hundreds of small children surged round the van. The adults — nursing mothers, old women, unemployed men — waited patiently to be summoned.

Mr Spencer said of all the devastated areas of Natal he was most moved by the plight of the people of Lindelani. Their situation was desperate.

He praised people for their generosity in keeping the homeless fed but added: "It will be months and months before the problem is resolved. We desperately need at least another 150 tents to provide basic shelter."

The Rev Petrus Dube, a minister of religion in the area, added: "Even donations of food are sometimes a problem. We have been given mealie meal and powdered milk, but we have no pots in which to cook and no water to mix with the meal or milk."

It was Mrs Anna Sithole, waiting for a site to be allocated who had the last word: "I haven't eaten in two days but that does not matter. If I am to keep living I must have somewhere to live. So I will stay here till I know where I am to go."

Natal floods: whole of SA must dip into pockets

Own Correspondent

DURBAN — The Minister of National Health, Dr Willie van Niekerk, warned in Durban last night that the whole of South Africa faced a "tightening-of-belts situation" in order to pay for the Natal flood havoc.

After completing a second helicopter visit to hard-hit areas, Dr van Niekerk told a press conference: "This is going to need hundreds of millions of rands."

Once the full cost of rebuilding the infrastructure was known, there would have to be a re-allocation of priorities in the Government's budget.

The Minister, chairman of the special Cabinet committee dealing with the flood disaster, said: "There is no other way... unless you would like us to increase taxes."

Dr van Niekerk said that when he visited Natal on Tuesday last week he saw the terrible extent of the flood disaster. During his visit yesterday, he was tremendously impressed with what had taken place in the short time since then.

He paid tribute to the people of Natal for their resilience and determination in the face of the crisis and also praised the co-ordination achieved by the civil defence, the joint management committee, provincial administration, welfare organisations and others.

As a result of co-ordination of medical services, epidemiological studies had been made, "and at this point I am not worried about a typhoid epidemic or a cholera epidemic."

He said there might have been one death from cholera but this still had to be confirmed.

Dr van Niekerk gave the official number of homeless as a result of the floods as 56 551 and strongly denied a claim by a university-associated body — that the figure would run to more than half a million.

# Natal fights back after flood havoc

## Political Staff

NATAL is fighting back after the havoc created by the avalanche of water that swept across the province.

A Government delegation that toured the area yesterday was particularly impressed with the way Natalians were tackling repair work themselves.

Both Mr Stoffel Botha, Minister of Home Affairs, and Mr Gert Kotze, Minister of Water Affairs, praised people for rolling up their sleeves and being prepared to help.

Mr Kotze said: "Everywhere we heard: 'I think we can handle it'."

## Relief measures

They were also impressed by the way the civil defence system had reacted and worked successfully preventing loss of life.

The Government has officially proclaimed the Natal floods a disaster, giving victims access to the Disaster Relief

Fund and opening the way for full civil defence relief action.

President Botha announced this last night and said he had appointed a special Cabinet committee to co-ordinate relief measures.

He said the Government would be adding to the R3-million in the fund and appealed to the public to make contributions.

Contributions in cash and kind poured in today from around the country.

Natal faces a bill of hundreds of millions of rands and months of inconvenience.

Urgent aid is required in many parts of Kwazulu which have been cut off and the army is doing everything possible to assess the position and assist.

Mr Stoffel Botha and Mr Kotze are to report back to President Botha today.

Mr Amichand Rajbansi, chairman of the Ministers' Council in the House of Delegates, said his administration would be stepping-up aid.

## All trapped climbers are now accounted for

### The Argus Correspondent

JOHANNESBURG. — All the climbers reportedly trapped in the Drakensberg over the past week have been accounted for, a spokesman for the South African Mountain Rescue Club has confirmed.

The last group over which there had been concern walked down the mountain to safety yesterday — and rescue officials do not even know their full identity, said Mr Roy Goodden of the SAMRC.

Members of the final group picked off the mountain by helicopter were three Transvaal people identified as Mr Ian Buchel, Mr Oliver Brunke and Ms Elizabeth Curry-Hyde. They

had been trapped in the Ndemeni Dam cave for five days, spending the last two days without food.

Mr Goodden said the trapped parties had all been well equipped and had done "the sensible thing" to wait for the weather to clear before trying to get down the mountain.

### The other rescues:

- A group of seven, including five University of Pretoria students, lifted by helicopter from the top of Mount-aux-Sources yesterday.

- The death of a climber, Miss Jenny Sutton, and rescue of five other students from the University of Natal.

Mr Renier Schoeman MP, whose Umhlanga constituency stretches from Durban to Mtunzini, said he had been shocked and saddened by what he had seen.

Mr Yunus Moolla MP (Solidarity Stanger) was extremely concerned about the position of Stanger which he said was almost totally isolated.

Durban's water crisis eased slightly early today when one of the four damaged aqueducts was brought back into service and at 4.05am the first water arrived in the city's reservoirs.

Umgeni Water Board chief executive, Mr Graham Atkinson, said water was being pumped at the rate of 170 megalitres a day and this would be increased to 200 megalitres a day — about 60 percent of the city's consumption.

This means the prospect of rationing home supplies has now receded, but water to industry will still be limited.

## Businesses close

Natal Chamber of Industries executive director, Mr John Pohl, said between 200 and 300 businesses had been forced to close or cut production, affecting several thousand workers.

"In Durban alone, it is possible that between 10 000 and 20 000 workers have been sent home because factories cannot operate," Mr Pohl said.

Flooded rivers and raging seas have destroyed all shark nets along the Natal coast.

Bathing has been banned from Richards Bay in the north to Mzamba on the South Coast.

"This is worse than anything I have ever seen since I joined the Natal Sharks Board," the director, Mrs Beulah Davis, said today. "All 410 nets are gone". Each net costs R1 400.

Meanwhile the Weather Bureau in Pretoria has predicted more rain for storm-lashed Natal from today until Sunday.

# Insurance claims likely to top R600-m

(56) SMC

By Michael Chester 9/10/87

Insurance claims from homeowners and businesses hit by the Natal floods now look likely to be more than R600 million — a total that more than equals the entire toll of natural disasters in South Africa over the past decade.

The estimate came from the SA Insurance Association, which represents most of the leading short-term insurance companies. Chief executive Mr Rodney Schneeburger said the final count of damage costs may go even higher.

"New claims are still pouring in as the cost of the devastation is better calculated as the wreckage is cleared and repairs are assessed," he said.

"The final costs may be as much as 20-times higher than the toll of the dreadful Demoina cyclone that struck Natal three years ago."

Claims on flood damage from the huge Mondi pulp and paper mill alone had been provisionally estimated at around R182 million, according to Mr Ken Sagers, managing director of Mutual and Federal.

Mr C J Oosthuizen, managing director of Santam, has described reports that premiums may rise by as much as 20 percent as "nonsense", though he admitted his company was not involved in the big industrial claims.

He said insurance cover calculations were based on long-term considerations.

● See Page 15.



9/10/83

52

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Smethun

# 55 000 people homeless

**MORE** than 55 000 people are still homeless in Natal following the recent devastating floods — and the official death toll now stands at 228.

These figures were released this morning by SAP liaison officer Major Charl du Toit.

Port Natal tops the death list with 172, followed by Natal (Midlands and Pietermaritzburg) with 38, and 18 in Northern Natal.

In addition, Major du Toit said, 125 people are still officially listed as "missing." The homeless tally is made up of 24 676 in Port Natal, 30 000 in Natal, and 1 000 in Northern Natal.

Meanwhile water services have begun improving as essential repairs have been carried out.

Last night New Germany, Pinetown and surrounding areas had "limited supplies" through taps — but residents were warned to "cooperate by using as little as possible" until full repairs have been effected.

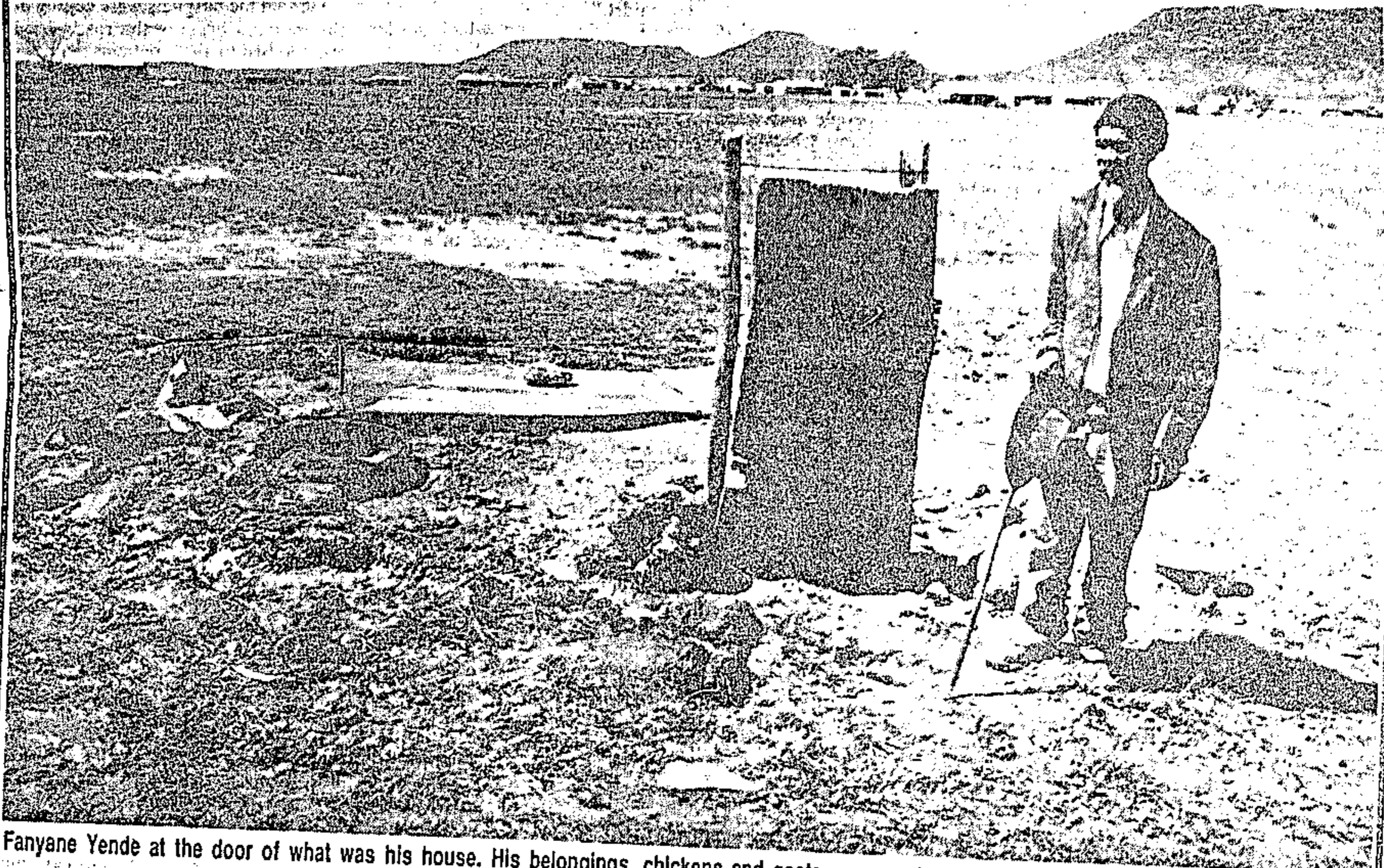
At Canelands, Verulam and Ottawa, residents yesterday had running water for the first time in a week.

But vast areas in Durban were still "dry" as the city was still being served by only one of its four aqueducts. — Sapa

# The waters drop. An old man returns to what once was his home

2-8/10/87 W. Mail

56



Fanyane Yende at the door of what was his house. His belongings, chickens and goats were washed away.

Picture: ERIC MILLER, Afrapix

By MIKE LOEWE

AFTER five days of torrential rain the Shabangu mud house — on the outskirts of Pietermaritzburg's black residential area in Edenvale — looks as though it has been through a war.

There are large holes in all but one wall and one of the rooms has collapsed. In a dark, cold kitchen, Alexander and Agnes Shabangu, aged 74 and 72, sit huddled around a smoking woodstove. Freezing wind blowing off the Drakensburg comes in through holes in the walls.

"I thought I was going to drown the whole night. A foot of water flooded us. We were so wet and shivering," Alexander said.

The hands and feet of the Shabangu grandson, Dumisane, 26, are caked in mud as he attempts to fill in holes in the walls.

The second year Unisa law student says he fears for the health of his grandparents, one of whom is diabetic.

Further down from the Shabangu's flooded home, the raging Umsidisi River has swept away nine people, the NSL's Wadley Soccer Stadium, a beer factory, cars, cows, two large bridges and engulfed some homes in Pietermaritzburg and at least 60 homes in Sobantu township.

In Sobantu, Constable Mahlako Li-

## Fears now of an epidemic

THE death toll in Natal/KwaZulu stands at 145 with a further 76 people missing.

Officials say there is no doubt the numbers will soar as the rivers, swollen by torrential rains, begin to drop.

Worst hit are hundreds of thousands of people living in the shack settlements and rural areas of Natal/KwaZulu who will have to rebuild their homes.

Cities and towns have been hit by a drastic water shortage which is complicating mopping up operations.

There are fears that the aftermath of the floods will bring a widespread increase

BY CARMEL RICKARD, Durban

In water-related diseases like gastro-enteritis, malaria, typhoid and cholera, all of these endemic in the region.

It is estimated that a third of the houses in the giant Inanda reserve next to Durban will have to be re-built because they were completely destroyed or were so damaged that they need substantial repairs.

That would involve over 100 000 people in Inanda alone, and it is believed the proportions will be similar for shack settlements and rural

case containing sodden papers hangs open on a table. Clothes are strewn about the small brick home.

A neighbour, Vakuliswa Ngozwana, 57, who works nightshift said he was woken by a group of youths who told him that the water was rising and began to remove his possessions to higher ground.

"It was 10.30am. I phoned my wife to tell her to come home immediately."

Letlica, 57, who works as a char at Alex Boys' High in town said the matron only let her off three and a half hours later.

"The matron never told me about his call but merely said she would be allowed to knock off at 2.30pm.

Vakuliswa said his losses amounted to R15 000.

"We finished paying for the house in April and it was only insured until then," he said.

Roy Zulu is an insurance clerk at Liberty Life.

"My policy does not cover me," he said.

"There is my house there," he said pointing to a rooftop in the water.

"Everything is gone. There was no time to get help. My mother is a pen-

TO PAGE 2 P.T.O.

TO PAGE 2

P.T.O.

ARGUS 8/10/87 56

# Flood death toll rises as city cries for water

## The Argus Correspondent

DURBAN. — The restoration of the flood-severed domestic water supply to some suburbs here has been hampered by people "going mad" and using excessive amounts of water.

The situation was so bad that trucks with loudhailers were sent to Durban North urging residents to stop using so much water. The deputy-city engineer, Mr Neil MacLeod, said this had the "desired effect".

Meanwhile, the death toll from the floods has risen to 251. The bodies of seven more people were found near Mpu-mulanga and Botha's Hill yesterday.

### MINIMUM

Authorities say 154 people are still missing.

Police said more than 56 000 had been left homeless, most of them in the Kwazulu and Port Natal districts.

The water supply to some suburbs may be reconnected by tomorrow.

Parts of Woodlands, Morningside, the Bluff, Queensburgh and most of Chatsworth have been without water since last Tuesday, but Mr MacLeod said supplies would be restored before tomorrow morning.

Restoring the supply was a slow process as air had first to be flushed out of the pipes. Bursts would occur if this was not done.

The city's 120 reservoirs were filling slowly.

A decision is to be taken today on when water to the industrial areas will be switched on again, he said.

The turning-point in Durban's water crisis was reached when the Clermont pump station was filled yesterday. However, the supply had to be turned off briefly today while divers cleared debris building up from water being drawn off the Umgeni River.

More beaches are expected to be opened to bathers today and tomorrow.

Mrs Beulah Davis, director of the Natal Shark Board, said several beaches along the South Coast would be opened, although the situation along the northern coast was not as good.

Cape Times 8/10/87 \$6

# Water crisis in Maritzburg over

DURBAN. — Maritzburg's immediate water crisis is over and residents can again use as much as they like, and Durban's water situation looked promising last night with the Clermont pump station on stream.

Industries in the Durban area will be told tomorrow whether their water supplies will be restored in time for employees to return to work on Monday.

By yesterday morning the reserve in Maritzburg's reservoir had increased and is expected to total 50% by today, according to Maritzburg's City Engineer, Mr John Robbins.

He added that repairs to the severed link between Henley Dam and the HD Hill Water Works — one of the major contributing factors to the city's

DURBAN. — Police have confirmed 232 deaths in Natal in last week's floods, which have left 66 351 people homeless.

A further 139 people have been reported missing in the province.

In the Port Natal division 173 people have died, 106 are missing and 25 351 are homeless, police said.

The Natal inland has reported 39 deaths, while in northern Natal 20 have been killed. — Sapa

water-supply problem since the floods — were expected to be completed by late this afternoon.

Mr Robbins said this would considerably increase the supply of treated water to Maritzburg, thereby ruling out serious shortages.

He expressed his thanks to the

residents who responded to his request that water be used sparingly.

Durban, however, is faced with water restrictions for possibly another couple of months as a result of damage caused by floods. Durban's City Engineer, Mr Don Macleod, said yesterday that restrictions would be on "such things as the use of hose-pipes to water gardens and wash motor cars".

Mr Macleod yesterday warned that motorists hoping to clean their rusting vehicles with bath water were in for a nasty shock.

"If you want to clean your car take it down to the river. Clean your car with our water and we'll fine you — and cut off your water supply," was his message.

Mr Macleod said 20 Durban motorists had been fined R200 each for washing their cars since the introduction of stringent water restrictions.

# NATAL FLOODS COUNTING DAMAGE

A SHATTERED Natal yesterday began counting the cost of the four-day flood that tore through the province, and estimates are that up to 100 people could have died and thous-

ands have been left homeless. Damage to bridges, roads and personal property runs into hundreds of millions of rands. A stunned Minister of Health, Dr Willie

van Niekerk, summed up the situation after a helicopter tour of the area and said: "The devastation is stunning. The damage is far, far worse than after the Demoina cyclone disaster of a few years ago.

"It is going to take millions of rands to repair the damaged infrastructure and rebuild the roads and bridges. Even the tourist facilities have not escaped and sand from

many of the beaches has simply disappeared. Even bodies have been washed from their graves as rivers of water rushed through cemeteries. "I am going to recommend to the State President that

the whole of Natal be declared a disaster area and that funds from the National Disaster Fund be made available immediately to help the stricken people," said Dr van Niekerk.

## Deaths

So far 20 flood-related deaths have been confirmed in the Durban-Port Natal division as far south as Port Edward, north to Stanger and inland to Hammarsdale.

More deaths are reported from Maritzburg and the midland areas and authorities fear that the death toll will soar once reports come in from outlying areas.

SENSING CENTRE ON  
30-SEPT-87 AT DSNL

### Floods: View from space

ARGUS 11/10/87

More satellite pictures, page 56 29.

## The death toll 148 and rising

The Argus Correspondent DURBAN. — More than 148 Natalians have lost their lives during the freak floods which devastated the province this week and the death toll continues to rise as more bodies are found.

The latest official figures are:

• 106 deaths in the Port Natal police district, which stretches from the Tugela river in the north to Port Shepstone in the south.

• 27 people are known to have died in the Natal Inland division and, according to police, "countless" numbers of people are still missing

• At least 15 people died in Kwazulu but the number is probably much higher as many areas have been cut off for the past five days.

Major Charl du Toit, police public relations officer, said the death figures were being constantly monitored.

"There are fears that many more bodies will be found, and rescue operations in several areas are continuing," he said.

Eight bodies found on a beach at Amanzimtoti are thought to have been washed from their graves.

Two small children are believed to have drowned in the Teku river in Kwazulu. The Mbizana and Teku rivers burst their banks, flooding the areas of Massondale, Jobstown and Musis Kraal and destroying many huts in the areas.

• See Page 3.

This satellite picture shows the flooding in Natal. Lake St Lucia, top right, has overflowed. The dark blue patches in the lake are inland sea water and the light blue are inland fresh water. The rivers in the middle are the Black Umfolozi, top, and the White Umfolozi, bottom, which meet to form the Greater Umfolozi River. The flooded Umfolozi basin, middle right, has swamped surrounding areas and the river has spewed a cloud of soil and effluent (light blue) into the sea. The red areas around the Umfolozi basin are forests. The pinkish sections inland from the basin that surround the rivers are sugar cane fields. Generally all light blue and white areas indicate water. The coastline extends from Lake St Lucia, top, to north of Emani- Richards Bay.

SEA 28/10/87

# Russia bids for beach-head in the South Pacific

In the aftermath of British prime minister Margaret Thatcher's defiant anti-saxions stance at the Commonwealth meeting in Canada, South Africans would do well to consider the parallel role Britain has played in defusing the racial time bomb so ominously ticking away in their midst.

Yet while the threat of intensified trade sanctions appears for the moment to have been averted, giving Pretoria breathing space to reassess the timetable for change, so too must the West critically examine the Commonwealth's ongoing involvement in attempting to determine events that ultimately could decide the balance of power between east and west.

President Reagan's decline since tumbling into the gearpit of Iran-ate has left the free world with no obvious leader, although some would reluctantly concede Mrs Thatcher is now the de facto head of the West. As such her spirited refusal to be cowed by the Commonwealth Mafia in Vancouver — Canada's Brian Mulroney, Australia's Bob Hawke, India's Rajiv Gandhi, Zimbabwe's Robert Mugabe and Zambia's Kenneth Kaunda — bears testimony to the suitability of the Iron Lady tag.

Given the strict though unofficial guidelines of conventional Commonwealth membership in the heady days before it ceased to be anything but a moral force, such are the ideological differences among member countries today that it seems incongruous the body still functions. From the vantage

point of Australia where the Labour Party push for a republic before the year 2001 is fast gaining momentum, it is interesting to note that 26 former colonies of the crown have already taken the republican road, while five others in the 49-country Commonwealth club are indigenous monarchies.

To the delight of the purists, Britain's Queen Elizabeth II still presides over 17 others with Fiji a recent casualty, the common bond that binds them being their willingness to accept the queen as symbolical head.

Only three countries, Ireland in 1949, South Africa in 1961 and Pakistan in 1972 have ever voluntarily left the Commonwealth, although many would say South Africa was provoked.

Despite the club's endorsement of democratic nature where the rule of law and the freedom of the individual are supposedly inviolate, the fallibility of man and the Westminster system, as well as the advent of creeping socialism in depressed Third World countries, has seen Commonwealth values eroded almost to the point of no return.

How else can one explain the lack of combined Commonwealth action against the Seychelles in June 1977, which saw President James Mancham overthrown in a left-wing coup while attending a Commonwealth meeting in London, or the converse reaction to the coup in Fiji where the right wing now dominates?

Led by Australia, the Commonwealth self-appointed voice of the Third World in the southern hemisphere, Fiji looks certain to endure a period of union debilitating imposed trade sanctions as Colonel Sitiveni Rabuka prepares to repel a sinister Libyan influence and establish a Melanesian led democracy.

Australia was also responsible for bringing Given that so many Commonwealth coun-

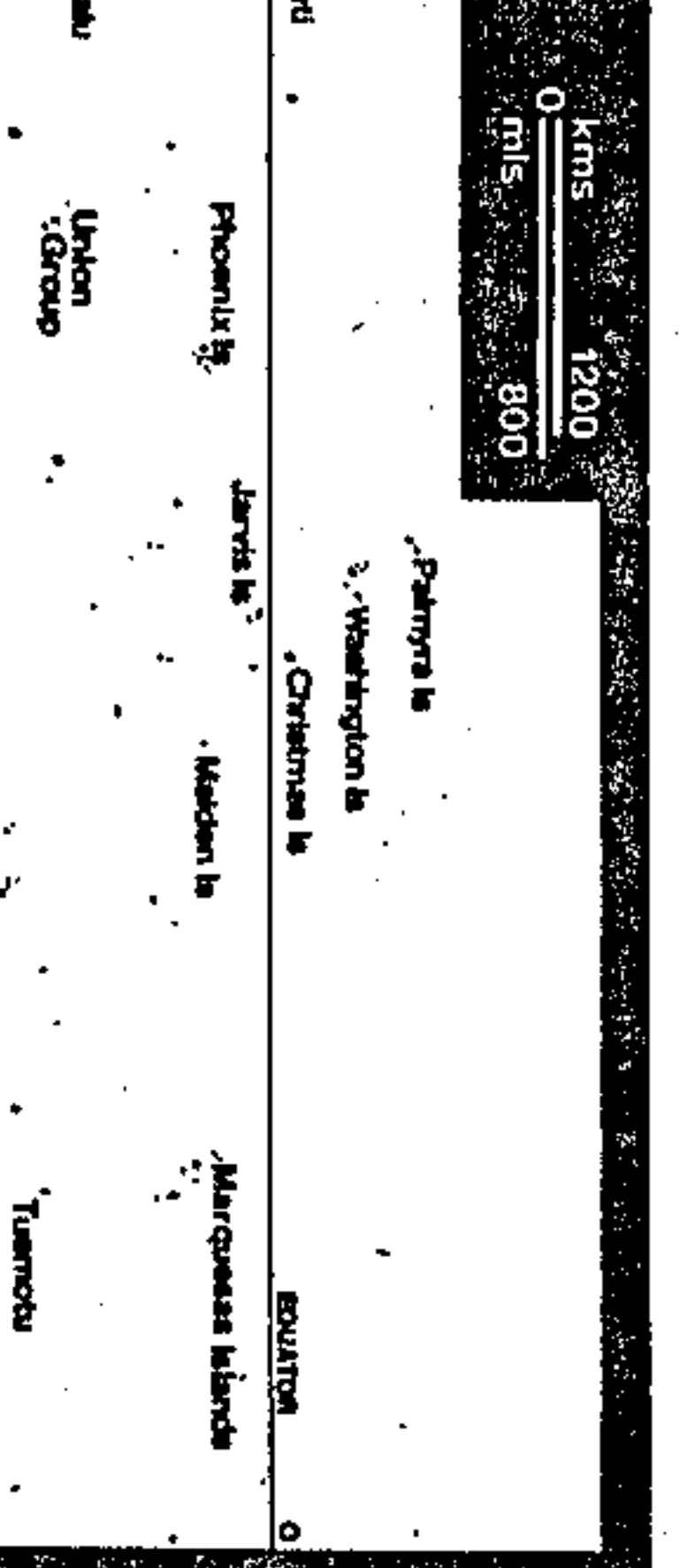
tries have so blatantly broken with accepted doctrine over the years, is it any wonder that Australia is even now preparing to sign a series of agreements with the Soviet Union that will increase and widen trade ties and scientific space co-operation, but also a pact that will guarantee safe passage on matters involving

family reunions between Moscow and Canberra. Initiated by Moscow which earlier this year sent Foreign Minister Eduarde Shevardnadze to Canberra for top-level talks, the Soviet overture seeks to guarantee the right to family reunions in Australia and the right of departure from Russia by dual nationals. In light of the fact that

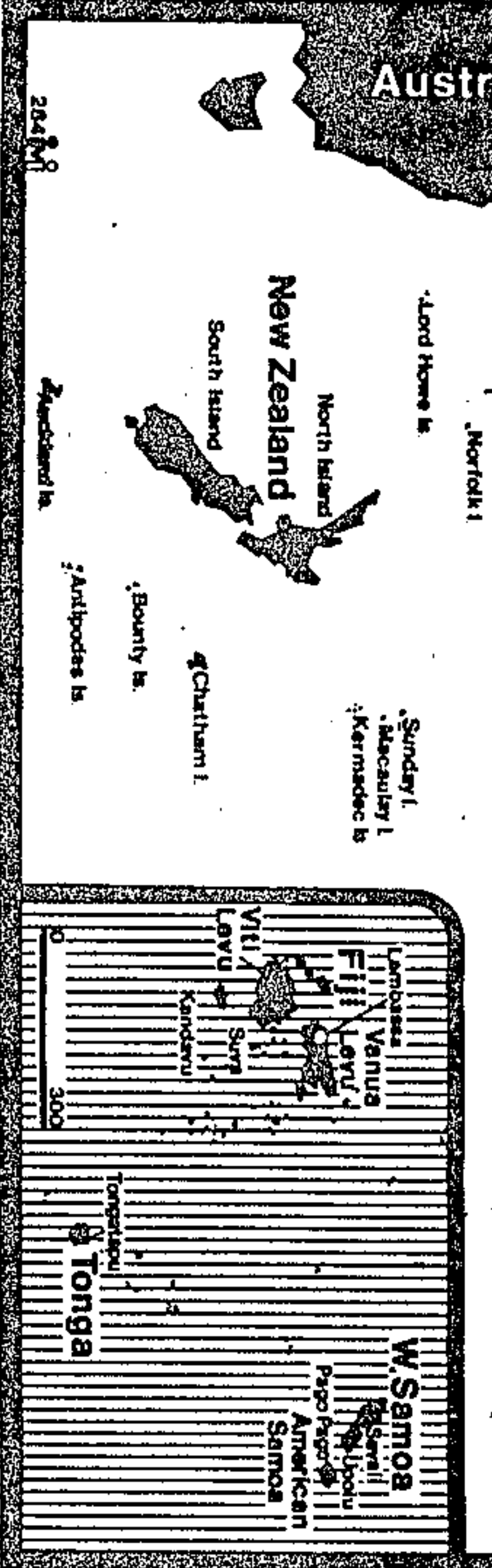
India's defence force is heavily dependent on Soviet supplies of arms and equipment despite its supposed allegiance to the Commonwealth and western alliance, and that so many of the club's junior members, particularly in Africa, have already taken the first tentative steps along the path of one-party Marxist rule, could it be that the bear already has its foot well inside the door of the clubhouse?

South Africa's generals are well aware that Cuban troops and East German pilots have long been used as proxies for the Soviet Union in various theatres of regional conflict. Here in the south Pacific where Fiji stands like a drop in the ocean and Australia dominates the trade routes into south-east Asia, it is the Libyans the Russians manipulate with a view to establishing beachheads in remote island states as yet unaware of their strategic import.

## South Pacific



## Pacific Ocean



Vanuatu's head of state, Father Walter Lini is outspoken in his rejection of the United States and all it stands for, including the defence umbrella that protects him, with overtures already underway to attract Soviet support by way of fishing contracts and port rights.

Kiribati has telegraphed much the same message, and destabilising moves are afoot in Sri Lanka where civil war rages, as well as New Caledonia where the French are desperately trying to hang on to their island colony despite Australia's carp-

ing.

Unless smart moves are made to stall the fashionable drift towards non-alignment which appears to be taking place among Commonwealth countries, and the overt initiatives of that emerging naval force of the Soviet Union are countered by concentrated action, all too soon established democracies like Australia may find themselves seduced if not subverted into believing its own best interests lie elsewhere.

One wonders aloud if Mrs Thatcher's belated defence of South Africa might not lie somewhere in such a scenario?

# THE ECONOMY

BRITISH Prime Minister Margaret Thatcher was not entirely alone in her anti-sanctions stance in Vancouver — although she surely would have wished for stronger and more prestigious allies.

Perhaps, in a battle as unpopular as that Thatcher was waging at the five-day Commonwealth heads of government meeting, one doesn't look a gift horse in the mouth.

For the first time, a full Commonwealth conference was being lobbied by black South Africans from both ends of the political spectrum.

Churchman Isaac Mokoena, who has a habit of turning up at international conferences of this kind, was in Vancouver feeding those who would listen a line that sounds surprisingly similar to that of the South

## Bishop Isaac rallies to Maggie's aid

African government

It goes something like this: "We want apartheid to be destroyed but we don't want blacks to be harmed by sanctions. Sanctions will impose suffering, throwing millions out of work."

The world should rally around South Africa, Mokoena argues, to save it from being driven into the Marxist camp.

Media representatives entering and leaving the Commonwealth meeting site were handed pamphlets in the street by Mokoena's supporters. Others had them hand-delivered to their hotel rooms.

By SHARON FULLER in Vancouver

The pamphlets say that Mokoena lives in black Soweto, contrasting his lifestyle with those of other churchmen who lead major churches. It does not say how this obscure and apparently concerned clergyman manages to finance his overseas trips.

Mokoena has notched up some media attention here. The daily tabloid, *The Province*, devoted a column to "the bishop" saying he praises Thatcher for sympathising with his plea not to press sanctions by refusing to support "that devastation".

The other anti-sanctions lobbyist in town is the mayor of Lekoa, Esau Mahlatsi, who says he was sent by businessmen in his township to tell Canadians that sanctions are "unfair punishment" for black South Africa and that the Commonwealth should halt such trade bans.

A group calling itself the Canadian Friends of South Africans Society appeared to be their only means of support.

An unexpected participant in the propaganda war is Toronto-based Canadian journalist Peter Worthington, who has produced a videotape on what he says are the activities of

the African National Congress in South Africa and sent it to 3 000 politicians, journalists and others.

The ANC representative in Canada, Yusuf Saloojee, says the allegations in the skillfully edited tape are "almost identical" to those made by the South African government.

Saloojee says he suspects the South African embassy in Ottawa may have helped to pay for the video.

On the other side of the spectrum, those lobbying the Commonwealth leaders for comprehensive, mandatory sanctions against South Africa included the ANC's international department head, Johnstone Mahkatini, Saloojee and Abdul Minty, of the Anti-Apartheid Movement. Swapo was represented by Amdimba Toivo ja Toivo.

*(Handwritten initials: SBA)*

US: Simon when he assumed the



large foreign trade deficit if other economies export products. Economic policy-Japan fear inflationary from expansionary policies have been rising steadily, as the table shows.

#### ORS

##### Change Indices

WEEK AGO	% CHANGE
2653	+3,7
2280	+2,1
2234	+0,7

WEEK AGO	YEAR AGO
8,85%	10,5%
12,5%	13,5%

WEEK AGO	% CHANGE
456,50	+1,2

##### Indices against rand

WEEK AGO	% CHANGE
,4830	-0,8
345,238	-0,04
,8675	0
68,35	+0,7
,7190	+0,2
,2950	0

##### Currencies

WEEK AGO	% CHANGE
1,8008	+0,7
1,6634	-0,7
141,8	+1,7
1,4910	+1

Source: First National Bank

# The voice of Barend boosts the other side w/mal 23-29/10/87

THE 1987 Commonwealth heads of government meeting didn't pierce the Iron Lady's armour but certainly left it tarnished.

British Prime Minister Margaret Thatcher came to Vancouver determined not to budge from her position that sanctions are ineffectual in the struggle to end apartheid.

Nor did she, but there can be no doubt that Thatcher's ideas came off second best in the inevitable series of exchanges between the British and their Commonwealth partners.

Australian Prime Minister Bob Hawke was able to quote South African Minister of Finance Barend du Plessis to refute Thatcher's main thesis. The British were also roundly denounced for resorting to "disinformation" in trying to discredit Canada, a strong proponent of sanctions.

Hawke quoted Du Plessis as saying at the Natal congress of the National Party: "The negative economic effects of sanctions should not be underestimated."

Hawke continued: "It is interesting to note that the view of the 47 against the view of Thatcher, importantly, is shared by the South African government."

All the heads of state who addressed the media conference after the communique was issued at the end of the conference expressed concern at the way the Thatcher delegation was handling its anti-sanctions campaign. Zimbabwe Prime Minister Robert

Margaret Thatcher was as good as her word: she didn't budge. Instead, she multiplied the ranks of her Commonwealth enemies. SHARON FULLER reports from Vancouver

Mugabe said he was "disillusioned and dismayed ... by the dishonest way of informing the public about events that are so crucial."

The British campaign was launched almost immediately after their delegation landed in Vancouver, and was to last all week.

Charged that their claim about Canadian trade with South Africa was false, they refused to back down.

While Thatcher and Foreign Secretary Sir Geoffrey Howe avoided the media, two press secretaries laboured long and hard to convince the media that the British prime minister was sticking to her position because she knew that sanctions would harm blacks most.

"Since when has she assumed the right to speak for us?" asked Zambian president Kenneth Kaunda.

The British strategy of arranging its briefings to clash with the opposition's was also used to neutralise a press conference called by Abdul Minty, honorary secretary of the Anti-Apartheid Movement in London and director of the world campaign against military and nuclear collaboration with South Africa.

Minty had intended to detail Britain's violation of its limited sanctions agreements. He was forced to abandon his conference and distribute his documents himself.

Some of these, he said, showed that BTR Sarmcol, a South African subsidiary of the British multinational BTR, supplies the South African Defence Force with a water and diesel transport system, described in the company's own advertising material in a survey accompanying the *Financial Mail* of July 10 as "the essential life blood of the SADF".

Minty also showed the *Weekly Mail* documents emanating from the office of the British consulate-general in Johannesburg drawing the attention of British business to the opportunities that had arisen in South Africa as a result of disinvestment.

The areas outlined included oil and security-related activities, Minty said, adding that Britain was undermining the United States in advising its companies of the advantages arising from international withdrawals.

But Thatcher remained undaunted throughout. Those who drafted the communique had acknowledged in it that things had got worse in South Africa with the accumulated effect of the Commonwealth sanctions agreed upon at Nassau in 1985 and in London last year, she said.

This, therefore, was an argument not for the efficacy of sanctions but for inefficiency, Thatcher said.

S

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Other tasks include: typing, administrative work, fundraising liaising with other organisations, distribution.

Skills required: research, writing/editing, organisational experience.

Typing and driver's licence a

# Southern Africa has the will and potential to recover, if...

There is not a single stable economy remaining between the Limpopo and the Congo.

The future of each depends on the rapid rehabilitation of a sub-continental infrastructure damaged by war and political instability.

Yet countries such as Botswana, Zimbabwe, Zambia, Malawi, Tanzania, the Shaba province of Zaire and even Mozambique have, between them, the potential to develop, right now, projects worth R4 000 million.

Half these projects are already financed and are already developing. More than 250 commercial companies are combining their efforts to repair the industrial infrastructure, and thus save private enterprise in southern Africa. Private companies are spending millions on public facilities, such as the Beira rail line.

They are doing so despite the knowledge that South Africa could destroy the route — or effectively

The second in a two-part series examining the results of sub-continental destabilisation. The report is by Harvey Tyson, Editor of The Star.

ected repair take an average of 30 minutes. The line is otherwise fully operational — though five civilians have been killed while working on the line, two of them while using a tamping machine leased from South Africa. This month the MNR mauled two units of the Zimbabwe National Army which guards the route.

The oil pipeline is attacked about twice a month, resulting each time in a close-down for about 24 hours, but the pipeline handles easily all the volume required. Private enterprise has rebuilt the storage tanks destroyed by suspected South African troops landed by submarine some time ago.

The Beira road is fully operational and private trucks at present do not even bother to make up informal convoys.

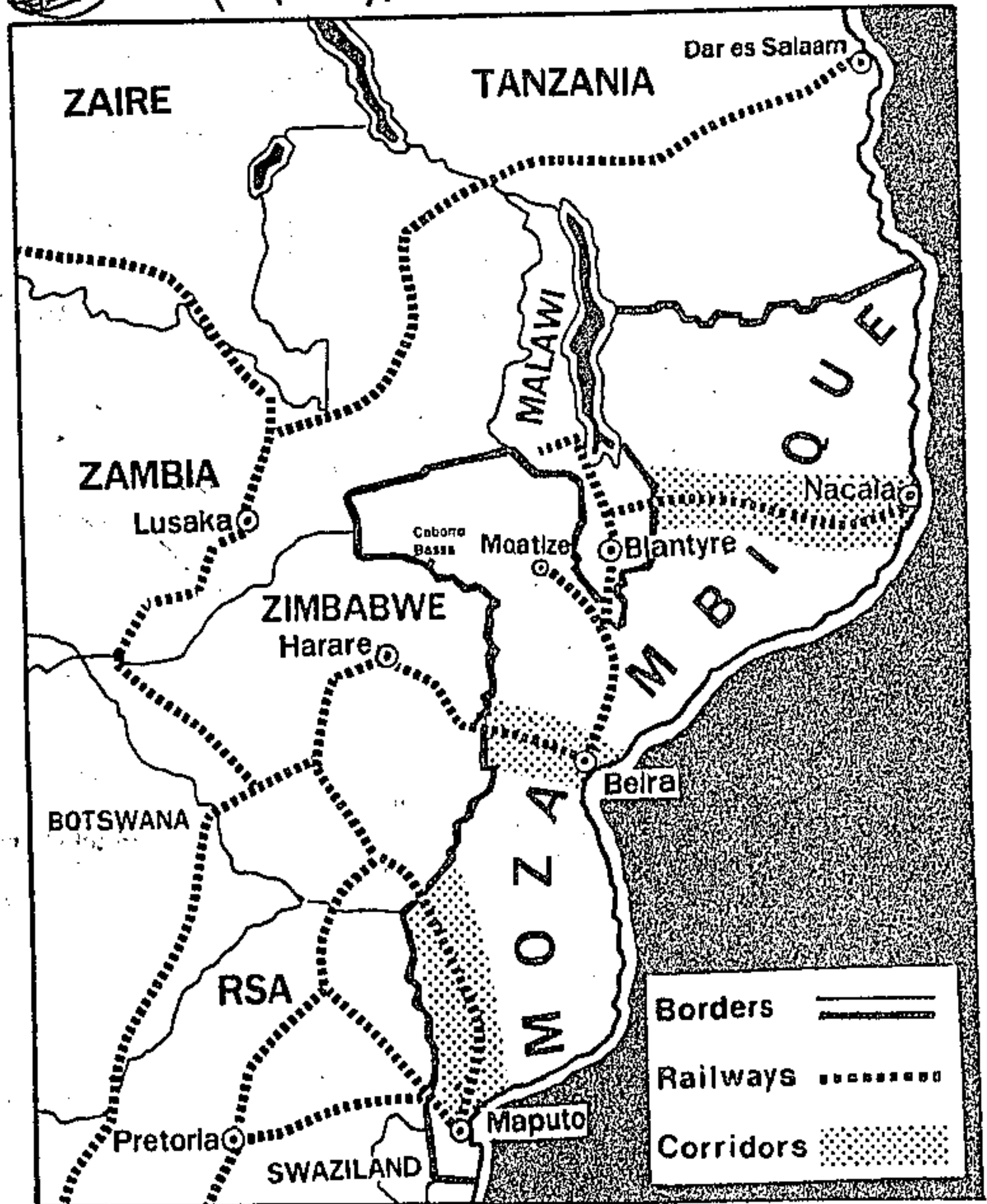
The "Limpopo Corridor" involves the rail line from the Zimbabwe border to Maputo. It is being repaired through British Government

## South Africans repair Mozambique bridges

funding and is expected to open in February. (In fact nations from Finland to Holland, from Canada to Japan are involved in trying to save Mozambique. Italy has contributed the equivalent of R400 million.)

The "Nacala Corridor" is a 615 km line linking Malawi with Nacala, possibly the best deep-water harbour on Africa's east coast. French and Portuguese teams have been helping to reconstruct the route since 1984. Rebels remove whole stretches of old line at a time. The corridor is vital to Malawi's survival. Malawi not only has the biggest Mozambique refugee problem; she is now spending 40 percent of her gross foreign earnings merely to transport her exports, and has spent R60 million in recent months just on defence of that transport.

While the world continues to blame South Africa for destabilising the region, South Africa is itself spending millions on Mozambique rehabilitation. At the invitation of Maputo, SATS engineers have repaired, in hours, major bridges that were almost destroyed by the MNR.



The Mozambique corridors. Each consists of a road and rail link; one has a pipeline; all are vital to the stability and progress of seven nations. The corridors are returning to use, but the two major schemes vital to Mozambique's survival remain totally out of action. Cahorra Bassa, sixth largest installation of its kind in the world, generates only 1 percent of its capacity and is costing R2 million a month to maintain. Moatize, source of Mozambique's biggest export (good quality coal) is idle, and the modern coal-loading equipment installed at Maputo years ago has never been used.

The rehabilitation of Cahorra Bassa is of huge interest to South Africa. It is estimated that 500 pylons have been wrecked by so-called "South African-supported" rebels. Yet Cahorra, the sixth largest hydroelectric project in the world, could provide, cheaply, a third of all the power requirements of our country. The R5 000 million investment is almost idle (it generates only 1 percent of its capacity) and requires R2 million a month for maintenance.

Meanwhile, Mozambique starves. Is it South Africa's fault? "It was", say western observers; partly because of what outsiders see as a contradictory, divisive, and unstable military strategy which allowed "destabilisation" to get out of control and go wild. Observers

blame, "not the professional SA soldiers, or even the Cabinet", but "a group of planners within your security system".

The military situation in Mozambique continues to deteriorate — despite evidence that all clandestine material support for the MNR coming across the South African border appears to have been finally stamped out.

Observers say that the reasons for the growing threat are three-fold:

1. The heavy re-supply of material to the MNR out of South Africa in May this year.
2. The fact that the stamping out of this activity by Pretoria will take time to be felt in the field.
3. The fact that the rebellion is completely out of control.

## DESTABILISATION — PART 2

sabotage Beira harbour — within a period of 72 hours.

"But destabilisation will destroy private enterprise in our region, and the resulting chaos will eventually destroy South Africa," warns one of their spokesmen, Mr Eddie Cross, general manager of The Beira Corridor Group (Pty Ltd). "Transition to a stable society to the north of South Africa will demonstrate that the white community is surviving in Africa."

The "Beira Corridor" consists of road, rail and fuel pipeline links between Mutare in Zimbabwe and the coast about 300 km away.

Rehabilitation of the railway is complete, but it is attacked about once a week, and three small bridges have been destroyed recently, resulting in disruptions of about four days in all. Each day the line is patrolled, and when sabotage is de-

# FLOOD AFTERMATH

## Natal damage estimate: R1b

Daily Dispatch Correspondents

**DURBAN — The State President, Mr P. W. Botha, yesterday announced further measures to deal with the flood disaster as the death toll in Natal reached at least 100 and estimates of the damage to the province's economy were put at around R1 billion.**

A statement issued in Cape Town said that as a first measure, Mr Botha signed a proclamation declaring the torrential rain a disaster.

This means that people who suffered losses as a result of the disaster, may apply to the Disaster Relief Fund.

Mr Botha also announced that Natal had been declared a disaster area in terms of the Civil Defence Act by the Minister of Constitutional Development and Planning, Mr Chris Heunis.

In order to centrally co-ordinate the relief action, Mr Botha announced that he had appointed a special cabinet committee under the chairmanship of the Minister of National Health and Population

Development, Dr Willie van Niekerk.

Nearly all major industrial activity ground to a halt in Durban after water to industries was cut in an effort to conserve the city's supplies.

The chief executive of the SA Insurance Association, Mr Rodney Schneeberger, said insurance companies could have to pay out an estimated R200 million for flood damage and the Natal Chamber of Industries (NCI) said production losses alone would run into hundreds of millions of rands.

The executive director of the NCI, Mr John Pohl, said authorities had no alternative but to cut all water supplies to major users.

"This is not just restrictions. This is total cut-off."

An SA Breweries (Natal) spokesman said until water supplies were restored, their plant would be shut down, but there should be no problem with supplies if the water came on again by the end of the week.

The acting president of the Durban Chamber of Commerce, Mr Mike Meehan, called on all chamber members to assist with relief work

and in the manning of essential services.

The South African Transport Services (Sats) inspectors were making assessments of bridge collapses and mudslides. No estimate has yet been made of the total bill but sources said it could run into the multi-million bracket.

A spokesman for the Port Natal Division of the South African Police in Durban said 63 people had died in floods in the area since Sunday night.

The deaths include 11 people drowned at Oaklands near Verulam, 20 at Stanger, one at Amanzimtoti, one at Sydenham and three at Richards Bay.

Another eight bodies were washed up on the beach at Amanzimtoti, but were believed to have come from a graveyard, the spokesman said.

The Commissioner of Police for KwaZulu, Brigadier Andries Laas, confirmed the deaths of 15 people in floods in the KwaMashu, Lindelani and Ntuzuma area.

Six more people were reported to have drowned in the Greater Inanda area, where 200 huts collapsed and 800

people were left homeless.

A spokesman for the Northern Natal Division of the SAP said 10 people had died in his area, and that details of injuries were not available.

In Pietermaritzburg at least 17 people are known to have died as a result of the floods and another 13 people are missing in Pietermaritzburg and surrounding districts.

The SA Police media liaison officer for Pietermaritzburg, Captain Pieter Kitching, said the death toll was expected to rise once floodwaters subsided and more bodies were recovered.

At Greytown five people died, including two unidentified black men, aged about 40, who apparently died of exposure.

Other victims in the region were a four-year-old girl who died when a hut was washed away at Kranskop and a two-year-old girl who was found drowned in the same area.

At Howick a four-year-old boy and a one-year-old girl were both killed when their home collapsed.

Two people were found drowned in a spruit at Colenso.

Stanger was still completely cut off yesterday, police said.

In the area 20 people had died and 48 had been injured.

The injured had been taken to the Stanger Hospital, which was able to cope with the

## Natal mopping up operations begin

**DURBAN —** Mopping up operations have started in Natal after the province's worst floods in living memory.

At Richards Bay and Empangeni, officials worked round the clock to bring the emergency under control.

Operations were controlled from an emergency centre set up at Empangeni.

Richards Bay, at one time completely cut off, can now be reached by light vehicles travelling on a detour. The main road to Empangeni is impassable.

Telephone communications with Richards Bay are still disrupted.

South African Airways introduced a number of measures, including special flights and discounts, to help flood affected travellers get to their destinations.

Measures to be introduced by SAA include:

● All normal scheduled flights between Durban and Johannesburg will be operated, and passengers in possession of valid tickets and reservations can travel as normal.

● Additional special flights will be introduced to be operated as required by demand "until the situation normalises".

In addition, all flights between Durban and Johannesburg will be open to all holders of valid first and second class train tickets.

The South African Transport Services (Sats) said there was still no train service to Natal.

All goods transport and trains have been suspended, while no ticket sales and reservations to Natal are being accepted. No livestock is being transported to or from Natal.

Railway staff worked through the night to restore some suburban lines in the Durban area, the liaison officer for Sats in Natal, Mr Alan Lubbe, said.

The suburban train service in Durban is nearly back to normal.

Some 45 passengers on the Trans-lux bus from Port Elizabeth to Durban are stranded in Transkei because of impassable roads.

They were expected in Durban yesterday.

Durban's harbour was opened early yesterday after being closed for at least two days because of a huge 6 metre swell over the sandbank.

Richards Bay harbour was also opened after being closed for two days.

The Natal Agricultural Union said it is taking a full look at the plight of farmers, and the losses they have incurred to crops, stock and equipment.

● Road traffic between the Transvaal and Natal is moving again after mudslides were cleared overnight.

Natal Roads Department officials hinted at the total cost of flood damage today when they "suggested" the first estimate of repairs to roads and bridges would be about R100-million.

## Bathing ban along Natal coast

**DURBAN —** A total ban on bathing has been imposed along the Natal coast, from Richards Bay down to Port Edward.

The main reason is shark nets have been damaged, in some cases dislodged, and with the present chocolate-coloured and still turbulent water, the Natal Sharks Board has ruled all swimming "out".

"At this stage it depends on the spate of the rivers, when we will be able to get skiboats out to examine the nets. Many of the skiboat launching sites are clogged with debris and it is quite impossible to give anything like an accurate estimate of when we will be able to replace damaged nets," a board spokesman said.

Two huge sharks have been sighted in the surf about 100 m from Durban's North Beach pier. This is the first sighting of sharks after the rain, he said.

A spokesman for the board said almost the entire net installation along the Natal coastline had been badly tangled or lost.

Meanwhile, according to a Johannesburg microbiologist, Dr Celia Young, the threat of malaria could increase after the heavy rains recently experienced in many parts of the country.

"For the period January to June this year, 5 564 cases of malaria were reported to the Department of Health as against 5 745 cases for the same period last year. This does not show a great reduction in the incidence.

Visitors to a malarial area should always be aware of a malaria risk. When returning from such an area and flu-like symptoms develop, a medical practitioner should be consulted and a blood smear taken.

Dr Young said known malarial areas included the Eastern Transvaal Lowveld, Northern Zululand in Natal, the magisterial districts of Messina, Soutpansberg, Sibasa, Pilgrim's Rest, White River, Nelspruit, Barberton, Piet Retief, Ingwavuma, Ngotshe, Umbobo and the Kruger National Park.

— Sapa



Flood victims mill about in the Red Cross Hall in Durban, where they have gathered to receive shelter and aid.

# US promises aid to Natal

flow of patients, the spokesman said.

In one house alone where 16 people were living three were killed, two injured and five are still missing.

More than 1 400 people were being accommodated in the Stanger Town Hall after their homes were destroyed, while three squatter camps had been washed away, wrecking more than 500 homes and leaving about 2 500 people homeless.

At Empangeni three people, one woman and two men, were killed on a bridge over the Umhlatuze River after a huge hole appeared in it.

The railway lines to Durban were still closed, but were expected to be reopened by Saturday.

In the Umfolozi Flats area 200 000 tons of cane valued at about R8m have been destroyed by flooding.

In the Port Shepstone area more than 1 000 people have been left destitute.

The worst-hit areas were Izingloweni, Gama-lakhe, Umzumbe and Umzinto, according to a police spokesman.

The KwaZulu authorities and local civil defence units had come to their aid and they were being housed in tribal courts, magistrates courts and police stations.

● Health officials have issued a cholera warning after sewage leaked into water supplies.

● An urgent appeal has been sent out by the Natal Region of the SA Red Cross for donations of blankets, clothing and food to meet the needs of thousands of flood victims from the worst hit areas.

CAPE TOWN — Donations and assurances of help to the Natal flood victims poured in yesterday from as far a field as the United States.

The American Ambassador, Mr Edward J. Perkins, announced an immediate assistance grant of R50 000 would be made available.

"The grant will be made available through the Red Cross to alleviate the suffering of thousands of homeless residents in townships, settlements, and rural areas devastated by the rains.

"The United States donation will be used to provide food, blankets, clothing and shelter to the many thousands of displaced people in the affected areas," a spokesman for the embassy said.

Checkers, the food chain, has donated R100 000 to the Red Cross in the form of groceries, blankets and cash.

Red Cross collection points have been set up at all 175 Checkers stores countrywide, and the public are urged to donate groceries, old clothing and blankets.

National Cooperative Dairies limited (NCD) has promised a donation of dairy products — mainly milk — worth R100 000 to relief funds.

The milk is ultra-pasteurised and therefore does not need to be refrigerated.

The Pietermaritzburg Community Chest is to give away a brand new R120 000 Porsche as a prize in a fundraising effort.

The Mayor of Parow, Mr Giel Basson, announced last night that his council had decided at a special meeting to donate R5 000 towards the disaster fund.

The mayor and the city council of Port Elizabeth, have also come to the aid of the flood victims, as well as the The Algoa Regional Services Council (ARSC), and delegates attending the Association of Management Committees' congress.

The South African Air Force has flown thousands of tents, blankets and a large quantity of food and medical supplies to Natal.

Two SAAF helicopters have been sent to Lesotho to provide emergency assistance to several South African and Lesotho citizens who are trapped in the mountainous district of Mokhotlong.

The helicopters also airlifted food supplies to a mountain clinic in Letseng-la-Terae, which is under 2-metres of snow.

● Ten people who were still trapped in the Drakensberg mountains in bitterly cold weather conditions were brought to safety yesterday by a rescue team led by the Mountain Club of SA.

An 18-year-old Pietermaritzburg University student, Miss Jenny Sutton, has died from exposure after she and five other students were caught in the freezing snow and rain on the mountains.

condition, and the road

the Apical North to

The R30 route East London to Bloemfontein the association reports, is under construction with tarred deviations in fair condition in use between Queenstown and the Sterkstroom turnoff.

Two gravel deviations, seven and eight km respectively will be encountered between the Sterkstroom turnoff, Penhoek Pass and the Molteno and Dordrecht intersection.

The section between the Molteno/Dordrecht interchange and James-town which was closed until yesterday is now open to traffic. The alternative route be-

On the N2 from East London to Port Elizabeth motorists should be aware that there is a bypass under construction at Grahamstown and should be on the look out for heavy vehicles, according to the report.

● It was reported from Kokstad last night that the road to Cedarville is clear up to 2 km from the Umzimvuku Bridge, which was severely damaged.

Motorists travelling between Kokstad and Swartberg are advised to use the Matatiele route.

Handwritten initials and scribbles at the top of the page.

# EEC to help guard development projects in the war-torn region

**CP Correspondent**

THE European Community will contribute financially to Mozambique's defence needs, the Deputy Director-General for Development of the European Commission, Andre Auclert, announced in Maputo.

Concluding an eight-day visit to Mozambique, Auclert signed a "memorandum of agreement" with Mozambican Trade Minister Aranda da Silva, who is in overall charge of the country's co-operation program with the EEC.

The agreement covers the defence of rural areas where the EEC, under the Lome III Convention, is financing development projects.

The projects concerned are irrigation schemes in the Sabie-Nkomati area in Maputo province, and integrated rural development projects in parts of the southern province of Inhambane and the northern province of Cabo Delgado.

During the discussions over the past week, Auclert explained to a Press conference after signing the document that the EEC had

decided that these projects would be concentrated in well-defined geographical areas "in order to facilitate security".

The safety of the projects "will be ensured by the government and its forces, and the EEC will contribute to security expenses of a civil nature".

He specified that this could cover food, transport, fuel and uniforms for Mozambican forces deployed in defending EEC-funded projects from the MNR.

Aranda da Silva described the EEC's decision to provide this non-lethal defence aid as "historic".

Under Lome III, Mozambique is due to receive about R290-million in grants, in addition to risk capital to be handled by the European Investment Bank.

To date, 58 percent of the funds have been committed, and this memorandum covers the remaining 42 percent.

In addition to the rural development projects, the remaining money is to be spent on rural roads, rural telecommunications, support for the fishing sector,

a training scheme for local administration, a basic science faculty at Maputo's Eduardo Mondlane University and an import support program.

Funds for the first import program have already been committed and a contract will be signed shortly with a Portuguese consultancy to handle it. The second import program would take effect as from next July, said Auclert.

Auclert described the import programs as a means of supporting Mozambique's economic recovery program, and he praised the "seriousness" of the government in its attempts to revive the economy.

As a result of the past week's discussions, the import packages will now include more raw materials for Mozambican industry and fewer finished products. This corrected a distortion and fewer finished products.

Auclert said that Mozambique's performance had been better than that of other African, Caribbean and Pacific countries. While the average of com-

mitted Lome funds among ACP members was only 30 percent, in Mozambique the figure was almost twice this.

This was "surprising", said Auclert, since "we could have expected that Mozambique as a newcomer to Lome, unfamiliar with our bureaucracy, might have experienced difficulties".

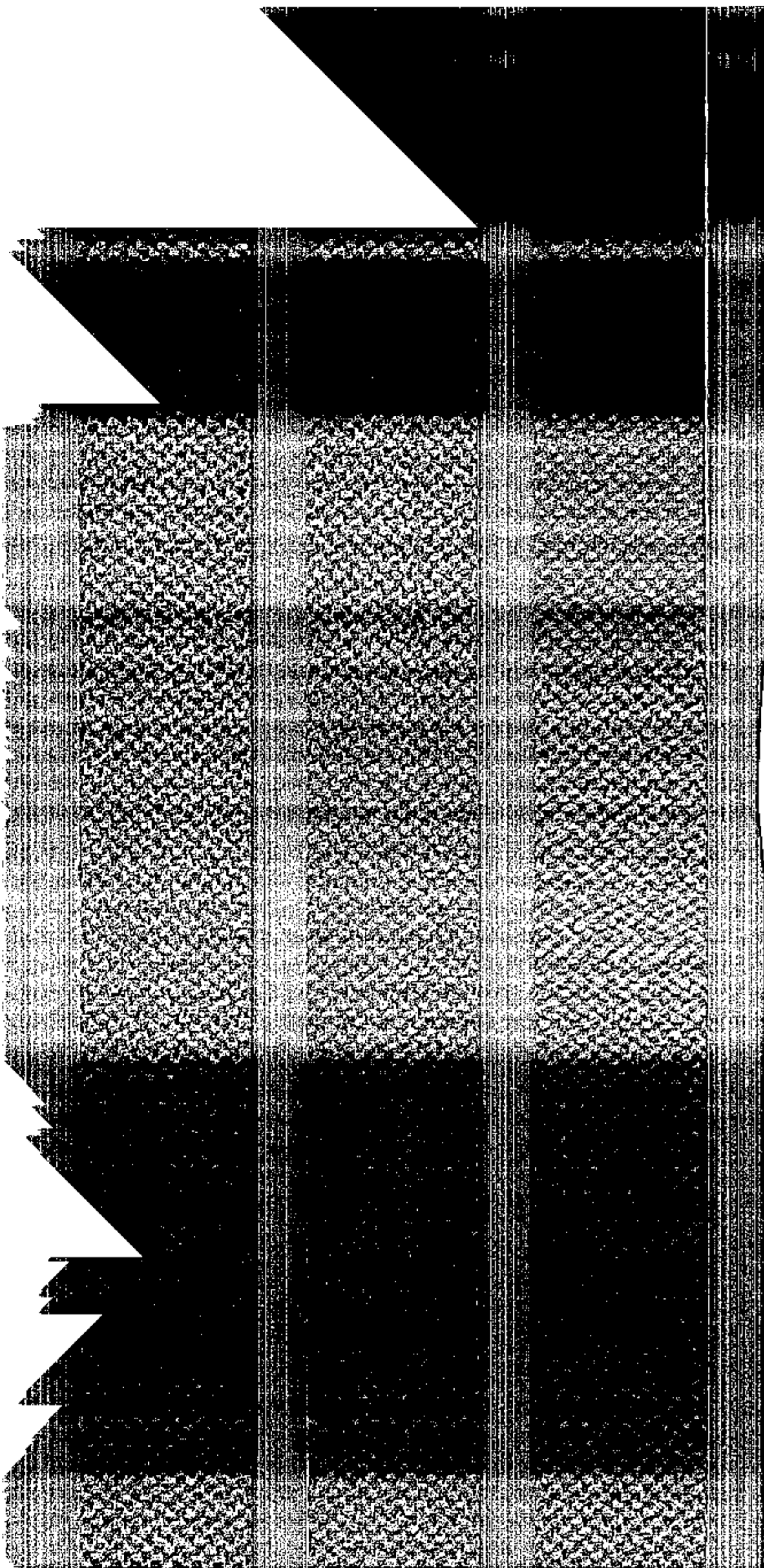
Instead, all had gone smoothly, and by the end of the year the percentage of the funds committed will have reached 61 percent. This figure should rise to 88 percent by the end of 1988, and 100 percent by mid-1989.

Auclert said that the EEC was committed to the fight against apartheid, and described the EEC's funding of projects in the Beira and Nacala corridors, linking Zimbabwe with the Mozambican ports, as part of that fight.

"If we contribute to the operation of these corridors, then we fight very concretely against apartheid and against destabilisation," he said. — Ano.



Mothers queue for bread in Maputo as the war in the country continues to disrupt food production and supplies.



# Warm help after floods

46

By SELLO SERIPE

ONE of the country's leading food corporations, King Food, this week donated seven tons of food valued at about R50 000 to feed the flood victims at Umsimbi in Natal.

Ruler 702 in conjunction with the large supermarket chain, Spar, and the Red Cross, also launched a campaign titled "Blankets for Friends", to bring some relief to victims of the disastrous Natal floods.

The food were handed over to King Food's public relations officer Honey Nkomo, the distributor of the goods among 1 000 people.

Njikela appealed to other companies and individuals to donate anything to relief the hungry and homeless Natal communities.

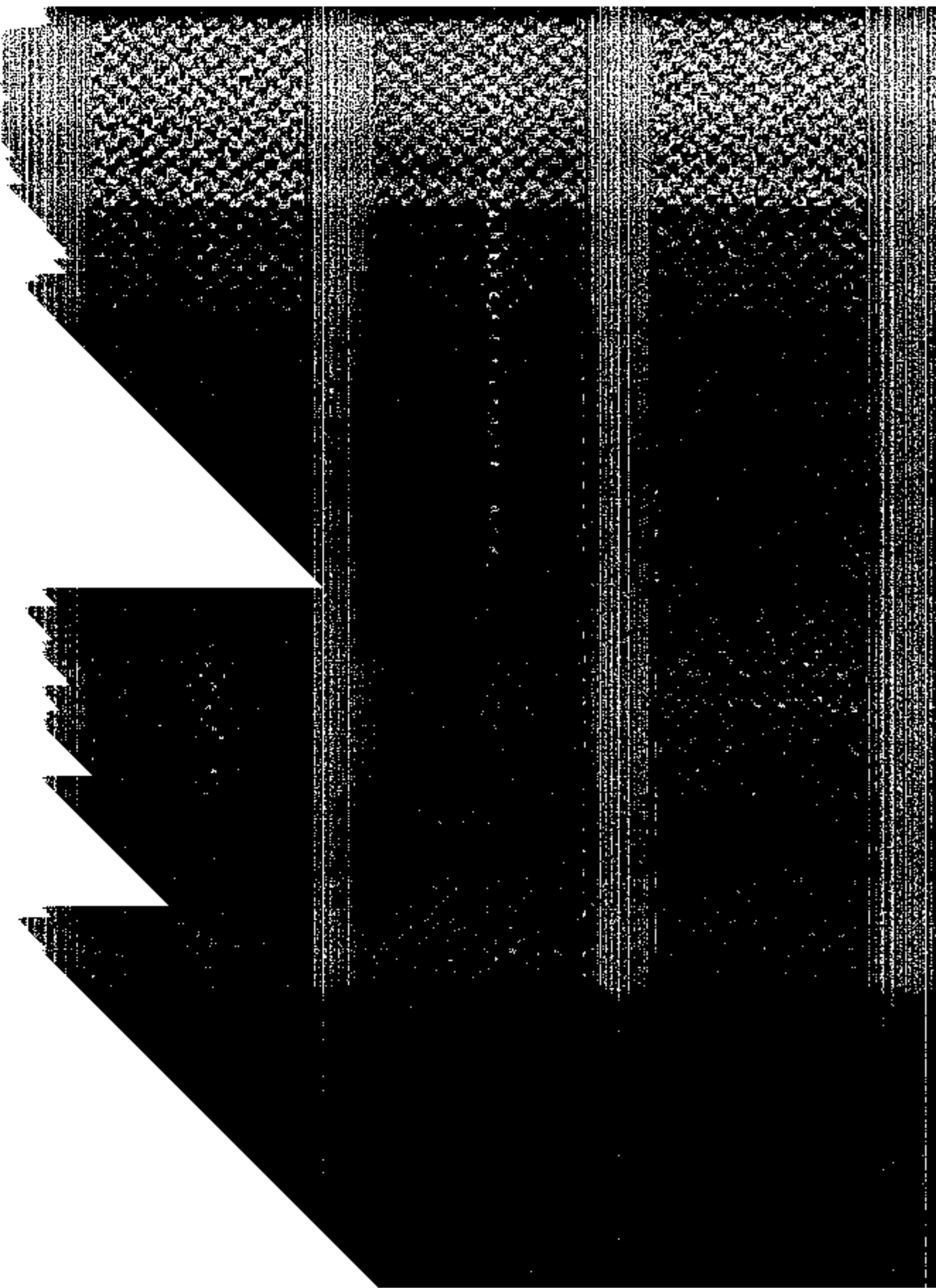
So far R567 521 has been donated to the Disaster Relief Fund by good samaritans.

Blankets and clothing can be handed in at Spar outlets and cash donations can be deposited at any Volkskas Bank in the country.

The Volkskas account number is 000282928.



Blankets and food were this week donated to victims left homeless by the Natal floods.



Survivors of the Drakensberg blizzard (left to right) Mr Mark McGlinchey, Miss Debbie Jarmain and Miss Lisa Gotte shortly after they were released from hospital yesterday.

## All trapped Berg climbers accounted for

Pretoria Bureau

All the mountain climbers who were reportedly trapped in the Drakensberg over the past week have been accounted for, a spokesman for the South African Mountain Rescue Club (SAMRC) has confirmed.

The last group over which there had been concern walked down the mountain to safety yesterday — and rescue officials do not even know their full identities, according to Mr Roy Goodden of the SAMRC.

Members of the final group picked off the mountain by helicopter were identified as Mr Ian Buchel, Mr Oliver Brunke and Ms Elizabeth Curry-Hyde, all from the Transvaal.

The other rescues involved:

- A group of seven, including five University of Pretoria students, were lifted to safety by helicopter from the top of Mount-aux-Sources yesterday.
- In another group one climber, Miss Jenny Sutton, died and five of her fellow students from the University of Natal were rescued.

## Natal flood toll stands at 148

Own Correspondent

DURBAN — More than 148 Natalians have lost their lives during the freak floods which devastated the province this week and the death toll continues to rise as more bodies are found.

The latest official figures are:

- 106 deaths in the Port Natal police district, which stretches from the Tugela River in the north to Port Shepstone in the south.
- 27 people are known to have died in the Natal Inland division and, according to police, "countless" people are still missing.
- At least 15 people were killed in kwaZulu, but the number is probably much higher as many areas have been isolated for the past five days.

### AREA STILL ISOLATED

Major Charl du Toit, police public relations officer, said, "There are fears that more bodies will be found."

kwaZulu's Commissioner of Police, Brigadier Andries Laas, said today that the Nkandhla area near Eshowe was still isolated, but access to most other areas in kwaZulu and the north coast had been restored.

kwaZulu has established a "flood committee" to collate information and provide relief.

Various organisations are trying to assist by collecting money for flood relief. The mayor, Mr Henry Klotz, has appealed for all donations to be channelled into the Mayor's Relief Fund he set up this week.

Donations are continuing to flow into *The Daily News/Sunday Tribune* Relief Fund. The public are asked to send donations to Flood Relief, Box 1491, Durban 4000.

## More rains forecast for soaked Natal

More floods are forecast for storm-lashed Natal by the Weather Bureau in Pretoria.

Conditions are expected to be overcast and cold with rain over Natal from today.

Tomorrow rainfalls of between 5 mm and 20 mm are predicted for the province in general, but falls as high as 40 mm can be expected over the southern and central parts in the morning, especially along the coast. Snow is expected on the Drakensberg.

On Saturday cloudbursts of as much as 20 mm can be expected over the entire province, becoming heavier during the night and increasing to a daily fall of about 40 mm on Sunday.

"Conditions should not be as severe as they were last weekend," said a bureau spokesman, "but as the surface area has been saturated and the rivers are in spate, further floods can be expected."

Flooded rivers and raging seas have destroyed all shark nets along the Natal coast and bathing is banned. — Sapa.

● See Page 4.

India and African countries want a harder line, but...

# UK keeps sanctions out — 'leaked' report

SA  
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SM

MICHAEL MORRIS

VANCOUVER — No new sanctions have been recommended by the Commonwealth's foreign ministers' committee against South Africa, it has emerged.

An account, leaked yesterday evening of the report heads of government are now considering, shows that Britain has so far succeeded in keeping sanctions on the periphery of the agenda.

But aid to Front Line states is prominent, including a proposal to set up consultations with South Africa's neighbours on how to help with their defence and security. Mozambique has asked for military training and non-lethal supplies.

There is also a proposal for a foreign ministers group to be established to monitor the implementation and effectiveness of sanctions.

The report by the foreign ministers of Britain, Canada, Australia, Zambia, Nigeria, India, Tanzania, Guyana and Zimbabwe is being discussed by the heads of government who will be deciding what to do today.

India and African countries are deeply concerned that the Vancouver summit might appear to be a retreat from the Nassau and even the London review meeting last year — and there is understood to be increased pressure on Canada to stand firm on sanctions.

## RESTRAINED

The debate remains essentially restrained. The agree-to-disagree principle — allowing Britain to go her own way — is still being emphasised.

Sanctions are referred to in the foreign ministers' report — but only broadly, that they be tightened.

Britain is still resisting the setting up of a sanctions monitoring group, and Foreign Secretary Sir Geoffrey Howe is reported to have told his colleagues that he believed South African business should be offered "a respite" rather than more pressure.

Speaking yesterday while heads of government were discussing the proposals on their retreat away from Vancouver, the Indian Foreign Minister, Mr Natwar Singh, said: "We believe in sanctions. Our view is that we should go forward from Nassau and London (the review meeting) and show forward movement. This is the view of the majority of Commonwealth members."

But if the foreign ministers failed to propose new specific measures, the chances of the heads of government agreeing on any are considerably reduced.

If heads of government do introduce more sanctions pressure, it is believed South Africa's financial transactions abroad will be a key target.

## Summit hears of sanctions, sense

MICHAEL MORRIS

VANCOUVER — President Daniel arap Moi has offered Kenya as a venue for a meeting between South Africa's white and black nationalists. He said in the Commonwealth's southern African debate this week he hoped Pretoria would "see the sense" of negotiations.

□ □ □

Mozambican Foreign Minister Dr Pascoal Mocumbi says his country cannot afford to impose sanctions on Pretoria because Pretoria is already imposing sanctions on Maputo.

□ □ □

But some British representatives have become impatient with talk of sanctions. One said: "Oh well, of course sanctions is a word in the vocabulary which has to be uttered on some national and international platforms ... because I suppose it satisfies a deep emotional longing. But it does not satisfy the situation in South Africa."

□ □ □

If Mrs Thatcher had glanced up on Wednesday, she would have seen a seaplane trailing a banner which read: "Hang in there Maggie — don't give an inch."



# SA gives vital aid to frontline states

By NEIL HOOPER

WHILE Commonwealth leaders were debating the provision of aid to frontline states in Africa, officials in Pretoria this week pointed out that South Africa was already quietly providing vital support to those countries.

South Africa has already entered into an agreement to lease 10 diesel locomotives and 250 railway trucks to Zimbabwe National Railways.

South Africa has also leased 18 diesel locomotives to Zambia and about 10 steam and diesel locomotives to Swaziland. A further 100 railway wagons have been sold to Zaire.

South Africa was this week also airlifting emergency supplies of food to people cut off by snow in the Lesotho mountain areas. People needing medical attention were airlifted by the SAAF.

Sources also noted that, despite the rhetoric in Vancouver, co-operation was close between the railway authorities of Zambia, Zaire, Zimbabwe, Botswana, Malawi, Lesotho, Swaziland and South Africa.

So much so that the annual meeting of general managers of railways in Southern Africa was held in Lusaka on September 14 and 15 and attended by three top SA railway officials, including General Manager Dr R L Grove.

During September alone more than 7 000 South African railways trucks were in use on lines in Zambia, Zaire, Zimbabwe, Botswana, Malawi, Lesotho and Swaziland.

Last year SATS gave financial assistance to these countries totalling more than R20-million.

SATS is also rebuilding a railway bridge in Mozambique, has provided rolling stock for the link between Beira and Zimbabwe, and is helping with a master plan to rebuild Maputo harbour.

SANCTIONS against South Africa, Dr Chester Crocker observed recently, are "yesterday's agenda".

He could have observed, except that it would have been rather undiplomatic, that they tend also to be the agenda of yesterday's men.

Even accepting Damon Runyon's odds that life, on the whole, is six-to-five against, one may predict with some confidence that Margaret Thatcher will still be presiding over the Commonwealth Heads of Government Conference five years hence.

Less attractive a bet would be the continued presence of Canada's Brian Mulroney, India's Rajiv Gandhi, Edward Seaga of Jamaica, or even — though the Zambian electoral system is, shall we say, slightly more tolerant — of Kenneth Kaunda.

Indeed, by 1992, most of these gentlemen will likely be candidates for eminent

# Yesterday's men lead call for sanctions

personhood, the honour reserved by the Commonwealth for those no longer honoured in their own lands.

Successful leaders of real countries have better things to do than scramble for that curious piece of "moral high ground" that is said to be attained by promoting comprehensive South African sanctions.

Now, it is easy for me, sitting in Washington, to be rude about Canada.

But if I were a Canadian I

would wonder why my Prime Minister seems more interested in the plaudits of the largely unsavoury Third World than in my vote.

It is not often that a foreign ministry spurns a chance to play a leading role in a foreign matter, especially when, in the normal course of affairs, it has few such opportunities.

Canada's Department of External Affairs, you would think, ought to feel starved for adventure. Maybe, but not in Southern Africa. Offi-

cial have quietly been circulating polls to show the public does not share Mulroney's enthusiasms.

The Prime Minister's motives are transparent enough. Like so many leaders who find themselves lacking popular respect he wants to be thought a statesman.

Not being a colossus, he has evidently concluded that Africa is one of the few places narrow enough for him to bestride.

This might be a sound plan, but for one small detail. It involves picking a fight with the "Iron Lady" — never a smart move, even for a real colossus.

At the start of the week Mulroney was full of thunder: "Canada cannot be only benignly interested in the greatest debate that is going on," he sternly informed the Toronto Globe and Mail.

"Canada has to be on the high ground and provide

# Hawke lashes B.

By MIKE RO

THE simmering row between Commonwealth erupter leaders had decided not Africa.

Four Commonwealth leader Bob Hawke rounded "abominable misinformati chairman, Canadian Prime

Frustrated by British Pr refusal to budge on sanction Minister Robert Mugabe, accused her of being a racist who believed oppression was the lot of black people.

With Mrs Thatcher bluntly dissenting, the rest agreed in a statement to:

- Set up a committee of foreign ministers to monitor developments in South Africa.

- Increase sanctions-monitoring measures.

- Initiate an expert study on the impact of financial sanctions on the South African economy.

## Guilty

All countries agreed to stepped-up aid programmes to Mozambique and the Frontline states, with Britain and Canada pledging US\$40-million to a project to reopen the Limpopo railway line.

But the statement on South Africa was overshadowed when Mr Hawke launched his attack on British officials.

He said the attempts to embarrass Mr Mulroney, including the much-publicised use of outdated trade statistics, defied imagination.

SBA

# Friday's lead call actions

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At the start of the week Mulroney was full of thunder: "Canada cannot be only benignly interested in the greatest debate that is going on," he sternly informed the Toronto Globe and Mail.

"Canada has to be on the high ground and provide leadership to its friends and allies around the world."

Yes, indeed, Canada was on the point of severing diplomatic relations with Pretoria and really piling on the sanctions.

What about Thatcher? "We have gone to the mat with her before. Unanimity is a splendid commodity but one can live without it."

By Wednesday, the bravo-do seemed to have lost air pressure, punctured perhaps by the sharp edge of a handbag.

The line was now: "Well, please, ma'am, couldn't we have a sort of commission, you know, just to monitor existing sanctions?"

Actually, the handbag was probably unnecessary. The Frontline States themselves were losing their appetite to be bestrode by Mulroney and were looking for a formula of words.

The draft read: "There is no point in adopting new measures if existing ones are not being adequately implemented."

"Your Prime Minister has very clear views that are very similar to ours," he told reporters.

"Our" views included endorsing the ANC's use of violence.

No Mahatma Gandhi, this one. Presumably, he has a somewhat different opinion about the Sikh extremists who blew away his mother.



☆☆☆☆☆☆

SIMON BARBER'S

WASHINGTON DIARY

☆☆☆☆☆☆



"No one pretends that all loopholes can be plugged, but a clear demonstration of Commonwealth resolve to ensure strict compliance with agreed measures will register in Pretoria."

A little hypocrisy can go a long way, as long as it doesn't go too far.

If this was a disappointment, Rajiv Gandhi, taking a break from helping Sri Lanka clobber its recalcitrant Tamils (with South African armoured cars), offered consolation to the Canadians:

"Your Prime Minister has very clear views that are very similar to ours," he told reporters.

"Our" views included endorsing the ANC's use of violence.

No Mahatma Gandhi, this one. Presumably, he has a somewhat different opinion about the Sikh extremists who blew away his mother.

# lashes Brits over SA

By MIKE ROBERTSON: Vancouver

THE simmering row between Britain and the rest of the Commonwealth erupted yesterday only hours after their leaders had decided not to impose new sanctions on South Africa.

Four Commonwealth leaders headed by Australian Prime Minister Bob Hawke rounded on British officials for waging an "abominable misinformation campaign" against the conference chairman, Canadian Prime Minister Brian Mulroney.

Frustrated by British Prime Minister Margaret Thatcher's refusal to budge on sanctions, one of them, Zimbabwean Prime Minister Robert Mugabe, accused her of being a racist who believed oppression was the lot of black people.

With Mrs Thatcher bluntly dissenting, the rest agreed in a statement to:

- Set up a committee of foreign ministers to monitor developments in South Africa.
- Increase sanctions-monitoring measures.
- Initiate an expert study on the impact of financial sanctions on the South African economy.

## Guilty

All countries agreed to stepped-up aid programmes to Mozambique and the Frontline states, with Britain and Canada pledging US\$40-million to a project to reopen the Limpopo railway line.

But the statement on South Africa was overshadowed when Mr Hawke launched his attack on British officials.

He said the attempts to embarrass Mr Mulroney, including the much-publicised use of outdated trade statistics, defied imagination.

## And Mugabe calls Thatcher a racist

Appearing at a Press conference with Mr Hawke, Zambian President Kenneth Kaunda, Indian Prime Minister Rajiv Gandhi and Mr Mugabe joined in the attack.

Dr Kaunda said the British were guilty of a deliberate campaign to insinuate that Mr Mulroney had badly mishandled the conference.

Mr Mugabe said that, contrary to what British officials were claiming, the conference had gone well. It was Mrs Thatcher who was totally isolated.



BOB HAWKE

Mrs Thatcher did not respond immediately to Mr Mugabe, but throughout the week she has infuriated Frontline leaders by hammering home their inability to impose sanctions and the parlous state of their economies in comparison to South Africa's each time they have attacked her.

Using arguments advanced originally by the South African business community, Mrs Thatcher said that only economic expansion would be able to create a

climate in which South Africa would be forced to introduce more reforms.

British officials said that no matter what was said about them they proposed to "get on with what we believe is the right route of carrying South Africa towards a non-racial democratic state on a peaceful basis".

The committee of foreign ministers will be chaired by Canadian Foreign Minister Joe Clark.

The committee's first task, he said, would be to identify sanctions-busters as well to act on the report on financial sanctions.

## Proof

Mr Hawke quoted SA Finance Minister Barend du Plessis as saying at the NP Congress in Durban that "the effect of sanctions should not be underestimated" as proof that sanctions were working.

Once the study on South Africa's links with international finance houses was completed it would prepare the way for the introduction of financial sanctions, which might turn out to be even more effective than trade sanctions, he said.

from  
**MIKE ROBERTSON,**  
Daily Dispatch man  
in Vancouver

# Kaunda: talks on sanctions going on

were guilty of "leaking  
disinformation typical  
of South Africa."

VANCOUVER — A special committee of Commonwealth foreign ministers was considering imposing further financial sanctions against South Africa last night.

And, for the second time this week, British officials came under fire for spreading "deliberate misinformation".

In his first press briefing at the conference the Zambian President and frontline chairman Kenneth Kaunda said he was "extremely happy with what is coming out of this conference on the question of sanctions".

"With one well known exception (Britain) the summit is unanimous that we must find ways of tightening up on sanctions and making them more effective," he said. Frontline countries have adopted a joint position on the issue calling for:

Increased financial and investment sanctions.

Improved monitoring to identify "dummy" companies through which SA exports are still reaching world markets and

The plugging of loopholes that are allowing foreign companies to continue exporting to SA.

Pointing the way to a disagreed communique at the end of the summit, President Kaunda said it would be a wasted effort to try to persuade the British Prime Minister, Mrs Margaret Thatcher, to agree to

new sanctions. He refused to pre-empt the recommendations of the foreign ministers' committee, but said: "Financial centres need to be tackled and I would like to believe that some of the recommendations that the foreign ministers will come up with will be related to how to handle them."

On the issue of sanctions, he said, Britain was totally isolated. "That is a success for the summit."

Attacking British officials for giving a misleading impression of what was going on at the heads of government meeting, he said they

Earlier other Commonwealth leaders had stepped in swiftly to rebut suggestions by British officials that a committee of nine foreign ministers, under the chairmanship of the Canadian External Affairs Minister, Mr Joe Clark, would consider only aid to the frontline states and not sanctions.

Mr Clark said his committee had been instructed to prepare recommendations on the agenda item Southern Africa, which included everything, although special emphasis was to be placed on aid to the frontline.

Despite British suggestions that discussions of sanctions had been "fairly low-key", it later became clear that the Jamaican Prime Minister, Mr Edward Seaga was spearheading a move to intensify financial and investment sanctions.



16/10/87

**AGAIN!**



SIT SBA

## Only Maggie scorns summit promise of more sanctions

SUNDAY TIMES FOREIGN DESK

**IRON LADY** Margaret Thatcher yesterday stood defiant and alone against the rest of the Commonwealth over the sanctions issue.

The British Prime Minister made it clear that her Government would not sway from its dogged opposition to tougher economic measures against SA.

Only hours after the Commonwealth plan to tighten the screws on SA was announced, Mrs Thatcher and other Commonwealth leaders began sniping at one another.

The Vancouver talks ended in acrimony last night, with the leaders of Australia, India, Zambia and Zimbabwe — dubbed the "Gang of Four" by British spokesmen — accusing Britain of spreading "misinformation".

"We feel the Iron Lady has got it all wrong, perhaps deliberately," said Zimbabwean Prime Minister Robert Mugabe, who called Mrs Thatcher "the odd woman out".

### Vindicated

But Mrs Thatcher said other leaders were "making a great deal of noise" and claimed her position had been vindicated. Asked if she felt isolated, she replied: "Hardly. I think in a way we're winning the argument."

According to reports in London last night, Mrs Thatcher will launch a brave new effort to win support for her policies with an historic New Year visit to black Africa to press home her argument against tougher sanctions.

It is thought that her programme will take her to Zimbabwe, Zambia and, possibly, Botswana.

She will drive home the message to black leaders that positive help from Britain to reduce their dependence on South Africa will do more to raise living standards and break down apartheid than a mutually damaging sanctions campaign.

EAST LONDON — The president of the Confederation of British Industry, Sir David Nickson, yesterday backed the British government's stand on sanctions against South Africa.

Sir David was interviewed in a satellite link-up from the Orient Theatre here with London by the chief executive officer of Asso-com, Mr Raymond Parsons.

He was asked about the stand of his organisation -- which is the largest employer organisation in Britain and has a membership of 60 000 companies -- on Mrs Margaret's Thatcher's stand at the Common-

wealth conference in Vancouver.

Sir David the CBI did not get involved in politics but was definitely opposed to apartheid and violence.

On the possibility of British companies increasing their stake in the South African economy in the wake of the Vancouver stand, Sir David said he could not give a general reply as individual companies had to take that decision.

He said the shock-

waves in the international markets had not affected the British economic outlook which was still optimistic.

"There are better prospects now than in my entire business life," he said and conceded that British concern was not domestic but rather the downturn in world trade and the size of the US trade deficit.

Asked about privatisation and the benefits which would accrue from the issuing of BP shares, Sir David said

privatisation was good because assets were released. But the test was whether there was greater efficiency in the market place and whether prices were competitive.

Elaborating on the British optimism, Sir David said they had reversed the trend of industrial decline and the gap between their main trading competitors such as West Germany had been narrowed.

"But we cannot be complacent and we will have to keep our shoulders to the wheel," he said. They would look at the 320 million people in the European Economic Community and "drive toward that goal".

DD 23/10/87.

(SBA)

## Sir David supports Thatcher on SA



M8

Margaret Thatcher... told that economics were secondary to the suffering caused by apartheid.

DURING the Commonwealth conference in Vancouver, British Prime Minister Margaret Thatcher is reported to have said that the South African economy was the best managed in Africa. That statement is not surprising coming from one of the leading opponents of the imposition of sanctions against South Africa. Britain is also responsible, along with the US and West Germany, for the undermining of the South African economy through investments and trade.

"sanctions fatigue" had set in. Clark was probably reacting to the apparent success of the British manipulation of the debate on the imposition of sanctions against South Africa at the week-long conference which began on October 13. The British anti-sanctions campaign in Vancouver was so persistent that, even towards the end of the conference, Prime Minister Thatcher was telling the media that the arguments against sanctions had hindered the call for sanctions.

But as far as other delegates were concerned, sanctions were in and Britain was effectively isolated on the major political issue that dominated the conference - described as one of the best attended since the modern Commonwealth was founded in 1949. Zambian President and chairman of the frontline states, Kenneth Kaunda, came down hard on what he termed the British "disinformation campaign" intended to play down the importance of sanctions in the deliberations. "Sanctions mean life and death for 36-million people in South Africa and millions of others in neighbouring states," he said.

Zimbabwean Prime Minister Robert Mugabe shared similar views. He said that apartheid had to be "realistically confronted" and that the frontline states would continue to insist on comprehensive and mandatory sanctions against South Africa "no matter how much sacrifice we will be required to make". As Mugabe pointed out, the frontline states believed that, if enforced seriously and sincerely, sanctions would force South Africa to abandon apartheid.

In order to make their position clear, the frontline states circulated a document emphasizing the elimination of apartheid as the top priority. The British counter-proposal offered aid to the frontline states and training and education to Black South Africans. However, Kaunda expressed the frontline states' view when he said: "We are happy to receive aid but to forsake sanctions is out of the question."

The double standards employed by some Western powers - that sanctions "work" against Nicaragua, Poland, the Soviet Union, Cuba and even against Japan, but "do not work" against apartheid South Africa - were criticized by Kaunda. He also pointed out that the British Prime Minister could not speak for the black people of South Africa who have repeatedly demanded that they wanted sanctions to be applied against the Pretoria regime.

Canadian Prime Minister Edward Seaga rolled out a series of statistics at a Press conference to show that sanctions have created a business confidence crisis in South Africa. However, the British government was insistent that sanctions were no good. Needless to say, economic interests are at the heart of the issue.

At the conference Thatcher was reminded that she should not look at economic interest in the face of so much human suffering caused by apartheid. Canadian Prime Minister Brian Mulroney said that human rights must not be sacrificed on the altar of economics. And Kaunda reminded British television viewers in an interview that "the strategic minerals, heavy investments and profits their government wanted to protect were dependent on the cheap labour of apartheid."

Notwithstanding the British stand, the campaign for sanctions to force South Africa to abandon its racial policies has come a long way since the last Commonwealth conference held two years ago in Nassau. Despite opposition from Thatcher and US President Ronald Reagan, the Nordic countries, Canada, Australia and even Israel, have all imposed sanctions against SA. Reagan only has a few months left in office, but Thatcher seems set to remain in office for quite some time. As a senior journalist pointed out, Africa will have to make a direct appeal to the British public. The object lesson arising out of Vancouver is that black Africa must win the war for the hearts and minds of the British people as, in the end, they matter more than Thatcher. - Ann.

# Sanctions issue dominates conference

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SOB SPAN 14/11/83

# Zimbabwe warned of impact on economy

# Sanctions would be 'catastrophic'

By Robin Drew,  
The Star's Africa News Service

**HARARE** — The Commonwealth summit in Vancouver this week will see a renewal of demands for sanctions on South Africa.

The impact of such a move, however, would be catastrophic for Zimbabwe.

The latest economic survey by RAL Merchant Bank says it is conservatively estimated that sanctions would hit the balance of payments, already under strain, by more than R240 million, which would have a drastic impact on the local economy.

The survey says almost one-third of Zimbabwean exports from the manufacturing industry are sold in South Africa and there is no viable alternative outlet for most of these products.

South Africa continues to dominate Zimbabwe's foreign trade as it has done for many years.

While exports to South Africa dropped to 10.8 percent of the total export revenue in 1985 (down from 18.7 percent in 1983), they rose again to 12.4 percent in 1986.

South Africa thus regained its position as the biggest absorber of Zimbabwean goods.

Last year South Africa supplied 21.4 percent of Zimbabwe's imports, only fractionally down from the position five years ago.

The survey also shows that the rate of emigration from Zimbabwe slowed from 19 000 in 1983 to under 4 000 last year, but an upturn is evident this year. With 3 363 having left by August, emigration could reach 5 000 before the end of the year.

More than 300 who emigrated in the first four months of this year were in the professional, technical and related categories of workers.

The survey confirms that inflation has had a savage effect on the consumer.

It says the value of the Zimbabwe dollar has diminished by more than 60 percent since 1980, when Zimbabwe became independent.

A freeze on wages and prices in terms of the Emergency Powers was imposed by the Government with effect from June 24 this year. It is expected to last until January.

Shortages of many other products and the apparent willingness of buyers to meet higher price demands are helping to undermine the freeze in other retail areas.

The merchant bank notes that many companies have applied to the Ministry of Labour to retrench workers and wage freeze was considered essential.



Britain's Prime Minister Mrs Margaret Thatcher is greeted by Mrs Milia Mulroney and Canadian Premier Mr Brian Mulroney at the Commonwealth conference in Vancouver yesterday.

# 'Reformed' Mozambique slips into the Club

By Paul Valley  
of The Times

**LONDON** — With the eyes of the Commonwealth leaders in Vancouver this week directed toward Fiji and Sri Lanka, the observers from Mozambique slipped in largely unnoticed.

But, in years to come, the virtual co-opting of a Portuguese-speaking socialist republic into the Club could prove of greater significance than any other decisions made this week.

Officially, there is no such thing as "observer status" in the Commonwealth. But a precedent was established at

the last heads of government meeting in Lusaka when the host, President Kaunda, invited a Mozambican delegation. Now the Canandians have followed suit.

Opposition to this comes largely from right-wing pressure groups and analysts who point out that Mozambique has an avowedly Marxist constitution, a Moscow-style party system and a highly orthodox Soviet economic structure.

Support for the weaning of the Frelimo government from Marxism comes from aid agencies, the anti-apartheid lobby and from governments, including Britain and the US. They

say that, during the past three years, Mozambique has moved away from the hard-left stance it adopted after independence from Portugal and is now pursuing policies, including the acceptance of an IMF austerity package, which are moving it into the Western sphere.

Those opposed to the "weaning option" are sceptical of Britain's current rapprochement. One such is Tom Schaff, of the right-wing pressure group, the Mozambican Research Centre in Washington.

"Help to Mozambique softens the criticism over Britain's refusal to impose sanctions on South Africa. It protects the in-

terests of British businessmen like Mr Tiny Rowland, who is the largest single investor in Mozambique. And it is felt that it consolidates British influence in the region," says Mr Schaff.

Certainly, Britain's role in supporting the Southern African Development Co-ordination Conference (SADCC) has been substantial since the group was founded in 1980 to reduce the economic dependence on South Africa of states in the region. Since then, Britain has pledged R2 700 million in development aid to SADCC sites.

In addition, it is contributing substantial amounts in emer-

gency food aid and disaster relief to combat the famine and homelessness caused by drought and the war waged by anti-government Mozambican National Resistance (MNR) guerrillas. There has also been a stepping up of a British Army training programme.

Those opposed to weaning are mainly students of Soviet foreign policy rather than Mozambique experts. They believe that the recent changes in Mozambique are a mere tactic to get the West to take over the financial reconstruction of the country which, later, will move back overtly into the Soviet sphere.

# Canada wants new 'contact' group

The Star's Foreign  
News Service

**VANCOUVER** — Commonwealth summit host Canada is about to propose a new southern Africa "contact group", probably of Foreign Ministers, to boost the Frontline states, sustain pressure on South Africa, and nurture the politics of negotiation.

Canadian Prime Minister Mr Brian Mulroney is known to be keen to resuscitate the kind of dialogue initiative begun by the Eminent Persons' Group (EPG) — while setting up a new EPG is considered inappropriate, it is apparent Canada has come up with something similar — a proposal for a southern African contact group.

But Britain is strongly opposed to the move and is expected to fight it. It is suggested that the group will comprise the Foreign Ministers of prominent member states and will serve as an instrument of the Commonwealth's long-established goal of helping to bring about change in South Africa.

The group could keep the international spotlight on South Africa and, at the same time — through a programme of visits, and trade and aid programmes — foster the relationship with Frontline states.

But Britain believes Pretoria is not likely to be receptive to the entreaties of a diplomatic mission. And, they say, a contact group would probably serve only to intensify the pressure on Mrs Thatcher to impose tougher sanctions.

The Star's Foreign  
News Service

## Market forces 'better agent of change'

VANCOUVER — Britain is fighting sanctions with a controversial and ground-breaking argument that market forces within South Africa will be far more effective as an agent of change than trade embargoes imposed abroad.

It is the first time Britain has advanced the argument with such force in an important international forum.

The Commonwealth summit is still discussing what to do about apartheid.

But in what is seen as a major coup for South Africa's

business community — which can claim to have pioneered the arguments Britain is now deploying against her pro-sanctions adversaries — the United Kingdom said at the Commonwealth summit yesterday that: "Whatever is done from the outside (sanctions) may operate on the margins, but if you are looking for real change in South Africa, internal economic pressures are likely to have a greater effect."

Mrs Thatcher has also argued that the "ANC does not

have the capacity to overthrow the government by force".

Critics are already accusing Mrs Thatcher of giving succour to President Botha.

Britain's position is slammed by the ANC spokesmen in Vancouver.

But the outline of this British policy is hailed as a major development by London director of the South Africa Foundation, Mr David Willers, who is in Vancouver.

"Maybe now that these views are being heard clearly in Van-

couver they will have an even greater impact on the political process in South Africa. There is no doubt that more and more people are recognising that this is the only way forward and that sanctions can only retard the efficacy of this approach."

In two packed briefings yesterday, British sources close to the Prime Minister sketched the policy.

"We are not saying you must invest in apartheid. What we are saying is that the economic pressures within South Africa

(the need for growth and the need to find 1 000 jobs a day to meet population increases) are such that internal economic pressures are likely to have a greater effect than pressures from outside.

"The point is that international bankers are making their own judgment of the South African economy and its prospects ... the question of whether there is any political or social reform which are a vital facet of the economy. They want to see their money

returned and that's a pressure on the South African Government to reform.

"You have to generate confidence to provide jobs and it is that kind of pressure that is more likely to produce reforms.

"And if you have the kind of society which lacks investor confidence, you will not get investment and you will not get jobs.

"The psychological point is that change is more likely if the country is moving forward, economically, rather than becoming increasingly embattled (besieged by sanctions)."

Commonwealth leaders recognise that Thatcher will not be moved but ...

# Sanctions issue is still alive

By Michael Morris,  
The Star's Foreign News Service

VANCOUVER — Sanctions are not off the boil at the Commonwealth summit — but Britain insists its stand against them will not change.

Talks are continuing on what the Commonwealth should do in southern Africa to help Frontline states and pressure Pretoria into dismantling apartheid.

Some new measures, or a tightening of existing measures along with procedures to monitor implementation more strictly, are likely — but without Britain's support.

Zimbabwean Prime Minister Mr Robert Mugabe opened the debate among heads of government with a "dispassionate" hour-long assessment of the situation in the region. He brought up the subject of sanctions but, equally, paid tribute to Britain's pioneering aid in Frontline states.

There were no recriminatory or personal attacks in the initial discussion which occupied Commonwealth leaders for much of yesterday morning.

It is apparent that even Mrs Thatcher's strongest critics have accepted that she is immovable on the question of economic sanctions.

The leaders have now left it to the Foreign Ministers of Britain, Canada, Australia, Tanzania, Zimbabwe, Zambia, Nigeria, Guyana and India to work out details of a new policy on southern Africa, covering sanctions, aid and a possible diplomatic initiative, before reporting back this morning.

Mrs Thatcher and her fellow Prime Ministers and residents may decide to take the proposals with them when they leave Vancouver today for their two-day

retreat in Kelowna and their decision may be announced only on Saturday, the last day of the summit.

Canadian Foreign Minister Mr Joe Clark, who is chairing the Foreign Ministers committee, said yesterday: "Canada is determined to maintain the pressure for change and the end of apartheid and that this conference should not be seen as a pause in that pressure."

But he admitted: "There are a variety of ways to do this. There has been a difference over the effectiveness of sanctions and that may be reflected in the results of the group I have been asked to chair and the meeting of the heads of government."

He denied there was a "contest" between Britain and Canada — it was merely a "difference of view". The tone of the heads of government meeting, he said, was consistent, eloquent and sincere.

### Commonwealth will go on

He concluded: "The Commonwealth will go on effectively whether or not the difference over sanctions is bridged."

Mr Clark also believed that the "temporary sanctions fatigue" he referred to on Tuesday had been partly the result of press censorship in South Africa. "The evidence of what is happening in that country is not readily available to the Western public."

Earlier, during the meeting of heads of government, Mr Mugabe asserted that his country, and others in the region, had pressured Pretoria by diverting their trade away from South Africa. He claimed Zimbabwe hoped, by June next year, to substitute all trade with South Africa.

Later, on television, in one of his mildest performances, Mr Mugabe said: "We cannot understand how Britain, having accepted that the situation in South Africa requires an urgent solution and having condemned apartheid, cannot use sanctions as an instrument."

A stronger plea for sanctions came from Jamaican Prime Minister Mr Edward Seaga who said there was a "moral strength" — even if the economic impact was small — in the imposition of sanctions by smaller countries.

He has proposed that Commonwealth states should intensify financial sanctions by banning new loans, re-scheduling of old loans and new investments, and the withdrawal of existing investments.

Britain advanced a more detailed analysis of its view on South Africa yesterday, saying it believed market forces within the country would be more effective in creating change than sanctions which "operate on the margins".

Sources close to Mrs Thatcher said multinationals like BP and Unilever were in the vanguard of providing social programmes — "And where such companies disinvest or are bought out, there is nobody to continue those programmes".

It is clear the Commonwealth is engaged in one of its calmest debates on South Africa since that country left the family more than 20 years ago.

The next few days will show how deeply Britain's arguments have penetrated the political thinking of the diverse nations that make up the alliance — and how strong the Commonwealth's commitment to sanctions really is.



Ambassador de Klerk ... South Africa's future will not be decided in Vancouver.

## SA envoy speaks out

The Star's Foreign  
News Service

VANCOUVER — South Africa's ambassador to Canada, Mr Hennie de Klerk, has strongly attacked the sanctions lobby on the eve of the Commonwealth's southern Africa debate.

Interviewed on Canadian television, Mr De Klerk said: "I do not think the future of South Africa will be decided in Vancouver. It will be found in South Africa, because we are determined and committed to find our own solution."

He admitted that sanctions posed a threat to South Africa, but he added: "Responsible leaders (like Mrs Thatcher and President Reagan) know if you are going to hurt South Africa economically ... you will hurt the whole of southern Africa and other African states further north, because, whether you like it or not, the economies of the region are intertwined and a lot of people from neighbouring economies rely on jobs in South Africa and technology from South Africa."

The short-term threat of sanctions had been overcome. "Just in Africa, we have increased trade tremendously and we now have trade with 49 of the 50 African countries."

## Remarks on violence sow confusion over party's policy

The Star's Foreign  
News Service

VANCOUVER — Remarks by British Columbia MP which condemned violence by blacks in South Africa have brought a cloud of confusion to Canada's national political scene.

Conservative and Liberal politicians, along with many observers, see it as contradictory for the socialist New Democratic Party (NDP) to con-

Conservatives in a general election expected in a year or so.

But gleeful Tories and Liberals now think the NDP may have seriously damaged its chances because of its stand on violence practised by South African blacks in their fight against apartheid.

The latest development came in the House of Commons

## Special aid committee appointed

VANCOUVER — The Commonwealth summit yesterday appointed a committee of Foreign Ministers to study how to provide aid to South Africa's embattled black-ruled neighbours.

Canadian External Affairs Minister Mr Joe Clark announced the committee of nine Ministers would meet in advance of the traditional retreat that Commonwealth heads of government will attend for 24 hours at a mountain resort later this week.

It comprises Canada, Britain, Australia, Tanzania, Zimbabwe, Zambia, Nigeria, India and Guyana.

The study group was formed after it became clear the 49-member organisation was unable to

agree on new economic sanctions against Pretoria aimed at speeding the dismantling of apartheid.

The Commonwealth leaders backed away from adopting tougher sanctions after British Prime Minister Mr Margaret Thatcher remained firm in her opposition to the concept.

"The purpose for us is to maintain pressure against apartheid," Mr Clark told reporters. "It is important to maintain pressure for change and important that this conference not be seen as a pause in that pressure."

But he denied that the sanctions issue had caused a major rift between Britain and its former colonies. — Sapa-Reuter.



SMK (SbA)

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Security	
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Watchman	
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Current Hour	
Yard Fore	
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53.51	72.16
Current Hour	
NES	
8.15	17.70
13.63	26.07
Current Hour	

# Commonwealth gets presidential brush-off

# P W tells summit to leave SA alone

By David Braun,  
Political Correspondent

AMANZIMTOTI — President Botha has effectively told the Commonwealth Conference to mind its own business and leave South Africa alone to solve its problems.

He has also given his first public reaction to the recent political turmoil to the left of the National Party, saying there is disorder in the ranks of opposition to the Government because of his opponents' manoeuvring on the basis of personalities and petty politics.

Mr Botha was addressing the Natal National Party congress which started in Amanzimtoti yesterday.

He made an unscheduled appearance at the congress after touring flood-damaged regions of Natal.

He said the Commonwealth conference in Canada was busy making decisions on South Africa but most of the countries represented at the conference were not in a position to compare themselves with South Africa's economic situation, health services and social services.

Nor could they compare their so-called governments with the democratic institutions that South Africa had.

Mr Botha said: "If we are as bad as they want the world to believe us to be, how do you explain that hundreds of thousands of people flock across our borders in search of food, health services and security.

"I suggest the Commonwealth conference concentrates on issues and on matters to restore the good order and the development and prosperity in our neighbouring states and leaves us alone to solve South Africa's problems."

On the subject of the recent squabbles among the Independents and the Progressive Federal Party, Mr Botha said he had expected them.

### MUST GOVERN ON PRINCIPLES

"All these disclosures of manoeuvres and infighting on the left and the right are proof of one thing and one thing alone — and that is that you must govern this country on principles if you want to solve its problems.

"If you use the basis of personalities you fall into manoeuvring," he said.

"To the left of us there are four or five groups fighting each other. They are calling each other names which they have never used against me.

"On the right there are three or four groups and they are fighting each other. On the left and the right there is disorder," said Mr Botha.

# Thatcher wins the battle of Vancouver

SGA  
SMC 16/10/87

By Michael Morris,  
The Star's Foreign  
News Service

VANCOUVER — British Premier Margaret Thatcher has succeeded in deflecting Commonwealth pressure on Britain to give up its opposition to sanctions.

But her critics are by no means appeased, nor have they given up the battle against Pretoria.

Britain is the Commonwealth exception once again — "isolated", Mrs Thatcher's critics insist — but this latest division in the family of 49 does not appear to be threatening the Commonwealth bond as it did in Nassau in 1985 and in London last year.

The other 48 nations are in the process of deciding how to toughen their response to apartheid. Action is likely against South Africa in regard to loans, investment and the rescheduling of old loans.

There may be other measures — and certainly a commitment to "universalise" sanctions. There is also broad consensus on more aid to Frontline states.

Zambia's President Kenneth Kaunda accused the British delegation Press officials of "teaking disinformation ... typical of South Africa. It's low politics, cheap. We cannot behave like that at a summit like this."

The British sources in question (renowned for their frank, but unattributable briefings) were bewildered by the accusation.

One said: "Well, you will just have to decide for yourselves whether we are

giving you disinformation, misinformation or information."

The same source said of the suggestion that Britain was isolated: "We have never been bothered about being isolated. We have been isolated in the EEC and it has never been a concern."

"What matters is whether you believe in what you are doing."

The Anti-Apartheid Movement cancelled a press conference in Vancouver yesterday because so few of the more than 1 000 journalists turned up.

But the director of the World Campaign Against Military and Nuclear Collaboration with South Africa, Mr Abdul Minty, issued a report warning the Commonwealth that the effectiveness of sanctions was being weakened.

## BRITAIN BLAMED

This was because they were not being universally applied, and because nations — Britain in particular — did not ensure rigorous implementation.

The Fijian crisis loomed large for the first time at the summit yesterday when the Governor-General Ratu Sir Penaia Ganilau resigned.

The Queen issued a statement saying she accepted his resignation with "regret".

The statement said: "The Queen accepts that it must be for the people of Fiji to decide their own future and prays that peace may obtain among the people of all races in that country."

Mrs Thatcher is among leaders hoping a way may be found to sustain Fiji's membership of the Commonwealth.

## No point in pushing for new UK sanctions, says Kaunda

VANCOUVER — Commonwealth nations pressing for sanctions against South Africa continued discussions yesterday, but it is clear they are hardly bothering to put pressure on Britain to join them.

British Premier Margaret Thatcher has been described as being "totally isolated" on the question, but one of her critics, Zambian leader Dr Kenneth Kaunda, admitted any attempt to persuade her to join in with new or tougher sanctions would be "a wasted effort".

The British camp

clearly sees this as a victory in itself.

One of the most restrained Commonwealth debates on South Africa continued yesterday behind a veil of silence. Foreign Ministers working out a new southern Africa policy completed a preliminary report for the heads of state to consider between now and tomorrow, the last day of the summit.

The Fijian crisis intruded yesterday on the week's almost total preoccupation with South Africa when the Queen announced that her Governor-General in Fiji Sir Ratu Penaia Ganilau had resigned.

Commonwealth leaders have gone into the forests of British Columbia to mull over South Africa and Fiji and come up with proposals for action. Details will probably emerge only tomorrow.

Aid to Frontline states is likely to have special emphasis in the final Vancouver communique.

Canada announced yesterday it would write off outstanding loans totaling more than R450 million owed by Swaziland, Zambia, Zimbabwe, Kenya, Nigeria and Ghana. — The Star's Foreign News Service.

## Problems in SA are touted for tourists

VANCOUVER — South Africa is marketing its political conflict as a tourist attraction, offering an "unparalleled travel experience".

In a travel advertisement in Canada's national daily, *The Globe and Mail*, Argosy Travel Ltd invites readers to "come see for yourself" and among the listed attractions are South Africa's "highly publicised social and political problems".

The advertisement concludes: "If you prefer to form your own opinions first hand, join us for an unparalleled experience in travel."

★ ★ ★

Zambian president Dr Kenneth Kaunda has summed up his opinion of Mrs Thatcher's policy on southern Africa by saying: "Aid without sanctions means you are fattening us like heifers for the slaughterhouse of apartheid."

Told later that Mrs Thatcher was emerging as the leader of the West, he said: "If so, God help us."

★ ★ ★

The hotels where heads of government are staying have their problems.

One hotel manager said he had had a bed rebuilt and reinforced to take the apparently considerable weight of King Taufa'ahau Tupou IV of Tonga. In the end the monarch did not come to Vancouver.

The same hotel has had to import Belgian chocolates because one unnamed leader won't eat any other kind.

## SA campaign 'cost R6-m'

MAPUTO — South Africa's propaganda campaign in Canada this year had a budget of more than R6 million, says the Mozambique News Agency, AIM.

It said every member of the Canadian parliament was offered a video cassette claiming to show improved living conditions for blacks. — The Star's Africa News Service.

56A 8/day 15/10/87



"AND TURNING TO SANCTIONS AGAINST SOUTH AFRICA ..."

# The skeletons in the Commonwealth cupboard . . .

MARTYN HARRIS of the London Daily Telegraph reviews a new Amnesty report causing embarrassment in Vancouver

**C**OMMONWEALTH conferences in the past few years have had only one real subject — sanctions against South Africa — with Britain against them and almost everyone else in favour.

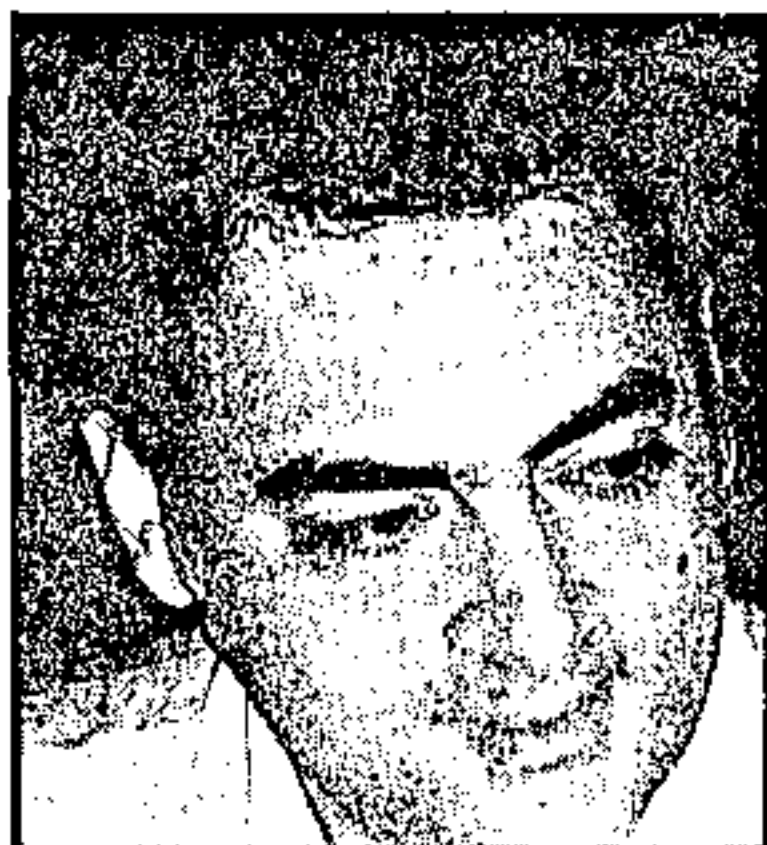
So determined are anti-apartheid campaigners to air their views this year that they have set up a fringe conference in Vancouver — The Parallel Commonwealth Conference — which will be addressed by, among others, President Kaunda of Zambia.

Embarrassingly for Kaunda and others devoted to human rights in other people's countries, the Canadian branch of Amnesty International has produced a report to coincide with the conference, detailing the human rights violations of no fewer than 33 of the 49 members of the Commonwealth — including Zambia itself.

**T**his was not difficult for Amnesty, which, as well as defending political prisoners, is opposed to capital punishment in principle. As only 28 countries in the world have abolished the death sentence, even countries with very good human rights records, such as Barbados, achieve an Amnesty entry.

Nevertheless, some of the Commonwealth's most vocal critics of SA come out pretty dismally.

In India, whose Prime Minister Rajiv Gandhi has led the sanctions campaign, Amnesty criticises the



□ THE ACCUSERS ACCUSED ... Rajiv Gandhi, Robert Mugabe and Kenneth Kaunda

detention of hundreds of political prisoners under "anti-terrorist" legislation, the alleged torture of detainees and the reports of extrajudicial killing of opposition groups and peasants in "encounters" staged by the police.

In Zimbabwe, Amnesty is concerned with "the detention of political opponents of the government, including prisoners of conscience, and the torture of prisoners in the custody of the Central Intelligence Organisation".

In August last year, Robert Mugabe's government declared that Amnesty itself was "an enemy of Zimbabwe" and that anyone who supplied it with information would be detained.

In Zambia, where no political parties are permitted other than

the governing United National Independence Party, Amnesty criticises the Kaunda regime for detaining political opponents without trial, for the detention, torture and sexual abuse of South African nationals by police and for the use of the death sentence for political offences.

**O**ne could go on and on: the persecution of Chittagong Hill tribes in Bangladesh; the wave of executions without judicial appeal in Nigeria; the starving of prisoners in Sierra Leone.

The only major Commonwealth nations that do not appear in the report are Australia and Canada itself.

Britain is criticised for what Amnesty sees as the inadequate investigation of the alleged "shoot and kill" policy in Ulster, the alleged mistreatment of prisoners in Northern Ireland jails and the use of strip searches to harass women prisoners.

These various claims are acutely embarrassing for an organisation which likes to pride itself on its lofty political ideals. The Commonwealth is not a federation — there are no rigid contractual obligations such as those which bind the United Nations.

All a member of the Commonwealth has to do to be a member is subscribe to the ideals of the Declaration of Commonwealth Principles (1971), which says: "We believe in the liberty of the individual, in

equal rights for all citizens, regardless of race, colour, creed, or political belief, and in the inalienable right to participate by means of free and democratic political processes in framing the society in which they live."

Following the atrocities of Idi Amin's Uganda, Gambia called for the Commonwealth to set up its own version of the European Court of Human Rights, but so jealous were Commonwealth members of their sovereign rights that the proposal was eventually watered down to a two-man "advisory" desk at the Commonwealth Secretariat.

In April of this year, a Cumberland House conference in London called for a non-governmental Human Rights Commission on the lines of the Eminent Persons Group (EPG).

**A** further conference is due to take place in London once the Vancouver Heads of Government meeting is over, though any commission which does emerge seems unlikely to exercise any more real influence than the EPG.

The Commonwealth, in short, is defined more by its lofty political ideals than by its institutions. The Amnesty report exposes the reality behind some of those ideals, but the Commonwealth still shows no likelihood of developing the political will and the institutions to do anything about them.

# Mozambique to be the next member of Commonwealth?

VANCOUVER — As a former Portuguese colony, Mozambique would seem to have few ties to the English-speaking Commonwealth of Britain and 48 of its former colonies.

But a delegation from the African nation, led by the Foreign Minister, Mr Paulo Macumbi, is attending this week's Commonwealth summit as official guests of the Canadian government amid speculation that Mozambique might eventually become the 50th Commonwealth nation.

"We welcome Mozambique's interest in our proceedings, which we hope will make a positive contribution to stability in southern Africa," Britain's Prime Minister, Mrs Margaret Thatcher said in an address.

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The summit is expected to discuss measures to help the front-line states defend themselves and maintain rail, port and communications links.

Mr Macumbi, a former health minister, told a weekend anti-apartheid conference in Vancouver, "It is our strong desire to strengthen co-operation with the Commonwealth."

He said South African-backed guerrilla attacks on his socialist country and successive droughts had left 4.5-million Mozambicans hungry while terrorists had destroyed or looted 1 500 stores, 1 800 schools and 490 hospitals from 1982 to 1986.

"Our people must farm with a hoe in one hand and a gun in the other," he said. — Sapa-AP

# Summit is unlikely to impose more sanctions

SA  
SAPC  
14/10/87

By Michael Morris  
The Star's Foreign News Service

Vancouver

Commonwealth leaders began a five-day summit yesterday divided over the best means of pressuring South Africa to speed up racial reform.

Canadian Prime Minister Mr Brian Mulroney said in his opening remarks: "I am hopeful that this meeting will be able to agree on ways to hasten the end of apartheid and to foster a climate of change within South Africa."

But Commonwealth-wide sanctions, are unlikely. Britain remains rigidly opposed and there are signs the rest of the

members have accepted that. All states are likely to back greater assistance to the Frontline states but they could differ on the question of military aid.

Canada has revealed it is soon to announce some new "measures" against South Africa and that it will introduce in today's debate "some other options" in the fight against apartheid.

Commonwealth leaders will also have to make a decision on Canada's proposal for a ministerial contact group on southern Africa which Foreign Minister Mr Joe Clark says is intended to keep track of developments in the region and to nurture dialogue if that opportunity arises.

But the African National Congress has made clear its opposition to a contact group. ANC spokesmen, among them Dr Johnson Makatini, dismissed the effectiveness of such a group and said they would dissuade Canada from pursuing it.

But even Mr Clark — who backs sanctions and wants to see more imposed or those already imposed tightened — paved the way for a broader Commonwealth response with less emphasis on trade embargoes when he said: "This conference will not mark a pause in the imposition of pressure on Pretoria but it could mark a development of means."

## Off the hook

Nonetheless, he added, there "is more happening here than sanctions" and acknowledged that last year's meeting in London set a precedent — where heads of state agreed to disagree on sanctions — which could preserve Commonwealth unity and, by implication, let Britain off the sanctions hook.

But Mrs Margaret Thatcher, having set out her position so strongly at the start, has made it clear she has nothing to add.

All the other speakers touched on South Africa — but none made the strident demands that have whipped up an angry debate in the past.

It is clear leaders are all, more or less, taking a longer view in which sanctions are not an urgent requisite.

But the debate will consolidate international opposition to Pretoria and, even if indirectly, boost the campaign for embargoes.

The sanctions issue has already soured British-Canadian relations in Vancouver, with British officials charging that Canada's trade with South Africa rose during 1985 and 1986. Canada, which says trade fell by 50 percent this year after it imposed tougher embargoes, accused Britain of "distorting" the debate.

**X Report Restricted**

This report has been restricted because Mr Makatini is banned in South Africa and may not be quoted.

# Thatcher in row over SA trade

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14/10/87  
SBA

**VANCOUVER — A row between the British Prime Minister, Mrs Margaret Thatcher, and her Canadian counterpart, Mr Brian Mulroney, over Canadian trade with SA has got the Commonwealth summit off to a bad start.**

And it was quickly followed by Mrs Thatcher's contemptuous rejection of Mr Mulroney's proposal to rekindle the Eminent Persons' Group (EPG).

The countries' delegations were involved in a heated dispute over an attempt by British offi-

also believed to be concerned that the summit could be marred by yet another South African wrangle.

Mrs Thatcher had a meeting with the Queen after her angry confrontation with Mr Mulroney and was preparing to urge

**by Mike Robertson, Daily Dispatch man at the Commonwealth summit**

cial to use outdated trade statistics to embarrass Canada.

After Mr Mulroney had said in a TV interview here that he was in favour of more sanctions against South Africa, British officials said the latest trade statistics showed Canadian trade with South Africa was on the up — by as much as 47 per cent.

However, Mr Mulroney's media secretary, Mr Marc Lortie, immediately said the British statistics were for 1986 and not relevant — as the Commonwealth sanctions measures were only introduced in London late last year.

Figures he produced showed Canada's trade with South Africa was down by 50 per cent in the first half of this year.

Mr Mulroney's EPG idea involved a small group of foreign ministers being appointed to monitor developments in South Africa and to try to promote dialogue.

Mrs Thatcher said such an idea would serve no useful purpose and would only irritate President P. W. Botha.

A senior Canadian official commented on this statement, saying: "Just because the British don't like something doesn't mean its dead in the water."

● Ian Hobbs reports from London that the Evening Standard said last night the confrontation between the two prime ministers had put the summit "on course for a fiasco".

The Queen, as ceremonial head of the Commonwealth, was

Commonwealth leaders not to parade their differences but to concentrate on areas of agreement

The newspaper quoted Mr Mulroney as saying: "Mrs Thatcher has not behaved as a guest in his country should."

The Canadians were "infuriated by a propaganda exercise by the British side which seems to have gone badly wrong".

The newspaper's reporter, Charles Reiss, said Mr Mulroney told him the British figures were "nonsense."

The report quoted Mr Mulroney as saying: "As a guest, one would expect Mrs Thatcher to confirm the figures with us".

Mr Mulroney, as host and chairman of the conference, spent 45 minutes with Mrs Thatcher on Monday. The British hoped this meeting would "take the steam out of the row on South Africa," said the Standard.

It said Mr Mulroney had also said the talk with Mrs Thatcher concerning the EPG had been "very vigorous" with her turning down any notion of new sanctions against South Africa.

"She scorned a compromise proposal from Mr Mulroney for a high-powered team of Commonwealth foreign ministers, possibly to include Britain's Sir Geoffrey Howe, to search for progress in South Africa".

The British said they were highly sceptical of the idea and did not know what such a committee would be supposed to do.

Mr Mulroney acidly responded that such a committee might, at least, have prevented the latest misunderstanding.

# Action against SA: summit split

(56A)

14/10/87  
Cue lost

VANCOUVER— Commonwealth leaders opened their five-day summit yesterday with strong statements against apartheid in South Africa, but remained split over ways to pressure Pretoria to change.

Security was heavy as 45 of the 49 member nations, all former British colonies, met to discuss Southern Africa, a recent military coup in member nation Fiji and global issues such as Central America and the turmoil in the Gulf.

In her opening statement, the British Prime Minister, Mrs Margaret Thatcher, called apartheid "an utterly repulsive and detestable system that must go".

During the five-day meeting, government leaders are expected to consider economic sanctions against SA stronger than those passed two years ago.

But Mrs Thatcher, who agreed at the time to such minor measures as a ban on the importation of Krugerrands, has indicated she will not move from her stand that more stringent measures will hurt only black South Africans.

"We all know our areas of disagreement," she said, adding that Britain planned to focus on "action to help black South Africans and action to help the front-line states reduce their dependence on South Africa".

Black-ruled African nations such as Zimbabwe and Zambia are pressing for more sanctions against South Africa, as are representatives from Mozambique, which is not a Commonwealth member, and the ANC.

Zimbabwe's Prime Minister, Mr Robert Mugabe, was scheduled to open the debate on South Africa today. — Sapa-AP

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WORLD

# Frontliners to boost sanctions

MIKE ROBERTSON

VANCOUVER — A bloc of Commonwealth countries is set to defy attempts to prevent the issue of SA dominating the Commonwealth summit by pushing for the adoption of the US sanctions package.

The countries, including several Frontline States, have been persuaded by the ANC that a failure by the Commonwealth to adopt any new sanctions measures will represent a set-back to the anti-apartheid cause.

Confirmation of this last-ditch attempt to get new sanctions back on the agenda is contained in the confidential report of the Commonwealth Committee on Southern Africa, which will be laid before heads of government when the meeting gets underway tomorrow.

The committee, chaired by Canadian High Commissioner in London, Roy McMurtry, has held regular meetings attended by senior Commonwealth diplomats and British Foreign Office officials, to discuss the issue of SA and prepare recommendations for the summit.

Its proposals, for the most part, reflect the thinking of a smaller

group of officials including Commonwealth Secretary General Sir Shridath Ramphal.

They recommended that in the interests of Commonwealth unity countries agree to disagree on sanctions and push instead for a list of measures to aid Frontline States.

But in a major departure from their suggestions, a section of the committee's report, backed by Zambia and Tanzania, has been changed to specifically mention those measures adopted by the US and Nordic countries, both wider than those agreed to by the Commonwealth.

Britain has already made it known it will not support any such move.

The committee report now reads: "Members of the committee, other than Britain, believe that, pending the acceptance of such a position by the international community as a whole, genuine efforts should be made to secure the universal adoption of the measures now adopted in common by most Commonwealth and other countries including the US and the Nordic countries."

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# Fiji poses problem for Club

The Star's Foreign News Service

**VANCOUVER** — Calls for sanctions against Fiji, led by India, Australia and New Zealand, have received a cool response from Zambia's President Kenneth Kaunda.

In a BBC interview he called for restraint in dealing with the South Pacific nation, pointing out that the Commonwealth had not imposed sanctions against other member states after coups.

The Commonwealth should intervene "only in an advisory capacity", he said, a view which observers say suggests that it may be difficult for the Commonwealth to reach agreement on how to tackle the crisis.

Colonel Sitiveni Rabuka's declaration of a re-

public, following two coups, poses serious problems for the Commonwealth. It means that Fiji is no longer a member, although it is expected to apply for re-admittance. India is certain to veto the application.

New Zealand has already cancelled military and financial aid, Australia has suspended aid, and Britain is considering doing the same. India has suspended all trade and technical co-operation with Fiji.

The only country to recognise Colonel Rabuka's administration was thought to be Tonga, the South Pacific's only kingdom, but this has now been denied.

President Junius Jayawardene of Sri Lanka has cancelled plans to attend the Vancouver summit because of the increasing violence between the Tamils and Sinhalese.

President Kaunda... urges Commonwealth restraint in handling Fiji coup.



President Kaunda... urges Commonwealth restraint in handling Fiji coup.

# Gandhi will be in for a hard time

The Star's Foreign News Service

**VANCOUVER** — This city's large Indian community is taking a lot of interest in the Commonwealth summit and rather more in the presence of Mr Rajiv Gandhi.

They want to tackle him over the Punjab controversy and the treatment of Sikhs, and security men fear there may be assassins among them.

Just over a year ago, a Punjab Cabinet Minister, Mr Mal-kat Singh Sidhu, was wounded by four attackers during a visit

to British Columbia, and Commonwealth conference organisers want to make sure there is no repeat performance.

However, demonstrations against the Indian premier will go ahead.

His critics in Canada range from left-wing atheists to fundamentalist Sikhs and they are determined to make full use of the area designated for demonstrations outside the sail-topped Vancouver trade and convention centre.

Canada's Communist Party

doesn't like Mr Gandhi either.

It has a poster in the window of its downtown Vancouver office publicising a demonstration which declares: "Gandhi, butcher of the people!"

But the communists are vexed about other issues, too.

Just below the blood red reference to the Indian leader is the familiar rebuke: "Thatcher — champion of apartheid".

The Vancouver police say bookings for protest parades are already high.

It is India and South Africa who are the subject of most of them.

## Massive security operation

The Star's Foreign News Service

**VANCOUVER** — More than 3,000 security personnel — including bodyguards, snipers, bomb disposal experts and helicopter hit-teams — are deployed here to protect the Queen and Commonwealth leaders in an operation costing more than \$15 million.

It is the biggest security operation yet staged in Canada, and the bill amounts to half the total cost of the conference.

In addition to bodyguards, leaders will be protected by what the Canadian authorities are calling "shields"... "These are men who will surround the politicians to take the bullet if there's going to be a bullet."

Vancouver is like an occupied city. Armed men are on the streets everywhere, inside and on top of buildings and in helicopters criss-crossing the sunny autumn skies.

The 800 delegates and about 1,100 pressmen have to pass through strict security to get into the Vancouver trade and convention centre on the downtown harbour side.

No-one else is allowed near. Security forces say they are geared for a "worst case scenario."

British premier Mrs Margaret Thatcher and India's Mr Rajiv Gandhi are considered the prime risks.

But the police and armed forces are determined to make sure they come to no harm.

"They recognise that the modern terrorist is bold and equipped with 'state of the art technology'," they say.

And all feature-filmmaking in Vancouver has been suspended for the week. Police say



Unkind jesters say British Prime Minister Mrs Margaret Thatcher could have sponsored Fiji coup.

By Michael Morris, The Star's Foreign News Service

**VANCOUVER** — Unkind jesters have it that Prime Minister Mrs Margaret Thatcher sponsored Fiji's "Rambo" coup leader, Colonel Sitiveni Rabuka, with the idea of deflecting criticism of Britain's aversion to sanctions on South Africa at the Commonwealth summit this week.

The Fijian crisis will undoubtedly loom large in Vancouver, but even without the storm in the South Pacific, the sanctions debate appears to have mellowed — at least a little.

There will certainly be more passionate rhetoric and pleas for solidarity with the South African "struggle". President Kenneth Kaunda of Zambia gave a foretaste in his address to the United Nations last week when he said a peaceful solution in South Africa would take comprehensive, mandatory sanctions by the major Western powers or else there would be revolutionary violence by the people at home.

So, in Vancouver, Britain will be chastised and, along with others, urged to enforce existing measures, and more strictly...

# Fiji deflects focus on apartheid, sanctions summit

It is not that apartheid is being considered any less evil, but that the Commonwealth's perception of what it can do to help in the region has changed.

Much of the attention now focuses on the Frontline states. The alliance of 49 states has been severely tested by the protracted wrangling over apartheid during the past two years, and seems determined to avoid tearing itself apart.

Consensus and unity of purpose are the ideas the Secretary-General Sir Shridath Ramphal is inculcating as fervently as he can in the minds of member governments. He has called the Vancouver summit a time for renewal. How successful he will be remains to be seen.

The sanctions which Britain refused to endorse last August included bans on air links, investment, and South African exports of fruit and vegetables, coal and uranium.

These will be highlighted again, but, more significantly, the admission by Zimbabwe and Zambia that they simply cannot afford to impose these embargoes has clarified the debate.

Sir Shridath said in London last week: "There will be a resolve

# Pre-summit sanctions pressure rises in Vancouver

The Star's Foreign News Service

**VANCOUVER** — South African and Commonwealth trade unionists and anti-apartheid activists have preceded the South Africa debate in Vancouver with demands for more pressure in the form of sanc-

aparttheid. But, while the rhetoric is passionate, Commonwealth leaders have yet to get down to the rather more taxing business of deciding exactly what action to take.

At its last heads of government meeting in Nassau, capital of the Bahamas, the 49 leaders' met in an atmosphere charged with the belief that revolts in South Africa's townships had pushed Pretoria close to defeat and that a deft manoeuvre by the international community aimed at under-

British disagreed and, today, points to the history of the past two years as an indication of the failure of a sanctions policy.

While events in the region have undermined the notion of a "pushover" in South Africa, Pretoria's critics in southern Africa — principally Zimbabwe and Zambia — have blamed the West (and British Prime Minister Mrs Thatcher in particular) for the failure of embargoes to have a greater impact on President Botha's thinking.

while they clearly cannot afford to impose the sanctions to which they are committed in spirit, it should be up to Britain and other powerful nations in the West to do so.

This is the point of view that Commonwealth trade union leaders conveyed to Canadian Prime Minister Mr Brian Mulrooney yesterday.

Among the visiting trade unionists at a press conference yesterday after the meeting with Mr Mulrooney were Congress of South African Trade

(in Vancouver) to continue on the path marked out at the London review meeting last August.

"Nevertheless, I do not expect Commonwealth leaders to dwell on differences over sanctions... they can, at least for the present, agree to disagree as they reach for common ground in other areas of action towards shared objectives in southern Africa."

In essence, the Commonwealth will be urged to work jointly towards relieving the Frontline states, including non-Commonwealth Mozambique, from economic dependence on Pretoria.

This is where the British Government has reason to feel it is in a strong position. The Overseas Development Administration's recent glossy booklet, "British Aid to southern Africa: a force for peaceful change and development", is clearly a challenge to Mrs Thatcher's critics, because it sets out just how British aid totalling millions of rands is being spent in southern Africa.

It is aid, the booklet says, that is hope for the future. Finally, aid and sanctions aside, just how Commonwealth leaders will tackle the question of promoting negotiation in South Africa is unclear.

# Aussie govt may be embarrassed

MELBOURNE — A strongly-worded report on the plight of Aborigines could be a major embarrassment for Australia when it is tabled at the Commonwealth Heads of Government meeting in Vancouver this week.

The report is being released by the British-based Anti-Slavery Society and contains damning evidence of the treatment of Aborigines, particularly children, by police.

The report says many blacks face racial oppression in their

## Journalists

protest press

LONDON — Journalists have leaders of the Group against Freedom in wealth countr

The Communist's' Assoc asked the hea who open a ff Vancouver t urgent attent abuses, which the organisa of principles.

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# Horse-trading on

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## sanctions issue in Vancouver

Proponents of sanctions against South Africa are set to defy attempts to prevent the issue dominating the Commonwealth summit in Vancouver by pushing for the adoption of the US sanctions package. The countries, including several of the Frontline States, have been persuaded by the African National Congress that a failure by the Commonwealth to adopt any new sanctions measures will represent a severe set-back to the "anti apartheid cause". Confirmation of this last-ditch attempt to get new sanctions back on the agenda is contained in the confidential report of the Commonwealth Committee on southern Africa, which will be laid before heads of government when the meeting gets underway today. This report is by the Daily Dispatch representative, MIKE ROBERTSON, who will be reporting daily on the conference.

Thanks to Colonel Ram-buka, Fiji has joined South Africa, a republic with not dissimilar race policies to the one he proclaimed last week, on the top of the agenda of the Commonwealth summit which gets underway today.

Commonwealth secretary general Sir Shridath Ramphal has drawn attention to the "disturbing" parallels between the two countries, but African states have chosen to ignore this outbreak of racism in the South Pacific. Their main concern is that it should not be allowed to detract attention from their prime aim — securing sanctions against South Africa.

Thus anyone passing the sail-topped Vancouver trade and convention centre, where the summit is taking place, will witness an almost continuous anti-apartheid presence in the designated protest area. And, more importantly, a parallel conference on southern Africa, with speakers including Zambian president Kenneth Kaunda, Mozambique foreign minister Pascoal Mocumbi and Canadian EPG member Archbishop Edward Scott, will ensure that southern Africa will still receive publicity even when the spotlight at the summit turns to issues such as Fiji.

Addressing the Commonwealth and Diplomatic Writers Association last week, Ramphal said he did not expect the leaders to dwell on their differences over sanctions. "They can, at least for the present, agree to disagree, as they reach for common ground in other areas of action towards shared objectives in southern Africa."

The shared objectives Ramphal was alluding to was a package of measures providing military and economic assistance to the Frontline States, the rough outlines of which had been worked out by a senior team of officials including himself, Terry Bacon, a Canadian diplomat seconded to the Commonwealth secretariat to assist in the drawing up proposals on southern Africa, Anthony Reeve, an under-secretary in the British Foreign Office, and London representatives of the Frontline States.

The package, according to one British official, sought to "switch the emphasis away from empty rhetoric to practical measures". At the insistence of Zambia and Tanzania a clause was included committing the Commonwealth to "the universalisation of existing measures". British officials said the net result of this inclusion was that: "It will look new but there will be no new sanctions".

Britain made it clear it would not support this clause, but it was agreed in the interests of Commonwealth unity that nobody would push the issue. The agreement worked both ways. No attempt be made to iso-



SIR SHRIDATH  
RAMPHAL



BRIAN MULRONEY

late the British Prime Minister as "a collaborator with apartheid". And, Thatcher would not make too much of the fact that while Britain had implemented the limited sanctions it had agreed to, the Frontline States had not.

Describing the thinking behind the agreement a Commonwealth secretariat spokesman said: "The past two meetings have been dominated by efforts to change the position of the British government. Now the feeling is that we should look to other international forums."

Echoing similar sentiments, Zimbabwean Prime Minister Robert Mugabe said recently: "If sanctions are to be made comprehensive then the UN has to agree to make them so." However, expressing a concern common to his fellow Frontline leaders, Mugabe added: "We reject that aid should be seen as a substitute for sanctions."

The ANC has played on the fear of Frontline leaders that by not pushing the sanctions issue they will be seen to have been bought off. A vague commitment to the "universalisation of measures already adopted", the ANC argued, was not enough. If the sanctions lobby was not to be seen as suffering a severe set-back, some new measures had to be agreed.

Zambia, Tanzania and Zimbabwe have succeeded in getting the section dealing with the "universalisation of measures already adopted" to be made more specific. Their aim now is to get the Commonwealth — with Britain dissenting — to agree to the US sanctions package as a minimum measure.

However, it is by no means certain that they will be successful. Ramphal, for one, will not welcome another public split. In his report to the summit, he warned of "making a virtue of disagreement". But, he is

not alone in his unwillingness "to go another round with Mrs Thatcher," as one official put it.

Canadian Prime Minister Brian Mulroney also will not want to see the conference, on which the country has spent \$20 million on hosting, taken over by yet another public row between Thatcher and African leaders over sanctions.

Despite the free-trade deal he recently concluded with the US, which is by far the dominant issue in the media here, Mulroney's Progressive Conservatives could still do with a foreign policy victory. Without knocking what Canadian officials describe as "a genuine concern over what is going on in southern Africa", it is clear that a substantial military and economic aid package to the Frontline States, with the backing of Britain, is politically more appealing to Mulroney than a further list of sanctions measures, vehemently opposed by Britain.

Canadian officials have been enthusiastic in their description of the Frontline package favouring interpretations like "this is the thin edge of the wedge" or "it will be a clear message to South Africa to get out of the destabilisation business".

British officials, on the other hand, have tended to stress the pragmatic importance to the countries concerned of re-opening transport routes rather than the political significance of sending "the right signals" to South Africa. While the Foreign Office has not dismissed any of the more grandiose interpretations of the package, it has made it known it regards getting Thatcher to agree to measures providing significant support to the Frontline States as an important policy shift.

Her previous position has been along lines of: "If the Frontline States want to introduce sanctions, they shouldn't come running to me for help when it backfires on them."

Any attempt to isolate her on sanctions could well bring to the fore her well-known adversarial style and a reversion to what is reported to have been her original thinking.

All in all, the British hold a pretty strong hand. With their support Mulroney, as chairman of the summit, could well preside on the issuing of a communique which does everything his officials say it will do. Without British backing, the package might well be "no big deal". When it comes to the crunch, if avoiding the latter means slapping down an attempt to get new sanctions measures agreed, Mulroney might well be forced to do so.

British Premier's stand expected to remain firm at summit

# Apartheid tops agenda

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SMC 13/10/87

## Sikhs accuse 'Indian Hitler'

The Star's Foreign News Service

VANCOUVER — "Sikhs in India are worse off than blacks in South Africa" was the slogan on one of hundreds of posters Sikh fundamentalists paraded through downtown Vancouver yesterday.

But a wall of armed police stopped them from getting their message through to the Commonwealth leader they call the "Hitler of India" . . . Prime Minister Rajiv Gandhi.

The 3 000 orange-turbaned Sikhs succeeded, nonetheless, in getting probably the best media attention they have ever had. And they almost brought city-centre traffic to a standstill.

★ ★ ★ ★

Human rights abuses in Commonwealth countries have brought the global watchdog, Amnesty International, to the summit city.

In a hard-hitting statement guaranteed to bring discomfort to many leaders, Amnesty says it has "measured the Commonwealth countries against human rights standards and 33 out of the 49 states are found wanting".

It hopes that, this week, Commonwealth countries will renew the commitment to human rights they have all made in the UN.

Mrs Thatcher will be angry that Amnesty includes Britain in its list of 33 with allegations that security forces in Northern Ireland have killed people deliberately.

★ ★ ★ ★

Zambian Premier Dr Kenneth Kaunda has confessed that he is at least mildly horrified at the prospect of ending up in Heaven in the company of Mr P W Botha.

Dr Kaunda wondered of President Botha: "What God is he worshipping if he hates Mandela so, and Tambo? I do not know what God he worships."

★ ★ ★ ★

The dearth of women in the scores of Commonwealth summit delegations is at last, it seems, explained.

It turns out that Vancouver's University of British Columbia is the venue for the Uncommon Wealth of Women meetings.

By Michael Morris,  
The Star's Foreign News Service

VANCOUVER — Apartheid is set to dwarf the Fijian crisis in the Commonwealth summit agenda as the sanctions battle intensifies.

Britain's rigid resistance to trade embargoes, which has earned Mrs Thatcher warm praise in South Africa, and nothing but scorn north of the Limpopo, is unchanged.

As the heads of state meet today for the official opening of their biennial summit, it is with the certain knowledge that unanimity on what to do about apartheid will evade them again.

With apartheid emerging once more as the chief issue on which the political will of the Commonwealth will be judged, Canadian Prime Minister Brian Mulroney, chairman of the summit, faces a difficult task.

He has been challenged by Front Line southern Africa to push ahead towards comprehensive sanctions. But he also has Mrs Thatcher to contend with, and her delegation spelt out yesterday precisely why she would refuse to back new measures.

A source close to the British Premier said of other leaders who had called for sanctions . . . "Of course, they have to play to domestic galleries — but the position of the United Kingdom is well known and will not change."

## Challenge to Canada over sanctions

The Star's Foreign News Service

VANCOUVER — Zambia's President Kaunda has challenged Canada to lead the way to tougher Commonwealth-wide sanctions against South Africa.

He is the first of the 36 heads of state gathering in Vancouver for the official opening of the summit today to show his cards on the potentially divisive apartheid debate.

In spite of Zambia's admission earlier this year that it could not afford to impose sanctions, Dr Kaunda made a passionate plea to Canadian Premier Mr Brian Mulroney to lead a Commonwealth attack.

Dr Kaunda was speaking at a pre-summit fringe event, the parallel Commonwealth Conference on Southern Africa.

Dr Kaunda likened apartheid to the Hitlerism of Nazi Germany and scorned British Prime Minister Mrs Margaret Thatcher's reluctance to respond with a tough attitude.

But, in a speech spiced with anecdote and emotion, Dr Kaunda stressed that his message was one of hope.

Black South Africa would be free — its time would come. It, like other southern African countries that had achieved independence, the black majority would forgive and rule without hatred and bitterness.

Rebuking Mrs Thatcher, Dr Kaunda asked: "How is it possible that the people who fought Nazi Germany and sacrificed much . . . can conspire with the Nazis of today in South Africa and tell us: 'Do not impose sanctions because they will bite you.'"

He said: "The signs (in South Africa) since October 1986 (the time of the Commonwealth review meeting in London) have not been encouraging and there is no indication that the measures adopted then have been productive. We would argue they have been counter-productive, not least in the outcome of the general election in May."

Sources emphasised Britain's determination "to continue working for dialogue" in South Africa.

## No quick fix

A delegation source said: "We want to concentrate on what is constructive and practical, not on what is emotional and destructive. We see no purpose in having an argument about sanctions."

Another source said: "There is no quick fix in South Africa and we are very clear in our minds that pressures from outside are not going to produce a quick result. Sanctions do not work because third parties always break them. We have a long experience of this."

Mr Mulroney, however, is being pressured to keep his word, and — as he promised to the UN two years ago — sever all trade and diplomatic ties with South Africa in the absence of moves to dismantle apartheid.

In half a dozen pre-summit interviews, the Canadian leader has emphasised his belief that sanctions should be strengthened — even going as far as to say that "we are moving closer" to a complete severance of ties — but, equally, Mr Mulroney has suggested that there are benefits in maintaining diplomatic contact with South Africa.



Queen Elizabeth chats with Canadian Prime Minister Brian Mulroney while on a tour of the Commonwealth conference site in Vancouver yesterday.

## Canada to propose SA contact group

The Star's Foreign News Service

VANCOUVER — Commonwealth summit hosts, Canada, are about to propose a new southern Africa "contact group", probably of Foreign Ministers, to boost the Frontline states, sustain pressure on South Africa and nurture the politics of negotiation.

Canadian Premier Mr Brian Mulroney is known to be keen to resuscitate the kind of dialogue initiative begun by the Eminent Persons' Group last year.

While setting up a new EPG is considered inappropriate, it is apparent Canada has come up with something similar — a proposal for a southern Africa contact group. But Britain is strongly opposed, and is expected to fight the move.

It is suggested the group would comprise the Foreign Ministers of prominent member states and would serve as an instrument of the Commonwealth's long-established goal of helping to bring about change in South Africa through negotiation.

The group could keep the international spotlight on South Africa and, at the same time — through a programme of visits, and trade and aid programmes — foster the relationship with the Frontline states.

But Britain believes Pretoria is not likely to be receptive to the entreaties of a diplomatic mission. And, they say, a contact group would probably serve only to intensify the pressure on Mrs Thatcher to impose tougher sanctions.

b/day

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# Anti-SA fears Canada is off course



ELIZABETH

MIKE ROBERTSON

VANCOUVER — Seating is arranged clockwise in strictly alphabetical order around the secretary-general and the host nation at the Convention Centre, where the Commonwealth summit gets under way today

As a result — after Queen Elizabeth has toured the site and unveiled a tapestry of the city skyline made from old parachutes — when the leaders lock themselves behind closed doors, four of the men who will play a key role in its deliberations on South Africa will be seated alongside one another.

It was to them, conference chairman Brian Mulroney of Canada — flanked by secretary-general Sir Shridath Ramphal on his left and Kenneth Kaunda and Robert Mugabe on his right — that most of the statements emanating from yesterday's pre-conference hustings were directed.

If one were to choose an advertising slogan to describe the activities of the anti-apartheid movement here, it would have to be that of the car hire firm — "We try harder".

Three days of a parallel conference on southern Africa ended with two Press conferences and a major public rally, which also marked the beginning of another parallel conference.

Speakers, including Kaunda, Ramphal, Mozambican Foreign Minister Pascoal Mocumbi, Sydney Mafumadi of Cosatu, Johnny Makhatini, head of the ANC's international division, James Mndaweni and Piroshaw Camay of Nactu and Herman Toivo ja Toivo of Swapo all in some way tried to exert pressure on Mulroney to continue in his unlikely role as a leading exponent of sanctions against SA.

Underlying the exhortations was a fear that Mulroney — who, as head of a leading Western nation has until now played an important role in the campaign to isolate South Africa — has had a change of heart.

Professor Linda Freeman of the Canadian Anti-Apartheid Network, which co-hosted the parallel conference, said: "We have no illusions about getting new sanctions. Mulroney has backed off..."

"There are very strong divisions in the Conservative government over South Africa and he is no longer prepared to take the lead and pull the rest along with him."

In a communique, delegates to the parallel conference said: "As host to the Commonwealth summit, it is imperative that Canada take the lead on the issue of sanctions."

"Two years ago the Canadian Prime Minister promised the UN Canada would sever all ties with SA if Pretoria did not move to dismantle apartheid. We expect this promise to be fulfilled."

"Canada cannot fall in with the British effort to derail international action against SA. Canadian credibility is on the line."

A similar call was contained in a memorandum submitted to the heads of governments by the Commonwealth Trade Union Council, whose Press conference was addressed by representatives of Cosatu and Nactu.

Spokesmen for both trade federations said their members wanted comprehensive, mandatory sanctions to be enforced against SA.

If Britain and other Commonwealth countries would not go along with this, they said, Mulroney should act unilaterally.

In an address to a parallel conference meeting, Ramphal praised Canadian activists for "keeping their government up to the mark" on sanctions and attacked the British position.

See Page 8

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# Commonwealth backs down on new sanctions

LONDON — The first official indication no new sanctions measures would be adopted against SA at next week's Commonwealth heads of government meeting in Vancouver was given yesterday by secretary-general Sir Shridath Ramphal.

Ramphal's views were contained in his report to the Commonwealth leaders — it is in line with Western views that the sanctions bandwagon, which began to gather momentum at the Commonwealth summit in Nassau in 1985, would be sidetracked in Vancouver.

The Commonwealth is set to follow Britain by switching the emphasis away from the use of sanctions as a litmus test for support or opposition to the SA government to practical measures to support "victims of apartheid".

This particularly relates to the Frontline states which are set to

MIKE ROBERTSON

receive unprecedented economic and military aid.

Ramphal says: "The Commonwealth and the rest of the international community must work for the universal and strict enforcement of the sanctions which are already in place."

This is in strong contrast to his report to the Nassau conference which outlined a list of selective sanctions — subsequently adopted by the Commonwealth, with Britain dissenting in some cases.

Ramphal, who in 1985, called on the Commonwealth to be "in the vanguard of the final push against apartheid", now accepts he was being overly optimistic in his perception of the role the Commonwealth could play and the time frame.

He says: "It is only Pretoria that can end apartheid and turn towards a dialogue for freedom and democracy. The citadels of racism are not

about to crumble; President Botha has crossed no Rubicon."

However, the Commonwealth must see Botha's "apartheid is outdated" statement as a point of departure.

"Even lip service to the principle of change is evidence that pressure has its effect."

Ramphal does not elaborate on what he means by "pressure". This contrasts strongly with the 1985 report when the word was taken to equal sanctions.

Pointing to a change in emphasis away from sanctions to supporting Frontline states, Ramphal includes separate sections on countering destabilisation in his report.

In a plea for "maximum support" for Frontline states, he says: "Pretoria works on the assumption apartheid can survive in SA if the rest of southern Africa is made so impotent as to be unable to assist in the struggle against it."

## THE COMMONWEALTH

### Refining the package

The Sherpas preparing the way to next month's Commonwealth summit in Vancouver have completed their work. Apart from semantic fine-tuning, the draft of the final communiqué which will emerge from the Commonwealth Heads of Government Meeting (CHOGM) has been hammered out in the weeks of negotiations and Commonwealth Secretary General Sonny Ramphal's tour of the 47 participating nations. It is now in the hands of all the leaders.

As far as southern Africa is concerned, the main thrust of the meeting has been well leaked. In contrast to Nassau in 1985, sanctions against SA will take a back seat. That was spelt out last week by Ramphal when speaking to the Southern Africa Association in London. Having reluctantly agreed to a limited range of sanctions at the post-EPG mini-summit in London, and joint EEC measures, Britain stands firmly against anything more. And its veto has been swallowed by the Commonwealth.

As Ramphal said: "The different views are now understood. I do not believe the differences are likely to be bridged, but I do not think the Commonwealth will allow itself

to be bogged down by them." A lot of railing against SA's Western trading partners for not implementing existing measures more effectively — while 8% of exports are covered it is estimated only 3% have been affected — will be heard.

Of a list of 29 leading economies which have adopted a range of 13 embargoes, only three (Denmark, Norway and Sweden) apply them all without qualification. The other major sanctioneer is the US, which has implemented everything from bans on Kruggerands, coal, iron and steel to severing air links — but private loans remain voluntary.

It would take a major indiscretion by SA — such as the raids which derailed the EPG mission — to upset the CHOGM's progress towards the new, positively accented policy on southern Africa which has been drafted. And, according to sources involved, Britain, having won the sanctions argument, has told President P W Botha not to do anything to foul up the Vancouver meeting.

The dominant theme of the CHOGM will be deeper practical involvement in the front-line states — the victims of SA's alleged destabilisation strategy. It will involve an operation tantamount to reflagging the targets, most especially Mozambique, which will attend the CHOGM as guests of the Canadian hosts with full access to discussions, if not participation.

The proposals are two-pronged: economic and technical help, mainly aimed at reopening the transport routes to Maputo and Beira from Zimbabwe and from Malawi to Nacala; and military assistance to secure these projects. A glossy brochure from the Foreign Office already illustrates how Britain sees the imperatives: of its £35m in project aid to

the SADCC countries, £30m is being spent on restoring these rail links — £14m alone is going to the Zimbabwe-Maputo line via Chicualacuala.

It is expected that a Commonwealth economic mission to draw up a shopping list of needs will be part of the package. In tandem there will be a military mission to assess the security aspects. How far the Commonwealth will go is not yet clear. The Nigerian High Commissioner in London, George Dove-Edwin, said last week that his country would con-

tribute troops if an international force was seen as necessary — to share the burden currently being carried by Zimbabwe, Malawi and Tanzania against the Renamo rebels and to deter South African incursions.

Suggestions so far stop short of explicit

commitment. But the idea of bilateral aid with military hardware and increased technical and training assistance is on the agenda. For example, Canadian-supplied helicopters to patrol the Beira Corridor might be flown by Commonwealth pilots.

□ The FM understands that President Ronald Reagan has invited the leaders of the frontline states (although not Angola) to meet him in Washington after the CHOGM as part of the US effort to weaken their ties with the Soviet bloc. ■



Ramphal

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## EC states slack on sanctions

The Star's Foreign  
News Service

BRUSSELS — A dossier of statistics suggesting that European Community member states have failed to enforce their own trade sanctions against South Africa is to be presented to the Danish Government, currently in the chair of the EC Council of Ministers.

The figures show that member states like the United Kingdom and West Germany continued to import iron and steel products from South Africa, 10 months after they agreed to restrict them.

The steel ban agreed in September 1986 affects only some 40 percent of the total EC iron and steel imports from South Africa, including items such as pig iron, cast iron, steel plate, billets, slabs, bars and rods. Ferroalloys, for example, are excluded.

British officials denied there was any evidence of UK importers disregarding the ban, suggesting that the continuing imports must be coming in under long-term contracts signed before the trade sanctions were agreed.

Mr Alan Metten, one of the MEPs involved, rejected the suggestion on the grounds that the normal duration of such contracts was only six months.

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# No UK dispute, says Kagiso (S6A)

By JO-ANN BEKKER

THE Kagiso Trust says it is mystified by a report that the British government is unhappy with the way the trust allocates its funds and wishes it to steer funds towards moderate organisations like Inkatha and the Urban Foundation.

The article, which appeared in the British newspaper *The Independent* and was widely quoted yesterday in South African newspapers, claimed Britain was on a "whispering campaign" against the trust fund — set up by South African churches to channel R70-million allocated by the European Community for victims of apartheid.

The report claimed a member of the

British embassy in Pretoria had been detailed to watch the trust and collect information on who it allocates money to and who it refuses.

The Kagiso Trust's executive director, Achmat Dangor, said members of the trust had recently held discussions with British Embassy officials in Pretoria and with senior officials of the British Overseas Development Agency. "At neither occasion did they express any adverse feelings towards the Kagiso Trust or the EC special programme," he said.

He added: "We also find it difficult

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25/9 - 1/10/87 w/Meal

(S6A)

## Kagiso denies UK dispute

to believe that their (Britain's) Pretoria embassy would play a 'monitoring' role, since projects we support are made available to their development experts in Brussels."

*The Independent* claimed that Britain's dissatisfaction came to a head last April when, backed by Holland, it objected to the funding of the United Democratic Front-affiliated South

● From PAGE 1

African Youth Congress. The Kagiso Trust announced it was pulling out of the agreement because of "undue political pressure". But later the trust resumed its ties with the EC when the latter agreed to criteria leaving the control of spending in the trustees' hands.

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(S6A)



# SA sanctions to take back seat

LONDON — Commonwealth leaders would agree to disagree over sanctions against South Africa when they meet in Vancouver next week, Sir Shridath Ramphal said yesterday.

Ramphal, Commonwealth secretary-general, was talking at a London luncheon to mark the unveiling of his report to the heads-of-government meeting.

He said that, instead, they would reach for common ground in other areas of their southern Africa policy.

MIKE ROBERTSON

One such area was enhancing the security of Frontline states in the light of SA destabilisation policies.

Ramphal said he believed the Commonwealth could reach an agreement of great political and practical effect on this issue.

"Today's overt and acknowledged SA

● To Page 2 →

# Frontline security will displace sanctions talk

aggression against Angola — presented in yesterday's terms as a service to the West (the one thing it certainly is not) — only heightens the urgency for such a response before the situation throughout the Frontline countries deteriorates irretrievably."

However, Ramphal warned against seeing aid to the Frontline states as an alternative to sanctions.

The view being given currency by some Western governments, that sanctions "were off the boil", was incorrect.

"Like most of the US Congress, most Commonwealth countries will reject the

← ● From Page 1

view that economic sanctions, including disinvestment, have been ineffectual or simply hurt blacks.

"They will recall their earlier warnings that the effect of sanctions will be diminished if they are not applied universally and genuinely — the fault lying not in sanctions themselves but their non-application by all who can apply them."

● See Page 5

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# Focus on apartheid at 'Club' <sup>SZA</sup> summit: <sup>SMA</sup> <sub>6/10/87</sub> Ramphal

LONDON — The situation in southern Africa remained high on the Commonwealth agenda, the Commonwealth Secretary-General, Sir Shridath Ramphal, said in his annual report published yesterday.

Commonwealth leaders hold their two-yearly summit in Vancouver next week and Sir Shridath called on them and the rest of the international community to "work for the universal and strict enforcement of the sanctions which are already in place, and for their progressive enlargement if Pretoria fails to move towards the ending of apartheid".

He said that in South Africa "there has been no change in the disposition of power, no move towards a democratic dispensation, little alleviation in the rigours of a system which robs millions of their human dignity".

Cracks had appeared in the Republic's "ruling class", however, and the voice of dissent had become louder.

## NO RUBICON

"The citadels of racism are not about to crumble; President Botha has crossed no Rubicon; but the fact that Afrikanerdom feels obliged to say that apartheid is 'outdated' must be seen as a point of departure."

Sir Shridath said the report of the Commonwealth Eminent Persons Group and Commonwealth action on sanctions against Pretoria had had a mobilising effect on global action against the Government of South Africa.

Since the last Commonwealth summit two years ago, South Africa had "intensified aggression" against its neighbours in a campaign of overt destabilisation.

"A virtual war situation now exists in the southern African region: a war waged by South Africa in what it sees as a logical extension of apartheid at home."

## INTERNATIONAL AID

Mr Ramphal said international assistance to the Frontline states should address both their development and security needs, as development efforts could not succeed while South Africa intensified its threat to their rail, road and port links.

Three Commonwealth African countries — Zimbabwe, Tanzania and Malawi — had committed troops to help Mozambique protect its transport links and, outside Africa, Britain had given a lead with assistance for military training.

He said that one day South Africa would be a free, non-racial democracy and he would like it at that stage to join the Commonwealth.

"It will be a great country. The Commonwealth then will be proud to see it take its place, as Zimbabwe did, in an association that helped it to freedom.

"We have a duty to the people of South Africa, of all races, to hasten that day, a duty to them and to ourselves.

"And a free Namibia must come too." — Sapa.

# Conference to turn city into armed camp

JOHN KIRKWOOD

VANCOUVER — Canada's third-largest city, Vancouver, will turn into an armed camp for the five-day Commonwealth Conference starting on Tuesday.

And, at the political level, the issues of apartheid, support for violence by South African blacks and the possible supply of military aid to the Frontline states will be high on the agenda.

The Queen will be here in her role as head of the Commonwealth, along with 48 other heads of state and their key ministers.

The result is a security planner's nightmare. A task force of thousands of Royal Canadian Mounted Police, soldiers, city police and secret service personnel has been assembled to form the largest security operation in Canada's history.

Sharpshooters will be stationed on rooftops, hundreds of plainclothes policemen will mingle with the crowds, armed forces helicopters will ferry the heads of state around the area and they will be escorted by gun-toting soldiers wherever they go.

People entering Canada from the United States, only 40 km to the south, will be thoroughly checked.

## EXTRA-TIGHT SECURITY

Among the leaders to be given particularly tight security will be:

- The British Prime Minister, Mrs Margaret Thatcher, an Irish Republican Army (IRA) target. The IRA is known to raise funds in Canada and the United States.
- The Indian Prime Minister, Mr Rajiv Gandhi, targeted by Sikh terrorists. His mother, Mrs Indira Gandhi, was assassinated in 1984 by Sikh bodyguards and India regards Vancouver as a major base for Sikh militants.
- Sri Lanka's Junius Jayewardene, targeted by Tamil terrorists. Thousands of Tamil refugees have come to Canada in recent years and some are suspected of belonging to terrorist groups.

Canada, which has imposed sanctions against South Africa, opposes the use of violence, but observers are convinced many of the visiting heads of state will be more militant in their views and will seek to press the host country to go along with them.

The Commonwealth Secretary-General, Sir Shridath Ramphal, said in London recently that the leaders could decide at their Vancouver meeting to provide military aid to South Africa's neighbouring states.

Some Commonwealth countries already have military-aid programmes and will consider expanding them. And sources in London and Ottawa have been saying for months that Canada is considering a form of "non-lethal" military assistance.

WORLD WATCH - 2 AS SOUTH AFRICANS CRITICS PREPARE FOR MORE REALISTIC MEASURES

# Sanctions? What sanctions?

**SOUTH AFRICA is again set to play a centre-stage role at the Commonwealth summit in Canada next week.**

However, it seems that the stringent calls for sanctions which dominated the previous heads of government conference will this time be replaced by more rational proposals. Commonwealth aid for the frontline states to lessen their economic dependence on South Africa will be a major issue.

**BY MIKE ROBERTSON, Vancouver**

Leaders of the 46 Commonwealth nations — the attendance of the 47th, coup-stricken Fiji, is doubtful — have already begun arriving here for the summit which promises to mix a little realism with the rhetoric on South Africa.

The likely outcome will be a fact-finding mission, probably led by Nigerian General Olesgun Obasanjo, to assess the needs of the frontline states.

At this stage the odds are that both

military and economic aid will be spent on securing and re-opening the Nacala, Beira and Chikonalacuala railway routes.

This is the rough detail of a pre-summit package of measures hammered out in London by senior Commonwealth officials, including Commonwealth secretary-general Sir Shridath Ramphal, and representatives of the frontline states.

The package, as was made clear by Ramphal this week, will include no new

sanctions. As one British official put it: "The issue of sanctions against South Africa almost caused the break-up of the Commonwealth. No one is prepared to go another round with Margaret Thatcher."

Sanctions supporters have not had a change of heart. However, their optimism about the speedy demise of a white-ruled South Africa has declined.

The difference between Vancouver and the previous meeting in Nassau, said one British official, is that everyone now realises that the issue of South Africa is

going to be a long haul.

"No one is admitting publicly that they were wrong over sanctions, but there is no longer the feeling that apartheid is feeding on the brink and that sanctions can provide the final push."

Ramphal said this week that those who believed sanctions were "off the boil" were wrong.

Most Commonwealth countries, he said, rejected the view that economic sanctions had been ineffectual or only hurt blacks.

Instead, they would recall their warnings that the effect of sanctions would be diminished if they were not applied universally and genuinely — "the fault lying not in sanctions themselves but in their non-application by all those who could apply them".

## Discomfort

Nevertheless, he added, the leaders would agree to disagree and reach for common ground in other areas of action.

The common ground is aid to the frontline states. But there is a growing discomfort among African leaders that frontline aid is being presented as an alternative to

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## Nobody wants to go another round with Maggie at summit,

## so Commonwealth leaders play it cool

er, a growing number of countries including frontline states, were intent on pushing for the adoption of measures along the lines of the US sanctions package — and if they are successful there could indeed be new sanctions measures.

At the insistence of Zimbabwe, Zambia and Tanzania, a draft clause calling for "the universalisation of measures already taken" has been added to the package. By late this week, however,

ed have been faithfully implemented. There has been no evidence produced to show that additional machinery would serve any other purpose," said one official.

However, the British will face embarrassing questions over a trade mission which is to visit SA, to be hosted by the embassy there, seemingly in breach of sanctions agreed to by Britain.

The official explanation that trade missions to South Africa do not receive government funding, and that the mission will pay the costs of any cocktail party held at the embassy, has been met with widespread disbelief.

Britain is lobbying to keep the Southern Africa issue as low-key as possible. As one Canadian official here said: "Britain is generally trying to downplay the whole conference."

"They had better begin to play ball. Brian Mulroney (the Canadian Prime Minister) did not spend \$40-million hosting this conference to be told the most important thing coming out of it is 'no big deal'."

# Kaunda: SA sanctions should be tightened

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VANCOUVER — Zambian President Kenneth Kaunda called here for the tightening of sanctions against South Africa on the eve of the Commonwealth conference.

"The abominable system is getting much more sick," Dr Kaunda, 63, said last night in addressing an anti-apartheid meeting of 100 Canadian organisations. "Sanctions must be strengthened."

Dr Kaunda spoke as leaders of most of the Commonwealth, the 49-nation association of Britain and its former colonies, gathered for a five-day summit opening on Tuesday.

Dr Kaunda, among the most vociferous in demanding tough embargoes against South Africa during the last two Commonwealth meetings, made no mention of black nations' inability to implement sanctions.

Commonwealth nations, with Britain alone dissenting, agreed on a tough list of embargoes in August, 1986, including cutting off air links. Zambia and Zimbabwe, among South Africa's most hostile neighbors, have not enacted the sanctions because they depend heavily on South Africa economically.

Dr Kaunda called on Canada, the host country, to sever diplomatic relations with South Africa and grant diplomatic status and aid to black guerilla groups opposing South Africa.

Dr Kaunda's speech underlined expectations that African nations will again press for more universal sanctions.

But Commonwealth secretariat officials acknowledged that the meeting would almost certainly reject new measures

The British Prime Minister, Mrs Margaret Thatcher, among the heads of government who flew into Vancouver on Sunday, remained determined to resist any new attempt at embargoes.

Mrs Thatcher also said she believed the last South Africa's last election results bolstered her argument that embargoes would harden white resistance to change, would hurt blacks most and would be circumvented.

# New demarche puts further strain on relations with EC

# EUROPE RAPPS SA detentions

By David Braun, Political Correspondent

Cape Town

South Africa's already strained relations with the European Community (EC) have received another setback with an angry exchange of words over security retention.

The EC yesterday delivered a third in a series of demarches protesting about aspects of South Africa's internal policies.

Foreign Minister Mr Pik Botha said today that it was unfortunate that it was not unusual to use demarches to interfere in South Africa's internal affairs, although this was still very objectionable.

The demarche, a strong form of diplomatic protest, was handed to the South African Government by West German Ambassador Dr Immo Stabreit. West Germany at present holds the presidency of the EC.

The demarche follows one handed to Pretoria by the British Ambassador last December, and another conveyed by the Belgian Ambassador last April.

It was understood from European diplomats today that the European Council of Foreign Ministers had decided to present another demarche because South Africa had made insufficient progress on the issue of human rights.

The EC also wanted to make it clear it was still very serious about the issue of human rights.

But South African diplomatic sources said they believed the EC had made a cynical move to impress the Organisation of African Unity which is meeting this week.

## Investigations

Several European countries are to attend the meeting as observers.

In a lengthy statement last night, Mr Botha confirmed receipt of a demarche relating to the detentions under security legislation and the treatment of detainees.

He said he had objected to this action on the part of EC while explaining that all detentions in South Africa took place within the provisions of legislation.

Mr Botha said "any maltreatment (of detainees) which might occur is not condoned by the South African authorities, and every effort is made to investigate specific charges relating to ill-treatment.

"Where necessary, prosecution of those responsible ... takes place as a matter of course," he said.

He urged the EC to direct its condemnations to the ANC, which had reaffirmed its policy of violence, including brutal intimidation of moderate forces.

Handwritten notes and stamps: "2/29", "S6A", "STIC", "29/1/87".

# Israel in anti-SA move

ISRAEL is to adopt some of the measures contained in last year's European Community (EC) sanctions package, a senior Israeli Foreign Ministry official disclosed yesterday.

And the Israeli Cabinet is expected to discuss today the recommendations of an inter-departmental committee on the country's future links with SA.

Speaking from Jerusalem, head of the Foreign Ministry's SA desk Alon Liel told Business Day there was a good chance the Cabinet would discuss the committee's report today.

"While SA is not the most urgent issue on the Cabinet's agenda, the report was scheduled for discussion two months ago," Liel said.

The recommendations are a closely guarded secret, but Liel said they did not depart from Israel's new policy on SA announced in March.

Under this policy, trade ties are to be scaled down and no new defence contracts signed with Pretoria.

Recent US congressional pressure has forced Israel to adopt the Western Bloc's

HAMISH McINDOE

punitive anti-apartheid stance on SA.

But Liel said the Cabinet favoured the more moderate EC sanctions package.

"We will imitate but not directly copy the EC model. The measures adopted will be those that are in the best interests of Israel.

"In short, Israel will take the direction of the EC package — but according to our interests."

Liel is advisor to Foreign Ministry Director-General Yossi Beilin, who headed the government committee on SA.

Israel's exports to SA last year were R110m, compared with imports of R362m. Estimates of Israel's arms trade with SA in 1986 vary from R600m to R1,2bn.

The EC last September banned new investment in SA and imports of SA steel, iron and gold coins.

SA-Israeli Chamber of Commerce chairman Reg Donner ranked steel, coal, paper and agricultural products as SA's major exports to Israel.

15/7/87  
B/Day

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(36A) NM

### Maggie does it again

Ever since 1984, when she hounded the European Economic Community (EEC) into agreeing to give Britain a rebate on its budget contribution, Prime Minister Margaret Thatcher has seemed more agreeably disposed towards her fellow members of the club. While sticking to principles, she has accepted compromise in the interest of consensus and positive action.

But her first EEC summit since last



**Britain's Thatcher ... the lady says no**

month's election triumph saw a re-emergence of the obdurate Thatcher. Last week's meeting of the heads of government of the 12 states was to have been a stepping-stone towards the elusive reform of EEC finances, especially swelling farm subsidies which will leave revenues US\$6,8 billion short of spending in this year's \$40 billion budget.

EEC officials had thrashed out various ways of dealing with it. But also on the table

10/1/87

was a general proposal to increase the EEC's "own resources" (to enable it to increase regional development in poorer areas) by high contributions. That would entail member countries chipping in 1,6% of their value-added tax (VAT) revenues instead of the present 1,4%, or changing to a new system based on a percentage of GNP.

Thatcher dug in her heels. Unless and until the EEC formulated rules on spending limits and sticking to budgets she would not agree to handing over more money. One of her aides in Brussels said: "We feel it is like running water into a bath without first putting in the plug."

Thatcher's stand evoked a rash of "Britain isolated" headlines as well as testy comments from other leaders. French premier Jacques Chirac said: "I am not prepared to accept the economics of a housewife." For the Netherlands an exasperated Ruud Lubbers told

reporters: "Mrs Thatcher has a psychological block against saying yes to the community." Even Chancellor Helmut Kohl described the summit as "very difficult."

But as far as observers in Brussels could see, Thatcher's attitude was that the other 11 leaders had isolated themselves from her — and good financial sense.

The disagreement spoilt what was otherwise a harmonious meeting. Spain provided the only other disagreement by vetoing proposals to advance deregulation of air travel in Europe. In an attempt to apply leverage to Britain, it said that deregulation would include Gibraltar airport before the sovereignty dispute with the UK had been settled.

Elsewhere the Germans, surprisingly, accepted majority agreement to a 6% reduction in cereal support prices. The leaders also acceded to the British idea of "stabilisers" in farm prices that would come into play auto-

matically if budget levels were exceeded. But the savings were far less than originally envisaged. Thatcher led the opposition to a tax on oils and fats — which would have outraged the US — even though it would have raised \$3,5 billion over the next 18 months.

Other savings would have brought a total boost of \$5,6 billion. Instead the package cobbled together will produce only \$710m. This year's farm budget gap will be bridged by creative accounting — the simple device of making payments a month in arrears rather than in advance. The essential problem remains unresolved.

Back in London Thatcher was unrepentant about blocking EEC agreement. She told the House of Commons there is no question of Britain increasing contributions unless a full draft of enforceable rules on spending is prepared for the next summit in Copenhagen in December.



# Demarche — 'EC seeks OAU favour'

Political Staff

28/7/78 SA  
THE European Community was under suspicion today of using South Africa to curry favour with the Organisation of African Unity.

The claim was made by a senior South African official "off the record" after the delivery of a demarche from the 12 EC nations to the Foreign Minister, Mr Pik Botha.

The EC objected to the recent detention of several members of the UDF in the demarche, the third in less than a year, and sparked a further dive in South African/European relations.

## "OBJECTIONABLE"

Mr Botha reacted strongly to the demarche, delivered yesterday by the German ambassador, Dr Immo Stabriet.

Mr Botha said today that he did not find the demarche unusual, but that it was "nevertheless objectionable".

A senior Government source said there appeared to be no apparent reason why the demarche should have been served yesterday except that it coincided with the opening day of the meeting of the OAU.

There was a European presence at the OAU meeting, particularly of the Scandinavian countries, which have been in the forefront of putting pressure on South Africa.

Mr Botha said last night all detentions in South Africa took place within the provisions of legislation. Ample provision existed for detainees to lodge complaints of maltreatment and to approach the courts of law.

He also urged the EC to direct their condemnation to the ANC.

# EEC demarche over detainees' treatment

*Cape Times 28/7/87* *56A*

## Political Staff

SOUTH AFRICA, already at loggerheads with France, one of the most powerful and influential countries in Europe, is involved in another diplomatic confrontation, this time with the entire Common Market.

The 12 EEC nations yesterday delivered a demarche to the Minister of Foreign Affairs, Mr Pik Botha, objecting to detentions under security legislation and the treatment of detainees.

The demarche, a strong form of diplomatic protest from a combination of independent countries acting in unison, was delivered by the German Ambassador to South Africa, Dr Immo Stabreit, but was immediately slapped down by Mr Botha.

The demarche follows closely on the heels of the Pierre Albertini diplomatic row between South Africa and the French President, Mr Francois Mitterrand, who refused to accept the credentials of Ambassador-designate, Mr Hennie Geldenhuys.

It is significant that the EEC countries have delivered a demarche of this kind so soon after the confrontation with France over the imprisonment of Mr Albertini, an alleged ANC sympathiser, for his refusal to testify in a Ciskeian terrorist trial.

Mr Botha objected to the demarche and called on the EEC countries to denounce politically motivated ANC violence in South Africa.

A statement issued last night by the Department of Foreign Affairs said Mr Botha explained that all detentions in South Africa were in terms of legislation and that there was ample provision for detainees to complain about maltreatment and to approach the courts.

Mr Botha told Dr Stabreit the government did not condone maltreatment of detainees and that "every effort was made to investigate specific charges".

Where necessary, prosecution followed as a "matter of course".



Sir Shridath Ramphal ... secretary general of the Commonwealth.

# 'Not right time' to impose Frontline sanctions

The Star's Africa News Service

S6A

4/8/87 Star

HARARE — The secretary general of the Commonwealth, Sir Shridath Ramphal, has indicated he does not believe now is the right time for the Frontline states to impose economic sanctions on South Africa.

He said the Frontline states were in a special position of vulnerability regarding sanctions and Commonwealth members understood their difficulties.

The Frontline states should carefully time any imposition of sanctions, he said in Harare shortly after his arrival at the weekend to attend a conference of Commonwealth Ministers responsible for women's affairs.

"I know that people feel that they want to make their contribution, but the rest of the world does not want to see the Frontline states weaken themselves," Sir Shridath said.

"We have to continue to recognise that there is going to be a particular question of timing so that, while they want to apply sanctions, they must do so at the right time and in the right circumstances," he said.

## PROGRAMME

The immediate task on sanctions was to ensure the intensification of sanctions already imposed by other countries, he said.

The sanctions programme was developing steadily and pressure on the South African Government was increasing.

Sir Shridath's remarks follow two important retreats by members of the Frontline states group on the issue of sanctions over the past three weeks.

It now seems probable that the Frontline state members of the Commonwealth will go to its Vancouver summit later this year without themselves having imposed any sanctions on South Africa.

Zambia and Zimbabwe gave notice last week they would not be severing air links with Pretoria. Observers had seen a cut in air links as perhaps the two countries' handiest sanctions measure.

And last week Zimbabwe pulled back from imposing a proposed set of restrictions on trade with South Africa which, while not in themselves amounting to sanctions, would have gone some way towards reducing trade dependency on South Africa and hence cleared the way for subsequent sanctions.

# NECC on new schools Bill: 'A device to keep control'

SLA

By THAMI MKHWANAZI

THE proposed new education Bill was a subtle device to maintain Emergency conditions at schools and campuses after the State of Emergency has been lifted, the National Education Crisis Committee (NECC) charged at its national consultative conference at the weekend.

The NECC had been asked by parliament to comment on its proposed Education Laws (Education and Training) Amendment Bill by September 19.

The Bill, among other provisions, brings pre-schools and technical colleges under the control of the Minister of Education and Development Aid; allows the Minister at any time "to suspend the activities at a public school, or any class thereof, for such period as he may determine"; holds that any teacher absent for two weeks, including weekends, shall be deemed to have been discharged for misconduct; and further restricts the access of students to school grounds.

The irony of the government's invitation to an organisation it has virtually prohibited from holding meetings did not escape the conference.

NECC publicity secretary Eric Molobi added it was also ironic for the government to invite blacks to discuss the proposed Bill on education while the authentic leaders of the people were languishing in jail while others had been forced into exile.

At the two-day conference at the University of the Witwatersrand, attended by 200 delegates from the organisation's 10 regions, the NECC said it could not be party to a Bill that would be debated in a parliament that excludes the majority of the country's people.

Molobi noted years of resistance — in the form of boycotts and protest — to government pressure at schools and campuses as well as the banning of the Congress of South African Students, and said the reaction of the regime had consistently been that of unwillingness to address pupils' basic grievances.

Also noted was the government's banning of literature dealing with "people's education", the "wholesale detention of teachers and the NECC leadership — five executive members are in detention — the transfer of popular teachers to other schools and the introduction of "so-called students' study camps" which have been rejected by students.

Molobi told the conference that in recent weeks the state had imposed a "well thought-out programme of a systematic clampdown" covering almost all facets of life. It was manifested in new, stringent legislation on news reporting, strict conditions that affected the daily affairs of universities, a "virtual plethora of political trials" and tighter control of local affairs.

"There can be no short cuts to democracy; no democratic process can take place in an undemocratic envi-

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# The Canada summit hoped to forget SA. But it hasn't

16-22/10/87 W/Mail

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DESPITE a concerted British attempt to deflect the pressure, lone sanctions opponent Margaret Thatcher faced a testing week as she joined 49 other leaders at the gathering of Commonwealth heads of government in Vancouver.

South Africa was at the top of the agenda as the meeting began.

Host Canadian Prime Minister Brian Mulroney made it clear in his opening address there would be no softening of Canada's position on apartheid.

And Indian Prime Minister Rajiv Gandhi added to the impression that Britain's former colonies would not back down on sanctions.

"The only way to destroy apartheid without a terrible bloodbath is by imposing sanctions," Gandhi told his Commonwealth colleagues. "Nassau set the direction, London set us firmly on the path, Vancouver must carry the process forward.

"The impression has gained ground that apartheid has been put on the back burner. Let Vancouver show that our loyalty to principles and to declared objectives is not fickle."

By the end of the second day of the summit, the Commonwealth leaders, unable to resolve their differences on the South Africa issue, referred it to a committee of foreign ministers with a mandate to report back before the end of the conference.

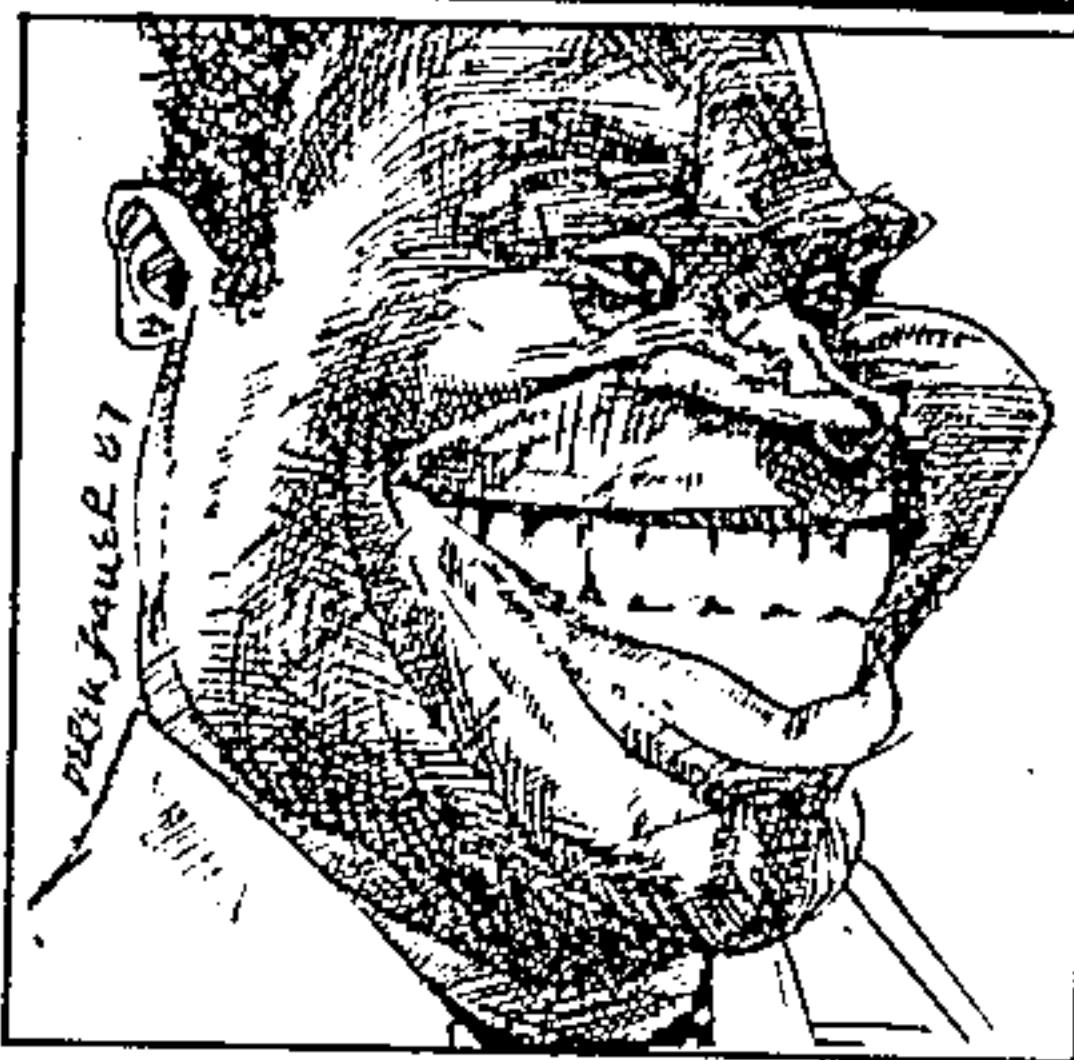
A war of words and statistics marked the run-up to the summit.

The British delegation claimed in a background briefing published on its arrival that Canada's trade with South Africa had increased. The Canadians replied that the figures the British were putting out pre-dated the imposition of sanctions in 1986, arguing that trade had fallen by 50 percent.

An ANC official said the trade figures controversy indicated Britain was resorting to disinformation by using the 1986 trade figures because it had run out of arguments in support of its anti-sanctions position.

He told the *Weekly Mail* that he believed the British government's attempt to defeat the sanctions call by shifting the issue from sanctions to the measures giving aid to blacks within South Africa and the frontline

South Africa was at the top of the agenda at two separate conferences in Vancouver this week: The Commonwealth summit and the anti-apartheid one. SHARON FULLER reports



Zambia's Kenneth Kaunda states would not succeed.

The Thatcher delegation has come to Vancouver declaring support for a commonwealth package of economic and security support for the frontline states — but will go no further.

Anti-apartheid groups have been adamant that the strengthening of the frontline states, which they see as necessary and important, must be linked to the imposition of further sanctions.

Britain has maintained its tough anti-sanctions stance since it arrived in Vancouver, repeating its position that sanctions harm rather than help the blacks they aim to assist.

But the British stand has as frequently been countered by Zambian President Kenneth Kaunda in the pre-conference conflict.

Kaunda has said in both speeches and interviews that Western leaders like Thatcher and United States' Ronald Reagan cannot speak for the people of South Africa who have repeatedly demanded that they want sanctions applied against Pretoria.

He said at a parallel conference, organised by Canadian anti-apartheid and community groups which claim to represent some 15-million Canadians, that he "did not want to be treated like a heifer to be fattened up for

the slaughter house of apartheid".

Commonwealth secretary general Shridath Ramphal joined Kaunda in stressing that sanctions had not been sidelined. "Sanctions are not off the boil," Ramphal said at the parallel conference which met prior to the leaders' meeting.

The conference issued a communique at the end of its session saying "mandatory sanctions remain the only means by which the international community can help bring about the dismantling of apartheid".

Britain's defiance on the sanctions issue extends to taking advantage of the business opportunities opened up by the international boycott, anti-apartheid activist Abdul Minty told the *Weekly Mail*.

He said current memorandums issued by the British Consulate-General in Johannesburg have been put before the Commonwealth leaders. In these memos, the British detail economic opportunities in the South Africa, including oil and security-related activities, arising from the sanctions adopted by other countries against South Africa.

"Britain is undermining the United States, advising British companies of the advantages of the recent developments," he said.

But while ANC and anti-apartheid activists believe stronger sanctions measures could come out of the Vancouver conference, this is not shared by all observers of the summit, which is estimated by the local media to be costing about \$19-million (about R38-million).

Some observers believe that despite the rhetoric of the speeches and media comment of the Commonwealth leaders, they may bow to British pressure. Others also argue that an element working against Mulroney's sanctions stance is the question of how much his wings are being clipped by opposition from his own conservative caucus — the target in recent months of powerful South African government messages.

Recently parliamentarians were sent a video narrated by Canadian journalist Peter Worthington which claims to look at the methods used by the ANC in its fight against Pretoria. The video, which has been seen by the *Weekly Mail*, is selective in the facts it uses and juxtaposing images and quotes in a manipulative manner.

The commonwealth leaders are expected to issue a communique this weekend.

# Hold back from sanctions — Ramphal

The Star's Africa News Service

**HARARE** — The Frontline states should hold back from imposing sanctions against South Africa until Pretoria's major trading partners and the rest of the international community had shown a real readiness to impose them, the Commonwealth Secretary General, Sir Shridath Ramphal, has said.

Countries such as the Frontline states, which were vulnerable to South African economic counter-measures, should not be expected to lead on the sanctions campaign, he added.

Sir Shridath had been asked to explain comments, made on his arrival here at the weekend, that now was not the "right time" for the Frontline states to

impose sanctions.

Speaking shortly before his departure for London last night, Sir Shridath said the "right time" for Frontline state sanctions would come "when the rest of the international community shows a willingness to do so, when countries that are not vulnerable do so".

"The vulnerable countries like Zimbabwe should defer," he told the national news agency, Ziara.

He foresaw that sanctions against South Africa and South African "destabilisation" of the Frontline states would be major issues at the summit of Commonwealth heads of state and government in Vancouver, Canada, later this year.

Sir Shridath's statements are likely to be wel-

comed by Prime Minister Robert Mugabe of Zimbabwe and President Kenneth Kaunda of Zambia, whose countries have pulled back from the imposition of sanctions in the past three weeks.

South African destabilisation would "attract at least as much attention" as sanctions.

On destabilisation, the Commonwealth "does not need to be divided, because some countries like Zimbabwe have troops in Mozambique, Britain is offering military training assistance to Zimbabwe and Mozambique — so the Commonwealth is involved", Sir Shridath said.

The Vancouver summit would also discuss the eminent persons group's reports on their mission to South Africa in late 1985 and early 1986, he said.

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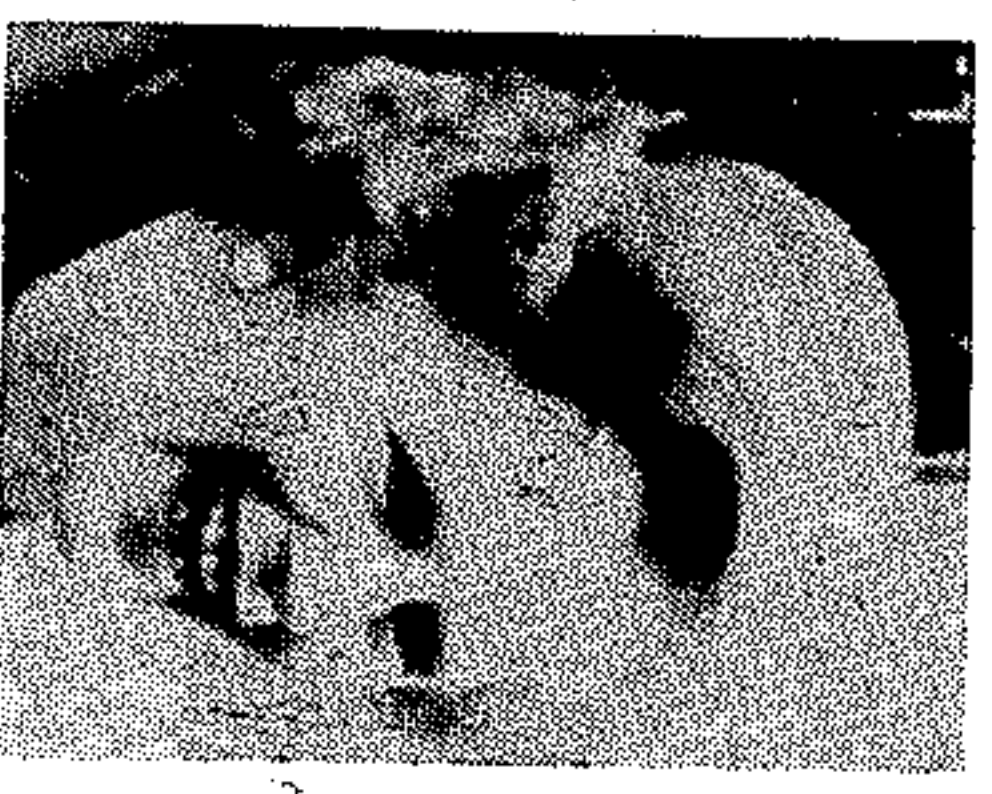
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CITY PRESS, October 18, 1987

PAGE 5

# Commonwealth is split over SA



Margaret Thatcher

COMMONWEALTH leaders opened their five-day summit with strong statements against apartheid in South Africa, but remained split over ways to pressure Pretoria into reforming its system of racial separation.

Security was heavy as 45 of the 49 member nations, all former British colonies, met on Tuesday to discuss Southern Africa, a recent

military coup in member nation Fiji and such global issues as Central America and the turmoil in the Persian Gulf.

In her opening statement, British Prime Minister Margaret Thatcher called apartheid "an utterly repulsive and detestable system that must go".

During the five-day meeting, government leaders are expected to

consider sanctions against South Africa that are stronger than those passed two years ago at a summit held in Nassau.

But Thatcher, who agreed at the time to such minor measures as a ban on the importation of Krugerrands and indicated she would not move from her stand that more stringent measures hurt only black South Africans.

"We all know our areas of disagreement," said Thatcher, adding that Britain planned to focus upon "action to help black South Africans and action to help the neighboring frontline states reduce their dependence on South Africa".

Black-ruled African nations such as Zimbabwe and Zambia are pressing for more sanctions against South Africa. — Sapa.

56R 2018/10/87.

# Sanctions drive running out of steam — British

from MIKE ROBERTSON  
Daily Dispatch man in Vancouver

**VANCOUVER —** The drive to impose more sanctions on South Africa was running out of steam, senior British officials said as Commonwealth leaders sat down to discuss the issue last night.

They received backing for their claim from the Canadian External Affairs Minister, Mr Joe Clark, who said the conference was suffering from "temporary sanctions fatigue".

British officials said, despite public statements by the Canadian Prime Minister, Mr Brian Mulroney, the Zambian President, Dr Kenneth Kaunda, and the Indian Prime Minister, Mr Rajiv Gandhi, that the Commonwealth would adopt some new measures, none of the leaders had raised any specific sanctions.

uncomfortable with Mr Mulroney's "adventurism" in regard to South Africa.

While Mr Mulroney committed Canada to examining measures that would retain the Commonwealth as a leader in applying rigorous sanctions against South Africa, Mr Clark said the conference was developing "temporary sanctions fatigue".

His call for the Commonwealth to agree on "fundamental and increasingly effective measures to deal with the situation in South Africa," they said, was moved to the top of his speech in reaction to a bi-lateral meeting with the UK Prime Minister, Mrs Margaret Thatcher, which had gone badly.

But there is growing evidence that senior Canadian foreign policy officials and Mr Clark are becoming increasingly

ing shown here at looking at other means."

Mr Clark said that above all the Commonwealth would not want Vancouver to be seen as the conference which marked a pause in the campaign to pressure South Africa into ending the apartheid system. He would not expand on the alternatives.

Asked if the Canadians had pursued any new ideas with them, senior British officials said "no". "We talked about the situation as being vague yesterday, it's foggy today."

An official said he had gained the impression that the heads of government would hand the entire Southern African issue over to foreign ministers who would prepare proposals for them to consider on Saturday.

The British said they

were considerably encouraged by a low key speech by Dr Kaunda at the opening of the conference. While he sketched a picture of an ever deteriorating situation in the region he made no call for further sanctions.

Several frontline officials and ANC representatives expressed dismay at his speech, but others said nothing should be read into it.

"The fight will take place behind closed doors," said a senior Tanzanian official. He pointed instead to Mr Gandhi's speech at the opening as a true indication of where the conference was heading in terms of sanctions.

Mr Gandhi said the Eminent Persons Group (EPG) had clearly established there was no scope for dialogue in South Africa. "The only way to destroy apartheid

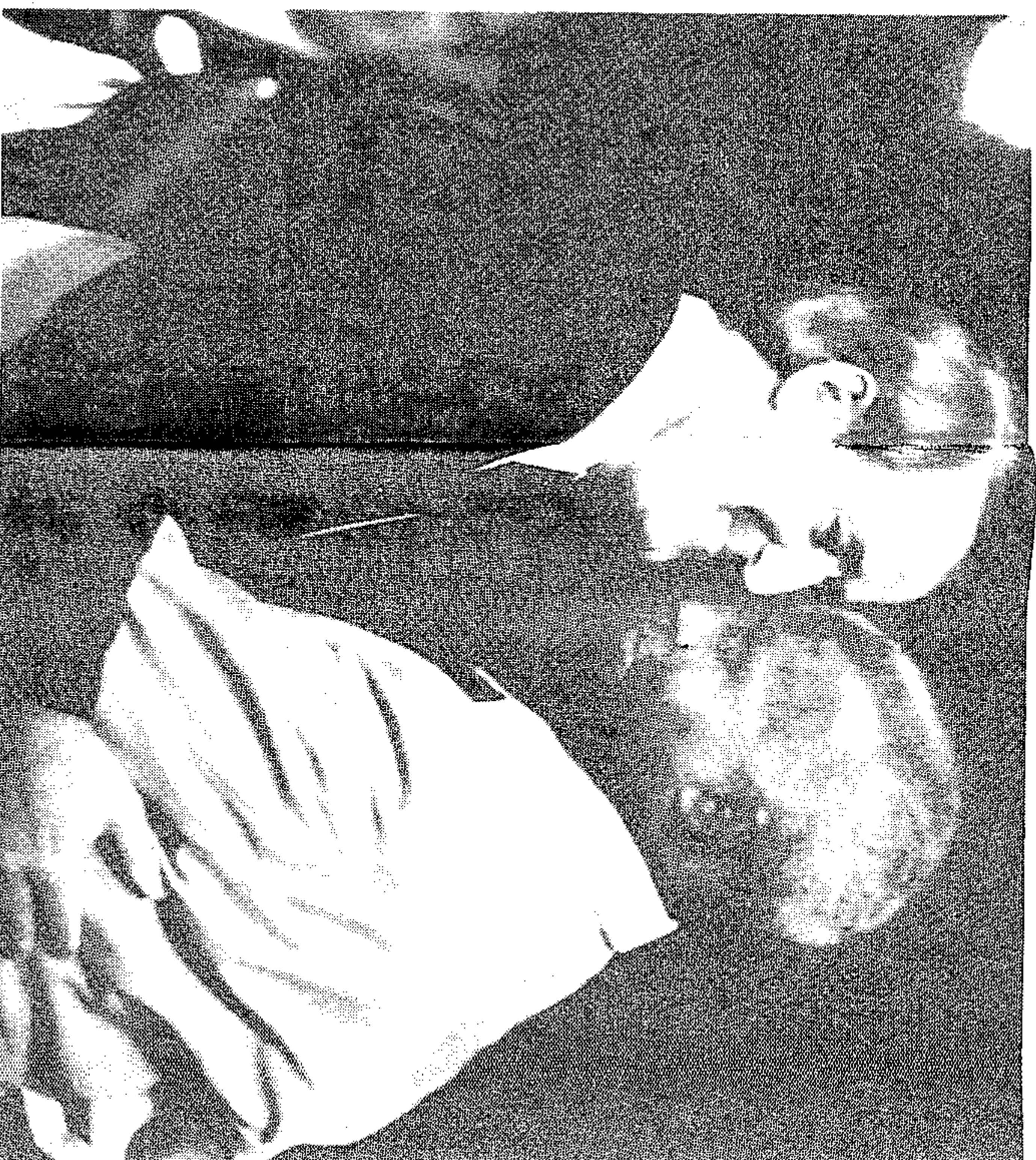
without a terrible blood-bath is by imposing sanctions."

"Our task here is to take stock of what has been done, to assess the effects, and determine what more needs to be done. Nassau set the direction. London set us firmly on the path. Vancouver must carry the process forward."

"Yet the impression has gained ground that apartheid has been put on the back burner. Let Vancouver show that our loyalty to principles and to declared objectives is not fickle, that our resolve to end racism in South Africa is not negotiable."

At a press conference yesterday, the ANC rejected a Canadian proposal to set up a committee of foreign ministers to monitor developments in South Africa and promote dialogue.

Editorial opinion p16



The Zambian president, Dr Kenneth Kaunda, embraces the Canadian prime minister, Mr Brian Mulroney, after Mr Mulroney's speech at the opening session of the Commonwealth Conference in Vancouver.



# A recipe for failure

YIM 30/10/87

When Reserve Bank Governor Gerhard de Kock spoke in Switzerland on his way home from the International Monetary Fund's annual meeting, he raised a question that sanctioners at this month's Commonwealth Summit in Vancouver ought to have had in mind. It seems even to have escaped the advocates of the Thatcher plan to uplift sub-Saharan Africa.

If an economic war is waged on SA, how can its struggling neighbours, especially those impoverished ones to the north, possibly progress? The answer, of course, is that they will not, despite the additional charity that the British and others plan to parcel out.

"Bringing sub-Saharan Africa to its feet is not compatible with bringing the South African economy to its knees," De Kock told the Swiss-South African Association in Zurich.

As De Kock correctly notes, SA provides the economic lifeblood for the region:

- A web of roads and railways connects the subcontinent with SA's ports and financial centres;
- SA's investments in Africa — which totalled more than R8,4 billion at the end of 1985 — have helped develop mining, agriculture and manufacturing industries;
- Last year, SA supplied 42% of Swaziland's electricity, 37% of Botswana's and all of Lesotho's;
- Some 380 000 registered guest workers from neighbouring states were employed in SA last year, with perhaps three times more than that here illegally; and
- About 7,5% of SA's exports last year were to African countries, SA's fastest-growing market.

Bash SA's economy with sanctions, and impoverished sub-Saharan Africa will shake.

"The answer to many of the problems of sub-Saharan Africa," says De Kock, "lies in increased economic co-operation between SA and the other countries in the region

and, more specifically, in the locomotive power that can come from foreign and domestic private enterprises operating in a market-orientated environment."

That wisdom, unfortunately, was in short supply when southern Africa was discussed at the Commonwealth Summit. The eventual Commonwealth solution — continued, although muted, sanctions for SA and massive foreign aid for SA's neighbours — is self-defeating and futile.

Not only is the belief that there can be reasonable prosperity in sub-Saharan Africa while excluding SA incorrect, foreign aid itself is a tried-and-failed solution that has boosted the power of often dubious — and certainly incompetent — governments and distorted markets the world over. It is no substitute for economic growth, which in turn requires a dismantling of restrictive practices.

Foreign aid in southern Africa bankrolls undemocratic governments that impoverish their countries with over-valued currencies, price controls, nationalised industries and trade restrictions — and all of that while encouraging a population explosion.

The Commonwealth solution for the tragedy of sub-Saharan Africa will not work — simply because it does not give sufficient weight to resuscitating free enterprise. Unleash trade with SA and the resulting wealth will make it easier for this recalcitrant country to move towards democratic rule and speed up the process of reform that the capital boycott and trade sanctions have stultified. Unleash capitalism in SA's neighbours, and the chances are that in a very short time these countries will at least be able to feed themselves.

Greater economic interdependence that transcends political differences will at best transform southern Africa into substantial prosperity and at worst save many millions from starvation.

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PHILIP

**Turn to Page 6**

- Govt denies welcoming open areas
- Military burial for soldier
- Caravel leaves Madeira — Picture

# 'Tough time' for seafood poachers

Staff Reporter

*Handwritten notes:*  
Cape Times  
21/11/87  
56

SEAFOOD poachers can expect a tough time from the authorities, Mr James van Langelaar, chief of Fishery Control Services, said yesterday.

Mr Van Langelaar confirmed that members of his special undercover investigation unit had caught several poachers operating on the West Coast.

He said numerous illegal nets, set for both harders and galjoen, had been confiscated and the department had decided not to resell the nets as they could be bought for similar illegal purposes.

He said one man had been caught with 659 crayfish in his possession while a Mitchells Plain man had been caught with 1347 crayfish and tails of which 1068 were undersize.

He said investigations had shown that crayfish were being traded for drugs.

However, a Boland police spokesman yesterday said no one had been arrested for such dealings in the Boland area but police were aware of the possibility of such drug deals.

Mr Van Langelaar said that restaurants buying illegally-caught crayfish and perlemoen were just as guilty as the poachers and would be heavily fined if caught.

He said several large poaching networks had already been caught trying to smuggle large quantities of crayfish to overseas markets.

He pointed out that the individual was currently legally entitled to take out five perlemoen, four crayfish, 25 black mussels and 50 white mussels (in season).

56 21/11/87

# EC farms in trouble as drought cuts crops

Weekend Post Reporter

CONTINUED drought in the Paterson district has slashed this year's wheat crop to less than 25% of the 1983 crop.

The remainder of the 1987 crop is now being harvested and the estimated 4 000 tons compares badly with the bumper 18 000 tons of 1983 — and even last year's meagre 7 000 tons. This has dashed the hopes of farmers struggling to recoup losses after years of drought.

In good years wheat makes up more than half the annual income of some farmers — who also farm dairy, chicory and beef — and the total income of others. Drought and successive poor crops have jeopardised their livelihood, crippling them with debt.

Hopes for a good crop dwindled as the rain held off. Farmers can plant wheat again only next May and some have not covered the cost of their seed and fertilisers.

"Quite a few are holding on by the skin of their teeth and many farmers are in dire straits," said Mr Clive Brown, head grader at the East Cape Agricultural Co-operative in Paterson.

Wheat farmers were dependent on good rains and the difficulty had been that short wet periods were followed by long dry periods.

The bulk of the crop is in and the remainder will come in over the next 10 days. At around R390 a ton, the crop should fetch R1,25 million.

"The only good thing is that the quality of the crop is exceedingly good this year," said Mr Brown.

In contrast with Paterson, other wheat-growing areas in South Africa, such as the Swartland, have had good crops.

At Humansdorp the wheat crop was "fine", said Mr Andries Smit, branch manager of the Humansdorp Co-op. The last of the crop would be in within a week and total 5 500 tons, compared with 4 800 last year. But this year the crop was down on the 1985 figure of 11 000 tons.

Less wheat had been planted because of the drought. In 1985, 18 000 bags of seed were planted, but this year the total was only 8 000.

About 70 farmers planted an area of about 3 500 hectares in Humansdorp, Patensie and Hankey.

The wheat is destined for mills in Port Elizabeth.

56

# Hey warns of mountain fire hazard

By CHRIS BATEMAN

AN urgent call to climbers and hikers to be aware of an escalating fire hazard on the Peninsula's mountains was made yesterday by Dr Douglas Hey, chairman of the management committee for the Cape Peninsula mountain chains.

Dr Hey, a former director of the Cape Department of Nature and Environmental Conservation, also praised quick action by firemen in quelling a blaze on

the slopes of Devil's Peak during a south-easter on Friday.

The fire destroyed about half-a-hectare of shrub and bushes.

Last December saw the worst Table Mountain fire in decades with flames consuming some 396ha of mountain fynbos and 53,5ha of pine and acacia forest, and damaging several homes in the Kloof Nek, Camps Bay area.

The fire took several days to quell and nearly 1400 people were involved in fighting the fire.

Dr Hey said yesterday

that Table Mountain was beginning to recover well on the front face and a system of "patchwork" rotation burning to prevent a repeat of last year's "disaster" had been instituted.

"This will also enable people to see the full spectrum of vegetation in its various stages of development."

He said that if fynbos was overprotected it became too thick and lost most of its beauty.

"The Cape Peninsula's mountain chain is an absolutely unique asset and it behoves every citizen who uses it to treat it with respect," he said.

The fire hazard increased markedly over the dry holiday season and Dr Hey appealed to people not to "even contemplate" braaing, boiling water or littering on the mountain.

Smokers were considered one of the biggest threats.

Substantial fines exist for anyone caught causing a fire hazard or littering.

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## Planning for disaster

The recent Natal floods spotlighted the need for methodical and well-thought-out disaster planning procedures. Nowhere is this need greater than in information processing where back-up facilities can in extreme cases prevent a company having to shut its doors in the event of a catastrophe.

Safcover, said to be SA's largest commercial computer back-up operation, has upgraded its Cape Town disaster recovery site with a second-hand IBM 3081 Model G mainframe at a fraction of the replacement cost, with savings amounting to about 70%. The company also operates an IBM 30330 mainframe computer and a Burroughs A9F computer.


A division of Safmarine Computer Services, Safcover provides hot and cold back-up services for blue-chip clients from bases in Cape Town, Durban and Johannesburg. Among the company's customers is the giant Safmarine, holding company of Safmarine Computer Services.

The upgrade has increased IBM processing power at the Cape Town site from 12 to 17 MIPS (million instructions per second), and provided a platform from which to bid for — and win — important new contracts, such as a major Johannesburg company which signed on November 1, says Safcover's Cape manager, Stewart Robinson.

"Our ability to grow rapidly with the needs of our clients, combined with competitiveness gained through, wherever appropriate, using good second-user equipment, has placed us in the forefront of back-up services in SA," Robinson says.

"The economics of operating a back-up service don't lend themselves to buying new processors. You don't need the latest technology in most cases. In fact, second-user equipment makes one all the more competitive," he says.

The newly-installed mainframe, sourced from Japan and installed by independent second-user equipment and maintenance company Corporate Management Services (CMS), replaces a smaller IBM 3083 Model J at Safcover's Cape Town site. The third-party maintenance contract for the system has also been awarded to CMS, who provided maintenance and support services during the installation.

Installation of the Safcover system was completed in three days. CMS delivered and began installing the more than six tons of equipment on a Friday afternoon and by the following Monday morning the entire system was running smoothly. 

See *Computer Mail* (November 27) for used computer equipment survey.

Cape Times 30/10/87

# R8m nature reserve for E Cape

56

## Own Correspondent

JOHANNESBURG. — The opening of a new R8-million nature reserve near Grahamstown was announced yesterday by SA Nature Foundation president, Dr Anton Rupert.

The 18 000ha reserve — on land bequeathed by an Eastern Cape busi-

nessman and farmer Mr Sam Knott — includes a stretch of the spectacular Fish River and adjoins the Andries Vosloo Kudu Reserve, creating an effective 35 000ha wilderness area.

The chairman of Anglo American Corporation, Mr Gavin Rely, was yesterday elected chairman of the foundation's board of trustees. He takes the place of Mr Heine Blohm, who has retired after 13 years as chairman.

Announcing the new nature reserve yesterday, Mr Rupert said the foundation had the largest income and conservation expenditure of any private conservation organization in South African.

He said the foundation's income for 1986-87 was R6,8 million. This year it would spend more than R4 million on conservation projects, which would include R2,5 million for land purchases.

This would include the purchase of a 30 000ha farm in Anysberg, near Laingsburg in the Cape, the 3 000ha farm Geelbek for the new Langebaan National Park; and an extension to the Karoo National Park at Beaufort West.

television to

THE Natal/Kwa-Zulu floods caused damage amounting to more than R400m, a special Cabinet committee chaired by National Health Minister Willie van Niekerk has found.

# Floods caused R400m damage

SS  
19/11/87  
5/day

Damage to infrastructure in the two areas has been put at R259,96m. Agricultural damage at R82m and damage to housing at R63,7m.

Van Niekerk said of the R259,96m infra-structural damage about R212,05m would be spent this year.

Government departments would contribute about R24m to the amount through savings and a re-arrangement of departmental priorities.

Natal Administrator Radcliffe Cadman said of the R160m for the restoration of infrastructure, R80m would go to roads and bridges and R72m for losses suffered by local authorities.

Farmers were told to get in applications for aid — estimated at R82m — by February 29.

Deputy Agriculture Minister Kraai van Niekerk said the aim was to get farming back to where it was before the floods as soon as possible.

## GERALD REILLY

He also said government would budget to provide the R63,7m in housing aid for disaster victims.

Although most of the R63,7m would be channelled through government housing departments, a sizeable part of the funds would go through the Disaster Relief Fund.

Van Niekerk said the fund's 25 local committees had been requested to ensure no flood-stricken occupant was left unaided. As well, there was plenty of room, for the private sector to involve itself in housing/relief action.

Government has also called on the private sector for donations and assistance in the form of building materials, assistance to the fund and with the distribution of building materials.

So far, the relief fund has had about 3 500 claims for personal losses which amount to R4m.

and on the problem of combating male ideological backwardness. Taken together, Zetkin's and Lenin's observations on women offer the rudiments of a specific use of the social reproduction perspective to analyze women's oppression in capitalist society.

In the context of the modern women's movement in North America and Western Europe, specifically its socialist-feminist wing, the tension between the two perspectives has taken a new form. Whereas the socialist movement of the late nineteenth century sought mainly to differentiate its positions on the problem of women's oppression from those of liberal feminism, contemporary socialist feminism has developed as much in sympathetic response to the views of radical feminism as to the failures of both liberal feminism and the socialist tradition. It is this advanced position, in part, that has enabled the socialist-feminist movement to make its many significant contributions.

In certain ways, theoretical work produced from within the socialist-feminist framework recreates the major characteristics of the dual systems perspective. For example, socialist-feminist theorists tend, no matter what their stated intentions, to separate the question of divisions of labor and authority according to sex from social reproduction. Furthermore, they remain generally unable to situate women's oppression theoretically in terms of mode of production and class. And they offer a one-sided emphasis on the family and issues of sexuality and personal dependence. Last, socialist feminists have not provided theoretical underpinning for their strategic emphasis on the integral role, in the struggle for socialism, of the autonomous organization of women from all sectors of society. In these ways, socialist feminists often reproduce the weaknesses of the dual systems perspective, but their work also points the way toward a more adequate theoretical grasp of the issue of women's oppression. In particular, they insist on the centrality of achieving a materialist understanding of woman's situation within the family—as childbearer, child rearer, and domestic laborer—as the key to the problem of the persistence of women's oppression across different modes of production and classes. It is here that socialist-feminist theorists have made especially important contributions. Those who focus on the task in terms of Marx's theory of social reproduction have renewed, furthermore, the elements of the social reproduction perspective, and have deepened it in ways never achieved either by Marx or by the socialist tradition. In sum, the political seriousness of socialist-feminist involvement in theoretical work, fueled by the continuing militance of women in social movements around the world, has both reproduced and transformed the tension between the two perspectives. On the one hand, socialist femi-

nism revives the contradictory coexistence of the two theoretical perspectives, which originated with Marx and Engels, only to disappear under the pressures of revisionism. On the other, it moves well beyond limitations established in the earlier period.

Socialist-feminist theory unknowingly recapitulates, then, certain failures of the classical socialist tradition, while also laying the basis to correct them. Like much of the socialist movement of the late nineteenth and early twentieth centuries, it has, willy-nilly, adopted some positions that are essentially at odds with its commitment to Marxism and social revolution. Unlike that movement, however, it has not closed itself off to a revolutionary perspective, and therefore has every interest in transcending the contradiction.



# Bid to tighten disinvestment rules

The Star's Foreign News Service

BRUSSELS — A European Parliament campaign to tighten up proposed rules on Common Market investment in South Africa got under way yesterday.

Mr John Tomlinson, former UK Foreign Office Minister, said there were "three main weaknesses" in a proposed directive putting into effect a September agreement by governments.

Mr Tomlinson, Euro MP for Birmingham West, said: "It does not stop portfolio investment, such as pension funds or unit trusts. It allows the rein-

vestment of profits.

"The third loophole is investment in pursuit of contracts made before September 1986."

Mr Tomlinson intends to persuade the British Labour group and other members of the socialist group in the European Parliament to support his stand before the directive is voted on.

He said the directive would be breached if provisions were not made to provide for penalties and a monitoring procedure to catch offenders.

"Economic action against South Africa needs to be taken to the stage where it is crippling enough to have real impact on the SA Government."

# EC complains of raid on aid office

DD S6A  
15/11/87

BRUSSELS — The European Community (EC) said yesterday it had called in the South African ambassador to protest at a police raid on a Johannesburg office used to distribute EC cash aid to victims of apartheid.

The EC's executive commission said in a statement it had been informed of the raid, earlier this month, on the Kagiso Trust, where South African security police copied and removed files on the EC's aid programme and on members of the trust.

The EC External Relations Commissioner, Mr Willy De Clercq, called in the South African ambassador to protest at the raid and to demand an explanation from the country's authorities, it said.

Mr De Clercq repeated the commission's condemnation of the apartheid race-segregation policy and of the continued detentions, it added.

"The Kagiso Trust . . . is conducting its business in an open and legal fashion and is one of the four channels assisting the community in implementing its special programme of assistance to victims of apartheid," the commission said.

The community said 40 per cent of the 8,9 million European Currency Units (about \$9.9 million) allocated so far under the community's aid programme had been channelled through the Kagiso Trust, mainly for humanitarian aid and education.

Sapa-RNS.

# EEC crisis sends price of gold soaring

12/1/87

SbA  
N/M

**BRUSSELS**—European finance ministers and central bank governors, seeking to end a political confrontation between France and West Germany, opened talks at the weekend on a re-adjustment of currency rates.

The session was called after a lower-level meeting in Brussels had failed to agree on which of eight European Monetary System currencies should be valued upward.

The Mercury's correspondent in Johannesburg reported that gold and platinum broke through current barriers over the weekend against the background of turmoil in European currencies and bearish sentiment on the dollar.

## Resistance point

Precious metals prices soared as the West German mark climbed and the French franc sank last week.

The gold price went through the \$405 an ounce mark — the resistance point on charts — in New York on Friday and in Hong Kong on Saturday.

On the Commodity Exchange in New York, gold closed at \$406, up from \$402.30 late on Thursday. It opened at \$405.79 in Hong Kong.

Platinum futures surged on the New York Mercantile Exchange on Friday as speculators interpreted the metal's ability to breach the \$500 level as a buy signal.

Platinum began its assault on \$500 an ounce on Thursday when the January contract closed at \$494.90, up \$12.50.

## 'Triggered by speculators'

Mr Steve Chronowitz, director of commodity research in New York at Smith Barney, Harris Upham and Co, said the \$500 level was considered significant, as it was the highest price of the past eight weeks. The January contract closed at \$520.90 on Friday, a gain of \$26.

Mr Chronowitz said that although political instability provided underlying support, the rally was triggered mainly by speculators who followed technical trading

factors.

Gold was also boosted by technical factors as buying emerged when the price showed strength at \$400, he said.

The surge in the gold price justified the JSE's gold fever, which pushed the all-gold index to a near record level of 2073 on Thursday in hectic dealing.

## 'Optimistic'

The index closed at 2068 on Friday, having jumped 8.4% on the week. Trading was expected to be frenetic today as more institutions and individuals jumped on the bandwagon, said brokers.

Mr Edouard Balladur, the French Finance Minister, told reporters as he entered the closed-door meeting in Brussels that he was optimistic about chances for agreement. West German Finance Minister Gerhard Stoltenberg said he was ready to negotiate in 'a good spirit of co-operation'.

The emergency meetings followed a collapse early last week of the French franc and the failure of the Bonn and Paris governments to agree on which of them should act on the problem.

Several sources said it appeared that West Germany was ready to accede to France's demand that the mark be officially revalued against most of the other EMS currencies, leaving the franc unchanged.

## U S not included

The EMS links the currencies of eight of the 12 European Economic Community nations, setting prearranged limits on value fluctuation in relation to the seven others.

The EEC nations not in the system are Britain, Greece, Spain and Portugal.

Because the U S is not in the EMS, the outcome of the Brussels deliberations would not directly affect the value of the dollar.

The officials faced an unofficial deadline for agreeing by this morning at the start of trading. If not, the widespread expectation of an increase in the West German mark would likely trigger a wave of mark purchases. — (Sapa-AP)

Row could erupt into a trade war

# US, EC grain dispute blocks GATT talks

B/day

~~29/11/87~~

29/11/87 SBA

GENEVA — A long and festering dispute between the US and the EC over grain exports blocked progress yesterday at global talks here on liberalising trade, delegates said.

Ambassadors to the 92-nation General Agreement on Tariffs and Trade (GATT) had set yesterday as the deadline to agree on the negotiating structure for the four-year Uruguay Round which was launched in Punta del Este last September.

Delegates said the bilateral row — which could erupt into a major trade war if not resolved by tomorrow's deadline set by Washington and the EC — was impeding efforts to wrap up the GATT package on time.

In Washington last weekend, American and EC trade officials failed to agree on how much US grain the 12-member EC would import to compensate for some \$400m of American feedgrain sales lost since Spain joined the EC in 1986.

President Ronald Reagan threatened to impose duties on a range of EC exports including cognac, gin, cheap white wine and cheeses if Brussels did not make concessions.

EC Foreign Ministers met on Monday to discuss concessions that might

avoid a spiral of retaliation.

Yesterday's GATT meeting was suspended after two hours of debate, dominated by EC ambassador Van-Thinh Tran and US ambassador Michael Samuels clashing over a negotiating plan for agriculture in the GATT talks.

Samuels said: "Tran indicated there was no reason to be flexible in the GATT because the EC had made concessions to the US in the bilateral talks."

"Our feeling is that multilateral negotiations are too important for bilateral disputes to derail them."

An EC delegate said: "Our position is that there should be no fixed calendar for agriculture if there are none in other areas."

The US is urging that agricultural bargaining here proceed at a faster pace than the other 13 areas of trade on the GATT negotiating table.

The EC, anxious to avoid being forced to make early concessions on its huge subsidies for farm exports, resists this so-called "fast track" for agriculture.

Australian ambassador Alan Oxley took the floor to support the US position on accelerating negotiations on agriculture. — Sapa-Reuter.

**Compromise queries**

6/2/87 FIM  
Negotiators from the US and the European Economic Community (EEC) played their usual game of brinkmanship before reaching a deal to avert the outbreak of an escalating transatlantic trade war. Only hours before the US deadline for slapping 200% duties on a US\$400m package of EEC exports in retaliation for lost sales of grain to Spain and Portugal, a compromise was agreed in Brussels.

US Trade Representative Clayton Yeutter and his opposite EEC number, External Relations Commissioner Willy de Clerq, were mutually admiring at the achievement of an "equitable" and "honourable" solution. But the end of the nine-month quarrel (FM January 23) aroused strong protests from US Midwest and French maize farmers.

The US finally settled for little more than half a loaf — to ward off even more EEC barriers to agricultural imports. Instead of getting compensation for losing \$400m worth of cereal trade, it accepted a compromise which may be worth \$255m a year. The bulk of it lies in 2,3 Mt of maize and sorghum the US will be allowed to sell to Spain, plus 250 000 t-400 000 t to Portugal. The rest is covered by tariff concessions on an assorted 25 industrial and processed food products.

Farmers' reaction was immediate and hostile. In France, which grows more than half the EEC's annual 24 Mt of maize, farmers bitterly complained that the peace-at-any-price had been a favour to the Cognac producers who stood to lose most from the US countervailing action.

Equally angry was an alliance of US groups led by the National Corn Growers' Association. Brushing aside government assertions that some grain exports were better than none, the association's executive vice-president, Michael Hall said: "This is a major setback." He claimed there were "no teeth in the agreement to force the Europeans to live up to the bargain." And he cited sales of only 600 000 t of grain to Europe last year — when the EEC, in an interim undertaking, had said it would accept 1,4 Mt.

American misgivings were given added weight by De Clerq. Talking to his constituency, he pointed out that there were no guarantees in the agreement, which runs until 1990. "Whoever offers the lowest price, makes the sale," he said, almost inviting a price war. ■

56P

ARGUS 3/2/87

# Ambassador speaks out against apartheid

Dateline: BRUSSELS

**S**OUTH Africa's first ambassador of colour has spoken out against his government's apartheid policies, declaring that all South Africans, regardless of race, had a fundamental human right to political self-determination.

Mr Bhadra Ranchod, a South African-born Indian who is South Africa's new ambassador to the European Community (EC), described himself in an interview as a long-time and outspoken opponent to Pretoria's race policies.

"Racial discrimination is morally wrong. All citizens should have the right to participate in the political process and share in the country's riches," he said.

"Apartheid destroys human dignity and leaves the individual weak and frustrated. The country must move towards a system which will protect the individual and groups of people regardless of skin colour."

■ ■ ■

The 42-year-old lawyer, who arrived in Brussels at the end of last year, said he believed the government had carefully picked him for the high-profile job of representing his country at EC headquarters in spite of his anti-apartheid stand.



Mr Bhadra Ranchod

He said he considered the challenge of his new position "to drive home the reality of what's happening in South Africa".

"I think I am well qualified to describe the drama now unfolding there, of the huge disparities existing between groups and tensions which are radicalising people at both extremes of the political spectrum," he added.

Before being named as ambassador, Mr Ranchod, then a law professor was denied permission to move with his family to a white district in South Africa.

He said he had fought for years in defence of human rights and had pressed the government to adopt a bill of rights.

■ ■ ■

"A bill of rights would give the courts a wedge — a concrete tool they could use to protect people's rights.

"But it's very difficult to have a bill of rights next to apartheid," he added.

Mr Ranchod said most people in government and most politically moderate white South Africans agreed the political system had to be changed and a growing number considered apartheid obsolete.

But he said prospects for swift reform were dampened by increasingly hardline white right-wingers and by black violence in the townships.

"Getting rid of apartheid will not be a panacea in that country. You have to change the hearts and minds of people, too," he said.

The ambassador criticised economic sanctions against South Africa by western governments, saying it was lessening the chances of peaceful change by weakening the economy and embittering whites.

■ ■ ■

"Sanctions in the case of South Africa are immoral because they hurt blacks the most, those who had nothing to do with setting up the political system."

He said sanctions were hitting the country's economy hard, exacerbating an already serious unemployment problem and raising the cost of living.

Mr Ranchod said sanctions destroyed confidence among South Africans, dashed hopes for peaceful change and provoked the departure of talented young intellectuals.

"This is a difficult thing to witness because these are precisely the young people — the doctors, the lawyers, the engineers — we will need to build a new system," he said.

The ambassador said negotiations should be held between the government and opposition groups. — Sapa-Reuter.

(S6N) CAPL TH 15 2/15/82

# EC considers SA snub of humanitarian aid

## Own Correspondent

LONDON. — While the row over overseas funding for extra-parliamentary groups reaches a peak in South Africa, European leaders are scratching their heads over a refusal by SA groups to submit proposals for the R40m humanitarian aid they have made available.

After meeting EC officials for several days last week, a South African delegation led by Dr Beyers Naude emerged saying they would not submit proposals for the use of any of the money budgeted by the Europeans for aid to South Africa.

While EC officials are trying to play down the events that led to this extraordinary decision, it now seems clear it was sparked off by two factors.

The first is unhappiness, on the part of the South African groups, with the role played by teams of experts from member states in

scrutinizing projects.

The second is the insistence by the EC that the money be used strictly for humanitarian and not political projects.

Pressed by anti-apartheid lobbyists to impose punitive sanctions, European foreign ministers decided in 1985 instead to embark on a programme of positive measures.

It was decided the R20m initially made available would be channelled through the South African Council of Churches, the South African Catholic Bishops Conference and the Kagiso Trust, a lay organization with an independent board, set up in July 1986, the same month that the

programme became operational.

An EC spokesman said: "Up until now most of the money in percentage terms has gone on training and education programmes.

"The humanitarian and social-aid heading is next in order of importance."

A small amount was spent on legal aid for detainees.

To date the EC does not appear to have rejected any of the projects submitted by the South Africans, and officials say it was not this that prompted the dissatisfaction on the part of the church and humanitarian groups.

Rather, it was the fact that the EC felt it necessary to scrutinize projects.

As one official said: "When the project became operational it was decided there would be a light and flexible procedure of implementation. But their interpretation of light and flexible was rather more flexible than ours."

Proposals submitted to the EC are examined by a group of experts from member countries before getting approval. The South Africans appeared not to have been aware of this procedure, said an EC official.

An additional area of disagreement was the EC's insistence that the projects not have a political component.

56A (7285) 00 6/5/87

# Rejection of EEC funds condemned

JOHANNESBURG —

The South African Institute of Race Relations (SAIRR) has condemned the Kagiso Trust's rejection of R40 million in humanitarian aid from the European Economic Community (EEC), which it said could have been used to fund some of the 8 000 bursary applications it had received.

The SAIRR director, Mr John Kane-Berman, said it was "tragic that particular political viewpoints have been allowed to enter into educational funding".

"We have had more than 8 000 applications for bursaries this year and have been able to satisfy fewer than 10 per cent of these. It is heartbreaking to have to turn down so many people — and galling to do so when EEC funds earmarked for the purpose have been blocked by political considerations," he said.

The Kagiso Trust's negotiators rejected the R40 million after a disagreement over how it would be administered.  
— DDC



# Politics blocks EC bursaries for blacks

By Bruce Anderson

European Community (EC) funds earmarked for a bursary programme for black South African students have been blocked by political considerations, according to Mr John Kane-Berman, director of the Institute of Race Relations.

According to him, an EC official approached the institute at the end of 1985 asking it to draw up a budget for a bursary programme for black students and to send an application for EC funding to Brussels.

The institute had completed its budget and negotiations with the EC were far advanced when the official told the institute to submit the application through a local trust. The institute refused to do this because it feared that political factors could intervene.

Soon afterwards representatives of the trust turned down EC funding because they believed EC sanctions against South Africa to be inadequate.

Since then, the institute has made it clear to EC governments, via their ambassadors in Pretoria, that it is willing to administer a bursary programme directly for the EC, but most ambassadors did not bother to reply to the institute's letter.

Mr Kane-Berman is now repeating the institute's offer through the Press. He says the institute has more than 8 000 applications for bursaries this year and has been able to respond to less than 10 per cent of these.

"We would have been glad to receive the EC bursary programme because black people are desperate to go to university," he said.

7/2/87  
57/15/85

# EC aid to victims of apartheid on ice

MIKE ROBERTSON

LONDON — EC aid to SA, amounting to about R40m, has been put on ice after church and humanitarian groups objected to vetting procedures.

An SA delegation left Belgium last week after a row with EC officials, saying they would not submit proposals for the R40m the EC has set aside for aid to victims of apartheid.

EC officials were trying to play down the row yesterday.

But the net result is the money will not be used unless the church and humanitarian groups back down and submit proposals for new projects.

An EC spokesman said it had made R20m available last year for humanitarian aid to SA.

Of this, 40% of the money had gone to the Kagiso Trust, an independent organisation with its own board of trustees, which had been set up as a channel for EC aid; 46% had gone to the SA Council of Churches and SA Catholic Bishops' Conference; while the rest had gone to trade unions for training projects.

In all, 55 aid projects had been approved and six were still under scrutiny.

The EC spokesman said the officials and the SA delegation, led by Beyers Naudé and Ahmed Dango of the Kagiso Trust, had differed over procedure.

# Allied's home loans jump 25%

3 Day 28/4/87

MORTGAGE loans advanced by the soon-to-be-listed Allied Building Society jumped by 25,4% to R4,5bn from R3,6bn during the financial year ended March 31, 1987.

Allied is the first society to report March-end results. It is probable that other societies, too, have experienced an accelerated demand for home loans indicating a revival in the property market.

In its last report as a mutual, the society says that its declared policy last year was to expand its share in the home loan market, in the course of which it innovated fixed-rate loans for set periods. More than 80% of its R1,1bn inflow of funds was made available to home-owners in a year which began when the property market was depressed.

Total share capital was increased by 46% to just over R2bn, but this exceptional growth stemmed partly from investors securing their positions to qualify for shares in Allied Group, which will be listed on the JSE on June 10. Other deposits went up from R2,8bn to R3,2bn, a 16,9% improvement.

With its reserves R34,1m higher at

ALLIED BANK has been granted authorised dealer status in terms of a Government Gazette dated April 24, 1987.

This means the bank, officially launched in January, is now in possession of a foreign exchange licence, and will be in a position to buy and sell foreign currency in the near future.

MD Kevin de Villiers said yesterday the bank was expected to start dealing on June 1. It was looking to transact mainly trade-related business and would downplay speculative dealing.

The bank would start an international division to facilitate imports and exports within the next two months. — Helena Patten.

## HAROLD FRIDJHON

R168,8m, total assets rose from R4,3bn to R5,5bn, a growth of 26,9%.

Taxed income improved from R29,8m to R34,1m, but this was largely a reflection of the lower interest rate pattern. Interest paid to investors reduced to R550m from R585,5m on the increases funds which had been raised through share capital and deposits.

The costs of administration and operations, at R141,5m, were 22,7% higher than in the previous year. In their report the directors comment that total administrative and operational costs had been held to approximately the prevailing inflation level despite the upward cost pressures on data-processing equipment and systems.

ts of casualties. The... — Liz House.

**T**HE European Economic Community, founded by the Treaty of Rome in 1957, was to be progressively established over the next 12 to 15 years. A common market was in fact achieved when the original "Six" (Belgium, France, the Federal Republic of Germany, Luxembourg, Italy, the Netherlands) succeeded in 1968, 18 months ahead of schedule, in removing all customs duties on trade conducted between them.

Britain, Ireland and Denmark became members in 1973 and reciprocally phased out their customs tariffs within the next four years. The "Nine" became the "Twelve" when the restoration of democratic government in Greece, Portugal and Spain enabled those three countries to be admitted to the Community.

The initial successes of the EEC in the creation of a common market have, with a few notable exceptions, not been equalled in its other important areas of activity. Political co-operation, in the sense of foreign policy decision-making, still works exclusively on the basis of consensus, the most hopeful aspect of which is modestly said to be the "growing habit of consultation".

Internally, the common agricultural policy, one of the foundation stones of the entire system, is urgently in need of reform. The CAP has made great contributions to the efficiency of some sectors of European agriculture, but in others a self-seeking protectionism has led to vast costs and surpluses that weigh heavily on the community. Only the member governments can now resolve this predicament.

The creation of a common internal market to supply 320 million people with manufactured goods and services is an exciting prospect that will steadily be realized, in spite of the tendency of governments to defend local interests, by the wider business alliances being organized between major European companies.

Europe is still in search not so much of a common ideal (which already receives much lip service) as of a programme of action that will mobilize its people in united enterprises without sacrificing the diversity of talents that is their highest quality.

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# Mulroney pushes for SA debate

From MIKE ROBERTSON

LONDON. — The Prime Minister of Canada, Mr Brian Mulroney, is seeking to have South Africa placed on the agenda at the coming summit of the West's industrial nations in Venice in June.

This was confirmed yesterday by a senior Canadian diplomat here.

However, there was no immediate confirmation of a Canadian Broadcasting Corporation (CBC) report that Mr Mulroney was lobbying for support for an initiative along the lines of the unsuccessful Eminent Persons Group mission.

A CBC spokesman said their report had been based on information leaked from senior officials in Mr Mulroney's office.

The countries involved are Canada, the United States, Britain, France, Japan, West Germany and Italy.

The CBC report said Mr Mulroney wanted an initiative to take over from where the EPG mission left off.

This included adopting the mandate of the EPG which called for an end to the state of emergency, the release of Mr Nelson Mandela and other detainees, the unbanning of the ANC and other restricted organizations and a beginning of a dialogue to bring about a non-racial government in South Africa.

It said Mr Mulroney had discussed the idea with President Reagan when they met last month and that he had liked it.

A US State Department official was on his way to Ottawa yesterday to discuss the plan in detail.

A senior Canadian diplomat in London confirmed yesterday that both Canada and the US were keen to have

South Africa placed on the agenda at the summit in June.

He confirmed also that a US State Department official was in Ottawa to discuss the agenda for the Venice summit.

It was well known, he said, that there was a strong belief in Canada that the EPG proposals still constituted a sound basis for a dialogue with SA.

However, taking up where the EPG left off was just one of a number of options that had been discussed in exploratory talks in Ottawa in recent weeks.

"There definitely will be a Canadian as well as an American initiative to have South Africa discussed at the Venice summit. But what form the initiative will take is at this stage at best exploratory and will need to be lobbied with the various countries in advance of the summit."

A British Foreign Office spokesman said they had not yet been officially informed of any proposal by the Canadians. Any proposal to send a mission to SA would obviously have to be discussed in advance of the summit.

A spokesman for the West German Foreign Office in Bonn indicated that they knew of the Canadian proposals and called them "reasonable".

However, they would still have to be discussed and it was premature to gauge their possible success given the current hostility to any outside initiative from the SA government.

A spokesman for the Commonwealth Secretariat said Sir Shridath "Sonny" Ramphal had met Mr Mulroney last week, but they had not discussed any initiative.

The spokesman said, however, that the secretariat knew the Canadians were planning some initiative, but did not know what form it would take.

EC code of conduct for SA falls away

# 55 000 workers lose protection

2/4/87 \$/Day (10B)  
S6A

LONDON — Almost 55 000 black South Africans lost the limited protection afforded them by the EC code of conduct in the four-year period ending June 30 last year.

While the economic decline has resulted in many workers losing their jobs, disinvestment has resulted in thousands of others no longer being covered by the code.

This was revealed when the Department of Trade and Industries (DTI) published a summary of reports of majority-owned subsidiaries of British companies in SA this week.

In the period between July 1985 and the end of June last year alone, the number of workers employed by the 126 British majority-owned subsidiaries fell by 16 700 to 79 100.

The number of black South Africans employed by the subsidiaries reached a peak in 1982 when they totalled 134 000.

The DTI report said that in the

period under review 16 companies which had previously reported did not.

Of these, eight had disposed of their SA assets, four had reduced their holdings in SA subsidiaries to less than 50% and were not included in the report while three had been incorporated into other reporting companies. The 16th company was taken over by a company with its headquarters in Bermuda and did not feel obliged to report.

While the EC code is not enforced, the embarrassment of being singled out for paying workers less than the supplemented living level has acted as a spur to British companies to improve wages and working conditions in their SA subsidiaries.

With disinvestment or even the reduction of holdings in SA subsidiaries, black workers have lost even this limited protection.

MIKE ROBERTSON

# Does EC hold the SA key? (SA) 8/6/82

*The Economist* and *The Guardian* in London have urged that gold sales by central banks be used to hobble the metal's price and so bring white South Africans to their senses.

*The Times*, apparently abetted by historian-professors Sir Harry Hinsley in Cambridge and David Welsh in Cape Town, has mooted "Marshall Aid" — tied to concessions to blacks — for the same purpose.

British writer-philosopher Sir Laurens van der Post told the South African Law Conference in Johannesburg last month that South Africans must "put themselves in the way of the universe, in the law and order of the universe" to reach a solution.

## INCLINATION TO HELP

So a Western inclination to be helpful in the South African situation — even if downright unpalatably sometimes — is not lacking.

It's a pity that the inclination has so far failed to focus on an element of "the way of the universe, the law of the universe" which really could be persuasive in South Africa.

The European Community may for Westerners and specifically the people of Europe be extremely difficult to bring into relationship with difficulties in a faraway "trouble-spot". But the meaningful fact is that some of the people at that spot — in fact, the group from which those who rule are mainly drawn — have their own view of relationships within the EC.

Leaders of both the NP and the CP repeatedly say that they regard

## By Ron Schurink

South Africa as a collection of economically-dependent sovereignties a la Europe.

Need the presence here of economic and infrastructural integration such as Europe still dreams of be an absolute barrier to adaptation of the EC dispensation to accommodate those who wield power and are loathe to share it?

Conversations with Boerestaaters and other Far Rightists, let alone NP and CP members, show that they are surprisingly amenable to the idea of eventual black control of our State-owned infrastructure — provided it comes about through multilateral institutions and not unitary majority government.

The logic of the concept gains emotional force when one suggests that blacks, as the overwhelming majority, will inevitably be in charge in whatever city is the administrative centre of a core (post-privatisation) publicly-owned infrastructure here.

An economic community dispen-

sation can be sold to Afrikaners as the very means of shifting to somewhere other than Pretoria that inevitable black pre-eminence — so helping perhaps to preserve Oom Paul's hometown for Afrikanerdom. Development round that "somewhere else" can be a successful means of moving development "out" to blacks when previous and dubious strategies have failed in the past.

Such a proposal by the West, unlike any concerning the Group Areas Act and similar legislation, will not immediately collide with many Afrikaners' objection to having blacks live (and vote) among them. Linked to suggested Indaba-style dispensations for Natal and the Cape — that is, outside the Boerestaat — it must serve real black advancement, peace and progress in this country.

It could even give English-speakers in this country the rational backing they need to again become a force in deciding its destiny. The editors of *The Economist*, the *Guardian*, *The Times* — and even the *Financial Times*? — should put their heads together.

# Summit calls for SA change

(S6A)  
DD  
11/6/87

VENICE — The seven leading industrial democracies yesterday called for the dismantling of apartheid in South Africa, the Italian caretaker Prime Minister, Mr Amintori Fanfani, said.

"We agreed that a peaceful and lasting solution can only be found to the present crisis if apartheid is dismantled and replaced by a new form of democratic, non-racial government," Mr Fanfani said in a statement closing the 13th annual summit of the industrial nations.

"There is an urgent need, therefore, to begin a genuine dialogue with the representatives of all components of South African society," Mr Fanfani added.

His comments were not included in the Venice declaration, which is the official document of the three-day summit, but it is traditional to allow the host of the conference to summarise the political discussions that took place between the leaders.

The Canadian Prime Minister, Mr Brian Mulroney, had pushed for some statement from the summit on South Africa. — Sapa-RNS

son, 43, was shot dead at his home  
letonville. — Sapa

W/ENK643.6/6/87

(S61) (60)

### **New investment ban**

MADRID: — Spain has banned new direct investment in South Africa to press for the abolition of apartheid in line with European Community policy. — Sapa-Reuter.



# Venice talks: statement on SA blocked

The Star Bureau

Western leaders made a brief critical reference to South Africa in their Venice communique, but Britain blocked a full statement on the issue.

At the end of the seven-nation economic summit, Mr Amintore Fanfani, the Italian Prime Minister, and host at the meeting, said the leaders viewed the situation in South Africa with "particular concern".

In remarks agreed with the other heads of state, Mr Fanfani added: "We agree a peaceful and lasting solution can only be found to the crisis if the apartheid regime is dismantled and replaced by a new form of democratic, non-racial government."

But this statement fell short of the detailed declaration sought by a number of governments. Britain refused to agree to a separate statement on South Africa, though Foreign Secretary Sir Geoffrey Howe denied Britain was isolated on the matter.

He said it was the wrong time to launch an initiative, so soon after the South African election when the Government was likely to be unreceptive.

Canada, the US and European Community officials had all prepared draft declarations on South Africa, focusing on the need to end apartheid and create equality.

# Canadian plan on SA given a summit brush-off

By Neil Lurssen, The Star Bureau

WASHINGTON — Britain and West Germany have thwarted Canada's plan to win support for renewed action against South Africa at the Big Seven economic summit in Venice.

According to sources here, the Canadian Prime Minister, Mr Brian Mulroney, offered a five-point plan on South Africa when the seven leaders gathered for a private dinner in a palazzo on the historic Italian city's Grand Canal.

But his proposal was rejected by British Prime Minister Mrs Margaret Thatcher.

Although Mr Mulroney was able to circumvent British objections to a discussion of the issue and proceeded to outline his plan, South Africa was not mentioned in the official communique following Tuesday's session.

And the summit chairman, Italy's caretaker Prime Minister Mr Amintore Fanfani, could not get permission to refer to South Africa in his verbal remarks summarising the conference progress because of objections by West German Chancellor Mr Helmut Kohl.

Canada's failure to focus attention on South Africa was a big disappointment for Mr Mulroney. The problem of what to do about South Africa's race policies was one of two central issues he placed on the Venice agenda. The other was his concern that agricultural subsidies were pushing down farm prices with serious consequences for Canadian farmers.

Mr Mulroney's five-point plan proposed that the summit leaders:

- Address the apartheid problem.
- That they issue an important statement that would focus attention on the problem.
- That they initiate a dialogue with leaders in southern Africa.
- That they monitor the situation in the region.
- That economic aid be offered to the Frontline states.

While the brief outline of the plan hardly seems like new pressure on Pretoria at first glance, analysts here noted that it could have set in motion another set of pressures for international sanctions and that the West — notably the United States, Britain and West Germany — was not eager for another sanctions debate at this stage.

France, Japan and America supported Mr Mulroney in condemning South Africa's race policies.

# Funds will flow again

56A

Secretary 9/6/87

**SOUTH African organisations are to resume a funding partnership with the European Economic Community, a statement by three groups involved in negotiations with the EEC said yesterday.**

The statement, issued by the South African Council of Churches, the SA Catholic Bishops Conference and the Kagiso Trust, said that following a meeting on June 2 between the South African groups and the EEC the local organisations would now resume submitting projects for funding under the EEC's special fund for the victims of apartheid.

"It is the view of the three organisations that the European Commission should be commended for its courage, and for its understanding of the situation in South Africa," the statement said.— Sapa.

## At the summit

VENICE — Gondoliers, disgruntled about lost income during the Venice summit, have taken their case to the top. According to the Venice daily newspaper *Il Gazzettino*, their request for 200 million lire (about R350 000) has been put to Italy's caretaker Premier, Mr Amintore Fanfani, by Venice's socialist mayor Nereo Laroni. Five "gondola stations" near the tourist-populated St Mark's Square were shut down by security officials for four days surrounding the summit, putting 212 gondoliers out of work during the start of peak tourism season.

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(56)

# Government backs flood disaster fund

Political Staff 1964 19/11/87  
THE Government is to underwrite the National Disaster Fund, which has R7-million in public contributions, to make up the expected R63,7-million in claims for uninsured housing losses in the Natal floods.

Dr Willie van Niekerk, Minister of National Health and chairman of the special Cabinet committee on the floods, confirmed today that aid would not be limited to people in formal housing but would include homes of clay and poles, corrugated iron and

wood-packaging and cement blocks on unmarked stands.

This opens the way for people in Kwazulu kraals and those in squatter areas to claim for losses.

The housing claims are part of an expected R400-million flood bill the Government has to pay.

Dr van Niekerk said that to "ensure that all flood victims are assisted the 25 local committees of the Disaster Fund and all relevant authorities have been asked to ensure that no flood-stricken occupant be left unaided".

However, he appealed to the private sector to help with relief and called specifically on the South African Housing Trust, the insurance trade and on financial institutions "to do everything in their power to render assistance by granting bonds to victims and by expediting bond applications and insurance claims".

# Church leaders ask for R200m to rebuild Natal

Daily Dispatch Correspondent

DURBAN — The leaders of six Churches yesterday called on State President Mr P. W. Botha to provide R200 million for the re-development of areas devastated by the Natal floods.

They said the aid was needed by impoverished people who had no access to insurance and other sources of funds.

The leaders of the Methodist, United Congregational, Evangelical Lutheran, Roman Catholic, Presbyterian and Anglican Churches and the Durban and District Council of Churches — including the Catholic Archbishop of Durban, the Most Reverend Denis Hurley, and the Anglican Bishop of Natal, the Right Reverend Michael Nuttall — made the call in a joint telex message.

They called on Mr Botha to face the challenges of alleviating the plight of the tens of thousands of people who had lost their homes and the hundreds of thousands who were living in dire poverty.

Quoting figures supplied by the University of Natal's built environment support group and corroborated by other independent studies, they said more than 400 000 people had been severely affected by the floods.

Furthermore, surveys showed that 15 per cent of all the households affected had to survive on less than R300 a month and had lost more than 50 per cent of their housing space during the rains.

They added that the present crisis in Natal and KwaZulu had not simply resulted from the floods, which had exacerbated the problems of housing, transport and poverty faced by the majority of the population.

Their solution would have to be holistic and developmental rather than piecemeal and reactive in nature.

They called on Mr Botha to make an attempt to provide the whole of South Africa with decent housing, saying that if the State undertook to do so, it would be able to secure matching funds from abroad for such a development scheme.

Rooftops ripped off, windows smashed, trees uprooted

29/11/87

# Battered Reef mops up

Violent storms lashed Johannesburg and the Reef last night, cutting power in 16 suburbs, uprooting trees, smashing windows, ripping off roofs and causing at least one road accident.

And the Weather Bureau in Pretoria is predicting more storms today and tonight.

A thatched house in Magaliesig, Sandton, was severely damaged by fire after it was struck by lightning.

The Johannesburg Fire Department worked through the night cutting up fallen trees and covering roofless houses while the city's electricity department worked overtime to restore power to 16 suburbs around the city. Suburbs affected were mainly to the west and south.

Greenside, Fairland, Lenasia, Mayfair, Kibler Park and sections of Houghton were among the suburbs without electricity during the storm.

A spokesman for Johannesburg's Fire Department said they had 11 chain saws at work during the night.

"The trees were massive. One fell on a car which was a total write-off. Yeoville and Bellevue were the worst hit and we had 32 phone calls for assistance from the time the storm started at 7 pm until about midnight," he said.

## Roof blown off flats

The roof was blown off a four-storey block of flats in Bellevue and power lines were destroyed in Yeoville when trees crashed to the ground.

At Edenvale, the roof was blown off a school pavillion and landed about a block away. Ten trees were uprooted in the suburb.

Sandton Fire Department reported "plenty" of hail damage to vehicles and one road accident because of poor visibility during the storm.

"Just before the rain started we had a fire in a thatched house struck by lightning. In spite of heavy rain we still had to fight the fire. Another house was flooded when the water pipes in the road were broken. It was a dirt road which had collapsed from the rain water," a fire department spokesman said.

In Randburg the fire department dealt with 45 calls for assistance — mostly with trees which had been uprooted.

"We had hailstones as big as golfballs and recorded 14 mm of rain in 10 minutes," a spokesman said.

Jan Smuts Airport reported winds of up to 50 knots last night.

Only minutes after the evening performance of the Christmas pantomime, "Cinderella", began at the Hippodrome at Gold Reef City last night, hailstones the size of pigeons' eggs began to fall the centre.

Terry Lester, who plays Ugly Sister Euthanasia, said later: "I've never experienced anything like it. The noise was so intense that when Celeste Litkie, as Dandini, made her entrance no one could hear a word."



ABOVE: Fireman cut free Miss Joy Wagner's car after it was crushed by a tree in Frances Street, Bellevue, last night. LEFT: Hailstones the size of nartjies — matric pupil Renee Cohen collected several of the hailstones that fell in Robindale last night.

© Pictures by Alf Kumalo



CAPC Times 20/11/82

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S. H. ...

# Poison was tested in one area'

By SHAUNA WESTCOTT  
Supreme Court Reporter

A POISON called Bayleton — which is at the centre of a R2,2-million row between Hex River Valley farmers and multinational chemical and pharmaceutical company Bayer — is not registered for use on table grapes anywhere else in the world, the Supreme Court heard yesterday.

This was the evidence of Bayer development officer Mr Malcolm Gordon, who admitted in cross-examination that the only field tests conducted before Bayleton was registered for use on table grapes were done on 44 vines of one cultivar in one area in one season.

Mr Gordon was testifying in a test case brought against Bayer by Mr Jacobus Viljoen of the farm Millhurst near De Doorns.

Mr Viljoen is claiming damages of R111 589 from Bayer, the amount he claims he lost when Bayleton he sprayed on his grapes failed to control powdery mildew, which ravaged his 1983-84 harvest.

Another 13 suits, with claims totalling over R2 million, are pending.

The hearing continues.

Mr Justice A P Burger presided. Mr J van der Berg and Mr W R Duminy, instructed by N E Visagie, appeared for Mr Viljoen. Mr W H R Schreiner SC, with Mr L Bowman and instructed by C K Friedlander Kleinman and Shandling, appeared for Bayer. Mr R van Riet and Mr W J Louw, instructed by Van der Spuy and Partners, appeared for the Western Province Co-op.



EUROPEAN ECONOMIC COMMUNITY

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DAY, Thursday, November 27 1986

Mission to note use of R23m loan

# EC group in Lesotho to see water project

A EUROPEAN COMMUNITY (EC) mission arrived in Maseru yesterday to study the Lesotho Highlands water project.

The European Development Fund (EDF) recently agreed to provide a special R23m loan to cover equipment and technical assistance for the giant water project.

The EC's representative in Maseru, Tue Rohrsted, said the tour by the 15-man mission was part of a familiarisation tour of Lesotho.

He said the visit would allow EC representatives to observe the implementation of development projects financed by the EC.

MICK COLLINS

"The Lesotho Highlands water project was the first project to be presented to the EDF Committee for consideration for financing under the third Lome Convention in July this year," he said.

The mission's leader, Anthony Wood, is desk officer for the Lome Convention between the EC and African, Caribbean and Pacific states in the British Ministry of Overseas Development Administration.

The EC's programme of assistance to Lesotho is of great economic

significance to the country.

The volume of EDF assistance to Lesotho under the three Lome conventions over the past 10 years was R239m. The EDF also donated food aid to Lesotho valued at more than R6m.

The mission will visit a wide range of development projects financed by the EC under the Lome Convention.

These include road construction projects, the Mphaki livestock development project in southern Lesotho, asparagus production areas, clinics, schools, rural offices and village water supply schemes established with EC aid.

2 11/26 2001

# EC criticises Howe performance so far

22/7/86 BUD DAY 56A

LONDON — British Foreign Secretary Sir Geoffrey Howe leaves Brussels tonight on his mission to SA amid criticism from his European partners of his performance to date.

Yesterday, Howe came under fire at a meeting of European Community (EC) foreign ministers in Brussels for not making it clear to the SA government that trade sanctions by all 12 EC states was likely to be the price of the mission's failure.

Howe arrives at Jan Smuts Airport for his crucial talks tomorrow morning. He will see President P W Botha soon after his arrival and again on July 29.

Howe is acting under instructions from the EC heads of government who agreed last month in The Hague to make one last effort to persuade Pretoria to talk to the black opposition.

The EC also issued a declaration on human rights yesterday and rebuffed charges from SA of community meddling in its affairs.

In a clear rejection of Pretoria's accusations, it said expressions of concern at violations of such rights could not be considered as interference in the domes-

MARGARET SMITH  
and Sapa

tic affairs of a state.

British officials said it was no accident that the declaration was issued on the eve of Howe's difficult peace mission to SA.

Howe said yesterday he would regard further measures against SA as "likely to be necessary" if his mission failed to promote peaceful change.

Five EC states, led by Denmark and Holland, joined Ireland in complaining that Howe's behaviour on the first leg of his tour earlier this month had lost the EC some credibility among black African states.

The majority of EC states hope sanctions will be agreed on if Howe returns empty-handed from his SA mission.

Also yesterday, what has been termed a British constitutional crisis in some quarters intensified as the number of nations boycotting the Commonwealth Games burgeoned to 27.

It has been reported that Queen Eliza-

● To Page 2 →

## EC criticises Howe's peace efforts

22/7/86 BUD DAY 56A

both and British Prime Minister Margaret Thatcher are at loggerheads over Thatcher's handling of the situation.

The games are being boycotted because of Thatcher's opposition to sanctions.

A wave of withdrawals at the week-

end and yesterday — including that of India, Cyprus, Seychelles and Sri Lanka — has plunged preparations for the so-called Friendly Games, due to start on Thursday, into disarray.

← ● From Page 1

# Howe will have a tough time at EC meeting

BRUSSELS — British Foreign Secretary Sir Geoffrey Howe faces sharp criticism today from European Community governments disappointed with the first leg of his mission to Southern Africa.

Denmark and Holland are expected to question his interpretation of the role entrusted to him by EC leaders at The Hague summit when he reports back at a meeting here of Community Foreign Ministers.

The summit leaders asked him to "visit Southern Africa in a further attempt to establish conditions in which the necessary dialogue can commence".

## DIALOGUE

In talks in Zambia, Zimbabwe and Mozambique, Sir Geoffrey argued that economic sanctions would not end apartheid or create the conditions for national dialogue in South Africa.

However, several EC governments believe he should have conveyed their determination to ban new investment in South Africa and halt imports of coal, iron, steel and gold coins unless Pretoria was prepared to meet EC demands. The summit also called for

the release of Nelson Mandela and other political prisoners and an end to the ban on the ANC and other political parties.

West Germany, however, will fall in behind Sir Geoffrey.

German sources say there can be no discussion of further sanctions until he returns from his mission to South Africa.

At The Hague, Chancellor Helmut Kohl rejected a claim

by Dutch Prime Minister Ruud Lubbers that sanctions would be automatic if the mission failed. Observers say there will be no change in Bonn's position unless Britain moves first.

Sir Geoffrey is due to leave for South Africa tomorrow for talks with the Foreign Minister, Mr Pik Botha, and the State President, Mr P W Botha.

The regularly scheduled EC Foreign Ministers' meeting, of

## Press deal on visit may bolster laager mood

Political Staff

CAPE TOWN — The British Government seems set to play into the hands of the South African Government next week by reinforcing South Africa's worsening laager mentality during the crucial visit of British Foreign Secretary, Sir Geoffrey Howe.

Sir Geoffrey's visit represents a last-ditch attempt by the European Community (EC) and Britain to avoid sanctions against South Africa by persuading the Government to begin a negotiation process with real black leaders.

According to sources in Pretoria, the British and South Africans will probably each have their own separate Press "circuses" for confidential briefings. This means the South African public will get one version of the talks while the rest of the world obtains another version.

This, diplomatic observers say, is exactly what the South African Government wants as it plunges the country deeper into an isolationist

which Sir Geoffrey is the current chairman, comes at a time of growing controversy in Britain over Prime Minister Mrs Margaret Thatcher's tough stand against sanctions.

Mrs Thatcher has remained opposed to comprehensive mandatory sanctions.

Sir Geoffrey said last week further measures against South Africa would be necessary if his EC-mandated mission

mood. The Government hopes to gain political capital locally by creating a defiant mood, especially among whites. This mood will be reinforced by separate Press briefings.

This laagerism could easily be countered if Sir Geoffrey allowed the local Press into his confidential briefings, but this is seen as unlikely.

Sir Geoffrey will be travelling with his own planeload of British journalists. His briefings, which will set the tone of foreign news reports, will probably be open only to foreign journalists.

Diplomats believe this will effectively condemn the South African public to a one-sided view.

Similarly South Africa's briefings, which will set the tone for reports here, will probably only be open to accredited local journalists.

"On the record" Press conferences are open to all Pressmen but these often play less of a role in determining the slant of reports which can be more easily manipulated at private briefings.

yielded no "tangible and substantial progress."

British officials said their country had already taken some 15 measures against the South African Government, including mild diplomatic sanctions.

British newspapers have widely reported that Queen Elizabeth II is at odds with Mrs Thatcher over the her policy on South Africa.

Mrs Thatcher has sparked a boycott by more than two dozen nations of the Commonwealth Games that start in Edinburgh on Thursday.

US President Ronald Reagan is scheduled to deliver a speech on South Africa at the White House tomorrow.

## MORE PRESSURE

Officials said the speech would produce no radical departures from current US policy but would spell out measures to "put increasing pressure" on the South African Government.

"I am very much opposed to punitive sanctions" as a way to force South Africa to abandon apartheid," Mr Reagan said last Friday. — The Star's Foreign News Service-Sapa-AP.

CAPL TAVIS 23/7/86

# Thatcher may meet Botha

Own Correspondent

LONDON. — The British Foreign Secretary, Sir Geoffrey Howe, left on his seven-day visit to South Africa yesterday as Mrs Margaret Thatcher said she was ready to meet Mr P W Botha if necessary.

As Sir Geoffrey left, Mrs Thatcher surprised the House of Commons by hinting that she would be prepared to meet Mr Botha if necessary. Her office made it clear that there were no concrete plans but such a meeting could not be ruled out.

Western diplomats said Mrs Thatcher could go to Pretoria either as a last-ditch bid if Sir Geoffrey's mission fails, or to capitalize on any breakthrough in his efforts to persuade Mr Botha to negotiate with the African National Congress.

Mrs Thatcher told the House of Commons that she would make the trip if Sir Geoffrey believed it would be worthwhile after he met Mr Botha today.

Sir Geoffrey left Brussels under no illusions about the task ahead: "I have always made it absolutely clear that this is a particularly difficult mission which I've discussed now with leaders of almost all the countries of the free world," he said.

"We have a massive concern for the future of South Africa — for all the peoples of South Africa. It is difficult but it is not without hope," he added.

The British Government noted that Sir Geoffrey was not going to South Africa as their representative, but on behalf of the European Community — the world's largest economic grouping. He was also "mandated to consult the other major industrialized nations of the West" — Japan and the United States.

● UK 'crisis': Statement call, page 4

● More to bland Howe than meets eye, page 7

# Pressure for strong action if Howe fails

The Star's Foreign News Service

BRUSSELS — Several of the 12 European Community countries are expected to press for strong action against South Africa if British Foreign Secretary Sir Geoffrey Howe returns empty-handed from the second stage of his mission.

Yesterday, on the eve of his departure, Sir Geoffrey told a meeting of EC Foreign Ministers in Brussels that new measures were likely to be necessary unless South Africa made "tangible and substantial progress" towards dismantling apartheid.

But he declined to be drawn on what measures might be necessary.

At the European summit in The Hague last month, Britain, West Germany and Portugal resisted a strong sanctions policy against South Africa.

But the 12 agreed that the EC would complete talks with Japan and the United States by the end of September on a possible ban on new investment and the import of South African coal, iron, steel and gold coins.

In recognition of the extreme difficulty of his mission, diplomats said Sir Geoffrey had asked other member States to use their influence to persuade representatives of black South African organisations to enter into dialogue with him.

Portugal is playing a particularly prominent role in this initiative. The leaders of the main black opposition movements have said they will not speak to Sir Geoffrey.

## Good chance

But Mrs Linda Chalker, Minister of State at the British Foreign Office, said there was a good chance Sir Geoffrey would speak to black opponents of the South African Government.

Sir Geoffrey warned that any measures taken against South Africa would be economically painful for Europe.

"There is almost no measure that can be taken which does not have some disadvantageous consequences," he said.

He emphasised that he was going to Southern Africa in his role as president and representative of the EC Council of Ministers.

But he hinted that Britain might not be prepared to go as far as other countries in whatever future measures might be taken against Pretoria.

## Doubts

West Germany and Portugal reiterated their doubts about the desirability of strengthened measures against South Africa.

Irish Foreign Minister Mr Peter Barry urged Sir Geoffrey to emphasise to President Botha that further EC measures remained on the table unless there was movement towards ending apartheid.

"I have no qualms about using the word sanctions," said Mr Barry. "They should be fully comprehensive and mandatory but graduated. If there are no substantial or fundamental changes, there should be a concrete decision by the 12 to take action."

The Foreign Ministers adopted a declaration on human rights which should have been formulated at The Hague but remained incomplete because of the pressure of the South African question.

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THE international argument over economic sanctions on South Africa has reached a new peak of intensity, and pressures in favour of further sanctions of some sort are now stronger than ever.

South Africa is not unique as a target for sanctions. They have been used increasingly in recent times as a foreign policy weapon (often as an alternative, and sometimes as complementary, to military force), especially by the United States.

The fact that they have been singularly unsuccessful in achieving defined objectives does not seem to deter their proponents; in fact, the sanctions concept has become steadily more acceptable.

This, of course, makes it harder for Western governments to resist the pressures for sanctions in the South African case.

Nor is the threat of sanctions a new phenomenon for this country. It has been there since 1960, and in 1963 the first arms embargo (non-mandatory) was approved by the UN Security Council.

### Dangerous

But it was not until the 1976/77 Soweto crisis that the threat of sanctions by our major trading partners became a reality, with the implementation of the mandatory arms embargo.

In the current crisis the threat has become decidedly more dangerous. Creeping economic sanctions, official and private, are already a fact of life.

Governments of our major trading partners have already taken the first small steps on the sanctions road, e.g. President Reagan's Executive Order of September 1985, and private sector sanctions, in the form principally of disinvestment and limits on new investment, are spreading.

### Intertwined

Of course, not all disinvestment from South Africa can strictly be described as sanctions, even if it has the same effect; the parlous state of the economy has a lot to do with such decisions.

But economic disincentives for foreign companies and banks are so intertwined with political factors, including the mounting pressures on parent companies, that it is difficult to separate the causes.

The disinvestment pressures have built up, chiefly in the United States where they are fuelled by the divestment campaign promoting withdrawal of funds by Americans from corporations doing business in

# Why West finds it hard to withstand sanctions pressure

South Africa, as well as a boycott of their goods and services.

Divestment thus amounts to sanctions on these firms, to persuade them to impose their own sanctions on South Africa.

American private sector involvement in South Africa is the subject of a recent book by Vic Razis, "The American Connection", which strongly supports the case that American and other foreign corporate involvement in South Africa is beneficial for economic and political reasons.

Razis supports the anti-sanctions argument that foreign investment and trade contribute to economic growth which "is the best way to break the shackles of apartheid and build a better post-apartheid society".

He admits that, because "privileged elites, like the whites in South Africa, rarely give up their privileges without some pressure... the threat and actuality of economic sanctions may be productive up to a point", but beyond that point, "which is, of course, exceptionally difficult to determine", sanctions may have highly detrimental effects for the whole of South-

ern Africa for a long time to come.

Unfortunately, Razis does not delve into this crucial and difficult question of the effects of economic pressures and of what may be productive or counter-productive.

This question surely poses a dilemma for many people, inside and outside South Africa, who have an interest in seeing the conflict resolved peacefully and without permanent economic damage, but who recognise that pressures are a necessary part of the equation of political change.

### Dilemma

In discussing the often controversial role of multinational corporations, Razis concludes that in South Africa's case there is much to be gained from their presence, not only in terms of economic growth and technological advance.

He believes, in common with others, that business has to be "a crucial actor" in the whole transformation of South African society, including its political dimensions.

"The burden is formidable and the tasks unusual for business executives; but

By JOHN BARRATT

Director-General of the SA Institute of International Affairs



then, South Africa is an unusual society. If business is not to become a victim of the problem, it needs to become part of the solution, i.e. to shape the future in a way which permits business to flourish in the future".

This prescription does not apply only to multinationals in South Africa today, but the multinationals, particularly the Americans, have to bear the main brunt of the disinvestment campaign.

This provides an additional motive, and perhaps for most the overriding motive, for becoming involved in social, and even political action.

For American corporations the chief means of influencing South African society and resisting disinvestment pressures has since 1977 been the Sullivan Code of employment principles.

Razis devotes a chapter to a description and assessment of the Sullivan initiative on the basis of a series of interviews with representatives of American and South African companies.

### Bypassed

He concludes that the Sullivan initiative has been an external influence which has interacted with South African business efforts to form a positive momentum towards better industrial relations.

However, in the absence of an adequate examination of the criticism (which is prevalent also in the American disinvestment lobbies) that the Sullivan Code provides an excuse for not taking more meaningful action, the question remains as to whether the Sullivan initiative has not been bypassed by events.

Whether formal economic sanctions by Western governments come or not, disinvestment is happening. Only a political settlement offers any hope of halting and reversing this outward flow.

\* Vic Razis, *The American Connection: The Influence of United States Business on South Africa*, Frances Pinter (Publishers), London, 1986.

# Botha 'no' to Howe's conditions

CAPL Times 30/7/86

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Own Correspondent

**JOHANNESBURG.** — President P W Botha yesterday accused the British Foreign Secretary, Sir Geoffrey Howe, of "meddling in South Africa's affairs".

Mr Botha rejected the preconditions which Sir Geoffrey outlined as essential for the possibility of the dialogue necessary to bring about peaceful change — namely the release of Mr Nelson Mandela and the unbanning of the African National Congress.

Mr Botha accused Sir Geoffrey of having come to South Africa with the main purpose of bringing pressure to bear for these two steps. He said it was clear that Sir Geoffrey, as a representative of the European Community (EC), was not interested in positive policy matters in South Africa.

The failure of the Foreign Secretary's mission precedes the meeting of the Commonwealth next week where

the report of the Eminent Persons' Group will be discussed. The group has recommended the imposition of sanctions against South Africa, which now seem virtually inevitable.

The report of Sir Geoffrey's mission — which received the support of the European Council and the United States Government — was seen as a crucial instrument in the attempt to ward off the sanctions campaign.

During a press conference before he left for London last night, Sir Geoffrey warned South Africa that time was running out before economic measures were introduced. He mentioned early September as the latest deadline.

If the South African

Government did not offer at least the possibility of substantial and tangible progress, further measures were likely to be taken in one form or another, Sir Geoffrey emphasized.

## 'Suicide'

He called on the ANC to make a matching commitment to renounce violence.

Mr Botha said: "I can never commit suicide by accepting threats and prescriptions from outside forces and hand South Africa over to communist forces in disguise."

He said he hoped "this hysterical outcry of certain Western countries against South Africa will soon pass".

Referring to South Africa's past success in overcoming military and oil sanctions, Mr Botha said: "I don't believe in sanctions. But if we are forced until our backs are against the wall, we will have no alternative but to stand up in self-respect and say to the world: 'You won't force South Africans to commit national suicide...'"

## Interference

"Leave South Africa to the South Africans," Mr Botha said, adding that South Africa would prefer to have normal relations with other civilized states but could not allow "uncalled for direct interference in our internal affairs".

He challenged those of South Africa's neighbours who were urging the EC to impose sanctions to take the initia-

tive themselves and to do so first.

"They should have the courage of their convictions instead of continuing to enjoy the considerable benefits of close association with South Africa while leaving it to others to pay the price of sanctions," he said.

Mr Botha also proposed joint meetings with Southern African leaders as well as with leaders of the EC jointly to identify and address regional problems.

He saw this as supplementary to, but in no way replacing or detracting from, the internal reform process "to which my government is committed and will continue until our goals are reached".

## Dialogue

Sir Geoffrey emphasized that the process of change which had already begun had to address itself urgently to the fundamental issues and that blacks had to be brought fully into the political process on the basis of dialogue with freely chosen black leadership.

He emphasized that the only alternative to "violence and economic warfare" was for the government and the ANC to each make an offer which the other could not refuse.

Yesterday Sir Geoffrey met the Minister of Education, Dr Gerrit Viljoen, the Minister of Finance, Mr Barend du Plessis, and the Foreign Minister, Mr Pik Botha, before his final meeting with President Botha. He left last night.

## SA Govt has 'key to the future' — Howe

**PRETORIA.** — Dialogue will not be possible as long as leaders like Mr Nelson Mandela are in prison or exile and organizations such as the ANC banned, British Foreign Secretary Sir Geoffrey Howe said at a news conference here yesterday.

Sir Geoffrey declined to discuss the contents of yesterday's talks with State President Mr P W Botha.

He said however that blacks would have to be brought fully into the political process and that the key moves would have to be made by the South African Government.

"It is the South African Government which has taken the first steps to dismantle apartheid. It must be the South African Government to carry through with that process in a way which can enlist the support and involvement of the majority.

"The key to the future is in their hands," he said.

The government should agree to release Mr Mandela and other political prisoners, unban the ANC and other political parties, and to enter into peaceful dialogue — against a matching commitment from the ANC to call a halt to violence and to enter into peaceful dialogue. — Sapa

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# Sanctions for sure, say EC diplomats



● HOWE

BRUSSELS — European Community economic sanctions against SA now seem inevitable after British Foreign Secretary Sir Geoffrey Howe's failure to win concessions from Pretoria.

EC diplomats added yesterday that Howe, president of the EC Council of Ministers, was expected to have urgent consultations with the UK's 11 EC partners soon after his return to London yesterday.

President P W Botha's rebuff of EC calls for dialogue with black opposition leaders would, they said, revive pressure for an early sanctions decision.

This has so far been blocked by UK opposition.

The diplomats said Britain's EC partners now expected UK Prime Minister Margaret Thatcher to drop her opposition to sanctions.

They wanted an early EC move

to galvanise world action against Pretoria.

Britain remained the key to a decision and pressure on Thatcher at next week's Commonwealth summit in London should help convince her to agree to an early sanctions move.

Some EC nations feel an EC decision would be even better before the August 3 Commonwealth meeting, although this appeared remote, the diplomats said.

Howe said, before setting off last week, that his mission should not be considered as a last chance for peace.

Diplomats said yesterday, however, that SA intransigence appeared so total that Britain would find it difficult to resist pressure to go ahead as soon as possible with the series of limited sanctions already agreed within the EC.

"What is the point of waiting any longer?" one EC diplomat asked.

He added, however, Britain might insist that a decision should not be taken until Howe completed his three-month EC mandate in September.

EC leaders agreed at a summit in The Hague last month to consider a ban on new investment in SA and on imports of SA coal, iron, steel and gold coins if Pretoria failed within three months to respond to international pressure.

"It is only a matter of time now. She cannot wriggle out of it any longer," the diplomat said of Thatcher.

Diplomats said the proposed sanctions would do little harm to Western economies.

They were also designed to do minimum damage to the SA economy. — Sapa-Reuters

August 1986

# Way is cleared for EC measures

The Star Bureau

LONDON — Mrs Thatcher has cleared the way for Europe to back bans on coal, iron, steel and gold coin imports from South Africa and measures to halt new investment.

The 12 European Community (EC) nations could decide on The Hague measures at next month's meeting of their Foreign Affairs Council.

The EC is South Africa's principal trading partner, accounting for 38 percent of SA exports and 21 percent of imports last year.

Without Mrs Thatcher's support, Britain's partners in the

anti-sanctions lobby West Germany and Portugal — will probably not be able to resist the pressure to impose the new measures.

After Britain, the strongest opponent of sanctions in Europe is Germany's chancellor, Mr Helmut Kohl, but a lone stand is unlikely.

Of all the measures, it is a ban on coal imports that is most likely to cause disruption.

Total coal imports last year — worth R3,1 billion — accounted for about a quarter of Europe's imported coal needs. The biggest importer was Italy, to the tune of R843 million,

with France a close second. Britain imported R159 million.

Imports of South African iron and steel last year accounted for only four percent — R1 billion — of the community's total imports of these products.

Gold coin imports — banned in Britain in May in line with the 1985 Nassau accord — last year amounted to R349 million throughout the EC.

Overall, including items not covered by the proposed measures, total imports from South Africa amounted to R22,5 billion, with the UK accounting for R4,4 billion.

56A H# STAR

# EC sanctions stand is crucial to SA economy

By Michael Chester

While the United States and Japan take the top two slots in the international league table of South Africa's individual trade partners, it is the European Economic Community that overlord's business patterns when all of its club members combine their clout.

No fewer than six out of the first 10 rankings in South Africa overseas import and export markets are taken by EC member nations — West Germany, Britain, Holland, Italy, France and Belgium.

Between them, the six accounted for R16 226 million worth of South Africa's two-way trade last year, compared with R6 188 million with the United States and R5 109 million with Japan.

The formidable total is the reason why EC decisions on any sanctions action, or else, and perhaps far more important, alternative strategies in the South Africa issue, are likely to be the most crucial of all to South African relations.

The EC action plan is scheduled to come to the crunch at a summit conference to be held next month.

Nor will the future of South Africa trade with the EC be all taken for granted. The stance taken by British Prime Minister Mrs Margaret Thatcher indicates that the outcome of the ECC summit is also likely to guide Britain in the way it weighs its massive influence on policy for the whole Commonwealth.

## Reluctance

Though the Iron Lady so far has shown strong reluctance to take the sanctions route — advocating dialogue instead — she has pledged to Commonwealth leaders that she will abide by the EC summit decisions.

Observers are convinced the EC formula will in turn also have a huge influence on the future stances towards South Africa that will be adopted by the United States and Japan. Washington is known to be in close contact with several Euro-

pean capitals on the co-ordination of policy thinking ahead of the EC summit.

Japan has given strong hints it is ready to fall in line with any co-ordinated action between the EC and the United States.

"There is every reason to believe that both Washington and Tokyo are awaiting the outcome of the EC summit in the hope it may fix the course to be followed by all of the Western superpowers in the formulation of future policy", says Mr Brian Bench, researcher at the SA Institute of International Affairs.

## Agreement

"The whole future of South Africa may hinge on agreement between the United States, Western European and Japan on how to approach the political dilemma and work out solutions.

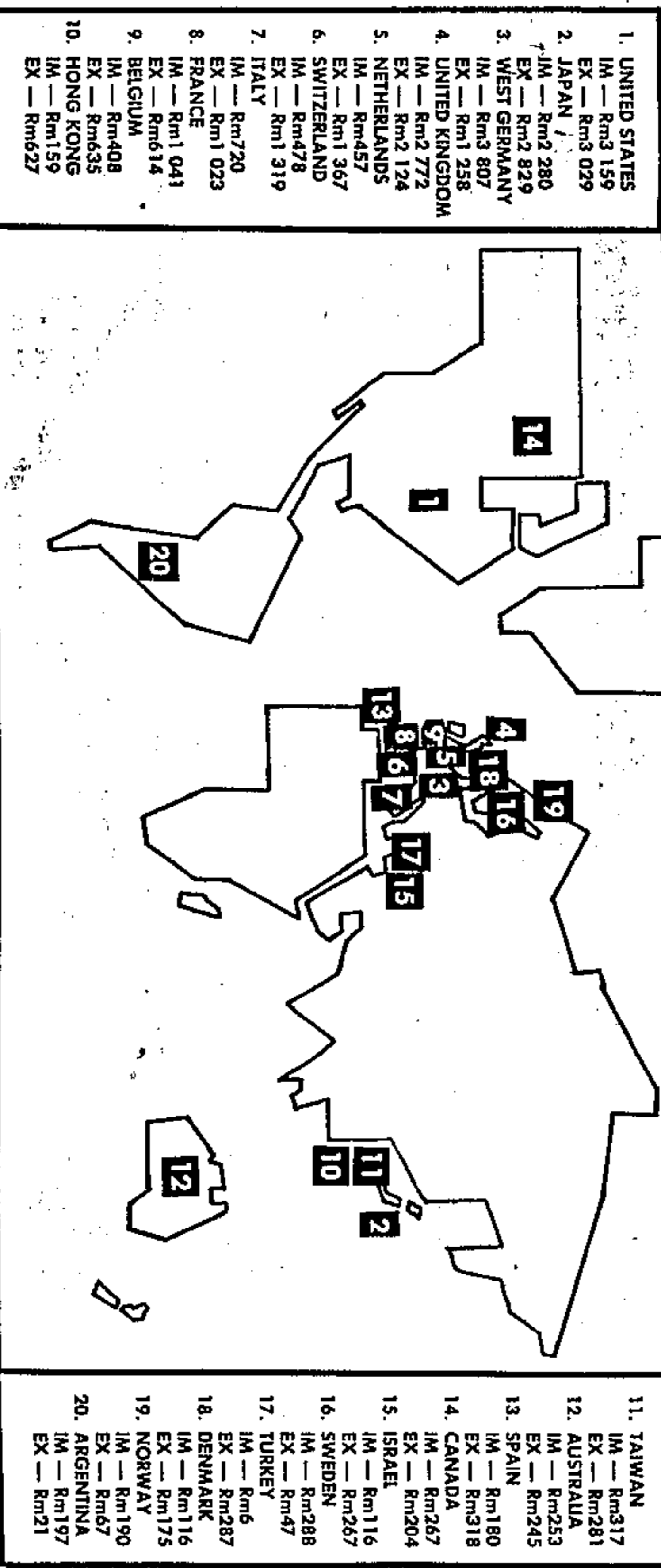
"There is far too much at stake to leave international relations to the mercy of piecemeal action programmes by politicians who are relatively junior in the world league — and often suspected of using emotional outbursts for popularity with their own electorate or else manoeuvring to seize advantages for their own domestic economies.

"What may be best for South Africa, and the rest of the world, are strategies that will genuinely encourage reform rather than force it down the throats of South Africans.

A solution to the conundrum requires the brain power that can best be provided by the Western superpowers — use of carrots, not only the big stick, to encourage an entirely new direction for South Africa.

"An adult and mature approach that will recognise that problems for Africa do not all equate with the problems of Europe or North America or South America or Asia.

"We need the Western superpowers to sit down in calmness to think it all over and be constructive — ignore the ravings of the lunatic fringes at each side of the debate and instead devise a formula that must be regarded as common sense by everyone, critics and supporters alike.



A world map showing South Africa's main overseas markets for imports and exports, ranked in order of size of two-way trade last year. The graphic clearly indicates the crucial concentration of trade partners who belong to the European Community.

## This may be a split Club, but it still has clout

"At the moment, it seems that almost the whole of the outside world wants to see the destruction of South Africa.

"Wiser heads may envisage a scenario that recognises that South Africa has all the potential to emerge as the powerhouse for the entire African continent, in turn making the continent a positive rather than negative influence on world affairs?"

So far, individual countries inside the EC have pursued their own anti-apartheid initiatives — spread between bans on military co-operation and high technology exports to bans on Kruggerand imports and state export guarantees.

Reticence about full-scale sanctions has been expressed not only by Britain but also by Holland, West Germany and Portugal.

But there is still intense pressure at the summit to agree on a broad action package, such as a ban on steel and coal imports from South Africa and on all new investment.

Commonwealth states have rattled their sabres over apartheid ever since Prime Minister Hendrik Verwoerd pulled South Africa out of the Club in 1961.

Still to emerge is unanimity on how to go for the jugular.

Even so, the sounds of sword sharpeners were all too evident when Commonwealth heads of government met in the Bahamas last October. Britain had to run a gauntlet of criticism over its persistent rejection of full-scale sanctions.

Eventually a compromise package, the Nassau Accord, was agreed, but individual members were left to act voluntarily. Items in the package were:

- A ban on all new government loans to the South African state or its agencies.
- Unilateral action to ban imports of Kruggerands.
- A ban on sales of computer equipment capable of use by South African security forces.
- Bans on deals in nuclear technology and oil.
- A strict embargo on arms and ammunition imports from South Africa.
- Discouragement of all cultural and scientific links, unless they contributed towards ending apartheid.
- A second set of proposals were left on ice for a follow-up summit of Commonwealth leaders. This package of threats included:
- A ban on all air links with South Africa.
- Bans on new investment and on re-investment of profits earned in South Africa.
- Bans on imports of all agricultural products from South Africa.
- Termination of all government assistance to trade with South Africa.
- Bans on tourism promotion.

When the leaders gathered again, in London two weeks ago, British Premier Margaret Thatcher was depicted as being in a battle royal between Buckingham Palace and 10 Downing Street in a conflict between pragmatic politics and fears about the throne's diminishing influence over remnants of former empire.

Still Britain clung to its caution.

Inturated, Canada, Australia, Zambia, India, Zimbabwe and the Bahamas voted for the second round of Nassau Accord recommendations and added new ones — bans on imports of South African coal, iron, steel and uranium.

Cynics note Australia's enthusiasm for closing the shutters on South African coal exports when it has huge reserves and is keen to seek openings in markets in which it has difficulties competing either on price or reliability.

Britain held back and instead agreed only to voluntary bans on the promotion of South African tourism and new investments — but pledged to abide by any action agreed at a European Community summit next month.

Economic analysts in Johannesburg caution South Africa not to throw their hats in the air over such evidence of division.

The Commonwealth still can include several economic giants as well as lots of dwarfs.

When a special manual was prepared for South African exporters almost 12 months ago, there were already no fewer than 72 nations listed as countries which had varying degrees of general trade boycotts in operation.

Even this, it had to be pointed out, was not a comprehensive list. There were still other countries that had voted on selective sanctions — in a separate catalogue that has grown thicker and thicker.

Also, the list in the manual made no allowance for the way the activities of trade unions and pressure groups have created increasing problems for South African trade.

On the other hand, though, the list also made no allowance for either the severity or consistency of boycott policies.

Diplomatically, the manual laid no emphasis on the way the list was packed with states

## 'Boycott' list puts traders on guard against restrictions

which have obviously been involved in the recent growing trade boom between South Africa and black Africa.

Despite all the official boycotts, two-way trade between South Africa and the rest of the continent soared to new records last year, and the flows were even stronger in the first half of 1986.

The intention behind the compilation of the list was to provide a guideline to the markets where South African importers and exporters needed to "exercise caution". They were:

EUROPE: Albania, Bulgaria, Cyprus, Czechoslovakia, East Germany, Hungary, Poland, Romania, Russia, Yugoslavia.

MIDDLE EAST: Bahrain, Egypt, Iran, Iraq, Jordan, Kuwait, Oman, Qatar, Saudi Arabia, United Arab Emirates.

AFRICA: Angola, Algeria, Benin, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, Ethiopia, Ghana, Ivory Coast, Kenya, Liberia, Libya, Madagascar, Mali, Mauritania, Niger, Nigeria, Rwanda, Senegal, Sierra Leone, Somalia, Sudan, Tanzania, Togo, Tunisia, Uganda.

CENTRAL AMERICA: Barbados, Cuba, Jamaica.

FAR EAST: Afghanistan, Bangladesh, Bhutan, Burma, Red China, India, Indonesia, Kampuchea, North Korea, Malaysia, Nepal, Pakistan, Philippines, Sabah, Sarawak, Singapore, Thailand, Vietnam.

SOUTH AMERICA: Guyana.

OCEANIA: Papua New Guinea.

NORTH AMERICA: Mexico.

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**Coal at the face**

Last year's record coal exports of 44 Mt — worth R3,138 billion in foreign exchange — are unlikely to be broken soon if sanctions threats are enforced.

Coal, iron and steel have been singled out by the EEC for sanctions. If all sanctions moves are effective, coal exports will be cut by half to 22 Mt, but it is unlikely that other markets in Eastern Europe and the Far East can take up all the slack. The world energy glut makes coal particularly vulnerable to sanctions. Embargoes by France and Denmark have already cut exports by over 5 Mt.

Les Weiss, MD of the Transvaal Coal Owners' Association (TCOA), says, however, that some European countries may be more lax than others on sanctions.

For example, Spain's major customers are small cement producers who could find ways of circumventing sanctions, whereas Italy —

where the major customer is the State electricity company, ENEL — would be obliged to accept State-imposed sanctions.

He also says it is naive to assume that eastern Europe will take up much more than a few 100 000 t of coal.

Coal — unlike other leading exports such as diamonds — is difficult to conceal. Weiss says it is absurd to expect 80 000 t ships to leave Richard's Bay unnoticed at the rate of 40 a month.

Gencor coal MD Steve Ellis says exports would fall to less than 10 Mt if the worst scenario — which he considers unlikely — occurred and all countries which have threatened sanctions abided by them fully.

There has also been speculation that 40 000 of the industry's 110 000 workers could be laid off, particularly if the Far East is influenced by EEC action and cuts back on South African orders.

None of the coal bosses who spoke to the *FM* was prepared to rule out retrenchments.

It will be difficult for SA to undercut already low coal prices, which have fallen from some \$30/t to \$22/t. Exporters also have to bear higher rail tariffs which, says Weiss, "would render the business of exporting coal uneconomic."

Mike Hawarden, past chairman of the Chamber of Mines colliery committee, says some Japanese utilisers are already considering replacing coal firing with oil firing, but this trend might not survive the recent firming of oil prices.

Weiss says he fears government might assume that foreign buyers will find SA coal indispensable and that SA can afford to ignore outside pressure. "This is far from true. There are many producers like Australia and Colombia that can take our place," he says. ■

# Dutch bid to whip EEC into line with US action

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STAR 19/7/76

The Star's Foreign News Service

THE HAGUE — Dutch parliamentarians are hoping to get the European Economic Community to adopt sanctions in concert with the United States, though they do not all support the US Senate's package.

In reaction to the Senate vote on sanctions, Dutch MPs said they believed a sanctions policy would be more likely to persuade the South African Government to abandon apartheid if both Europe and America impose similar measures.

Liberal Party spokesman Mr Frans Weisgals said co-ordinated sanctions would have greater effect.

This view was echoed by Mr Joep de Boer of the Christian Democrats.

Speaking for the Labour Party, Mr Relus ter Beek said Holland should press other members

of the EEC to adopt the same measures as those proposed by the US Senate and he believes the EEC should threaten to impose a total trade embargo if South Africa fails to respond to pressure from abroad.

## SEPTEMBER 15 MEETING

The EEC, which meets to discuss sanctions again on September 15, is not likely to go beyond proposed bans on coal, iron, steel and gold coin imports and a ban on new investment.

British Prime Minister Mrs Margaret Thatcher has agreed not to stand in the way of these measures and West Germany will probably back down too.

It remains to be seen how the EEC will respond to British Foreign Secretary Sir Geoffrey Howe's peace mission — an initiative widely perceived in Holland as a failure.

# Plan for anti-SA force from 100 lands

28/8/76

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SONGRAW

ARARE — Troops drawn from as many as 100 countries will defend Southern Africa's black nations against attack from South Africa if an Indian plan is adopted by next week's Non-Aligned Movement summit, conference sources said.

They said the Indian Prime Minister, Mr Rajiv Gandhi, current head of the organisation of 101 nations, asserting their independence from both the United States and Soviet-led power blocs, will propose the defence force

plan when he arrives next week.

"Troops drawn from the 101-nation movement will defend the six frontline states against a possible renewed military offensive from South Africa," one source said. The states are Zimbabwe, Zambia, Tanzania, Botswana, Mozambique and Angola.

"If the idea of a security force is found acceptable to non-aligned members, it is possible some Commonwealth countries outside the movement

may also send troops to bolster the proposed force," he said.

The Zimbabwean Prime Minister, Mr Robert Mugabe, who is about to succeed Mr Gandhi at the conference as leader of the non-aligned world, also told reporters yesterday he would accept US economic aid, but not troops, in his country's possible confrontation with South Africa.

Zimbabwe and the US have disagreed publicly on a wide range of issues in recent years, most re-

cently over sanctions against South Africa, and Mr Mugabe did not say whether any suggestion of special aid had been made by the Reagan Administration.

Mr Mugabe has been in the forefront of international moves to force change in his southern neighbour through sanctions, despite the suffering they would impose on his own landlocked country.

Mr Mugabe has already said he believes the sum-

mit will be a "Southern African one".

Mr Gandhi's spokesman announced that the Indian Prime Minister was postponing a visit to Botswana so he could come to Harare on Saturday for preliminary discussions between heads of state before the conference opens on Monday. His early presence in the Zimbabwe capital will lend emphasis to the importance the Indian leader is placing on the success of the summit. — Sapa-Reuter

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Coverage	65	192 days	160 days
5. Leave Fund			
Coverage			
Worker Contribution			
Employer Contribution			
Annual payment for 6 day week			
Annual payment for 5 day week			
Qualifying period			
Waiting period			
Percentage of wage paid			
Maternity days per pregnancy			

on Saturday, the engines, vintage cars and horse-drawn carriages will transport commuters around the city.

# EC Ministers set to agree on sanctions

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LONDON — European Community (EC) Foreign Ministers, meeting in private this weekend, are expected to agree to implement economic sanctions against South Africa, Western diplomatic sources said today.

Officials from EC member states met yesterday and today to prepare for this weekend's informal talks at Brompton Hall, just north of London.

EC leaders meeting in The Hague in June agreed on a list of economic measures but decided to hold off until the British

Foreign Secretary, Sir Geoffrey Howe, completed a peace shuttle to Southern Africa. But it failed to bring about any significant improvement.

The EC package included a ban on new investment in South Africa and on imports of coal, iron, steel, and gold coins if Pretoria failed to respond significantly to international pressure to end apartheid.

A senior US Administration official has said in London he doubts whether Washington would "bail out" black African

states hit by possible retaliatory sanctions by South Africa.

Several Frontline states have called for comprehensive economic sanctions, and Pretoria has threatened retaliation.

Asked if the United States was willing or able to help these states, the official, who would not be identified, said: "I don't sense a great upswelling of enthusiasm from the American elected representatives or the American taxpayer to bail out an entire region for the folly of economic measures that region

has called for upon itself."

But in Tokyo today the Japanese Transport Ministry said a study would be made of the possibility of helping black African states expand their transport system to trade with non-African nations without relying on South African transport links. This would exclude expansion of Mozambique's Beira port and the building of railways into Beira from Botswana, Angola, Zambia, Tanzania and Zimbabwe. — Sapa-Reuter-Associated Press.

BRUSSELS — The European Community (EC) is set to agree to limited economic sanctions against SA this weekend that are likely to be dubbed "too little, too late" but could pave the way for similar action by Washington, diplomats said yesterday.

Britain finally dropped its objections to the imposition of sanctions against Pretoria at a meeting of EC representatives in London on Wednesday, clearing the way for approval of the sanctions at an informal meeting of EC foreign ministers this weekend, they added.

The British move will be welcomed by a majority of the EC's 12 states. They have for several months been pushing for concerted EC action in response to widespread calls for punitive measures against Pretoria for its failure to abandon racial policies and its crackdown on opponents of apartheid.

The diplomats said the proposed EC ban on new investment in SA and on imports worth some \$1.8bn a year of SA coal, iron, steel and gold coins had already been found inadequate by most of SA's critics.

The majority of both white and black members of the Commonwealth and the Non-Aligned movement want wider action, such as a total trade ban, which would be more likely to hurt the white-dominated economy.

The diplomats said that however inadequate the EC move might seem to hardline opponents of apartheid, it was likely to lead to rapid action in Washington, where President Reagan is under heavy pressure from Congress for action against Pretoria. Action by both the US and the EC would virtually isolate SA from its previous Western backers, they said.



□ HOWE ... left SA empty-handed

EC and US diplomats have been closely co-ordinating their moves on sanctions, but this did not mean that any US measures would be identical to those likely to be agreed by the EC ministers, they added.

British PM Margaret Thatcher, backed by West Germany and Portugal, held out against sanctions at the EC's June summit in The Hague, arguing they would hurt the black population, SA's black neighbours and jobs in states, such as Britain, which have close economic links with Pretoria.

But the summit agreed to consider the tortuously-negotiated list of measures if

Pretoria failed by the end of September to respond to EC entreaties for an early end to apartheid. The stage was set for British approval when British Foreign Secretary Sir Geoffrey Howe returned empty-handed from an EC peace mission to SA in July.

Sir Geoffrey, current president of the EC Council of Ministers, will report on his mission to the 11 other EC foreign ministers at private talks in a secluded English country house north of London this weekend.

The diplomats said there was no chance of widening the EC measures to include a severing of air links and embargoes on imports of SA uranium and farm produce, as agreed by the Commonwealth nations.

The EC measures will affect some 20% of \$9bn worth of imports from SA but will not touch exports, worth some \$5bn to \$7bn a year. The diplomats said although no figures were available, the flow of EC investment to SA was believed to have slowed to a trickle in recent months but should now come to a complete halt. Investments had previously been flowing at the rate of R1bn a year, of which more than half came through Britain. — Sapa-Reuter.



THE WORLD

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SANCTIONS

## EEC's uncertainty

It is by no means a foregone conclusion that European Economic Community (EEC) foreign ministers will decide to confirm a boycott of South African exports of iron, coal and steel at their crucial meeting on September 15-16.

A concerted boycott could still be averted if State President P W Botha were to announce, say, the repeal of the Group Areas Act, or some other major change to apartheid policies.

Optimists in the EEC are looking to Pretoria to save the day. Pessimists, however, have written off all hope of Botha making any dramatic moves.

A deeply divided EEC issued a vaguely worded statement at the end of June saying it would apply the above sanctions if there was no response from Pretoria to its demands for the release of political prisoners, the unbanning of the African National Congress, and the opening of negotiations with the black opposition.

The conclusion of most British commentators was that there was nothing automatic about the sanctions or their implementation, and inquiries at Whitehall this week confirmed this view. The sources indicated that even if Botha did not meet the EEC's specific demands as stated in the June communiqué, an announcement of some other major concession might let the EEC off the sanctions hook.

PM Margaret Thatcher's position is that Britain will "accept and implement any EEC decision to ban the import of coal, iron and steel and of gold coins from SA." But if the EEC as a body does not come to such a decision, Britain will no longer be committed.

### Unilateral sanctions

Of the 12 EEC countries, five are lined up solidly in favour of sanctions: Denmark, Netherlands, Ireland, Greece and Spain. All or some of them almost certainly will embark on unilateral sanctions against SA if the EEC does not make a collective move.

Belgium is thought to favour sanctions because its own steel industry is in trouble and it would benefit from a ban on South African steel.

France and Italy are ambivalent, but could be induced to support sanctions. Luxembourg is a small and unimportant member of the EEC.

The main resistance to sanctions would come from Portugal, and particularly from Britain and West Germany. Chancellor Helmut Kohl said recently: "The West German government has fundamental doubts about economic sanctions. They are not an appro-



Thatcher

Kohl

priate method of achieving the desired political goals."

The anti-sanctions view in the EEC has been strengthened by the disarray among the Frontline States at their meeting in Luanda over sanctions, and by the disclosure that Zimbabwe signed a new trade agreement with SA when its PM, Robert Mugabe, was vociferously demanding sanctions at the Commonwealth meeting in London recently.

Hopes that West Germany will take the lead at the EEC foreign ministers' meeting on September 15-16 in opposing sanctions are tempered, however, by acceptance that the news from SA is not encouraging.

The realisation that Botha is not likely to announce any important changes has dashed the hopes of most EEC members. Over and above this, the news of the Soweto shootings has cast a pall of gloom over SA's sympathisers.

The decision the anti-sanctions group in

the EEC will have to make is whether, in spite of what is happening in SA, they can risk taking a determined stand against an iron, coal and steel boycott on the grounds that it is still worthwhile pursuing dialogue with Pretoria.

□ The programme of EEC meetings is as follows: September 5-6 — EEC foreign ministers meet informally in London. No communiqué will be issued after the meeting. September 15-16: formal meeting of foreign ministers with agenda. Communiqué on decisions to be issued. September 30: expiry of Sir Geoffrey Howe's EEC mission to SA. EEC to decide whether further formal meeting should be held on October 1.

### US ECONOMY

## Deficit shocker

Last week's surprising trade deficit numbers ran roughshod over the Reagan administration's hope for revived second-quarter growth. At least that was the opinion of many economists on Wall Street, who viewed the \$18.4 billion July trade shortfall as the anchor likely to sink the US economy in the third quarter. Most had projected 2%-3% growth during the July-September period but after Friday's trade shocker, the consensus estimate dropped below 1%.

The president's advisers are not likely to give up hope just because Wall Street has done so. Indeed, Reagan would probably be

### CHERNOBYL REVISITED

The International Atomic Energy Agency's (IAEA) attempts to discover what went wrong at Chernobyl are not being particularly assisted by the Soviets.

At the IAEA's week-long "post-mortem" in Vienna last week — attended by 547 nuclear specialists from 45 countries — the Soviet delegation was cagey. Even during the social exchanges they appeared to be watching each other to see they did not let any secrets out.

Understandably, Western experts are not accepting the Soviet figures of casualties. The Soviets have given no precise figures, but they seem to suggest 6 500 could die from radiation. A US cancer expert believes deaths could reach 45 000; other international experts think the figure could be 24 000.

All this is guesswork, because it will

take years to discover how many of the 135 000 people evacuated from the area were exposed to harmful radiation.

The deeper experts probe into the disaster, the more alarmed they become. It is clear now that the accident was a chapter of unbelievable mistakes; the repair operation was botched, and then there was an official cover-up. Heads have rolled, but the cover-up continues. Meanwhile, about half of the Soviet Union's 27 Chernobyl-type reactors have been shut down for modification.

The full extent of radiation damage caused to crops and livestock in northern Europe is emerging piecemeal. The Soviets seemed at first to be ready to pay compensation, but they have since backed off, probably because of the size of the claims that would pour in.

Bans on investment, some imports

# EC agrees to limited SA sanctions

APPROVAL for a package of limited sanctions against SA was reached at the end of a two-day informal meeting near London by the European Community's (EC) 12 Foreign Ministers yesterday.

Reuters reported that EC diplomats said measures would affect 20% of the annual R24,49bn worth of EC imports. But EC exports to SA worth R16,7bn would not be affected by sanctions.

Diplomats said EC Ministers agreed on the package in their talks at Brocket Hall, an English country house 30km north of London, and would formally adopt the measures at a meeting in Brussels on September 15-16.

This would mean a ban on fresh EC investment in SA and imports of about R4,3bn-worth of coal, steel, iron and gold coin imports.

EC Foreign Ministers and their advisers met to discuss what economic measures would be taken against Pretoria from a range of possible actions tabled at the EC summit in The Hague in July.

While the package was decided in principle at the summit, implementation of the peace mission to SA of British Foreign

Own Correspondent

Secretary Sir Geoffrey Howe. EC Ministers concluded at the weekend that there was no further reason to delay the sanctions as a result of the failure of Howe's mission.

The meeting was Howe's first opportunity to brief EC counterparts on his abortive mission.

At The Hague summit, Britain, West Germany and Portugal adopted the strongest line in arguing against sanctions.

But the failure of Howe's mission appears to have left EC states opposing sanctions with little alternative but to bow to the majority view.

Whitehall sources said there appeared to have been some movement in the position of West Germany, with Bonn apparently changing in favour of sanctions.

Lisbon is not expected to put itself out on a limb on the issue.

British Prime Minister Margaret Thatcher told the Commonwealth summit last month that she would not oppose an EC consensus.

And tomorrow, Howe will fly to the US

● To Page 3



BUSINESS DAY, Monday, September 8 1986

# EC agrees on sanctions

to co-ordinate EC action with Washington.

What the EC decides in Brussels will be important for President Ronald Reagan, who has been looking for political help from Europe to fight sanctions pressure from Congress.

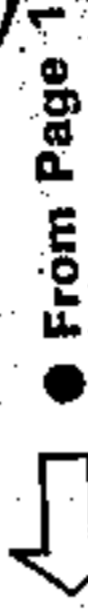
While the weekend talks were dominated by SA, Ministers also discussed security issues, including the hijacking of a US airliner in Karachi.

The British Foreign Office said the

Ministers expressed deep revulsion at the attack.

They saw the resurgence of international guerrilla violence as "re-inforcing the need for sustained international co-operation and for firmness in striving to eliminate the scourge of terrorism".

Howe, who chaired the talks, said yesterday: "This dreadful outrage reminds us that terrorism is far from defeated



● From Page 1

56A

# Europe 'wants US lead' on sanctions

WASHINGTON — Western European governments are looking for the United States to take the lead in opposing South Africa's apartheid policy, visiting European lawmakers said today.

Tough United States economic sanctions against the Pretoria Government will provide "a powerful inducement for action by Europe . . . to move into line," Mr Peter Price, British Conservative Party member of the European Parliament, told a news conference.

"The most reluctant members, the United Kingdom and West Germany, are likely to be influenced by the Americans," Mr Price said.

But despite increasing agreement among governments of the United States, the European Community and the Commonwealth on the need to oppose South Africa's apartheid policies, "there is a growing divergence in policy toward Angola."

Mr Price and other members of a West European-Canadian delegation to Congress said that by helping Angolan guerilla leader Dr Jonas Savimbi's Na-

tional Union for the Total Independence of Angola (Unita), the United States is perceived as being allied with South Africa and not really serious about ending apartheid.

"America sees Dr Savimbi only as anti-communist, but Europe sees support for him as covert support for South Africa and cannot reconcile this with sanctions," said Irish Christian Democrat Miss Nora Owen.

## BOLSTERED

Unita, which reportedly receives aid from the United States and South Africa, aims to overthrow the Marxist Government of Angola, one of the major Frontline states. The Government in Luanda is bolstered by Soviet and East European advisers and Cuban soldiers.

"There is time enough to push for greater democracy and to push back the communists of Angola after you solve the immediate problem of apartheid", Mr Price said.

"It is becoming clear to even the most reluctant that the

South African Government will do no more than camouflage apartheid," he said. "A strong United States push is needed."

British Prime Minister Mrs Margaret Thatcher showed more readiness for sanctions at the August Commonwealth meeting than at the European Community meeting, he said.

"But in terms of British public opinion, seeing the United States acting will be the most decisive factor," he added.

Mr Jacob Aano, Norwegian Christian Democrat, said there is strong support in Scandinavia for economic sanctions against South Africa. He said the West needs "not only to have the right policy but to be seen as pursuing the right policy by Africans who are more and more disappointed with the whites of the West."

The delegation from the Association of West European Parliamentarians for Action Against Apartheid, to which Canadians also belong, is meeting American senators and congressmen dealing with pending anti-apartheid legislation. — Sapa-Associated Press.

56A 12/7/86  
 EEC SANCTIONS  
 FINMAIL

# Weighing up consequences

EEC foreign ministers ended their two-day meeting in an English manor house without reaching an agreed stance on sanctions against SA. That at least was the official version put out by Sir Geoffrey Howe, the UK Foreign Secretary, who chaired the talks.

Leaks and hints from the pro-sanctions lobby led by Denmark and Holland suggested that an EEC ban on coal, iron and steel imports from SA would be the inevitable outcome of next week's formal gathering of the 12 ministers. But Howe said firmly that no consensus had been reached. The final decision would not be taken until the talks on September 15 and 16.

And, he added, "the closer governments come to taking decisions, the more they start thinking about the consequences." Even by Howe's normal standards of circumspection, his statement underlined the divisions within the EEC over what to do next about the South African issue.

SA in fact was almost totally overshadowed by the slaughters at Karachi airport and in the Istanbul synagogue. The main question put to EEC ministers was their attitude to America's appeal for joint action against Libya — especially in light of the briefings delivered by President Ronald Reagan's special envoy General Vernon Walters during his tour of European capitals last week.



**Sir Geoffrey Howe ... no consensus reached**

That, along with SA, was due to be discussed by Howe and US Secretary of State George Shultz in Washington as the *FM* went to press.

The key to any EEC move appears to be held by West Germany, which with Britain and Portugal is still arguing against economic sanctions in spite of the "provisional"

agreement reached at The Hague before Howe's abortive trek to southern Africa.

If Chancellor Helmut Kohl succumbs to pressure from his Foreign Minister Hans-Dietrich Genscher, it is almost certain the UK and Portugal will tag along. And while Kohl, vociferously supported by his right-wing partner Frans Josef Strauss, leader of the Christian Socialist Union, remains opposed to sanctions, he faces a general election in four months with opinion polls favouring the Socialist Democratic opposition.

SA will be kept on tenterhooks until next Tuesday night. But the indication from EEC sources is that the foreign ministers will find it difficult to go back on The Hague statement, even if the arguments continue up to the last minute.

# THE

- Reagan faces sanctions clash with united Congress
- Europe moves to water down package of measures

# STEAMROLLER

S6A (358) SUN PAGES 14/9/86

**THE South African sanctions steamroller is pushing ahead on both sides of the Atlantic — with tougher steps imminent.**

In Washington a new presidential order extending sanctions against South Africa is expected within days as the Reagan administration tries to head off a clash with a unified Congress.

And in Brussels the European Economic Community meeting starting tomorrow could see an attempt by West Germany, Portugal and Britain to water down sanctions proposals — but they will still bite.

What became clear at the end of a busy week, however, was that the US and the EEC countries will not be able to co-ordinate measures against South Africa effectively.

By PATRICIA CHENEY in Washington and ANDREW GARFIELD in Brussels

The House of Representatives decision (308 to 77) to accept a milder sanctions package proposed by the Senate now puts President Reagan in an uncomfortable position.

If he chooses to exercise his veto it will in all likelihood be over-ridden by Congress. The other option — now considered very real — is an extension of his presidential order of a year ago in which he spelt out some mild sanctions measures.

## Opposed

The Senate package is still tough: bans on new investment in South African companies, an end to landing rights in the US, bans on coal, uranium, tex-

tiles, clothes and products from paracetamols, an end to US bank loans to the South African Government, re-allocation of South Africa's sugar quota to the Philippines and a series of lesser measures.

President Reagan is opposed to the Bill, though conceding that a ban on air links is acceptable.

But now an interesting legal dilemma has arisen in the wake of the debate which could leave a loophole for court challenges to city and state divestment measures.

As a result of an amendment to the Senate Bill, local governments have 90 days to comply with the congressional sanctions measure or risk suspension of their federal funding.

According to some interpretations, that means state and city governments which have passed anti-South African legislation could be challenged because their laws are different from congressional sanctions measures. So far, 20 states and about 80 towns have passed anti-South African legislation.

"In practice I think this will limit procurement legislation (which gives preferential bidding for city contracts to companies that have no ties with South Africa) but not pension fund divestment laws," said one congressional aide.

## Suspended

In Brussels, meanwhile, the EEC was preparing for the two-day meeting beginning tomorrow to decide on the sanctions measures against South Africa accepted at The Hague three months ago but suspended pending British attempts to initiate talks between opponents within South Africa.

All indications are that the EEC will be looking to West German Chancellor Helmut Kohl to lead an anti-sanctions rally, though there are some reservations about how enthusiastically he would do so given the fact he is facing an election soon.

# ly for S A as ministers meet on sanctions

cope with an influx of its Portuguese citizens who took up residence in South Africa after Mozambique and Angola gained their independence.

In a last-ditch bid to stave off sanctions, full-page advertisements were carried in the main British national newspapers yesterday, published by the Steel and Engineering Industries' Federation of South Africa.

The advertisements show a smiling young black girl, targeted as if through the sights of a gun. The heading states: 'You can be sure, sanctions against South Africa will find their mark.'

The text reads: 'You hate apartheid. You feel morally compelled to show your disapproval. Right and good. But be sure the weapon you choose is aimed at the right target.'

The girl pictured represents more than 2 500 000 people who live in South Africa and the neighbouring countries of Mozambique, Swaziland, Lesotho and Botswana.

**'No money, no food, no hope'**

This number is directly dependent on 450 000 workers in South Africa's iron, steel and related industries.

The advert says: 'If sanctions are imposed on these commodities, many of these bread-winners will be faced with permanent loss of their jobs.'

It goes on to point out that in southern Africa unemployment means no money, no food and no hope, because there is no dole to turn to.

The advert suggests that, if the reader is against apartheid, the correct step is to encourage economic investment in South Africa.

'In this way support those in South Africa who can and want to bring about social upliftment and political equality.'

However, anti-apartheid sources here dismissed the advertisements. They pointed out that leading black politicians had pressed for sanctions to be imposed.

now that Britain's attitude will be that pressures within the EC for sanctions are so strong that delaying tactics are pointless.

Mrs Thatcher recognised this during last month's Commonwealth mini-summit in London when she rejected the more extensive sanctions list drawn up by the other Commonwealth countries but indicated that she would not block The Hague package if all the other EC countries were in favour of it.

Portugal's attitude, informed sources point out, is due largely to nervousness that, if sanctions caused the South African economy to deteriorate drastically, it could not

is now almost certain that what is known as 'The Hague package' of sanctions will be approved.

This involves a ban on imports from South Africa of coal, iron, steel and Kruggerands, as well as a ban on new investment in South Africa.

The view here yesterday was that approval would almost certainly be given to this list by the EC Council of Ministers, chaired by the British Foreign Secretary, Sir Geoffrey Howe.

The West German coalition Government has been consistent in opposing sanctions as an instrument of policy.

This has echoed Mrs Thatcher's view. But it seems likely

Bureau

today debates and decides the

rest. But it is a junior member

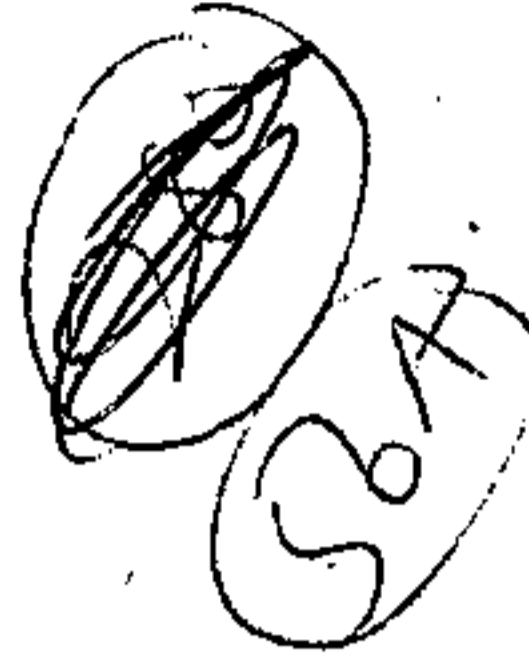
stood out against sanctions

at a consensus.

Health & Beauty  
321

# Sanctions package expected

Everest  
15/7/86



BRUSSELS — European Foreign Ministers meeting in Brussels are expected to announce a package of limited trade sanctions against South Africa this evening.

The 12 EEC governments are due to consider a ban on the import of coal, iron, steel and gold coins, and officials said only West Germany and possibly Portugal seemed likely to argue against the measures.

There was speculation among delegates that the West Germans and the Belgians would try to get coal dropped from the list.

Final government attitudes, however, were not likely to be known until the South African issue was discussed.

At the end of June, the EEC governments drew up the provisional list of sanctions, giving SA a three-month time limit to free the jailed ANC leader, Nelson Mandela, and lift the ban on political parties.

The British Foreign Secretary, Sir Geoffrey Howe, failed in his mission to persuade the SA Government to meet the demands and he was scheduled to report formally on the outcome of his Southern African trip today.

Although some governments in Europe remain opposed to sanctions, there appeared to be agreement that some measures were now inevitable.

West German Chancellor Helmut Kohl has argued that economic sanctions would not achieve the EEC's goal of speeding the end of apartheid.

Mr Kohl has also said the Europeans should be assured of parallel action by the United States before deciding how to step up pressure on SA.

President Ronald Reagan is considering vetoing a sanctions Bill that is stronger than the proposed European measures. — Sapa-Reuter-AP

# D-Day for SA as European Ministers meet on embargo

SR  
BUDY  
15/9/86

LONDON — Today is D-day for sanctions.

The European Community (EC) will debate the issue and should come to a decision by this evening.

While West Germany is still playing its cards close to its chest, Portugal has continued to express opposition to sanctions against SA. But it is a junior member and is expected to fall in with



THATCHER

the rest.

British Prime Minister Margaret Thatcher has also stood out against sanctions, but recently she made it clear she would go along with a consensus.

The feeling among diplomats and in Whitehall is now almost certain that what is known as "The Hague package" of sanctions will be approved.

This involves a ban on imports from SA of coal, iron, steel and Kruggerands, as well as new investment in SA.

The verdict here yesterday was that

MARGARET SMITH

approval would almost certainly be given to this list by the EC Council of Ministers, chaired by British Foreign Secretary Sir Geoffrey Howe.

The West German coalition government has been consistent in opposing sanctions as an instrument of policy.

It has echoed Thatcher's view in relation to SA. But it seems likely now that Britain's attitude will be that pressures

within the EC for sanctions are so strong that delaying tactics are pointless.

Thatcher recognised that during last month's Commonwealth mini-summit in London when she rejected the more extensive sanctions list drawn up by the other Commonwealth countries but indicated that she would not block the Hague set if all the other EC countries were in favour of it.

Sources said Portugal's attitude was due largely to nervousness that, if sanctions caused the SA economy to deteriorate drastically, it could not cope with an influx of Portuguese citizens now resident in SA.

It was reported in Bonn yesterday that West Germany would not agree to ban SA coal imports at the EC Foreign Ministers meeting today.

Der Spiegel and the Welt am Sonntag quoted government sources as saying Bonn may agree to ban imports of SA iron, steel and Kruggerands, but not coal as originally proposed.



7564  
SMW 15/9/86  
European Community set to approve limited curbs

# Sanctions 'day of reckoning'

The Star's Foreign News Service  
Brussels

European Community Foreign Ministers who meet in Brussels today seem set to approve a limited package of economic sanctions on South Africa.

Said one diplomat: "This is the day of reckoning."

A move towards sanctions after months of reluctance was foreshadowed at an informal meeting of the Foreign Ministers in Britain a week ago.

Britain, West Germany and Portugal seem to have relaxed their outright opposition to imposing any sanctions — though they remain unconvinced of the real effectiveness or justice of them.

Diplomats believe the likely outcome will be approval of a package along the lines laid down by their heads of government at The Hague in June.

That summit singled out a ban on EC imports of coal, iron, steel and gold coins, and a bar on new investment by EC companies in South Africa.

Alan Dunn of The Star Bureau in Washington reports that the Reagan Administration will have to act by the end of the week on a Bill for tough economic sanctions on South Africa — legislation it does not want.

But it will take more than adroit political manoeuvring for President Reagan to stop the "Anti-Apartheid Act of 1986", which will probably be given to him today to sign into law.

He will have 10 days to work against sanctions, which he feels will do more harm than good to those it is supposed to help — the black people.

Whatever Mr Reagan decides, his plans will be influenced by what sanctions the EC decides on at its meeting.

One possibility senior Reagan Administration officials are known to be discussing is a visit to Africa by US Secretary of State Mr George Shultz. It would demonstrate loudly and clearly the Administration's urgent concern for progress on the South African problem.

## Bonn holds key

At the EC meeting today, the Bonn Government will be in the uncomfortable position of holding the key to the outcome of the talks, and may argue for coal imports to be taken out of the package. That would provide Chancellor Helmut Kohl with the necessary gesture, he needs to give his coalition partner Mr Franz-Josef Strauss, leader of the Christian Social Union — and a staunch opponent of sanctions.

West German Foreign Minister Mr Hans-Dietrich Genscher is understood to believe some form of sanctions is inevitable. He is concerned that any veto by West Germany could severely damage his country's hopes of joining the UN Security Council again next year.

British Prime Minister Mrs Margaret Thatcher promised other member states of the Commonwealth in August that she would not oppose any decision of the 11 other EC member states.

British Foreign Secretary Sir Geoffrey Howe is chairman of the EC Council of Ministers, and therefore more concerned than usual to promote a EC consensus.

He is expected to argue that although during his recent visit to South Africa he failed to persuade President Botha to make any significant shift over apartheid, diplomatic contacts with Pretoria have not been exhausted.

# It's another critical day for South Africa

**BRUSSELS** — Foreign Ministers from 12 European governments meet here today for critical talks on sanctions against South Africa, and they are widely expected to agree to impose tough measures aimed at key exports from the Republic.

They will consider a ban on coal, iron, steel and gold coins — which together last year earned South Africa nearly R3,5-billion in exports to the EEC.

That list, now known as the "Hague Package", was drawn up in the Dutch capital at the end of June, when the 12 gave South Africa three months to release Nelson Mandela and lift the ban on the ANC.

They sent British Foreign Secretary Sir Geoffrey Howe on his ill-fated southern African "peace mission" and today he will formally report on his failure to persuade the South African Government to go any way towards meeting the demands.

## Sanctions policy

Sir Geoffrey, when he was in Washington last week for talks with the US Administration about a co-ordinated sanctions policy, stated:

"We considered the matter a couple of months back and decided, provisionally, to put in place further economic measures. We shall be looking next week as to whether we ought to be triggering those by the end of this month".

He met informally last weekend with his 11 European counterparts, and he said of those talks: "I think the majority view was quite plainly in favour of putting in place those measures on which we have already taken provisional decisions."

Britain holds the current presidency of the EEC Council of Ministers, and Prime Minister Mrs Margaret Thatcher's position is that she will not stand in the way of sanctions if the council decides to impose them.

## FOCUS

On the eve of the meeting, British Government sources said the other two opponents of sanctions, West Germany and Portugal, appeared more ready to go along with a consensus in the EEC but their final positions would not be known until the talks begin.

Diplomats here forecast an agreement "in principle" to impose sanctions, although the Hague Package may be modified.

There is opposition, in particular, to a ban on South African coal which importers have said could seriously increase world prices.

South African lobbyists have been busy during the past two weeks telling European governments that a coal ban could have catastrophic consequences for black employment in the mines, with up to 100 000 jobs put at risk.

If there is an agreement to impose sanctions it is not likely to be implemented immediately, although the deadline runs out at the end of this month.

Officials point out that there will be much work to be done in various departments of the 12 governments to define precisely what is to be banned and draw up regulations.

At that point, the op-

eration could slow down and become confused.

"It is not as simple as just saying stop buying South African steel," one official said.

Another problem facing the EEC is the failure, so far, to gain wider international co-ordination for a sanctions policy.

The British Government, in particular, considers that sanctions would not be really effective unless South Africa's big trade partners like America and Japan join in.

The Japanese show no enthusiasm, and the United States is not ready for the strong measures the Europeans are talking about.

Opinions on what to do differ considerably. European governments, for example, have no intention of cutting air

links with South Africa while the Americans think it is one of the better options.

Although there are governments in the EEC which do not want sanctions at all (the British, West Germans and the Portuguese), it seems unlikely that they will be able to hold their ground against the weight of opinion from the others.

And having threatened to take action, and been thoroughly rebuffed by the South African Government, there seems to be very little room left for manoeuvre.

The Commonwealth is waiting for Europe to put its money where its mouth is.

"For us, it's come down now to a matter of our international credibility," one diplomat remarked. — Sapa.



SIR GEOFFREY Howe ... report to Ministers.



## The Media Council

THE South African Media Council is an independent body established to deal with various matters affecting media reporting and comment.

One of the council's functions is to receive and act upon complaints from members of the public who have not been able to get satisfaction by approaching a newspaper or other news

# Europe may hold back sanctions

Dispatch Bureau  
LONDON — Differences among the nations of the European Community (EC) could delay a decision to implement sanctions against South Africa.

The EC meets in Brussels today to co-ordinate economic action against South Africa and a verdict had been expected by this evening, but renewed unease over measures agreed in principle at the community's June meeting in The Hague could force foreign ministers to postpone a final decision until later in the month.

As one British official pointed out, a decision does not have to be taken before the deadline, September 27. However, today's is the last scheduled formal meeting before that date.

Although the meeting is widely expected to endorse the decision, the three nations which are not happy with the proposals would be relieved to be able to stall even a short time.

Britain's reluctance is well known and West Germany's coalition government has been consistent in opposing sanctions as ineffective and inappropriate instruments of policy.

Portugal has also continued to express

Bonn yesterday that West Germany would not agree to ban South African coal imports.

The weekly news magazine Der Spiegel and the Welt am Sonntag newspaper quoted government sources as saying Bonn might agree to ban imports of South African iron, steel and Krugerrand coins but not coal, as was originally proposed.

Der Spiegel said the government was going back on undertakings made at the EC's summit in The Hague when Chancellor Helmut Kohl included a coal import ban in measures he would be ready to take if Pretoria refused to institute reforms.

Welt am Sonntag said Bonn had decided against blocking South African coal because such a move would endanger the livelihood of 30 000 black South African workers.

West Germany's top industrial, trading and banking associations also wrote a collective letter to the EC yesterday urging it to reject economic sanctions, the news agency added.

"We declare our solidarity with South African business associations who have demanded the government make comprehensive reforms towards overcoming the apartheid system without being pushed from abroad," the West German business leaders said in a joint statement.

Der Spiegel said Mr Kohl's government was adopting a stance similar to the United States administration, which also opposes a ban on South African coal.

However, Britain's Prime Minister, Mrs Margaret Thatcher, has made it plain that she will go along with a consensus.

If it is approved, the "Hague package" of sanctions will ban imports of coal, iron, steel and Krugerrands from South Africa, as well as new investment in the Republic.

● A R250 000 series of newspaper advertisements placed by the Steel and Engineering Industries Federation of South Africa has warned the British public that international embargo goes on South African steel and coal exports would cost the country's metal industries more than 90 000 jobs — and force 500 000 people into starvation.

*DFM/PR*  
*SP*  
*[Signature]*

SA chooses  
Indian as EEC  
ambassador  
as body meets

By David Braun,  
Political Correspondent

CAPE TOWN — South Africa has for the first time appointed an ambassador who is a person of colour.

He is Dr Bahdra Ranchod, a law professor at the University of Durban-Westville, who is to be the next ambassador and permanent representative at the European Economic Community in Brussels.

The announcement of Dr Ranchod's appointment is being made on the day the 12 nations of the community meet to decide whether to proceed with limited sanctions against South Africa.

The EEC has given South Africa until September 27 to meet certain conditions, failing which a European ban on imports of South African coal, iron, steel and Krugerrands was to be imposed.

So far, the conditions have not been met.

South African sources said today Dr Ranchod's appointment was not timed to influence the meeting today.

● The Government was not prepared to make any comment on the EEC meeting until its decision had been announced and studied, a spokesman for Mr Pik Botha said today.

DD 16/9/86

SBA

# SA coal escapes sanctions deal



Firemen play their hoses on a burning truck off Buffalo Pass yesterday. A fire department spokesman said the vehicle had been abandoned some time ago and it appeared someone had set it alight after pushing it over the edge of a steep embankment. Firemen spent at least an hour extinguishing the blaze.

**CAPE TOWN —** The South African Government would not stand idly by in the face of the latest round of sanctions imposed by the European Community (EC), the Foreign Minister, Mr Pik Botha, warned last night.

At a meeting in Brussels yesterday, the 12 EC nations agreed to ban imports of South African iron, steel and gold coins but coal was dropped for the time being from the sanctions package after deep divisions emerged over the issue.

After five hours of tough negotiations between foreign ministers of the EC countries, which were due to resume later last night, officials said a ban on new investment was also likely but had run into legal difficulties.

The officials said all 12 governments had reached "a broad agreement" on iron, steel and Krugerrands, but opposition from West Germany and Portugal had stopped coal — one of South Africa's most important foreign currency earners — from being included.

The sanctions are due to come into force at the end of this month but governments have to work out exactly how to implement them.

In his reaction Mr Botha said: "We will not initiate sanctions against other countries nor will we impose punitive measures purely for the sake of retaliation."

"However, now that further punitive measures have become a reality the South African Government will consider appropriate measures in defence of the sectors affected and in the interests of the country as a whole."

"We cannot stand idly by while the livelihood of our workforce is jeopardised."

"The South African Government can in no way be held responsible for the predictable and unpredictable consequences of sanctions," he said.

It was not immediately clear last night what measures the government might resort to in an attempt to counter the latest European sanctions.

However, the repatriation of hundreds of

thousands of foreign workers, a tightening of economic screws on neighbouring states and the broadening of trade links in sanctions-hit commodities appeared to be the most likely courses of action.

A formal EC communique on the new sanctions package was expected late last night or early this morning.

Officials said the issue of a ban on coal could be discussed again by the European governments before the end of this month and some diplomats said it might be used as a future threat against the South African Government.

The Minister of Trade and Industries, Dr Dawie de Villiers, said it was a sad day when emotion and political expediency dictated international decisions instead of rational and logical argument.

"Obviously this decision was not based on reason. This is proved again now that coal is suddenly not included. Why? Because it does not suit the interests of a number of governments."

"They are not concerned about the effect they will have on South Africa and the people of South Africa but more about their own policies and political stances."

He said the decision would have a detrimental affect, not only on South Africans, but on the people of Southern Africa.

"It will definitely cause hardship and the loss of jobs in numerous fields. The leader of the Progressive Federal Party, Mr Colin Eglin, said he was not at all surprised that some sanctions had been agreed on."

"The PFP has warned for some time that sanctions have been moving towards South Africa like a tidal wave. Unfortunately the government has done precious little to avoid them."

"Although the package isn't as severe as it might have been, it's still tough and will cause unemployment," he said. — DDC-Sapa.

## Shultz in SA next month?

WASHINGTON — The US Secretary of State, Mr George Shultz, is planning a two-week tour of Africa next month that would include a stop in South Africa, US officials said yesterday.

The State Department said in a statement Mr Shultz was expected to go to Africa "in the autumn" but gave no details of when or where.

US officials, however, said the trip was expected to take place next month and that South Africa was on a list of eight countries he intended to visit.

They acknowledged that of the frontline states, the most likely to be visited were Zambia

## No rebel Wallaby deal says Craven

CAPE TOWN — The president of the South African Rugby Board, Dr Danie Craven, yesterday ridiculed reports that the Wallabies would each be offered R128 000 to take part in a rebel tour of South Africa next year.

"In the first place, where would we get this kind of money?" he asked.

Dr Craven said that while the SARB would like the Wallabies to tour officially next year — an invitation has been extended to the Australian Rugby Union — the board was not "begging" any country to tour.

"We have done everything in our power to normalise rugby as a non-racial game in this country and the other rugby playing countries are well aware of this."

However, if the Wallabies did not come to South Africa next year as an official team, it would be interesting to see if they would come as individuals. — Sapa

## Prince Harry

## Soweto clash: 3 killed

**ALL ONE PRICE**  
**WASHED FADE-OUT**  
**SHIRTS**  
**WERE R29 NOW**  
**R40**



AMBASSADOR to Brussels . . . Professor Ranchood.

# First black ambassador to Brussels appointed

THE Government has appointed Professor Bahdra Ranchood as the first South African ambassador of colour. He has been posted to the Europea Community in Brussels.

The move comes on the eve of a European Community decision on a joint sanctions package against South Africa.

Professor Ranchood, Dean of the Law Fac-

ulty at the University of Durban Westville, yesterday dismissed any argument that his appointment could be seen as "Tokenism."

And although he would represent a National Party South African Government his private view was that there would have to be a "new and united South Africa."

## SOWETAN CORRESPONDENT

He felt he could also contribute a lot to this from Brussels particularly with interest he had in a Bill of Rights for South Africa.

## Career

Professor Ranchood has had a remarkable academic career and at 42 is also one of the country's youngest ambassadors.

He sees the post in Brussels as extremely important.

"People don't realise how much co-operation there is between the 12 member countries.

"More and more foreign policy decisions are being taken jointly."

Professor Ranchood said he had only been informed of his appointment yesterday and was still considering all the implications.

## Tokenism

Having read for his master and doctorate degrees in law at Cambridge in Britain and Leiden University in the Netherland, Professor Ranchood feels he is well aware of the importance of the European Community.

"Europe is important for us in terms of constitutional development. We can learn a lot from them."

Professor Ranchood, who is also on the board of the SABC, said that there would be people who would make claims of tokenism but this could be expected.

## Colour

This would happen whenever a person of colour was appointed for the first time.

"We have got to make a start somewhere."

It all boiled down to "we have either got to work together or fight each other."

## Post

"I truly believe in a united and new South Africa and will work for it."

The post had been held for the past few years by Mr Robert Du Plooy, ambassador to France.

Mr Du Plooy will continue as the ambassador to France. Professor Ranchood is married with two children.

Ministers locked in uncertainty

# EC dithering over sanctions package deal

16/9/86  
SIA

Russell

Own Correspondent  
and Sapa

LONDON — European Community (EC) Foreign Ministers were locked in uncertainty in Brussels late last night over the imposition of a five-point package of sanctions against SA.

While some reports said the 12 EC governments had agreed to ban imports of SA iron, steel and gold coins — but had dropped coal from the sanctions package for the time being — others dismissed them as “mere rumour”.

After five hours of tough negotiations yesterday between EC Foreign Ministers, which resumed last night, officials said a ban on new investment was also likely but had run into legal difficulties.

The meeting, billed as the “day of reckoning” for SA, broke for dinner with Foreign Ministers refusing to comment on speculative reports that there was serious disagreement over an EC ban on SA coal imports — and that coal had been dropped from the package.

EC sources said there might be agreement on sanctions against SA iron, steel, new investments and Kruggerands — but that West Germany and Portugal had fiercely opposed the inclusion of coal as

impractical, reducing the sanctions package to four points.

Reports in Brussels said West Germany was also questioning the imposition of the rest of the package of sanctions on new investments, iron, steel and Kruggerands, on the grounds that there would be serious legal difficulties in enforcing them.

However, a British diplomat said Germany was over-stressing “technicalities” which could be readily overcome. The official EC meeting spokesman said those claims and reports were mere rumour and he declined to comment further.

Another senior official said: “The issues are extremely complex. All such speculation should be treated cautiously until a formal announcement is made.” He said the meeting would reconvene for technical and legal discussion but could not be certain that unanimous agreement would be reached during the

● To Page 3 →

BUSINESS DAY, Tuesday, September 16 1986

# EC dithers over sanctions

SIA 3

● From Page 1

might or that a media conference would be held. British Foreign Secretary Sir Geoffrey Howe, chairing the meeting, had been expected to call a media conference early in the evening.

His failure to do so was a clear indication that there was a serious split among the Foreign Ministers.

When the five-point sanctions package was first proposed at a meeting of EC Ministers at The Hague, British Prime Minister Margaret Thatcher said she would accept them, including coal — if all other EC countries did as well.

Ironically, acceptance of the package would have greatest effect on Britain which has \$6bn invested in SA. If the EC countries fully accept the

Hague sanctions package SA could lose a sixth of its total exports to the EC.

It is understood that Howe told the meeting that while his mission to Southern Africa earlier this year may be considered a failure, diplomatic negotiation with Pretoria had not been exhausted.

Earlier yesterday EC officials had said all the governments had reached “a broad agreement” on iron, steel and Kruggerands, but opposition from West Germany and Portugal had stopped coal from being included.

If there is agreement on sanctions, they should come into force at the end of this month.

# SA is gearing up to fight EC sanctions

SPARK  
16/9/80  
SbA

By David Braun and Colleen Ryan

The Government and business leaders are gearing themselves to fight off the sanctions package being finalised by European leaders in Brussels today.

The first move was made last night when President Botha announced an economic conference to be attended by leading South Africans on November 7 to plan a development strategy.

The European Community (EC) decision yesterday to impose sanctions on steel, iron and gold coins imports from South Africa would have disastrous effects on the economy and the job market, an industry spokesman said.

## EC searches for way to resolve deadlock

By Michael Morris,  
The Star's Foreign  
News Service

BRUSSELS — Talks resumed early today in an attempt to iron out serious disagreement over European sanctions against South Africa.

Other important business was set aside to enable the European Community (EC) to resolve its plan of action against apartheid.

But a further meeting later this month may be required.

Eight hours of hard bargaining over The Hague measures — and the question of excluding a coal ban — ended in deadlock after midnight.

Holland and West Germany are at loggerheads over the proposed coal ban, the most significant of The Hague measures, and the one with the most potential to damage the South African economy.

British officials were optimistic that the dispute would be settled today and a plan of action, including all or some of The Hague measures, agreed on.

But the contenders left their Charlemagne headquarters here in the early hours sticking to their guns.

West Germany refused even to consider a coal ban. Holland, with the support of Ireland and Denmark, refused to accept any package which excluded it.

Bonn opposed the coal measure because it believed it would cause huge unemployment and would not have the backing of other industrial nations.

Holland, Denmark and Ireland insisted that a package of sanctions without a coal ban would be "meaningless and inef-

fective".

With neither side willing to accept a compromise, an earlier proposal to exclude a coal ban for the time being, and push ahead with bans on iron and steel and gold coin imports and new investment, floundered.

The West German Foreign Minister, Mr Hans-Dieter Genscher, strode out when the meeting was adjourned, waving journalists aside.

He almost certainly consulted Chancellor Helmut Kohl to chart strategy for today.

Other foreign ministers may also have contacted their heads of state to determine how to proceed.

British Foreign Secretary and chairman of the meeting, Sir Geoffrey Howe, has reminded them that the EC's credibility as a force in international affairs is at stake. He is determined to resolve the matter today.

Confused rumours spread at the late adjournment of the meeting. When a handful of delegation officials finally emerged they were swamped by the Press contingent of several hundred.

Half a dozen briefings were held along the corridors.

An Irish official summed up the task the Ministers faced when they gathered again this morning: "They all have to decide whether half a loaf is better than no bread at all."

He made it plain that Ireland, Holland and Denmark felt that the exclusion of a coal ban would "send a false signal" to Pretoria and the world, and that the three countries viewed the whole Hague package as the very minimum.

The director of the Steel and Engineering Industries Federation of South Africa (SEIFSA), Mr Sam van Coller, said today that the imposition of sanctions was a serious blow to the country's iron and steel sectors.

"A direct ban on iron and steel imports by the EC could spread to other markets."

He said it was good news if the EC decided not to ban coal. This would provide indirect relief to the metal industries because of the interaction between the two sectors.

SEIFSA has warned that 93 500 jobs would be jeopardised in the metal industries if sanctions on coal, iron and steel are imposed.

Mr van Coller said that even if coal was not affected, at least 50 000 jobs would be in jeopardy.

The Chamber of Mines recently issued a warning about the damage sanctions would cause, pointing out that almost 100 000 workers were employed on the coal mines.

In response to the announcement of further sanctions, Minister of Foreign Affairs Mr Pik Botha said the Government would not impose punitive counter measures for the sake of retaliation, but would take appropriate steps to protect the interests of the country.

"We cannot stand idly by while the livelihood of our workforce is jeopardised. South Africa can in no way be held responsible for the predictable and unpredictable consequences of sanctions."

The United Democratic Front said it was an offence in law, particularly the emergency regulations, to call for sanctions on South Africa.

"Nevertheless," said UDF national chairman Mr Azar Cachalia, "the UDF regrets the unwillingness of Western Germany and Portugal to go along with the luke-warm proposals of the European Community."



# Another day of sanctions wrangling

SbA

14/9/86  
Eve Post

BRUSSELS — European Community Foreign Ministers have failed to agree on economic sanctions against South Africa and now face another day of wrangling on what measures to impose as a protest against apartheid.

The 12 Ministers broke off discussions yesterday after West Germany blocked a proposal to ban imports of South African coal.

This was unacceptable to the Netherlands, which was supported by Denmark and Ireland, EC diplomats said.

One said the Dutch made a "brave but largely futile" attempt to get Bonn to change its mind about the coal ban, the most significant of the suggested measures.

The Dutch Foreign Minister, Mr Hans van den Broek, said the community needed to send a clear signal to South Africa.

He described the sanctions as the EC's last option after the failure of political pressure.

Diplomats said the Netherlands and its allies had indicated a willingness to accept a watered-down package of sanctions agreed in principle at the EC's summit in The Hague last June, if the coal ban remained an option for later inclusion.

West Germany, backed by Portugal, refused to budge from its tough opposition to an embargo on coal imports, which total \$1.3 billion (R3 billion) a year.

EC diplomats quoted the West German Foreign Minister, Mr Hans-Dietrich Genscher, as saying his Government would not accept the coal ban, because it shared Portugal's fears that an embargo would harm thousands of immigrant workers from Mozambique who work the South African coal fields.

Most diplomats were certain a deal would be reached on German terms.

"What we have decided effectively is to embargo things we do not import," the Spanish Foreign Minister, Mr Francisco Fernandez Ordonez, told Spanish journalists, saying the items accounted for no more than 1% of South Africa's exports. — Sapa-Reuter

# EC to ban SA steel imports

*Sanctions  
17/9/86*

*SA*

*[Handwritten scribble]*

**BRUSSELS —** Twelve European governments are going to ban imports of South African iron, steel and gold coins, and block new investments in the country.

But coal, one of South Africa's most important exports, will not immediately be part of the sanctions package.

These decisions were announced in Brussels yesterday, after more than 10 hours of tough negotiations between EC Foreign Ministers.

They agreed that iron and steel — exports to Europe were worth R777 million last year — would be banned from the end of this month.

### **Timing**

Imposition of the ban on Krugerrands and new investments would be referred back to committees who would work out the timing.

The ban on coal, which last year earned South Africa R2,3 billion in European sales would remain under discussion. West Germany and Portugal refused to agree to include it, although they were under pressure from the other ten governments.

EC diplomats said the ban on iron and steel imports would apply from September 27, and would take place under an existing EC coal and steel pact. — Sapa-AP.

## Fedhasa plea to EC

MISDIRECTED resolutions and punitive measures to break down international travel to SA would directly affect the daily lives of 330 000 black hotel employees and their immediate dependants, the Federated Hotel, Liquor and Catering Association (Fedhasa) said yesterday.

A Fedhasa memorandum delivered to EC foreign ministers in Brussels and President Ronald Reagan urged them to consider the negative results of imposing tourism embargoes on SA.

"The tourism industry offers employment at levels which do not initially require intensive high-technology training, thus helping semi-skilled and unskilled workers bridge the gap between the Third and First world economies in SA," it said. — Sapa.

Some positive thinking from SA's man at the EC

# Ranchod sees his new job as a challenge

The Star Bureau

LONDON — Professor Bhandra Ranchod, who has been appointed South Africa's Ambassador to the European Community, has told a British newspaper that he sees the job as a challenge which he would have rejected if he did not believe that Government policies were changing.

"If one can see a change occurring for the better, one feels willing to be part of that process," he said by telephone from the University of Durban-Westville.

"I don't think one can achieve anything by sitting back and doing nothing. One has got to believe that promoting human dignity and working towards a more just society are worth aspiring to."

Professor Ranchod's appointment was prominently reported in the Fleet Street newspapers today, with some of them using his photograph.

Headlines on his appointment include "South Africa appoints coloured envoy to European Community", "Pretoria names first non-white ambassador" and "Botha picks coloured envoy".

## NOTHING NEGATIVE

The appointment has also been reported on radio and television. Several correspondents note that he was refused permission to move with his wife and two young daughters to a white neighbourhood.

In the telephone interview he told a Fleet Street columnist that the offer of the appointment was as much a surprise to him as it must have been to others.

Asked if he expected to be called a stooge, he said: "I have not heard any negative reactions yet. But I am not the sort of man who is willing to be ineffective. I am not a party hack. I have a reputation in South Africa and outside its borders. I was due to visit Cambridge at the end of this month to lecture on the promotion of individual freedom in South Africa, and I have lectured extensively round the world."

He added "We have a difficult situation in South Africa and I

RUSSELL 17/9/85  
EC package

56A

# UK and West Germany express doubts over

LONDON — Britain and West Germany are already expressing doubts about the effectiveness of the EC sanctions package, saying they had accepted them for the sake of European unity.

The 12-nation EC yesterday agreed to a ban on SA steel and iron exports, but dropped a widely expected coal embargo.

The package, which includes a ban on new investment and the import of SA

gold coins, was adopted after a 15-hour session of Foreign Ministers in Brussels, marked by serious divisions and internal wrangling.

The iron and steel ban will come into effect on September 27, but implementation of the other two embargoes — new investment and gold coins — is a matter for national governments and could take much longer.

At a Bonn Press conference after the

JOHN BATTERSBY

Brussels agreement, British PM Margaret Thatcher and West German Chancellor Helmut Kohl expressed doubt that the EC sanctions would have any effect.

"I don't believe sanctions will help bring apartheid to an end. They may, however, bring starvation and poverty to many thousands of black South Africans," Thatcher said.

Both leaders made it clear they had gone along with the limited measures for the sake of EC unity, and not because they believed in them.

The embargo on coal exports was blocked by West German Foreign Minister Hans-Dietrich Genscher on Kohl's instructions. West Germany is the main European recipient of SA coal. The EC pro-sanctions lobby — includ-

## UK and Germany doubtful

the package as "toothless and inadequate" and said it would irrevocably damage the EC's international credibility.

But British Foreign Secretary Sir Geoffrey Howe said the package was "a far clearer signal than it would have been had we failed to agree at all".

Portugal also maintained its opposition to trade sanctions and Belgian Foreign Minister Leo Tindemans opposed the ban on coal.

The effect of the sanctions package will depend on whether the US and Japan follow suit. The US Congress has already endorsed the EC measures in its sanctions bill and Japan is expected to announce a ban on SA steel and iron at the weekend.

Meanwhile, SIMON BARBER reports from Washington that the EC's decision to strike a coal embargo from its list of SA sanctions was greeted with a sigh of relief by the Reagan administration.

US officials had feared a triangulation of policy on SA coal between the EC, Japan and the US Congress that would have ironically been highly damaging to the US's coal industry.

Japan's Ministry of International Trade and Industry had explained it

From Page 1

would not be economical to send its coal carriers halfway round the world to the US if they were not permitted to stop off at Richards Bay on the return journey. Japan would therefore meet its needs from Australia.

In Johannesburg, Chamber of Mines president Peter Gush said he was disappointed by the EC's ban on Krugerrands, but he believed there were other coins to "fill the gap".

SA Foreign Trade Organisation CE Wim Holtes said the gradual confidence building up within the business community and the reform process would give more room for manoeuvre in the international market place.

And in Harare, Commonwealth Secretary-General Sir Shridath Ramphal was quoted as saying Western countries had put "pennies and profit" above human values in their attitude toward economic sanctions against SA.

In an interview with the semi-official Herald newspaper, he said such an attitude would hurt the West's material interests in the long run.

See Page 4

ing Holland, Denmark, Greece and Ireland — have threatened to continue pushing for a coal ban to be included in the package, and at one stage of the Brussels meeting, Holland refused to endorse a package excluding coal.

To Page 2



DD 7/9/86 11 56A

## Sanctions: Kohl, Thatcher cool

BONN — The British Prime Minister, Mrs Margaret Thatcher, and the West German Chancellor, Mr Helmut Kohl, yesterday expressed doubts that European Community sanctions against South Africa would have any effect.

Speaking at a news conference mid-way through their summit meeting in Bonn, the two leaders both made it clear they had agreed to join in the EC measures only for the sake of European unity.

"I don't believe sanctions will help bring apartheid to an end. They may, however, bring starvation, and poverty to many thousands of black South Africans," Mrs Thatcher said.

Mr Kohl adopted an almost identical line. "I have never made any attempt to conceal my scepticism about sanctions but we are part of the Community and that means a duty to work together," he said.

EC foreign ministers meeting in Brussels agreed on a set of limited measures against Pretoria to signal the group's anger with the lack of progress towards

social reform in South Africa.

They covered a bar on new investments and a ban on imports of iron, steel and gold coins.

West Germany and Portugal blocked a bid by other EC states to include a ban on coal.

Britain, current president of EC ministerial meetings, pledged to seek to find a consensus on banning future coal imports during the coming months in a compromise that allowed countries in favour of tougher sanctions to agree to the measures.

The British Foreign Secretary, Sir Geoffrey Howe, current president of the EC Council of Ministers, described the measures as a clear signal to South Africa about the urgency with which the EC saw the need for change.

● Meanwhile coal shares shot up on the Johannesburg Stock Exchange yesterday on news that coal has been excluded from EEC sanctions. — DDC-Sapa-RNS

Reaction P17

... continued

Professor Alan Sorkin, Professor of Economics at the University of International Health at Johns Hopkins University, Baltimore, perceives four major advantages in broadening the base of allocating health care funds.

- Increased manhours by the work force;
- Increased productivity;
- Increased habitability of the land area by overcoming diseases such as malaria; and

● Changes in the attitudes of people to their own destiny (healthy people are less fatalistic, docile, more self-confident).

Sorkin showed there was a close correlation between health care and development, in which the latter could not move without the former. His experiences while working with the World Health Organisation had shown that, while improvement in the general standard of health care was inevitably followed by a short-run population explosion, a

substantial fall in the birth rate invariably followed a drop in the death rate after a lag of 10-15 years.

The question many delegates were asking after digesting evidence produced by Third World health economists like Sorkin was: as a major food exporter with a persistently high rate of malnutrition can SA afford space age hospitals like the new Johannesburg Hospital, put up at a capital cost of R150m (R52 000 per bed) and which will cost R30m-R50m a year to run?

Financial Mail 29/9/78

# Asbestos a menace, expert says

## Labour Reporter

THERE are obvious gaps in South African legislation on the exposure of workers and others to asbestos, according to a recent study on the cancer-causing mineral.

At least 30 000 South Africans are industrially exposed to asbestos, Dr Jonathan Myers writes in *Asbestos and Asbestos-related Diseases*, a working paper published by the Southern Africa Labour and Development Research Unit (Saldru) at the University of Cape Town.

Research indicates there is no safe level of exposure to asbestos fibres, and some industrial countries are moving towards a total ban on handling asbestos.

## NOT UNIFORM

In South Africa, Dr Myers writes, there is no uniform statutory limit to the level of asbestos dust permitted in the air in different sectors of production.

He says: "The less formal "safe levels" are produced within various State departments at the discretion of officials who consult with the employers on the basis of the "best practicable means" of minimising hazards to those exposed. This includes the damage to profits of introducing expensive dust-eliminating machinery.

"There is no uniformity to the levels in the various departments, illustrating the arbitrary nature of these limits from a

strictly health point of view.

Monitoring of fibre levels and the health of people exposed is mostly in the hands of mine and factory owners, with generally infrequent State inspection of this self-monitoring.

Research activities which bridge the gap between exposure and disease are often shrouded in secrecy, and the results of monitoring are not necessarily available to those exposed.

Dr Myers says follow-up health checks on workers are "poor and ill-defined," particularly in the manufacturing sector where there is no obligation on management to remove workers from risk work once they have contracted an asbestos-related disease.

## RECORDS

"Health records are not kept for epidemiological purposes and there are no follow-up examinations after leaving employment. A result of this is that many people seriously damaged by asbestos are lost from sight."

He describes the compensation paid to workers who contract an asbestos-related disease as "derisory" and points to marked disparities in the amounts paid according to race.

"There is considerable scope for tightening up some of these circumstances in which people are exposed to a hazard and pay the consequences of this exposure," he says.

The Argus 4/9/80

# EC foreign ministers formally agree to bans

BRUSSELS — European Community foreign ministers formally endorsed a weakened package of limited economic sanctions against South Africa yesterday, but undertook to consider a ban on coal imports at a later date, EC diplomats said.

The revised package involves a ban on new investment in South Africa, and embargoes on imports of South African gold coins, iron and steel.

The four measures were agreed in principle on Monday but later blocked by the Netherlands, Ireland, and Denmark, which said that without a ban on coal the measures lacked credibility. Such a ban was included in a draft package of sanctions drawn up by the EC summit at The Hague last June.

EC diplomats said the ban on iron and steel imports would apply from September 27, and would take place under an existing EC coal and steel pact.

The details of how to apply the ban on new investment and import of coins would be left to a committee of senior EC diplomats to decide, they

added. Legal problems on application in different member states had threatened to delay agreement.

Britain, current president of EC ministerial meetings, pledged to seek to find a consensus on banning future coal imports during the coming months in a compromise that allowed countries in favour of tougher sanctions to agree the four measures.

A three-month deadline for action on dismantling apartheid given to Pretoria by EC leaders at the Hague summit expires on September 27. The sanctions affect less than \$500 million worth of South African exports to the EC, which total some \$9 billion a year.

West Germany, a leading opponent of economic sanctions as an instrument of foreign policy, insisted the ban on coal imports be dropped on the grounds that it would cost many black workers their jobs.

Portugal urged that coal be left out because such action could result in the return of thousands of former Portuguese workers now employed in South African mines. — Sapa-RNS

From SIMON BARBER  
WASHINGTON — The European Community's decision to strike a coal embargo from its list of SA sanctions was greeted with a sigh of relief by the Reagan administration yesterday.

US officials had feared a triangulation of policy on SA coal between the EC, Japan and the US Congress that would have ironically been highly damaging to America's coal industry.

Japan's Ministry of International Trade and Industry had threatened to stop buying coal from the US if a joint Western ban, which it was ready to join, prevented it from purchasing the fuel from SA.

The US exported \$953 million worth of coal to Japan in 1985, while it imported only \$43 million worth from SA, according to the Commerce Department.

Japan explained that

## Exclusion of coal pleases US officials

it would not be economic to send its coal carriers half way round the world to the US if there were not permitted to top off at Richards Bay on the return journey. Japan would therefore meet its needs from Australia.

Dr Chester Crocker and UN Ambassador Vernon Walters both lobbied hard against the coal ban on their recent swings through Europe. US officials said

● Ian Hobbs reports from London that the South African ambassador to London, Dr Denis Worrall yesterday gave all delegates to the annual conference of Brit-

ain's Social Democratic Party a chance to get "the whole picture" of what is happening in South Africa.

Delegates, who were expected to vote overwhelmingly in favour of applying sanctions against South Africa, were sent an open letter in which Dr Worrall challenged the official party line on the Republic point-by-point.

The open letter included a card delegates could send back to the South African Embassy, to get more information on developments which the ambassador said would be the

"whole... picture." Commentators conceded that, however controversial its claims might be, Dr Worrall's open letter attracted attention and could not be ignored.

The SDP leader, Dr David Owen, a former Labour government Foreign Secretary, dismissed Dr Worrall's initiative as "gatecrashing" propaganda and weak arguments which would be ignored by most delegates.

Dr Worrall argued that the reform programme in South Africa was not the result of international intervention or pressure.

"However, positive international concern and involvement have always been welcomed and have helped this process, this cannot be said of punitive actions," said Dr Worrall's letter.



BUSDAM 17/9/85

SLA

**BRUSSELS** — After finalising their sanctions package at the end of their two-day meeting last night, European Community Foreign Ministers issued the following statement on SA:

- The Foreign Ministers of the Twelve reviewed their policy towards South Africa in the light of decisions adopted at the Hague European Council on 26/27 June. They heard a report from Sir Geoffrey Howe on the mission to the region which he undertook at the request of Heads of State and Government.
- Ministers expressed their grave concern that the situation in South Africa appeared to have entered a new phase of increased tension under the State of Emergency. They shared the widespread anxiety within the Member States over reports of the conditions in which some detainees are being held. They once again condemned the practice of detention without trial. They called for the release of all people so detained under the State of Emergency, which they wished to see brought to an end.
- The Ministers underlined the importance they attached to the strengthening and more effective co-ordination of the positive measures being taken to assist the victims of apartheid both by member States and by the Community itself. They noted that the draft Community Budget for 1987 forwarded to the European Parliament by the Council on 10 September contained an increased provision for the Community programme, with particular emphasis on training.
- Ministers reaffirmed the urgent need for a genuine national dialogue, across lines of colour, politics and religion. They deplored the fact that the South African Government was not yet prepared to take the steps necessary to make this possible. Two steps in particular were identified at The Hague — The unconditional release of Nelson Mandela and other political prisoners; The lifting of the ban on the African National

# EC Foreign Ministers' sanctions statement

Congress, the Pan Africanist Congress of Azania and other political parties.

They undertook to work towards a programme of political action designed to promote the achievement of these objectives.

- In view of the South African Government's failure to respond, and after consultation with other industrialised countries, Ministers decided that the Twelve should now proceed to adopt a package of restrictive measures on the lines envisaged at The Hague. This consists of bans on new investment and on the import of iron, steel and gold coins from South Africa. On implementation, they took an immediate decision to suspend imports of iron and steel in the framework of the ECSC Council with effect from 27 September.
- Ministers also decided to ban the import of gold coins originating in South Africa and new investments in that country, without prejudice to the means of implementation of these measures which will be the subject of further examination by the committee of Permanent Representatives and the Political Committee.
- Most partners were also willing to implement a ban on the import of coal from South Africa if a consensus on this could be achieved. On this question, the Presidency will continue to seek consensus on the basis of the statement made by The Hague European Council. — Sapa-Reuter.

# Reagan acts after European decision

By Michael Morris,  
The Star's Foreign  
News Service

BRUSSELS — Europe has staked its credibility in international affairs on a limited sanctions package which excludes a coal ban and will effectively block only between four and six percent of South Africa's multi-billion-rand European Community export trade.

The iron and steel ban starting in 10 days' time accounts for only R777 million of South Africa's total annual EC exports of R21,9 billion.

The future of the bans on new investment and gold coin exports is now in the hands of Community bureaucrats and will take months to deploy if an agreeable, and legal, way can be found to do so.

But even if gold coin exports to Europe are stopped, they amount to only R260 million, even less than the iron and steel trade.

Lumped together, the gold, iron and steel exports make up just 5,9 percent of total EC exports.

It took the Community's 12 Foreign Ministers about as many hours to retreat from the potentially damaging Hague package and usher in a consid-

erably watered down version as a "a clear signal to Pretoria of what we want to see in South Africa".

● The Star's Washington Bureau reports that President Ronald Reagan sent his most trusted White House troubleshooter to the United States Congress last night to seek a way out of the President's dilemma over anti-South African sanctions.

At the top of the agenda was yesterday's decision by European Foreign Ministers to approve a package of limited sanctions, and the effect this decision could have on the American sanctions drive.

Mr Donald Regan, who is White House chief of staff and President Reagan's top political adviser, attended an hour-long meeting with Republican Senators Richard Lugar and Robert Dole who are urging the President to sign the sanctions Bill approved by both chambers of Congress.

Sources said afterwards the meeting was "constructive but inconclusive" and the men agreed to meet again later this week.

The Bill was sent to the White House on Monday night. The president has 10 working days to mull it over.

● See Page 21.

# Ranchod's post called tokenism

## Dispatch Correspondent

DURBAN — The appointment of a University of Durban-Westville law professor, Professor Bhadra Ranchod, as South African Ambassador Extraordinary to the European Community, has been described by an executive member of the Natal Indian Congress, Dr Frank Meer, as 'tokenism in its most blatant form'.

Dr Meer said the appointment placed Professor Ranchod "firmly on the side of apartheid and oppression".

Professor Ranchod is the first Indian to be ap-

pointed a South African ambassador.

Dr Meer, however, said: "Not even a pliable Indian can sell apartheid or stave off sanctions. Apartheid is unsellable."

He said Professor Ranchod had always been "closer to the government than to the oppressed."

The university's students representative council said in a statement: "Professor Ranchod will be representing the South African Government and its apartheid policy.

"He is therefore con-

doning the state of emergency and all its effects."

Professor Ranchod shrugged off the criticism, saying: "I don't intend getting into any kind of wrangle with anyone."

He said those who criticised him had the right to do so, because he believed in freedom of expression.

But he defended himself by saying: "I have consistently supported human rights in South Africa.

"That's where I have placed all my energies over the years.

"I am not looking for a job, money or status. I feel that in South Africa one is either going to support violence or work towards promoting human rights and getting a dispensation which will lead to a more just society."

He said he regarded his appointment as "a challenge to do the best for South Africa".

Sowetan

ay, September 18, 1986

(SbA)

DEAR Professor Ranchod,

May I add my congratulations to you on your appointment by the National Party to be its man at the EC in Brussels?

I note from your interview on *Netwerk* on SABC-TV, the Nats' mouthpiece, that you believe a lot depends on how a person reacts to criticism.

Not being politically spotless myself, I am not going to sling any mud at you.

But, if I may be so presumptuous, I would like to put to you some questions which I hope you will answer without resorting to diplomatic evasiveness.

In your own words, your appointment was a surprise. Since you are not a career diplomat, your appointment is obviously a political one.

In that case, will you please tell us why the National Party wants you to be its representative when it has pointedly refused to open its membership to people who are not classified white?

Could you explain how you can be good enough to represent the Nat Government yet not be allowed to be a member of the party?

I am not suggesting you lack the ability to be a good diplomat. Having watched you on TV and read some of your writings, I have no doubt you are a person of outstanding intellect.

But if you are not good enough to join a party which, not to put too fine a point on it, appears to be generally lacking in intellect, isn't your posting to Brussels window-dressing?

An ambassador's job is to explain his government's policies and to defend them.

How are you going to explain why your immediate boss, Mr Pik Botha, was slapped down by his party chief, Mr P. W. Botha, for daring to suggest the possibility of a black head of state in South Africa?

Mr P. W. Botha's statements have made it clear that a black person cannot become president. Do you support that view?

If you don't, can you explain why a man such as Nelson Mandela, who clearly has the biggest support of any politician in South Africa, cannot lead this country?

Can you also explain where you stand on the questions of the Group Areas Act and separate education? I ask because the people who have decided you should be their representative in Brussels have repeatedly declared the sanctity of separate racial residential areas and racially segregated schools.

Correct me if I'm wrong, but I think I read somewhere that you needed a permit to move into a house in a white area. If that is so, aren't you still officially a second-class citizen?

Can you defend your employers' declaration of two states of emergency in the past two years? Can you tell us where you stand on the question of detention without trial?

From what I remember of the *Netwerk* interview, I think you claimed that this government was accepting the need for greater civil liberties in that it was moving towards a Bill of Rights.

If that is so, why have the Nats further destroyed those rights through the emergency regulations? Haven't your employers sufficient powers under the Internal Security Act to continue depriving people of their civil liberties?

You also say you are going to represent South Africa to the best of your ability. I have no doubt that you will do your best with your considerable ability, but are you not being a little presumptuous?

I mean, when did the people of South Africa choose you to represent them, to the best or worst of your ability?

## OTHER PEOPLE

# The black man willing to face the flak for Pretoria

BAHDRA RANCHOD, 42, this week became South Africa's youngest Ambassador.

But it was not his age that concerned observers when this prominent law professor was named to represent South Africa in the European Community (EC) headquarters in Brussels.

It was his race.

For Ranchod, classified an Indian, is the first person who is not white to argue South Africa's case at ambassadorial level.

His appointment was carefully timed: it came as EC foreign ministers were meeting in Brussels to draw up a sanctions package against the South African government.

This gave him a taste for the kind of controversy he will have to get used to. Being black is not going to make it much easier for Ranchod to argue the South Africa case; on the contrary, he is likely to find that he will face much more personal acrimony precisely because he is representing a government that will not so much as share a voter's roll with him.

The response was immediate. For example, the Natal Indian Congress, a United Democratic Front affiliate, immediately launched into Ranchod for being "on the side of apartheid".

"Not even a pliable Indian can sell apartheid or stave off sanctions. Apartheid is unsellable," an NIC representative said.

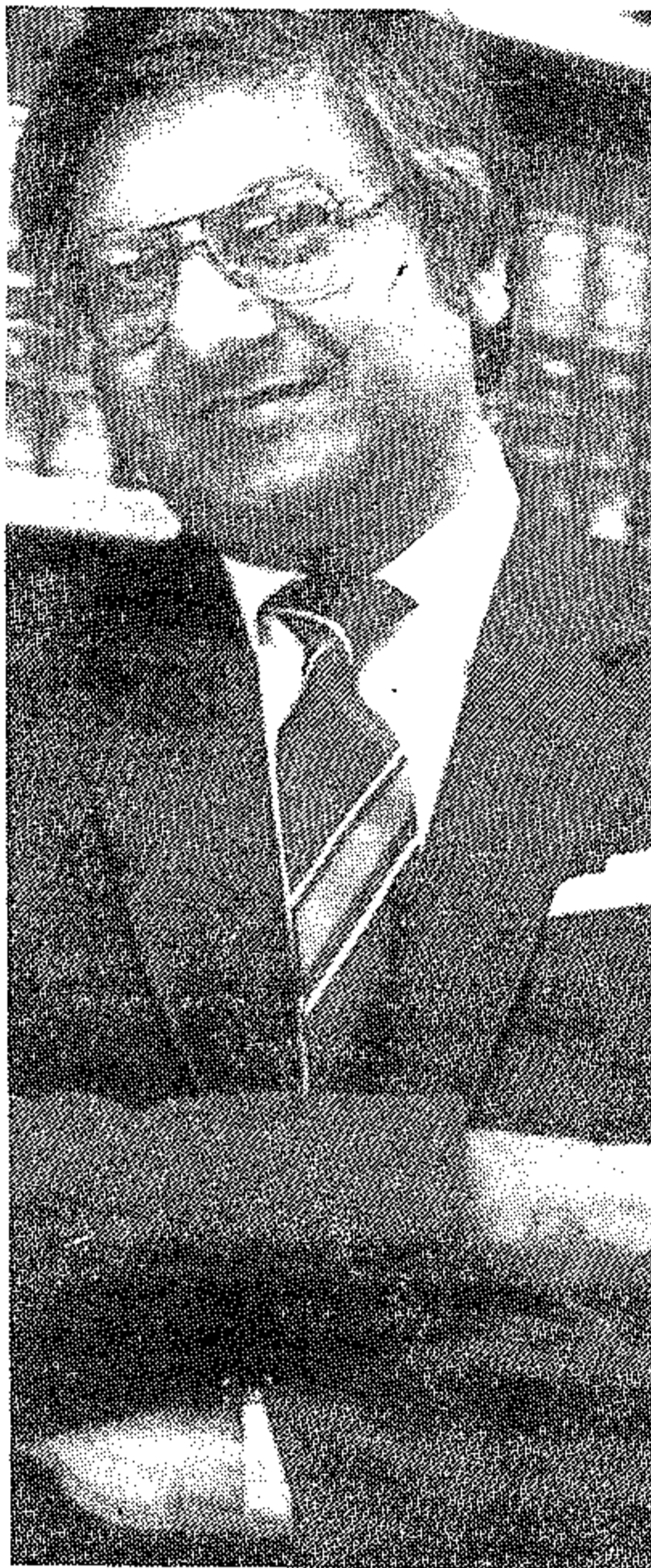
Ranchod, however, is not new to controversy. He has faced criticism often for his frequent SABC interviews, for example. He made headlines recently by applying for permission under the Group Areas Act to buy a house in the white suburb of Westville.

Ranchod said at the time that it was his right to live in the area where he worked.

He is professor of law at the University of Durban-Westville and a leading academic with degrees from the universities of Cape Town, Cambridge in England and Leyden in the Netherlands.

In an interview this week, Ranchod expressed his surprise at the appointment.

Bahdra Ranchod has not even taken up his post as a South African ambassador and he's already under fire. But criticism's something he's well accustomed to



Bahdra Ranchod — SA's youngest ambassador

Picture: CEDRIC NUNN

"I was approached a few months ago and had forgotten all about the offer. On Monday morning, the Foreign Minister's secretary called me and I was told that an announcement would be made at 8 o'clock.

"I pointed out that I am willing to serve the government," he said.

The EC is particularly important to him. "People do not realise how much cooperation there is between the 12

member countries of the EC.

"More and more foreign policy decisions are being taken jointly. Europe is important for us because of its constitutional development. We can learn a lot from them," he said.

Ranchod lashed out at his critics and those who accuse him of being a "token".

"I don't have to be anyone's token or lackey. Why should I allow myself to be used?"

"I have an international reputation. I must have my mind read if I am going to be a token. The post is one of some importance and I don't think it could be filled by a token," he said.

Ranchod, for a long time associated with a campaign for a Bill of Rights in South Africa, has his own reasons for accepting the job. "I'm going to work flat out to make this country one where human rights are available to all. The dye is cast and I can't turn back."

A Bill of Rights remains his immediate goal. "This Bill of Rights must ensure fundamental human rights. I believe in the creation of a South Africa in which all its people can share in the prosperity of the country."

I asked him how he felt about being a person without a full vote and subject to discrimination, yet having to defend the policies that lead to this.

"Apartheid is being dismantled," he said. "Although it should be more rapid.

"I am going into this job with the objective of giving effect to things I believe in. The times are changing and not static. If nothing changes, then I am wasting my time. I am seeking solutions to my objectives and I do feel they are worthwhile things to work towards," he said.

"I have a national and international reputation as a scholar and don't need this job. I was listed in the Who's Who of the World and have addressed international meetings. I have presented papers at several American universities including Harvard and Yale.

"I, as yet, don't know the terms of my job and I don't even know what salary I will be earning," he said.

# An astonishing coup for Thatcher

N/M  
S6A  
19/11

**SOUTH AFRICA is off the sanctions hook — temporarily at least — and the international mood has undergone a qualitative change.**

The emotional tidal wave in favour of sanctions has given way to some introspection and analysis of the likely consequences of sanctions in a situation of already severe black unemployment.

With hindsight British Prime Minister Margaret Thatcher has pulled off one of the most astonishing coups of her career.

Not only has she got South Africa off the hook but she has got herself — and the Tory government — off the hook by passing the unpopular 'collaborating-with-apartheid' buck to unfortunate West German Chancellor Helmut Kohl.

Chancellor Kohl has come out so strongly against sanctions because he was forced to take a stand by Mrs Thatcher's skilful manoeuvring.

He let slip at a joint Press conference with Mrs Thatcher on Tuesday that he was uncomfortable with the role as Europe's chief anti-sanctions spokesman.

## Defensive

He protested defensively that Bonn was only saying out loud what a lot of other people thought. (Only Portugal was prepared to back a general anti-sanctions stand while Belgium offered resistance to the coal embargo.)

Even the most prolific advocates of the conspiracy theory did not suspect what must have been going through Mrs Thatcher's mind when she reluctantly conceded at the Commonwealth mini-summit last month that she would not 'stand in the way of an EC consensus' on The Hague package — a ban on imports of coal, steel, iron, gold coins and new investment.

Mrs Thatcher's Commonwealth offer was universally interpreted as a go-ahead for a coal embargo to which Britain had previously raised the strongest objections.

When she made her cautious offer to the Commonwealth Mrs Thatcher must have known that a combination of domestic politics, pressure from his economics minister and a strong personal anti-sanctions

conviction would ensure Chancellor Kohl blocking a coal embargo.

So the cunning Iron Lady chose her words carefully and decided to let the emotional clamour — which threatened to engulf her at the Commonwealth mini-summit — subside a little.

Using Britain's presidency of the EC to profess neutrality through Foreign Secretary Sir Geoffrey Howe Mrs Thatcher was able to assume a low profile while maintaining her broad anti-sanctions stance.

But Sir Geoffrey and his mandarins went further than neutrality and committed themselves to achieving a consensus on sanctions by the time European foreign ministers met in Brussels this week based on The Hague package.

## Coal agreed

Significantly, Sir Geoffrey told a Press conference in Washington last week that at an informal meeting of EC foreign ministers in Britain two weeks ago the majority had agreed to proceed on the basis of the provisional sanctions agreed at The Hague — including coal.

The French Foreign Minister went further at a briefing at the same time, insisting that agreement had been reached to implement The Hague package.

But there were persistent noises from Bonn that Chancellor Kohl — at odds with his more liberal Foreign Minister Hans-Dietrich Genscher — was not prepared to implement trade sanctions against South Africa.

Mr Genscher, like his British counterpart Sir Geoffrey, although not an advocate of sanctions believed that The Hague package was the minimum

gesture to guarantee EC credibility and unity.

The Foreign Office appeared confident after the informal meeting of EC foreign ministers two weeks ago that The Hague package would remain intact.

Foreign Office officials vigorously deny allegations that Mrs Thatcher had been urging Mr Kohl to stand firm while she professed neutrality on The Hague package.

Yet within hours of the

As the emotion subsided after the Commonwealth conference and the Non-Aligned summit some began to have second thoughts about the wisdom of punitive sanctions.

It is an inescapable conclusion that President Botha's projection of a tough and uncompromising image in the face of sanctions has been instrumental in stemming the tidal wave.

Whereas six months ago

## John Battersby LONDON

Brussels package being agreed on Tuesday Mrs Thatcher and Mr Kohl held a joint Press conference in Bonn to distance themselves from the limited EC measures and reiterate their view that sanctions would not help end apartheid.

But Sir Geoffrey, under fire from the pro-sanctions lobby led by Denmark, Holland and Ireland, undertook to continue striving for a consensus on a coal embargo.

The Times took Sir Geoffrey to task in an editorial this week describing his behaviour in actively encouraging a coal ban as odd.

'If Sir Geoffrey acted on the cynical calculation that he might support the full package in perfect safety since the West Germans were determined to resist any amount of pressure on this issue then he has been proved correct.

... Even though an outright ban on coal imports was avoided, the damaging impression has been given that Britain has weakened its stand when the joint opposition of both Britain and Germany would almost certainly have prevented any future attempt to ratchet up EC sanctions still further,' The Times said.

Whatever the detail of Mrs Thatcher's strategy may have been it worked like a charm.

By maintaining — and even intensifying — her total opposition to general sanctions while grudgingly conceding a package of gestures Mrs Thatcher was able to project the sanctions debate beyond the morally comfortable — but superficial — position of merely being on the 'right side' by backing sanctions.

the outside world believed they had won real leverage with Pretoria through financial pressure and the threat of sanctions, that belief has been now exposed as an illusion.

President Botha's successful manipulation of the external sanctions threat to rally white support and draw dissenting businessmen back into the Carlton/Good Hope laager has deepened doubts about the wisdom of sanctions — in the medium/short-term at least.

The equivocal remarks on sanctions by the Archbishop of Canterbury, Dr Robert Runcie, and Archbishop Desmond Tutu last week reflected the soul-searching that is taking place on the sanctions issue.

## Definition

Mrs Thatcher might not have played her final cards yet. Britain is pushing for a definition of iron and steel that would exclude both iron ore and finished products, leaving only bulk iron and steel in the sanctions net.

Mrs Thatcher has already stopped the import of gold coins and is insisting that the ban on new investment will include neither reinvestment nor portfolio investment — rendering it academic as there is no new investment in the pipeline.

Having broken the domestic impression that Western capitals were beginning to set the Nationalist government's political agenda President Botha is now well placed to proceed with his election and get on with the business of reform.

But will he?

SA  
Sawyer/9/76

# EEC set to act on SA

LONDON — The European Economic Community is bracing itself to impose sanctions against South Africa but a final decision will only be made next week.

This emerged at the informal meeting of the Foreign Ministers of the twelve at Broom's Barn, Hertfordshire, where the sanctions issue took a backseat to international terrorism.

The Ministers strongly condemned both the hijacking of the American airliner at Karachi and the massacre at a synagogue in Istanbul and called for reinforced international co-operation to combat terrorism.

Sir Geoffrey Howe, Britain's Foreign Secretary, emerged from the meeting to deny that they had taken a decision on adopting further sanctions against South Africa.

He emphasised that this would not be decided until September 15 and 16.

Sir Geoffrey said there had been no consensus on further sanctions. The closer governments came to taking decisions, the more they started thinking about the consequences "for themselves, and for those on the ground in South Africa".

## Endorse

However, the indications are that the Foreign Ministers will find it difficult not to ask their governments to endorse the additional measures foreshadowed at the EEC summit in The Hague which included a ban on South African coal, iron and steel imports.

Those measures were adopted only provisionally in the hope that Sir Geoffrey's mission to South Africa on behalf of the EEC in July would be successful.

His failure to persuade President P W Botha to start a dialogue with South Africa's black leaders appears to leave the EEC little choice other than to implement the package.

Sources said the Ministers had concluded that the EEC's credibility was at stake over the sanctions decision.

Their warnings to Pretoria to release Mr Nelson Mandela and other political prisoners, to end the state of emergency and to unban the African National Congress had gone unheeded.

# SANCTIONS

THIS week's sanctions package approved at the European Economic Community (EEC) Foreign Ministers summit in Brussels has once again focused attention on attempts by the international community to pressurise South Africa into changing its apartheid policies.

The package, which includes a ban on the importation of iron, steel and Krugerrands by EEC members, is one of many such measures adopted by various organisations and individual states in the past 13 months.

In the past 11 months alone, the following measures have been adopted:

The Reagan Package of October 1985, which banned:

- Making or approval of any loans to the South African Government or its subsidiaries.
  - Exports of computers, computer software or goods or technology for use by the army, police, prison service, national security agencies, Armscor and its subsidiaries, including the armaments division of the Council for Scientific and Industrial Research, reference bureaux and any "apartheid enforcing agency, bantustans or similar regional and local authorities".
  - Issuing licences for the export to South Africa of goods or technology to be used in nuclear production or which are likely to be used for same.
  - Imports of arms, ammunition or military vehicles from South Africa.
- The Commonwealth Package, August 1986:
- A ban on air links.
  - A ban on all new bank loans.
  - Withdrawal of all consular facilities.
  - A ban on import of uranium, coal, iron and steel.
  - A ban on all agricultural imports.
  - A ban on tourism promotion.
  - A ban on new investments and reinvestments of profits earned in South Africa.
  - Termination of double taxation agreements.
  - Termination of government assistance to investments in and trade with South Africa.
  - A ban on govern-



Sir GEOFFREY Howe... EEC president.



Mr ROBERT Mugabe... NAM chairman.



PRESIDENT Ronald Reagan... approved sanctions.



SENATOR Richard Lugar... US sanctions bill.

## Measures

# adopted by opponents of apartheid

By MATHATHA TSEDU

ment contracts with majority owned South African companies.

- A ban on all government procurement in South Africa.
- Implementing the Gleneagles agreement on sports.

The Non-Aligned Movement Package, September 1986;

- A ban on air and shipping links with South Africa.
- A ban on imports of fruit, vegetables, coal, uranium, iron and steel.

- A ban on further investments in South Africa and government credit guarantees for imports from or exports to South Africa.
- A ban on transfer or technology.

- Stop export, sale or transport of oil or oil products and co-operation with oil industry.

- End all promotion of support for trade with South Africa, including governmental assistance to trade missions.

- A ban on Krugerrands and any other coins minted in South Africa.

- Terminate all academic, cultural, scientific and sports relations as well as relations with individuals, institutions and other bodies endorsing or based on apartheid.

- Suspend or abrogate agreements with South Africa such as agreements on cultural and scientific co-operation.

- Terminate double taxation agreement with South Africa.

- Ban government contracts with companies that have majority South African shareholders.

- Introduction by all Non-Aligned Movement members of legislation to enforce the United Nations decree on the protection of Namibia's natural resources.

The Lugar Bill, August 1986:

- Ban all new investments in South Africa.

- A ban on commercial loans to the private sector.

- A ban on imports of uranium, coal, iron, steel, textile and agricultural products.

- Freeze deposits in United State banks

- A ban on all new investments.

- A ban on bank loans.

- The withdrawal of its ambassador.

- Denmark:

- A ban on new investments.

- A ban on North Sea oil supplies.

- No further long term contracts for South African coal.

- A ban on equipment leasing agreement.

- Severing diplomatic ties with the closure of its consulate general in Johannesburg.

- Cancellation of civil aviation agreements.

- New Zealand:

- Termination of diplomatic relations.

- Brazil:

- The ban on the exports of arms, crude oil and petroleum derivatives.

- A ban on all cultural and sporting contracts.

Canada, Australia, Japan, Sweden, Norway and Finland have also adopted various sanctions against South Africa. To these must be added many African and Third World countries such as Libya, Cuba, Ethiopia, Tanzania and Angola that have refused to have anything to do with South Africa.

The information of the Southern African Economic Development Conference (SAEDC) was also an attempt by the frontline states to lessen their dependence on South Africa and to move towards an eventual severance of all links in the future.

Also, the sporting and cultural boycotts have been adopted world-wide.

held by the South African Government or State owned corporations.

- A ban on air links and imports from companies owned or controlled by Pretoria.

- A ban on the flow of petroleum products to South Africa.

The EEC Package, September 1985:

- The withdrawal of EEC military attaches from South Africa.

- A "rigorously controlled embargo" on imports and exports of arms and paramilitary equipment.

- An end to oil exports.

- A ban on the sale of military equipment.

- A ban on all new collaboration in the nuclear sector.

- The discouraging of scientific and cultural agreements except where these contribute towards the ending of apartheid and have no possible role in supporting it.

- This week's approved ban on the import of steel, iron and Krugerrands.

In addition the following countries have adopted various sanctions individually against South Africa:

France:



SANCTIONS

## Backs to the wall

The compromise deal on sanctions so bitterly thrashed out by the EEC foreign ministers in Brussels provides cold comfort for two of SA's major employers.

It also shows the determination of some Western countries not to be seen to be paying mere lip-service to embargoes on trade (see *Current affairs*).

While some businessmen will take heart from the rearguard fight against coal sanctions — particularly by major trading partner, West Germany, which buys about 2 Mt of South African coal a year — some 150 000 jobs are still on the line.

### Temporary relief

The decision to exclude coal provides a measure of temporary relief for the R5 billion a year industry, which last year exported 44,3 Mt worth some R3,183 billion in foreign exchange.

However, unless the South African government makes some move to meet the West's expectations, opponents of a cut in coal imports will have an even tougher fight when the EEC reviews the position of the fuel six months hence.

The 57,5% of SA's coal exports that go to the EEC are secure only for that period.

Coal exports this year are said to have been cut by about 17%, mainly through unilateral action by France and Denmark.

At the same time, the price has been depressed by the oil glut and pressure from foreign buyers in anticipation of sanctions.

Nevertheless, the Chamber of Mines has warned that sanctions alone, if the threats are fulfilled, will put 40 000 jobs in jeopardy.

And in the metal industry, the Steel and Engineering Industries Federation (Seifsa)

estimates that if sanctions are successfully imposed, around 93 500 jobs — 20% of all employees in these industries — could lose their jobs.

About 47 500 of these jobs are in the basic metal, metal products, machinery and transport equipment sectors, and about 46 000 in ancillary activities.

Seifsa director, Sam van Coller, says the imposition of sanctions is a "serious blow" to the iron and steel sectors.

So far, Iscor is putting on a brave face. Public Relations manager, Piet du Plessis, says retrenchments are not being considered at the moment, and the corporation will continue to search for new markets.

Europe imports about 4 Mt of iron ore worth R100m — 40% of SA's exports — annually. It also imports 300 000 t of steel, about 10% of total exports.

All eyes now turn to the US, where President Ronald Reagan is considering how far to go along with the Sanctions Bill, already agreed on by both houses of Congress.

No doubt, he will take note of the EEC decision, which seems to make it more likely that he will adopt a tougher stance, particularly in a congressional election year.

A coal ban would hit limited exports of 600 000 t a year, but Japan, in importer of more than 7 Mt a year, will probably follow his lead.

Gencor coal CE, Graham Thompson, is "cautiously optimistic" that the full weight of sanctions will not be implemented by the EEC.

He expects that the whole spectrum of sanctions, from the wholly voluntary to the legally binding, will be implemented by various countries.

However, this week's disagreement makes mandatory sanctions across the board less likely.

He says there will not be any immediate impact on the depressed price of South African coal, which is 10% lower than its nearest competitor, as there is an over-abundance on the world market.

### Price fall

The cost of a ton of coal, fob Richards Bay, has declined from \$32 to \$24 in the last year, mainly because of the falling oil price.

The world price would probably climb sharply if SA was knocked out of the market. It currently produces one-third of the world's internationally traded steam coal and this would have to be replaced by more expensive supplies from the US and Australia.

Amcoal MD, Dave Rankin, predicts that the world price could rise by \$10/t if South African exports were curtailed.

That threat alone is probably the best disincentive that we could have against comprehensive sanctions.

SORGHUM BEER

## Break-up brewing

Commercial brewers will not have long to wait for the green light to move in on SA's lucrative sorghum beer industry, worth an estimated R400m a year in sales.

Plans to privatise the breweries, formerly the main revenue source of the now defunct black administration boards, are well advanced. Volkskas Merchant Bank is preparing the offer documents, and MD Jean Brown says he hopes to meet the deadline of going to the market by April next year.

Enabling legislation was due to go through parliament this year, but has been held up. A spokesman for the Sorghum Beer Committee says the delay will make no difference to the privatisation plans, as the legislation is likely to be enacted early next year.

Originally, the plan was to privatise the breweries on a phased basis to allow government to keep a limited equity position and avoid dumping the 14 or so breweries on the market at one time.

Now, however, the thinking is that the breweries, already consolidated into eight separate consortia, should be consolidated further and offered for sale on a tender basis to private sector brewing interests which are keen to get a foothold in the sorghum beer market.

Brown admits the proposals "won't suit everyone" — particularly those who are keen

## BIDDING FOR CASH

Financial publication *Finance Week* is going for a rights issue, ending weeks of speculation on how it would raise capital for marketing and expansion after a tumble in its circulation.

Editor Alan Greenblo says the issue, underwritten by Rand Merchant Bank (RMB), is expected to raise R600 000 — increasing share capital five-fold. The plan, he says, is for RMB to place the new shares "in friendly hands" over a period of time.

Stewart Murray, a founder of the magazine who holds some 16% of the present share capital, will warehouse his shares with RMB and become non-executive

chairman of the company.

Audit Bureau of Circulation figures just released show that the publication's sales in the January-June half-year averaged 13 649 a week, a 7,7% fall on the previous six months and 5,5% below sales in the first half of last year. In May *Finance Week* increased its cover price from R1,12 to R2 an issue, including tax.

The *FM*'s average sale in the first half of this year was 32 106 a week, 2,1% down on the previous six months but 4% up on the figure for the corresponding period last year. During this period, the *FM*'s tax-inclusive cover price increased from R2 to R3.

# Beyers Naude: EC curbs fall short

BONN — The secretary-general of the South African Council of Churches, Dr Beyers Naude, yesterday called European Community (EC) sanctions against Pretoria disappointing and criticised the attitude of the West German Government.

Dr Naude said in a radio interview that tough economic measures were needed to force the white minority government to dismantle apartheid.

"Worldwide and effective sanctions could indeed cause changes in South Africa."

He said the package of limited EC sanctions was disappointing and criticised West Germany for leading the opposition to harsher measures, including a boycott of South African coal imports.

● In Washington, the American President, Mr Ronald Reagan, planned to veto a congressional bill imposing stiff sanctions against South Africa, a White House spokesman, Mr Larry Speakes, said. — Sapa-

(SbA) NIM 23/9/86

# EC ban on S A's steel imports jolts producers

## Mercury Correspondent

JOHANNESBURG—The ban imposed on iron and steel imports from S A, announced first by the European Community (EC) and followed by a similar announcement from Japan, has severely jolted S A's steel producers, even though it has been threatened for some time.

And in spite of the subsequent confusion over how effectively these sanctions decisions will be implemented, they are being taken extremely seriously, according to Iscor spokesman Mr Piet du Plessis.

## Recession

As a result of the prolonged recession in S A, and the depressed domestic demand for its products, steel producers like Iscor have been concentrating their efforts on exports to maintain their viability.

It has been variously estimated that the closure of these two foreign markets could cost the steel industry at least R300m a year and place some 50 000 jobs in jeopardy.

'There seems to be no doubt we are in danger of losing important and very valuable markets,' confesses Mr Du Plessis.

So far, these threats have not been translated into punitive action.

'We are not contemplating shutting down plants and laying off people yet.

Our strategy is to keep the steel plants operating, but it is a difficult situation,' he said.

Iscor is currently increasing its efforts to seek out alternative foreign markets for its products, particularly in the Far East.

The strengthening of the rand on foreign exchange markets is not destined to

help this effort much and, with the sanctions effort looming closer, exporters have started calling on Government to take steps to ensure the rand rate does not strengthen too significantly.

Although the situation remains unclear, the sanctions ban does not extend to iron ores.



Thomas ... when a clan comes together

But his management style, he says, is people orientated and strongly decentralised. "That is the only way to run a group like this — put in good management, agree with them where they are going and then leave them to run their businesses."

Thomas agrees there are substantial common areas between the two groups — Malbak has its Bakke packaging interest, Gencor has Kohler; Malbak has a printing equipment supplier (Photra), Gencor has Haddons; Malbak has an electronics division; Gencor has Tedalex. Also, both groups have engineering operations, but he believes the areas of overlap will not necessarily imply rationalisation as certain of the activities complement each other rather than overlap.

Nevertheless, "there is scope for some sensible movement between the groups, and there may be a case for making some of the businesses bigger."

While acknowledging that it will be a tricky operation, Thomas says the key will be to build up relationships with the people involved, based on trust.

"Once you have that trust relationship, you can work towards a mutual goal, and once that is established management can get on with the job."

Thomas says the team that was built up to handle the new-look Malbak includes most of the original Protea people. The market, meanwhile, will be watching closely for any sign of movement from Gencor's industrial managers, in the light of the management reshuffling that took place at Gencor after the recent appointment of Keys as chairman.

The team of chief executives within the Gencor industrial division includes Kanhym's Donald Masson, Tedalex's Jack Cohen, Kohler's Ian Willis, Blue Circle's Trevor Coulson, Trek's Sarel Steyn, Group Five's Peter Clogg, Ellerine's Eric Ellerine, Standard Brass's Glynn Hobbs, Carlton Paper's Keith Partridge, Haddons' Fritz Waldeck, Conway Johnson's Kobus de Jager, Rocla & Hall Longmore's Ronnie Hobbs and Sandoek-Austral's Pierre de Villiers, as well as management executives Dirk Jacobs and Richard Newby. D & H currently falls directly under Gencor Industries director George Clark.

Former Powertech chief Hugh Brown will become an executive director of Malbak on October 1.

Thomas says while his new task is a challenging one, spending time with his family will remain a high priority. And he adds that golf will also have to rate if he is to maintain his single figure handicap.

But it will rate for sentimental reasons, too.

It was on the golf course while he was unemployed, Thomas recalls, that Keys offered him the job at Malbak. ■

## BHADRA RANCHOD

### More than a token

Neatly shrugging off accusations of tokenism, SA's newly-appointed ambassador to the EEC, Professor Bhadra Ranchod, is already packing his bags for Brussels.

It is inevitable, he says, that in SA's highly charged political climate some would see his appointment in that light.

But while it is clearly a government appointment, he stresses he will be there not to sell the policy but to represent the interests of all of SA's people.

Indicating the pile of congratulatory letters strewn across his desk and the stream of incoming telephone calls from well-wishers — some his old university colleagues of 20 year's standing — he says what is encouraging is that most people are viewing his posting positively.

It might seem something of a contradiction for a man appointed to such a sensitive diplomatic post, yet Ranchod disavows support of government in the party political sense. There is much that is wrong with SA society, he avers, the root of which can be directly traced to government's apartheid policies. Without question, he says, "apartheid has contributed to our conflict."

The problems are real. But for Ranchod they can't be "resolved by force or by substituting white faces for black ones or, like hiccups, taking a deep breath in the hope that they will go away. You have to build the confidence that allows people to co-operate with one another without losing their dignity."

By accepting the appointment, Ranchod clearly hopes to be instrumental in bringing about the more just society he talks of, based on mutual trust and co-operation.

He sees his prime function in Europe as explaining the complexities of the SA situation to the 12-member European community and bringing them up to date on what the escalating violence, the rising unemployment and the breakdown of education in SA means in terms of human rights.

At the same time, he believes the histories of Europe could contain useful lessons for SA. For centuries a battleground, he says Europe has latterly learnt to put aside its differences. Would that the peoples of SA could learn to do the same.

What is indeed a rarity for a person of colour who has suffered equally from the injustices of apartheid, Ranchod remains, surprisingly, a man without rancour. He has somehow managed to elevate himself above the hurtful aspects of South African life and take the larger view.

The most recent occasion on which apartheid touched his life was when he was forced to apply for a permit to live in the white residential area of Westville. His application was still being processed when his appointment came through.

"There have been times," he admits "that things have angered me, that I have felt bitter ... But I don't believe in whimpering. There's a job to do and one's got to get on with it."

For Ranchod the turning point came when government embraced the concept of a Bill of Rights for SA. It is something which has always been close to his heart; he recalls calling for one in his inaugural address at the university some 12 years ago. It was not a popular message at the time.

The heady world of diplomacy might hold some mysteries for Ranchod, but to Europe he's no stranger. He was born in Port Elizabeth, received his LLB at UCT and studied for a number of years at Lieden University in The Netherlands, Queens College, Cambridge and Oslo University. He speaks Afrikaans and Dutch fluently as well as passable French.

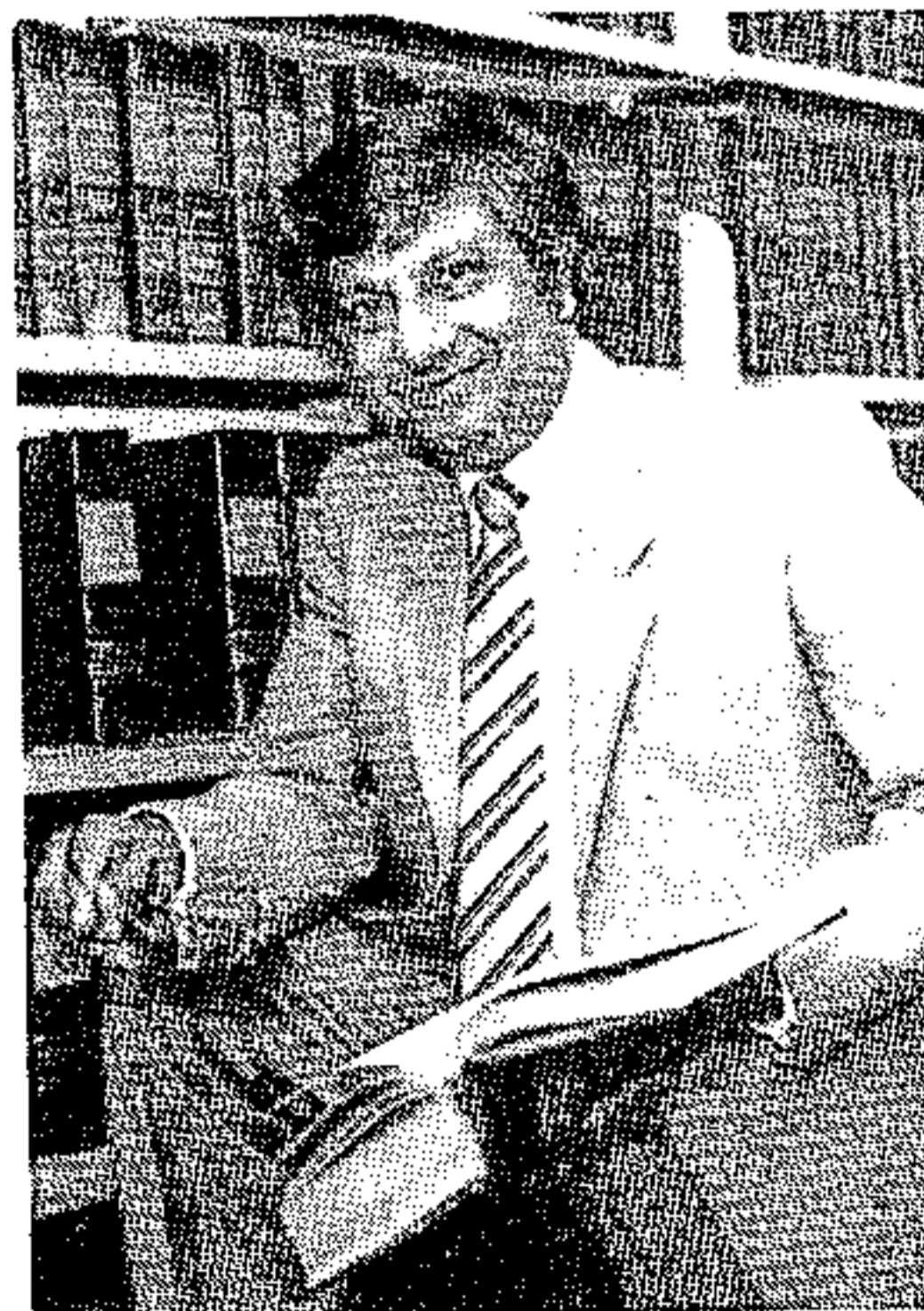
On his return to SA he was admitted to the bar as an advocate, became a senior lecturer at the University of Durban-Westville in 1972, professor two years later and dean of the faculty in 1976.

An indefatigable worker, he is a member of a number of statutory bodies, the SA Law Commission, the board of the SABC, the

Natal Town and Regional Planning Commission and various welfare bodies. The exposure, as well as his fluency in Afrikaans, he concedes, probably helped him in maintaining a high profile.

He's looking forward to returning with his family to his old "stamping grounds" in Europe, although he expects that the ambassadorial protocol and formal conduct that will be required by his new office will take some getting used to.

"No doubt," he smiles, "I'll have to give up crass habits like pouring my own tea." ■



Ranchod ... no apartheid apologist

MARK WINTERTON

## Taking no liberties

It's not often one finds such modesty in a man who's reached the number two spot in a multi-billion rand outfit.

But Mark Winterton (54), recently appointed deputy chief executive at Liberty Life, is nothing if not unassuming. Every bit the courteous Englishman, he is a straight-talker who prefers the nitty-gritty of the job to office politics.

Perhaps it follows that, on his own admission, he has difficulty in delegating. But that's a part of his make-up, at least, which will have to change.

His new post involves both the administration function — his own speciality — and the marketing side (left vacant by the departure of Monty Hilkwitz), so he has little choice but to push responsibility down the line.

He says he was a great admirer of Hilkwitz and was surprised, and a little hurt, when he left. "I would have followed him to the ends of the earth ... but not as far as Australia," he jokes. "I'm staying here!"

"My approach to controlling people is very much low key; I've always taken more pleasure doing the job well than having status." Status for its own sake is not a consideration, he says. "This is one reason why I'm not unhappy to be joint MD with Dorian Wharton-Hood."

Winterton's recent appointment as deputy to chairman Donald Gordon is partly a caretaking exercise until Wharton-Hood joins the Liberty staff at the beginning of next year.

This will follow Liberty's recent acquisition of Prudential Assurance which created an R11 billion life insurer which is now barking at the heels of the two biggest mutuals (FM September 12).

It seems likely that Wharton-Hood will assume the marketing function. This has apparently caused some resentment among Liberty staff who look on marketing as the glamour side which should be for "one of their chaps." The popular perception, as a Liberty man puts it, is that "admin is something you leave for someone else to do."

But Winterton brushes aside any talk of ill-feeling. He has always believed strongly in teamwork and knows the best man for the job when he sees him.

"Wharton-Hood has more experience in the public domain," says Winterton. "And besides, I'm looking forward to retiring in five to six years to pursue all the things I don't have time to do at present." Tinkering with computers will be high on the list.

Admits Winterton: "Certainly in the past I was not too concerned with a public profile, but I know this will have to change now."

Other things will have to change as well. "Until I was in this job," he explains, "I'd have said I might have been more forgiving than Hilkwitz. But now it's different; I would say my attitude has hardened slightly; it has had to, along with the need to delegate a lot more."

Winterton is quiet spoken, frank, and approachable. So much so that he has a reputation

among some staffers for not being hard enough. When decisions have to be made, he looks for consensus, but it is accepted that when the chips are down he "doesn't beat about the bush." He's clearly good at group discussion, totally pragmatic and sometimes seen as a bit of a father figure.

Perhaps this is a reflection of his family life. He has been married for 30 years and has five children "only because we couldn't have six."

He and his wife, Patricia, also fostered three children at different times when in the UK. "But the wrench of parting, when it came, was

too much and we stopped after the third."

Winterton has been with the Liberty group since 1970. He left Guardian Royal Exchange in London after being approached by Gordon who "had a problem." In fact, the company had expanded to a point where an actuary with administration experience was desperately needed, leaving incumbent Alec Tobin free to concentrate on marketing.

Winterton has lived through a number of mergers involving Liberty Life and, as a colleague says: "He is the ideal person in a merger environment, because he's not selfish."

So near to the pinnacle of Liberty Life, Winterton might seem a paradox. Ostensibly a low-profiler, his style would not seem to square entirely with the hurly-burly of Liberty's kind of life. But the fact that he has

survived and advanced, is clearly the mark of the man.

He says he could never envisage working anywhere else. "Donald Gordon has a brilliant mind. He may give you a difficult life at times, but one takes pride in standing up to that." He says the benefits, intellectually and in terms of stimulation, far outweigh any disadvantages.

Though working upwards of 60 hours a week, as well as on Saturday mornings at Liberty, he still squeezes in a somewhat odd-ball hobby for a senior executive — "fiddling with cars" and manufacturing odd things out of glass fibre. It's all a part of his hands-on approach. ■

GRANT THOMAS

## Shaking the bag

Grant Thomas has graduated from the minor league of trouble shooting with top marks. His reward is a crack at the big time and a chance to demonstrate his skills alongside the top guns of South African business.

As head of Malcor, the vehicle into which all Gencor group industrial interests (excluding Sappi) will eventually be placed, Thomas becomes one of the youngest executives in the line-up of top Gencor brass.

But the 43-year-old chartered accountant is undeterred by the size of the task ahead — he will be responsible for deciding which Gencor interests will fit into Malbak and engineer their inclusion in the group via acquisitions.

"It is almost exactly the same job I faced with the merger of Protea and Malbak, except on a vastly bigger scale," he says. He agrees that he may have been set the task as something of a testing ground for the Gencor plan.

Gencor CE Derek Keys was the chairman of Malbak who put Thomas in charge of the Protea/Malbak marriage. Now his appointment as heir apparent to George Clark in charge of Gencor's industrial interests shows clearly that Keys considers the Protea/Malbak merger a job well done.

It took Thomas 17 months to crank the Protea group around from a near seize-up to a smoothly running machine incorporating the assets of Malbak. Latest results of the Protea Group (renamed Malbak, with Malbak now called Malcor), showed a 68% improvement in earnings.

Thomas won't speculate on how long it might take to bed down the new Malcor/Gencor arrangement — he only started on the job last week.



Winterton ... a change of profile

# Bonn resists bid to match US measures

The Star's Foreign News Service

MUNICH — West Germany is resisting domestic pressure to match its sanctions against South Africa with the tougher US measures.

West Germany's Economics Minister, Mr Martin Bangemann, yesterday rejected an opposition demand to consider raising German sanctions to the level approved by the US Congress.

## Union puts off disinvestment

LONDON — A British trade union has voted against immediately selling its shares in at least six companies with South African connections, flouting the disinvestment policies of the Labour Party and the Trades Union Congress.

Stockbrokers told delegates at a conference of the train drivers' union, Aslef, that large-scale, immediate disposal of the shares would seriously undermine the union's finances.

Delegates decided they should be sold over a period, and when better prices could be gained.

Reports published in London pointed out that the Labour Party and the TUC have consistently criticised the Prime Minister, Mrs Margaret Thatcher, for being more concerned about money than sanctions against South Africa. — Sapa.

West Germany agreed reluctantly last month to limited European Community sanctions after leading the successful battle against a coal ban.

Mr Bangemann told the Munich Press Club that he opposed any form of economic sanctions. Even if sanctions against South Africa worked, he said, they would only complicate and further unsettle the situation.

He said he would strongly oppose an attempt by the opposition Social Democrats to put the American sanctions to a vote in the West German parliament.

The Social Democrats plan to table a translated text of the US resolution on sanctions and ask the parliament to back it.

In Bonn, West German president Mr Richard von Weizsaecker has called for a speedy end to apartheid. Speaking at a luncheon for the visiting president of Benin, Mr Mathieu Kerekou, Mr von Weizsaecker said the way must be prepared for a peaceful solution of the conflict.

**FINMAY 10/10/86 EEC INVESTMENT PUZZLE**

56A

As predicted, the European Economic Community's (EEC) ban on new investment in SA is proving difficult to define and implement. At the Brussels meeting of the community's Committee of Permanent Representatives (Coreper) late last month, the national ambassadors of the 12 members failed to make any progress.

As an EEC spokesman told the *FM*: "It is not just a question of deciding what constitutes new investment. We also have to work out whether this is to be done at community or national level. It raises problems of competency and procedures.

"That is because the ban is a matter of political co-operation, rather than simply one of trade — as was the case in iron and steel products. This normally takes place

outside, but parallel to, decisions reached within the EEC in terms of the Treaty of Rome," he said.

The issue has been referred to a special committee which was expected to reach a decision on October 9. It seems probable it will be left to individual member states to define and implement the ban.

An official of the German mission at Berlaymont, the EEC's headquarters, said: "The differences between Germany, Britain and France and other EEC members when it comes to investment are so wide that a unified approach is very difficult. Our approach is to be flexible. The German business and financial community does not like being told how or where to invest."

□ See *Leaders, Economy, Business.*

12/9/88 ~~BU~~ 56A

**JOHN BATTERSBY**

**LONDON** — The European Community (EC) is set to endorse a R4.3bn embargo on SA coal, steel, iron and gold-coin exports.

When foreign ministers meet in Brussels next Monday, the EC is also expected to ban new investment.

Last-ditch efforts by SA's coal and steel industry — including a R200 000 advertising campaign — have failed to sway European governments to change course.

This emerged from remarks by British Foreign Secretary Sir

Geoffrey Howe after talks with US Secretary of State George Shultz in Washington.

When asked what the EC would do next week, the Foreign Office yesterday quoted Howe as saying: "I think the majority view at the meeting we had last weekend was plainly in favour of putting in place those measures on which we have already taken provisional decisions."

The decisions he was referring to were those contained in the declaration issued after the European summit in The Hague in June when the 12 EC nations agreed to consider further measures if Howe's mission to SA failed to secure, within three months, the release of Nelson Mandela and the lifting of the ban on the ANC.

Although resistance from the

## EC approval of embargo on some SA goods on the cards

West German, UK and Portuguese governments prevented the sanctions being adopted in June, Prime Minister Margaret Thatcher's undertaking that the UK would not block a European consensus on the package opened the way for an agreement before the three-month deadline set at The Hague expired.

Sanctions likely to win a two-thirds majority in the US Congress are likely to go considerably farther than the EC package, and include such measures as a ban on air links with SA.



14/10/80  
strategy

# West plans 17-nation conference to work on SA

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SLA  
2/2/87

LONDON — SA's major Western trading partners are planning a 17-nation conference to hammer out a strategy aimed at bringing government and black leaders to the negotiating table by mid-1987.

Details of the two-phase initiative — spearheaded by Bonn and Washington — are still under wraps but the outline of the plan was confirmed by informed diplomatic sources yesterday.

It is expected plans for a first conference — possibly before the end of the

year — will be the main topic on the agenda of a meeting today of the European Community's (EC) Africa working group in Brussels.

The 12 EC nations will be asked "to agree on a joint Western approach to the problem of SA."

The conference will also be attended by the US, Japan, Canada, Australia and New Zealand — the three major Western members of the Commonwealth.

The conference idea is expected to

JOHN BATTERSBY

form the basis of discussions between US Assistant Secretary of State Chester Crocker, due to visit Pretoria in the next 10 days, and Foreign Minister Pk Botha.

That will be followed up with a visit to Pretoria by US Secretary of State George Shultz, delayed because of the Reagan-Gorbachev summit in Iceland.

A proposed meeting between Shultz and ANC president Oliver Tambo was

also delayed.

The new Western initiative is being given priority treatment after the collapse of the US policy of constructive engagement, the scuttling of the Commonwealth mission and the abortive EC mission led by British Foreign Secretary Sir Geoffrey Howe.

The new plan forms the basis of a Western strategy to resist more sanctions and step up pressure — on Pretoria and the ANC — to make compromises.

Conditions laid down in the US sanctions Bill for the lifting of sanctions and requirements for the suspension of vital values by the ANC are considered vital ingredients of the new initiative.

The first conference would appoint a smaller "contact group" to organise a Lancaster House-style conference to which the Frontline states, government

● To Page 2

## West plans conference on strategy for SA

and major black groupings would be invited.

It is intended Nelson Mandela's presence would be a central feature of the second conference.

The idea of a conference involving the Frontline states — but confined to discussing regional economic and security issues — was raised by President P W

Botha after Howe's abortive mission.

A spontaneous positive response by US President Ronald Reagan — who incorrectly interpreted the offer as a forum to discuss the dismantling of apartheid — was later qualified by the US State Department.

● From Page 1

00 15/10/78 (SBH)

# Owen urges tougher sanctions by EC

LISBON — The leader of the British opposition Social Democratic Party (SDP), Dr David Owen, urged the European Community (EC) yesterday to toughen sanctions against South Africa by including a ban on coal imports and direct air links.

The 12 Community states agreed a limited package of economic sanctions against Pretoria last month but stopped short of including a coal embargo because of misgivings by Britain, West Germany and Portugal over the effectiveness of the measures.

"The European Community is in danger of being shown up to be dealing with cosmetics rather than a tough strategy of sanctions," Dr Owen told a news conference at the end of a two-day visit to Portugal for talks with the ruling Portuguese Social Democratic Party (PSD).

Dr Owen, a former foreign minister, said his party believed a ban on direct flights from South Africa and a coal embargo should be included in the Community measures. He noted that the US Congress had already approved a tougher sanc-

tions package than the Community, overriding a veto by President Reagan.

"It is very difficult for Europe to maintain a position that is quite overtly less strong than the US over sanctions," Mr Owen said.

Britain's Conservative Prime Minister, Mrs Margaret Thatcher, has said she is opposed to the principle of economic sanctions.

Dr Owen had talks with Portuguese President Mario Soares and PSD Prime Minister Anibal Cavaco Silva during his visit. — Sapa-RNS

Members are split over ban on SA coal

# EC faces new sanctions battle

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The Star Bureau

LONDON — European foreign ministers meeting here in less than a month will come under renewed pressure to match the trade bans the United States has slapped on Pretoria.

South Africa will by no means be the only subject on their agenda, but it will almost certainly be a prominent one.

Holland, Denmark and Ireland will again try their best — as they promised in Brussels last month — to get a coal ban added to the limited European Community (EC) package, probably using the British argument that collective Western action will be most effective.

## Tough battle

But there could be another tough battle on the question of sanctions because Britain, West Germany and Portugal are showing no signs of giving in, even though they had argued strongly for joint action with Japan and America.

They will continue to insist that the EC measures are intended as a signal, rather than

an economic instrument and that the addition of a coal ban would give the package a destructive edge that would make it counter-productive.

The one-day meeting on November 10 will not focus solely on South Africa, but the Foreign Office acknowledges it will probably feature prominently.

A spokesman added, however: "No move for further action against South Africa is being mooted."

Nonetheless, the American move on sanctions boosts the case for stronger measures by Europe. The kernel of the European argument over sanctions was the proposed coal ban.

Opponents of sanctions saw it as the most potentially damaging of the proposals, and were clearly relieved it was dropped. But it seems they will have to re-deploy their arguments against imposing it once again.

RUSSELL 17/10/85

# Europe to cut power costs with SA coal

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GERARD McCLOSKEY

FUEL COSTS for many major European electricity utilities are likely to tumble over the next 12 months after a contract agreement between Italian power company ENEL and two SA coal suppliers, BP and Gencor. The agreement on 1987 tonnage takes international coal prices to new lows and reflects the extreme pressure on SA coal in world markets, despite the EC decision last month not to ban imports of SA coal.

The new contract price of \$24 a ton, for the SA exporting terminal at Richards Bay, is down from \$27.50 for current deliveries.

Agreement was reached on the eve of the EC Foreign Ministers' sanctions meeting in mid-September in an attempt to blunt sanctions impact on Italian electricity costs. ENEL is the biggest buyer of SA coal in Europe. What made an early agreement crucial for both BP and Gencor was that their sales of 500 000 tons apiece were annually agreed and therefore especially vulnerable to sanctions.

The remainder of the ENEL/SA trade was based on long-term contracts and merely repriced annually. However, all SA's coal trade with Italy will at least have to match these new price levels. Indeed, the price of \$24 may not stick, since it is up to \$4 a ton higher than current spot prices from SA.

Even at these levels, assuming that other suppliers agree to match them, ENEL will wipe nearly \$16m off its fuel costs. Altogether, the company buys 4.5-million tons a year from SA. However, any attempt by the mining houses to establish this new level as a European benchmark for 1987 will be short-lived.

In Spain — like Italy a growth market for coal imports — the state coal importer Carboex has asked for 1987 offers at \$20 a ton.

The squeeze on prices, which has brought barge lots of coal in Rotterdam down from \$39 a year ago to just \$30 last week, resulted from three factors: continuing oversupply, particularly from SA; dropping heavy fuel oil prices; and the gathering resistance to purchases of SA coal.

In the last 12 months, decisions by the French, Danish and, most recently, the US governments not to buy from SA has effectively lopped 10-million tons off steam coal exports (38.5-million in 1985).

The Danes, who purchased 3.5-million tons last year, will cease all trade with SA at the end of November.

A French decree 11 months ago that no contract renewals would be permitted reduced last year's trade of 6.3-million tons by around 5-million tons (although 30 000 tons a week are believed to be coming into France from Belgium).

It is expected that the remaining SA French-bound tonnage will be blocked at the end of this year. Last month's US sanctions decision will see an end to an 800 000 ton annual contract between Gulf Power and the Transvaal Coal Owners' Association.

But, while it may appear that power companies buying from SA have been winners in the cost-cutting stakes, some very low prices are being reported for Australian coal.

Recent deliveries to Denmark have almost all been below US\$32 and, at the end of last week came a report that 500 000 tons of 1987's deliveries to a Danish power company had been agreed below \$30.

To this downward pressure on prices has been added an additional push resulting from a greater availability of Soviet coal and, recently, of coal from the lowest-cost producer of them all, China.

While the buyers will be rubbing their hands with glee at the prospect of yet lower prices, many of the producers will be counting their losses.

## IMPORTS OF SOUTH AFRICAN COAL IN 1985 ('000 tons)

Japan	7 641
France	6 432
Italy	6 376
Denmark	3 454
W Germany	6 432
Spain	2 243
Hong Kong	2 242
Israel	2 167
Belgium/Lux	2 048
S Korea	1 600
Taiwan	979
US	824
Netherlands	819
UK	370
Greece	181
Switzerland	12
Portugal	92
Ireland	70

Source: International Coal Report

# Hands off Mozambique

## Europeans warn Pretoria

The Star Bureau

STAR

(56A)



18/10/76

LONDON — Europe yesterday slammed South Africa over its plans to strike Mozambique by sending its workers home, and strongly urged the South African Government not to consider military action against the former Portuguese colony.

Escalating conflict between the Mozambique National Resistance (MNR) and government forces is causing serious concern in Europe.

In a strong reaction to events and statements in South Africa, the 12 nations of the European Community also "deplored" the decision to declare the UDF an affected organisation.

The EC statement comes as its Africa working group, meeting in London, has been "looking ahead" at the options for future international action on Southern African issues.

It is clear that a chief concern is the

agenda for the next meeting of foreign ministers early in November.

Events in Southern Africa may force them to concede that the measures agreed in Brussels only a month ago were not effective enough.

A new diplomatic initiative is considered unlikely, though the EC did decide in Brussels to pursue other "political initiatives" with the general aim of abolishing apartheid and creating a non-racial government in the country.

The pressure on Europe to match the US sanctions is certain to be strongly resisted by Britain and West Germany.

The Community, however, is unanimous in its condemnation of Pretoria's most recent action against the UDF.

In Lisbon, the MNR rebels said yesterday they had seized a strategic central town used as a military command headquarters, and had inflicted heavy casualties on government troops.

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(SbA) DD 18/10/86

# EEC concerned at talk of war

LONDON — The 12-nation European Economic Community (EEC) warned yesterday against any South African military action against Mozambique.

Britain, as current chairman of the EC, issued a statement expressing "serious concern" at reports that Pretoria was contemplating a military move against Mozambique.

The statement said: "The 12 express their serious concern at the South African Government's announcement of its intention deliberately to stop the employment of Mozambican workers in South Africa and at reports that South Africa might be contemplating military action against Mozambique."

"The 12 strongly urge the South African Government to show full respect for the sovereignty, independence and territorial integrity of their neighbours and to do nothing to worsen relations with those neighbours or add to suffering in Southern Africa."

Meanwhile, the State

President, Mr P. W. Botha, has denied accusations of military action.

Addressing a National Party meeting in Potgietersrus on Thursday, he said South Africa was being accused, once again, by its northern neighbours of preparing for war "but I assure you we are not. We do not seek war."

"But we will do all that is necessary in our opinion to maintain the freedom and independence of South Africa and the integrity of our borders."

"We do it because we seek peace," Mr Botha said.

He acknowledged that the non-aggression pact with President Samora Machel's government was in difficulty but said he hoped the Nkomati Accord would "stand firm".

He had repeatedly said South Africa was striving for peace and friendship between all peoples and nations, he said.

In another development yesterday, the secretary-general of the Organisation of African

Unity (OAU), Mr Ide Oumarou, appealed to African leaders to show "massive and concrete solidarity" with Mozambique in the face of what he termed South Africa's destabilisation moves.

In a message to the 50 OAU member states, Mr Oumarou accused South Africa of trying to exploit the situation in war-torn and drought-stricken Mozambique by "putting more and more pressure and reinforcing its destabilisation manoeuvres" on its Marxist neighbour.

"The case of Mozambique is a test for the African nations in their commitment to form a common front against apartheid... not in condemning but in accepting to collectively pay the price to put down this abhorred system," he said.

Earlier this week, South Africa said that Mozambique, where right-wing rebels have recently intensified their 11-year-old war against the government of President Samora Machel, was on the verge of collapse. — Sapa-AP-RNS

# Europe fears border foray

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London Bureau

LONDON—The 12-nation European Community has issued an urgent appeal to the South African Government not to invade Mozambique.

The dramatic joint protest was issued in London by the British Government which currently holds the EEC presidency.

The 12 express their serious concern at reports that South Africa might be contemplating military action against Mozambique.

'We strongly urge the South African Government to show full respect for the sovereignty, independence and territorial integrity of its neighbours and to do nothing to worsen relations with those neighbours or add to suffering in Mozambique,' the statement said.

The strongly worded protest also rebuked Pretoria for its intention to 'deliberately' deny employment to Mozambican workers in South Africa.

The Mercury's Political Correspondent, Ormande Pollok, reports that Defence Minister Gen Magnus Malan last night dismissed the EEC's charges as 'ludicrous propaganda'.

'Where are the troops?' he asked. 'There are no combat forces stationed in the Eastern Transvaal.'

## Campaign

He said troops had been based for about two years in the North Eastern Transvaal as part of a campaign to prevent illegal immigrants crossing from Mozambique.

'But there has been no intensification of troop deployment in the area recently.'

Gen Malan also referred to the speech by President Botha in Potgietersrus on Thursday where he had said South Africa was not planning any form of aggression against Mozambique and that the country wanted only to live in peace with its neighbours.

Sapa-Reuter reported from Lisbon last night that Mozambican rebel spokesmen there said they had seized the key garrison town of Vila Machado, killing 85 government and Zimbabwean troops in heavy fighting.

The same day a 75-wagon train taking grain and food from Zimbabwe to Beira was ambushed and set on fire after the produce was distributed to local people, it said.

# Europe will snub Savimbi

56A

20/10/78 The Star Bureau

LONDON — European supporters of Dr Jonas Savimbi appear to have failed to arrange any significant meetings for the Unita leader during his visit to Europe.

A strong diplomatic offensive was mounted on his behalf, but although Dr Savimbi received American support and a welcome from President Reagan earlier this year, no European leaders seem prepared to recognise him.

Dr Savimbi is scheduled to address members of the European Parliament in Strasbourg on Wednesday as guest of three right-wing members. He will then visit London, Paris and Bonn in an attempt to win European support for his proposal for talks between Unita and the MPLA government with a view to forming a coalition government in Angola.



# EC 'not planning more sanctions'

SBA 280 NIM 22/10/88

STRASBOURG—A high-ranking British official said yesterday the European Community had no plans to toughen economic sanctions against the South African Government.

Britain's State Minister at the Foreign Office, Mrs Linda Chalker, said the 12-nation trade group remained 'totally committed to the abolition of apartheid' in South Africa but added that 'general economic sanctions are not going to bring about the change we all want'.

The EC agreed last September on limited mea-

sures to curtail European investments in South Africa and ban the imports of South African iron, steel and gold coins. It also agreed on 'positive measures' to assist the victims of apartheid.

Mrs Chalker made her remarks in a speech before the European Parliament during a debate on the Community's response to the South African apartheid policy.

In the debate, the socialist and communist deputies appealed to the EC to align its sanctions with a tougher package of measures approved by the United States

Congress earlier this month.

Mrs Chalker told the Parliament the EC is 'committed to promoting a peaceful solution through an internal dialogue' within South Africa. The Pretoria Government, she said, 'must negotiate with the acknowledged leaders of the black community.'

But, rather than imposing further economic sanctions, she said, the EC should support what she called 'fresh practical measures' to bring the parties to the negotiation table. — (Sapa-AP)

23/10/86

SbA 2/14

The N

## ***Plan to help neighbouring states be less dependent on S A***

BRUSSELS—Donors from Western Europe, the U S and at least one East bloc country gather in Brussels this week to consider funding a project to make neighbouring states less dependent on South Africa, a European Community spokesman said yesterday.

Southern African states will be seeking financial backing for a \$185 million (about R411 million) project to improve the facilities of the Beira Corridor linking the region's landlocked areas to the port of Beira in Mozambique.

Potential donor governments will meet today and Friday with the six countries involved in the road, rail, oil pipeline and telecommunications project — Zaire, Zambia, Botswana, Zimbabwe, Mozambique and Malawi.

Other African states co-sponsoring the project will also attend.

The link to Beira on the Indian Ocean had until recently been under constant threat from South African-backed Mozambican guerillas fighting the marxist Government of President Samora Machel, who died in an air crash on Sunday.

The EC spokesman said, in addition to the U S, EC states, Norway, Sweden, Finland, the World Bank and East Germany had accepted an invitation to attend.

The Soviet Union had also been invited.

The corridor would reduce dependence on Pretoria of southern African countries such as Zimbabwe, which sees 90% of its trade passing through South Africa at present. — (Sapa-Reuter)

# Europe determined to have SA coal ban

Weekend Argus  
Foreign Service

LONDON. — A new assault on South Africa's R2,3-bil-

lion coal trade with Europe is imminent.

The European Community's 12 Foreign Ministers are meet-

ing in Luxembourg on Monday and Tuesday for the first time since agreeing in Brussels a little more than a month ago on bans on South African exports of gold coins, iron, steel and new investment.

West Germany and Portugal headed off a coal ban then, but Holland and Denmark emerged from the tough, protracted meeting promising to push for the ban at every opportunity.

They now feel their case is stronger, with the recently-imposed US measures — which, significantly, include a coal ban — in their favour.

The Dutch Foreign Ministry has confirmed that Foreign Minister Mr Hans van den Broek will make an attempt on Monday for a coal ban to be added to the European package.

## Consensus

A spokesman said: "Our position remains unchanged. That is, that the EC package would be meaningful only if it included a ban on coal exports."

The Foreign Office in London yesterday said that Britain would not object to including the ban as long as there was consensus among the 12.

West Germany, though, remains rigidly opposed to it. The German Foreign Minister, Mr Hans Dietrich-Genscher, is undoubtedly under greater pressure this time, following the approval of the US measures.

Britain, holding the presidency of the EC, undertook in Brussels to "continue to seek consensus" on a coal ban, and will probably find itself again caught between opposing sides which are reluctant to compromise.

The question of a coal ban may, in fact, be subordinate to a wider debate on Southern Africa in general.

N/4 27/10/86 (SBA)

The

# Britain to bid for EC support

**BRUSSELS**—Britain's bid for allied backing in its row with Syria over alleged involvement in terrorism was likely to dominate today's meeting of European Community (EC) foreign ministers in Luxembourg, Community diplomats said yesterday.

They said a marked reluctance to see a complete break of diplomatic ties with a state that held the key to Middle East developments was already evident among some states.

But the attitudes of Britain's 11 partners would not become clear until after the talks.

British Foreign Secretary Sir Geoffrey Howe, current president of the Community's Council of Ministers, has already given notice that he will seek at least diplomatic support from his partners after London's decision to sever links with Damascus.

### Attitude

The diplomats said political questions, including relations with Syria, were due to be discussed at a working lunch at the day-long meeting, which is mainly concerned with the increasing trade tensions with the United States and Japan.

Senior officials from the 12 foreign ministries will meet separately this morning to try to work out a common attitude to Syria after a London court implicated its embassy in an attempt to blow up an Israeli airliner last April.

They will then report to the ministers on the court case in which Jordanian Nezar Hindawi was found guilty of trying to smuggle a time bomb on to an Israeli plane, using his pregnant Irish girlfriend as an unwitting courier.

The diplomats said the EC had so far maintained close ties with Syria because of its indispensable role in any peace efforts in the Middle East, a region of primary political and economic interest for Mediterranean states France, Italy and Greece.

France has also been using Syrian offices in seeking the release of seven French hostages still held in Lebanon.

In Damascus, Syria yesterday stepped up a diplomatic offensive against Britain, telling non-aligned envoys that London's decision to cut ties with Damascus was aimed at supporting Israel.

Syria's two main Middle Eastern allies, Libya and Iran, backed Damascus, and Kuwait expressed regrets.

Arab Press comments were generally sympathetic to Syria.

In a show of support for Britain, the US ambassador, Mr William Eagleton, and Canadian ambassador Jacques Noiseux left Damascus yesterday.

Mr Eagleton has been withdrawn. Mr Noiseux was recalled to Ottawa for consultations.

### Measures

Syrian newspapers said the British decision was part of a Zionist plan sponsored by Washington.

Arab masses 'will not stand indifferent before this British-Israeli-American... aggressive alliance', the Government daily, Tishrin, said.

Al-Baath, newspaper of the ruling Arab Baath Socialist Party, said Syria was 'strong and capable of responding to any measure taken against it with

harder and more severe measures'

In Kuwait, the Minister of State for Cabinet Affairs, Mr Rashid al-Rashid, said after a weekly Cabinet meeting: 'Kuwait regrets the negative development between Syria and Britain.'

The Kuwaiti Government, he said, was 'discontent' over Israeli efforts to harm good relations which the Arab world wished to maintain with Western countries. — (Sapa-Reuter)

# EC sinks \$40m into Beira line scheme

56A 2/10/86 2/10/86  
Own Correspondent

**LONDON** — An ambitious project to break SA's economic stranglehold on the Frontline states received the European Community's blessing last week and a \$40m send-off.

The money is to start the ball rolling on the Beira Corridor scheme to upgrade the road, rail and port infrastructure linking Zimbabwe to the Indian Ocean through the Mozambican port of Beira. The aim is to divert through Mozambique much of the trade going to the states via SA.

It is the first firm token of support from the EC for Mozambique since the plane-crash death of President Samora Machel last week.

The scheme is the brainchild of Mozambique's Transport Minister Alcantra Santos, who also died in the crash. It has been given a further push by SA's recent attempts to hold up traffic to and from Zimbabwe and Zambia.

About \$185m is needed if the project is to go ahead. Potential donors, including EC countries, the Nordic states, the US, the Soviet Union and Eastern Europeans met in Brussels last Thursday and Friday to discuss funding for the scheme. Santos was to have attended.

The EC contribution will come out of the \$1bn earmarked from the Lome Convention for assistance to the Frontline states and will probably be topped up by separate donations from individual EC states.

An EC Commission spokesman described the meeting as "vital for the future of the region". He said the community would be providing further aid for transport improvements in Angola and Malawi in the near future.

BOPHUTHATSWANA : 19

*SAM 28/1/86*

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**EC close  
to decision  
on limited  
sanctions**

The Star's Foreign  
News Service

**LUXEMBOURG — European  
Community Foreign Ministers  
are said to be close to agree-  
ment on the implementation of  
limited sanctions against South  
Africa.**

Reports suggest a compro-  
mise has been reached in which  
the Community will take joint  
measures against the Republic.

But the sanctions proposed  
will apparently not be as severe  
as some nations — the Dutch  
especially — wanted.

**TOUGH ACTION**

Because of protracted discus-  
sions on Britain's call for tough  
action against Syria following  
the El Al bomb plot, not much  
time was given over to South  
Africa.

It is understood that the  
meeting was adjourned late last  
night and will be resumed  
today.

There is speculation that the  
sanctions will include a ban on  
new investment in South Africa  
and the cessation of imports of  
Krugerrands.

But a Dutch call for a total  
ban on the importation of South  
African coal is said to have been  
rejected out of hand by both  
West Germany and Britain.

# Sanctions bid likely to fail



● HOWE

Own Correspondent

28/10/86. S6A BUDAM

LONDON — A bid by Holland and Denmark to tighten European sanctions against SA is likely to fail on several counts today.

West Germany has indicated it will strongly resist the move — the existing EC sanctions package has not yet been fully implemented — and the Anglo-Syrian crisis is likely to overshadow the SA issue.

Before a meeting of EC Foreign Ministers in Luxembourg began yesterday, Dutch and Danish officials said they would make a new effort to include a ban on coal imports in the sanctions package adopted in Brussels last month.

But the crisis in British relations with Syria — over court disclosures that the Syrian Embassy in London was used as a terrorist base — should overshadow the SA issue.

Ironically, British Foreign Secretary Sir Geoffrey Howe will be trying to persuade his 11 European counterparts to adopt a package of economic and diplomatic sanctions against Syria.

And British government sources said the SA sanctions issue was not likely to be discussed.

It is anticipated, however, the EC will briefly discuss developments in Mozambique since the death of President Samora Machel.

West German Chancellor Helmut Kohl is strongly opposed to strengthening sanctions against SA and is promoting the idea of a conference of Western nations to co-ordinate a new diplomatic initiative on SA.

It also emerged yesterday that the EC is still in deadlock over implementation of vital aspects of the Brussels sanctions package.

They have yet to resolve their differences over the means of implementation of the ban on new investment and the boycott of SA gold coins.

Britain and France are fiercely resisting moves by Belgium, Holland, Denmark and West Germany to have the sanctions implemented on a community basis.

Britain and France's resistance is based on their opposition to the principle that Brussels — as the permanent seat of the EC headquarters — should be allowed to supervise essentially political sanctions.

# EC sanctions 'are unlikely to include air links'

SPR  
56A  
29/10/86

By Zenaide Vendeiro, Transport Reporter

It was unlikely that air links would be included in future anti-South African sanctions imposed by the European Community, Mr Gerhard Kemper, Lufthansa's manager for Southern Africa, said in Johannesburg yesterday.

"The EC voted for a limited sanctions package in September but aviation was not mentioned. It is unlikely this will happen in the future."

Mr Kemper said Lufthansa had no intention of withdrawing from the South African market. Nor had it formulated contingency plans in the event of further measures against South Africa.

It was, for example, not considering Gaborone as an alternative destination in Southern Africa.

"We have looked at the Botswana market but it does not justify landing a Boeing there."

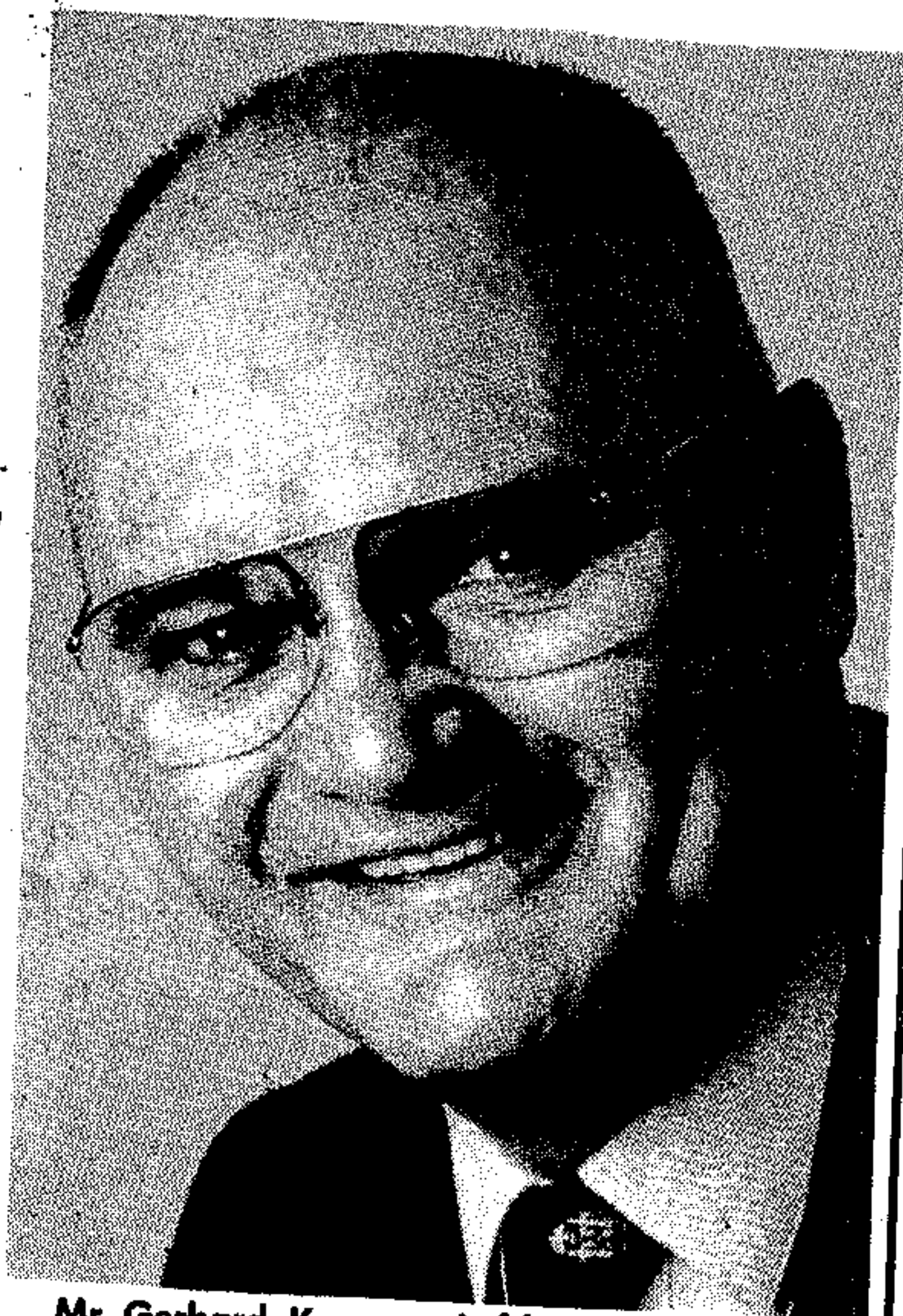
## POSITION IN MARKET

Lufthansa is the second largest foreign airline operating to South Africa in the passenger market (after British Airways) and the largest in the cargo market.

"Our policy is that we fly where there is a market, where there is a demand by people and for cargo, regardless of politics."

If Lufthansa were to stop flying to all countries with domestic policies of which the airline did not approve, it would have to give up two-thirds of its routes, said Mr Kemper.

Mr Kemper said the chairman of Lufthansa's



Mr Gerhard Kemper, Lufthansa's manager in southern Africa.

executive board, Mr Heinz Ruhnau, had stated clearly the airline's position on sanctions.

"He said that anyone using aviation as a weapon in political disputes endangered the freedom of movement. Sanctions did not help those fighting for their rights."

Lufthansa had two important legs in the local market, Mr Kemper added. One was the large German community in South Africa and the other was that Germany was a major trading partner.

"Germany is number two as far as imports to South Africa are concerned and number five in exports," Mr Kemper said.



# Door left open to investment

JOHANNESBURG — The European Economic Community's (EEC) ban on new investment in South Africa, on which final agreement was reached this week, is unlikely to affect European investment in the Johannesburg Stock Exchange.

Although details are only expected to be made public next month, a source in the British Department of Trade and Industry said that portfolio investment — investment in stocks and shares — was likely to be excluded from the ban.

"The only share investments that may be banned are those in which the shareholders take an active part in the management of the company," he said. Most foreign holders of shares, however, do not take an active part in the management of South African companies and this qualification will have little practical effect.

Furthermore, this exemption leaves the door open for future European investment in SA through the JSE. One economist said the exemption showed how ineffective the new ban was.

A ban on imports of SA iron and steel became ef-

fective last month. At the time the EEC agreed to ban SA gold coins and new investments but has only now worked out a method of implementation.

Details will be released in the EEC's official journal and the prohibitions become effective from the date of publication, within the next month.

The ban on SA gold coins will be implemented under EEC law and applies to all SA coins minted since 1961.

However, the investment ban was imposed by a decision of individual member states meeting in council, effectively making the individual states responsible for its enforcement. Commentators suggest that this may result in the new investment ban not being fully implemented by some.

Agreement on the investment ban was held up by West Germany's insistence that it be implemented under EEC law. However, diplomats say that West Germany backed down at the last minute for fear of allegations that they were delaying the implementation of the ban. — Sapa-RNS

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# EC urged to adopt harsher sanctions

BRUSSELS — Senior representa-  
tives of the Non-Aligned Movement  
yesterday urged the European  
Community Commission to back  
tougher EC sanctions against SA,  
African diplomats said.

Ministers and ambassadors from  
eight nations called on the Com-  
mission to put pressure on member  
states to adopt harder-hitting eco-  
nomic measures than those includ-  
ed in a limited sanctions package  
approved by EC Ministers last  
month.

The EC has banned new EC in-  
vestments in SA, as well as the  
import of SA gold coins, iron and  
steel, but these measures fall far  
short of those called for by the Non-  
Aligned group.

Foreign Ministers and other en-  
voys from Zimbabwe, Algeria,  
India, Nigeria, Congo, Peru, Argen-  
tina and Yugoslavia want the EC to  
go ahead with its June agreement  
to include a ban on coal imports,  
worth \$1.2bn a year, compared  
with the present package worth  
only \$500m.

Meanwhile, US students protest-  
ing in Baltimore against invest-  
ment in SA by John Hopkins Uni-  
versity remained camped in an  
administration building yesterday,  
seeking a meeting with the univer-  
sity's president.

Patrick Bond, a member of the  
Coalition for a Free South Africa,  
said the students would remain  
"for an indefinite period until the  
Coalition receives adequate re-  
sponse from university officials".

The protest followed Monday's  
meeting of the university's board of  
trustees, which rejected large-  
scale divestment. — Sapa-Reuter.

56A

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● Reports: Sapa-Reuter

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# Shop stewards can't testify to Euro MPs

SIX shop stewards due to testify in European Economic Community (EEC) hearings in Brussels next week into the South African employment practices of two foreign companies have been refused passports.

The six, BTR-Sarmcol shop stewards, are members of the Metal and Allied Workers Union (Mawu).

Meanwhile, the Industrial Court in Pietermaritzburg next week will hear an application by Mawu demanding that BTR-Sarmcol — a Howick rubber plant — recognise the union as its bargaining representative.

The Brussels hearings have been arranged by socialist members of the European parliament to investigate alleged contraventions of the EEC employment code by both BTR-Sarmcol and Transvaal Alloys, a German-owned vanadium mine north of Middelburg.

More than 200 Transvaal Alloys workers were summarily dismissed in

WEEKLY MAIL REPORTERS

November, 1983 after a strike demanding a wage increase, better working conditions and union recognition. Mawu lawyers have continued to negotiate for their reinstatement and compensation for their period of unemployment. According to Mawu, most of the dismissed workers can only survive by eating bitter roots found in the hills of Sekhukhuneland; five of the 200 have died of ailments exacerbated by starvation.

About 1 000 BTR-Sarmcol workers were fired in May last year after a strike for union recognition. They have protested against their dismissal through a widely-supported stayaway and consumer boycott.

The case is expected to be protracted; it has been made even more controversial by Sarmcol's

hiring 800 new workers.

In papers before the court, Mawu claims the strike declared on May 1 last year after negotiations had failed was legal — workers had unanimously voted in favour of strike action — and that Sarmcol had contravened the Industrial Act

Sarmcol, on the other hand, alleges management had in fact recognised the union and that only a "limited number of issues" had not been settled. They labelled the strike action as "unnecessary, unjustifiable and calculated to disrupt negotiations".

In a strongly-worded statement, Mawu claims Mpophomeni township, where nearly 40 percent of the strikers live, has been effectively destroyed by the company. "There is no income being brought into the township and the population of 17 000 for whom there are virtually no job opportunities are condemned to gradual starvation and death."

you are so important

# Nam urges tougher sanctions

SA

3/1/87

SENIOR representatives of the Non-Aligned Movement (Nam) have urged the European Community (EC) executive commission to back tougher EC sanctions against South Africa, African diplomats said.

Ministers and ambassadors from eight nations called on the commission to put pressure on member states to adopt harder-hitting economic measures than those approved by EC ministers last month.

The community has banned new EC investments in South Africa, as well as the import of South African gold coins, iron and steel, but these measures fall far short of those called for by the non-aligned group, diplomats say.

Foreign ministers from Zimbabwe, Algeria, India, Nigeria, Congo, Peru, Argentina and Yugoslavia want a ban on coal imports, worth an annual 1,2 billion dollars (R3 billion), compared with the present package worth only 500 million dollars (R1 250 million) — Sapa.

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# Inquiry next week on sacking of strikers

31/10/88  
51A

The parliament of the European Community (EC) and a Maritzburg industrial court next week both start investigations into the dismissal of almost 1 000 workers from the BTR-Sarmcol rubber industry.

BTR-Sarmcol is a British multinational and the EC inquiry will be aimed at determining whether the company breached the EC code of conduct when it fired the striking workers.

The industrial court hearing in Maritzburg was launched by the Metal and Allied Workers' Union (Mawu).

Mawu will ask the court to reinstate the workers and to require BTR-Sarmcol to recognise the union as the collective bargaining representative of workers at its Howick plant.

The workers went on strike on May 1 last year after a conciliation board failed to solve the dispute over the company's refusal to recognise Mawu.

Mawu claims that the strike action was legal and entirely orderly.

The workers have been unemployed ever since.

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# Details of UK voluntary sanctions

31/10/86  
BUS DAY  
5/17

LONDON — Further details of Britain's "voluntary" agreements with European Community partners against SA tourism and new investment were announced yesterday.

David Trippier, Employment Minister responsible for Tourism, said the British government was seeking the co-operation of all people involved in tourism.

He said they were being asked to stop promoting SA as a tourist des-

Own Correspondent

ination. But he stressed that those people who decide to visit SA "for whatever reason" should not be prevented from doing so.

He appealed to those involved in the travel business — travel agents, tour operators and carriers — not to promote SA as a tourist destination, and to the media to refrain from carrying advertisements or other material which pro-

moted SA.

Trade Secretary Paul Channon said the ban on new investment meant there should be no new acquisitions of share and loan capital of SA companies.

There was also a ban on loans and capital injections through inter-company and branch-head office accounts.

Financial transactions and bank lending in support of normal trading activity were not included.

## AIRLINE MOVEMENTS

FIMM (56A) 3/11/86

BEIRA CORRIDOR

**The (war) game is on**

In a further step towards reducing Frontline state dependence on the South African transport system, an international donors' conference organised by the European Economic Community last week raised a total of US\$180m. According to the Beira Corridor Authority, this is some 90% of the targeted \$200m needed for the next three years.

The Beira Corridor Programme involves rehabilitating road, rail, oil pipeline links and port facilities.

At present, the line to Beira from the Zimbabwe border town of Mutare can handle only two trains a day — one in each direction. Because of the security situation, the trains run only in daylight and further attacks on the rail link by the MNR seem probable. The National Railways of Zimbabwe says it is moving some 10 000 t of export traffic a day, of which about 70% are Zimbabwean exports and the balance from other Southern African Development Co-ordination Council (SADCC) states. When rehabilitation is complete, it should be possible to move almost all Zimbabwe's export and import traffic through Beira — that is about 1,8 Mt of exports and about 1,2 Mt of imports annually.

There is also the poor state of the port of Beira itself, which observers say is in no position to handle the required 3 Mt-4 Mt of traffic annually. If all Zimbabwean traffic were to go through Beira, then other SADCC states would be left out in the cold to some extent.

Another snag is the fact that the port does not have facilities to handle bulk volume traffic like maize, sugar, steel, ferrochrome and cotton. This bulk traffic accounts for some 0,9 Mt a year and if it cannot be moved because of inadequate port capacity, the SADCC states in general and Zimbabwe in particular will continue to rely on SA.

The major imponderable concerns the security position. As one Western diplomat puts it: "Can you imagine SA and MNR allowing the Frontline states to escape through the Beira corridor?" What this means is a further military commitment by Zimbabwe or other African states to protect the line. At the weekend, Zimbabwe Premier Robert Mugabe went some way towards offering such assistance: "We will never, ever, allow MNR to take over Mozambique," he told cheering supporters in Harare. ■

# Tougher sanctions

211176  
CITY (1/5) (S6A)

SENIOR representatives of the Non-Aligned Movement this week urged the European Community executive commission to back tougher EC sanctions against SA, African diplomats said.

Ministers and ambassadors from eight nations called on the commission to put pressure on member states to adopt harder-hitting economic measures than those included in a limited sanctions package approved by EC ministers

last month.

The community has banned new EC investments in SA, as well as the importing of SA gold coins, iron and steel, but these measures fall far short of those called for by the non-aligned group, diplomats say.

The non-aligned group will meet French officials in Paris before meeting British Foreign Secretary and president of the EC Council of Ministers Sir Geoffrey Howe in London. - Sapa.



# Fruit men vow to keep up the exports

By SYBRAND MOSTERT  
WESTERN CAPE fruit farmers have thrown down the gauntlet to the European Economic Community (EEC) and vowed to fight any future sanctions moves.

"They want our fruit overseas — and we will send it," said a leading Ceres farmer, who asked not to be identified.

His vow came in the wake of a series of meetings over the past month in the Boland of worried farmers who face the prospect of losing their livelihood if US and Scandinavian fruit sanctions are also imposed by EEC countries.

## Optimistic

They were told by Mr Louis Kriel, director of the Deciduous Fruit Board (DFB), in Stellenbosch that if the EEC banned South African fruit from European markets the results would be "catastrophic".

Farmers have vowed to resort to "cloak and dagger" operations to protect their livelihood and farms.

According to the DFB, more than 1,25-million people in the Cape are dependent on the R600-million genera-

ted by the fruit trade, and the EEC countries receive 85 percent of all Western Cape fruit exports.

DFB officials told farmers that they had spent several weeks in Europe lobbying against sanctions, a move which they believed had had paid off — and that they were "quietly optimistic" that the sanctions package against South African fruit had been staved off.

"We are worried as we face a rather uncertain future," one farmer said.

"We have spent a lifetime developing farms for the overseas market. We have also put our houses in order in looking after our workers.

"We can only hope and pray that sanctions will not become a reality — but if they do, we will react with a dynamic marketing policy."

7/11/86. STAR

# Foreign Ministers meet on Monday



# European Community unlikely to agree on banning SA coal



The Star Bureau

**LONDON — A Europe-wide ban on South Africa's annual R2,3 billion coal exports is unlikely in the near future.**

It is still very much on the agenda for the European Community's Foreign Ministers' meeting in London on Monday but, while West Germany remains rigidly opposed to it, there is no chance of the ban being imposed.

Sanctions are on the agenda for next week's meeting but, among other things, Syrian involvement in terrorism and Eu-

rope's response to Britain's calls for action against Damascus will dominate discussions.

Holland has promised to keep pressing for a coal ban to be included in the EC sanctions package to make it "meaningful and effective" but its adoption is dependent on the unanimity of the 12 Foreign Ministers.

Britain's Foreign Office Minister for African Affairs, Mrs Lynda Chalker, indicated yesterday that unanimity was improbable. West Germany, she said, was not expected to back down. Sanctions would be discussed but consensus on a coal

ban was unlikely.

Britain will agree to a coal ban if the other 11 member nations agree. But, while Britain holds the presidency of the EC, Foreign Secretary Sir Geoffrey Howe is obliged to remain neutral on policy issues and, although he has pledged to seek consensus on sanctions, he is prevented from actively lobbying either way.

Asked about Britain's attitude to Southern African terrorism — and specifically the ANC's armed struggle — in the light of its campaign for action against Syria, Mrs Chalker said: "The ANC are regarded as terrorists and, in our meetings with them, we have spent a great deal of time urging the need for dialogue and an end to terrorism.

### END TO VIOLENCE

"We will go on doing so. One of the tragedies is the almost understandable impatience among black people because they have no part in their democracy.

"But what we are after has al-

ways been the same — an end to the violence on all sides, whoever the perpetrators are."

She said violence in the townships was "even said to be provoked by some not unconnected with the Government".

## Flowers of Flanders

**RIGHT:** Thousands of bright red paper poppies will be pinned to lapels throughout the country tomorrow in remembrance of World War 1. Mrs Eileen Lyons of the SA Legion (Central Witwatersrand branch) spent many hours making the beautiful wreaths pictured here. These wreaths will be laid at the foot of the Cenotaph opposite the Johannesburg Library during a memorial service on Sunday.

● Picture by John Hogg.

## Train and truck collide

Pretoria Bureau

**At least two people were injured when a commuter train collided with a truck yesterday morning near GaRankuwa township, 35 km west of Pretoria.**

A spokesman for the police directorate in Pretoria said the injured were the drivers of the train and the truck. They have not yet been identified.

The accident occurred when a suburban commuter train from De Welt station collided with the truck at a level-crossing.

The cause of the accident was still under investigation.

LONDON — European Foreign Ministers meeting in England today are unlikely to make SA a priority issue.

While it is on the agenda, two other major issues are expected to take up most of the discussion time.

These are: East/West relations; and the question of Syria and its involvement in international terrorism.

A British Foreign Office spokesman said yesterday the Ministers would be able to discuss SA only in the afternoon — after the priority subjects had been dealt with fully.

He expected no dramatic statement or decision regarding SA to emerge from the discussions.

However, Whitehall sources said the fact that SA featured on the agenda at all showed that it remained a matter of considerable importance.

UK government sources believe the next move must come from Pretoria to show it means business with the dismantling of apartheid. The ball was still firmly in SA's court and the time was not ripe for a major diplomatic initiative on the part of the European Community, one

# Syria helps lift the heat off SA

Own Correspondent

Whitehall source said.

At last month's meeting of European Foreign Ministers in Luxembourg the SA question was overshadowed by British efforts to persuade the EC to adopt diplomatic and economic sanctions against Syria. This came after the Syrian Embassy in the UK had been implicated in a thwarted terrorist attack.

The death of Mozambique's President Samora Machel and the deterioration of regional security in Southern Africa have, however, ensured that SA will remain on the agenda this time.

While Holland and Denmark are expected to revive efforts to tighten EC sanctions against SA — by including a ban on coal imports — West Germany is again expected to veto the move and counter with a diplomatic initiative.

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Results from Ecol

# EEC split on SA coal ban

By Michael Morris  
The Star Bureau

Europe has failed for a third time in just more than a month to reach agreement on banning South African coal.

West German opposition blocked consensus among the EEC's 12 foreign ministers.

Any further EEC-wide action against SA — like adding a coal ban to existing measures — must have the unanimous backing of all member states.

The EEC has, however, affirmed its backing for financial and other aid to South African blacks and the Front Line states.

The South African issue was eclipsed yesterday by the debate on Syria's links with terrorism and European measures against Damascus. And when the 12 ministers finally turned to Southern Africa it was merely, according to British foreign secretary Sir Geoffrey Howe, a "brief review".

Holland — backed by Denmark and Ireland (which both have own coal bans) — restated its plea for the ban to be included in the truncated package agreed in Brussels in September.

Holland argues that without a coal ban the measures are too weak and are neither meaningful nor effective.

West Germany says a ban on coal will cause further unemployment in South Africa and increase racial friction. And West German foreign minister Mr Hans Dietrich-Genscher refused to budge.

In his statement afterwards, Sir Geoffrey said there had been no agreement on a coal ban, but the foreign ministers had emphasised the importance of continuing to seek progress through dialogue. He welcomed steps to improve the co-ordination of positive measures.

Extension delayed 'indefinitely'

# Europe holds out against coal sanctions

LONDON — West Germany and Portugal held the line against a possible European ban on SA coal imports yesterday. And after a meeting of Foreign Ministers from the 12 EC countries it seems an extension of sanctions has been delayed indefinitely.

British Foreign Secretary Geoffrey Howe, current president of the European Council of Ministers, said: "No conclusion was reached. It remains part of the measures on which there is no consensus."

Howe refused to detail the discussions, but officials said there had been no change in positions taken by European governments in Brussels in September, when limited sanctions were approved but coal — one of SA's major export earners — was dropped from the package.

Sources confirmed that West Germany

and Portugal had maintained their opposition, while the Dutch and Scandinavian governments pressed for the inclusion of coal, which last year realised R2,3bn in European sales.

After the Brussels meeting, the British government was given a mandate to continue to seek consensus on coal. But yesterday that was clearly impossible and officials were reluctant to predict when the deadlocked situation might change.

SA was not a major issue at the London meeting and was well down on the agenda as Foreign Ministers struggled with the problems of East-West relations, Latin American policy and Syrian-backed terrorism.

The decision taken in Brussels banned European imports of SA iron, steel and gold coins, as well as blocking new investment.

Iron and steel exports to Europe last

● To Page 2

## No EC consensus on SA coal ban

year were worth R777m, but a series of complex definitions about which products could not be purchased has brought the impact down to a lot less than that.

The ban on new investment has proved even more difficult to implement, and European government officials are still working out the details.

The only formal statement on SA after

yesterday's meeting was the familiar joint declaration that everything should be done to promote dialogue between black leaders and the SA government, and that in Southern Africa as a whole it was necessary for "restraint to be exercised on all sides". — Sapa.

← ● From Page 1

EC five  
SMR  
captured  
by MNR  
12/11/65  
56A

The Star Bureau

LONDON — Britain, West Germany and Portugal are working together through the International Red Cross to seek the release of five Europeans taken captive by MNR rebels in Mozambique's Tete province.

One of the men, Merrick Robertson, is a British citizen. He, three Germans and a Portuguese were working on a European Community agricultural project in Oloanga. They were captured when the rebels took the town.

The British Foreign Office confirmed diplomatic efforts had been launched to secure the man's release.

Britain has made no contact with the MNR.

# Western aid package for SA

Staff

Bus Day Mills

IT WAS the week the momentum for punitive sanctions began to fizzle and the campaign for positive measures began to gain ground. The rather bland term "positive measures" has become the core of the British and European Community's counter-strategy to sanctions.

It is a term used to cover a wide range of multilateral Western aid and investment programmes aimed at improving the living and working conditions and the education and training of black South Africans.

Positive measures also include financial aid to "the victims of apartheid" inside SA and to the Frontline states to improve their transport and communication facilities and, by implication, to help them lessen their economic dependence on SA.

## Additional R50m

In July this year British Prime Minister Margaret Thatcher announced an additional R50m over the next five years to be spent mainly on black education in SA. In its 1987 budget, the EEC has earmarked R36m for assisting black South Africans.

British business, under less anti-apartheid pressure than their US counterparts but nevertheless beginning to look to the future, have also begun to catch on to the idea.

At an international business conference in September, British Foreign Office Minister of State Lynda Chalker raised the prospect

## JOHN BATTERSBY in London

of government/business collaboration is such projects.

"Our guiding principle is to promote the advancement of blacks as the prime impetus for internal change... This is an area in which government and business can cooperate," Chalker said.

Urban Foundation director Jan Steyn is actively urging British business to engage in targeted investments in black upliftment programmes. In the more visionary academic circles and media editorials, this strategy of targeted investment is known as the "Marshall Aid" package.

It is a strategy which is being actively pursued by the influential chairman of the British Industry Committee on SA (Bicas), Sir Leslie Smith, who recently returned from a visit to SA.

Sir Leslie believes that a Western aid package aimed at the economic, social and educational upliftment of blacks is the best solution to the problem of implementing reform in a declining economy.

"Bicas is now taking up the issue and will propagate this as a practical and peaceful way of getting rid of apartheid," he told the *Financial Mail* last week.

On his return to Britain, Sir Leslie led a Bicas delegation to see Chalker to seek British government support for the first phase of such a plan — a massive injection

of funds into black education.

I understand from my sources at the Foreign Office that the figures Sir Leslie had in mind were hundreds rather than tens of millions — sterling — and that the discussion did not get much further than everyone agreeing it was a very good idea.

But it is accepted all-round that the Marshall Aid package is a long-term game-plan which cannot be put together overnight.

There is also a growing realisation among its proponents of the acutely sensitive diplomacy needed to win both the support of the South African government and black opposition for such programmes. The dilemma is that public government support guarantees black rejection.

## Discretion

But then such deals are not concluded in public, and with the necessary discretion it should be possible to get a private government nod and negative public reaction.

The Marshall Aid package is seen as the basis for a trade-off between Pretoria and its major trading partners.

The South African government's willingness to dismantle apartheid and negotiate a non-racial constitution with representative black leaders would be the green light



CHALKER... "to promote advancement of blacks as the prime impetus for internal change"

for the Western aid plan.

What is significant about all this intense behind-the-scenes activity on a Marshall Aid package is that it has begun to emerge as a positive device to supplement and overshadow punitive sanctions.

When the 12 EEC foreign ministers met in London this week it was deeply ironic that Britain's uncharacteristic determination to reach an agreement on a punitive sanctions package against Syria should upstage its reticence to use similar methods against Pretoria.

After the Syrian package was agreed there was a brief discussion on SA, but it was quite clear that the steam has gone out of the bid by Holland and Denmark to tighten the sanctions net.

West German — and to a lesser extent, Portuguese — opposition to a boycott of South African coal

imports has effectively blocked further EEC sanctions moves. When Belgium takes over the EEC presidency next month, Britain will again be able to bolster their opposition.

Discussion among the EEC foreign ministers at this week's meeting also turned to co-ordinating "positive measures" — particularly financial aid to the Frontline states to upgrade their transport systems and alternative trade routes.

But the positive measures are unlikely to really get off the ground until the necessary political signals are forthcoming from Pretoria.

## Full support

Last week's encounter between government and business would indicate that there was very little — if any — meaningful dialogue between the two sides.

What is important, however, is that the South African business community has the full support of Western business interests in their efforts to effect fundamental change and the dismantling of apartheid.

Western captains of industry — like their South African counterparts — are still looking for a more tangible signal from government that it accepts that economic and political development must go hand-in-hand.

Pretoria has never looked more politically barren from these shores.

## NEWS FOCUS

LONDON — British industry would be able to "live with" the voluntary sanctions imposed by the British government on new investment and the promotion of tourism in SA.

That is the view of Nick Mitchell, newly-appointed director-general of the British Industry Committee on SA (Bicsa).

Mitchell was commenting on Britain's interpretation of the European Community (EC) ban on new investment in SA and the ban on the promotion of tourism. In both cases Britain has opted for a "voluntary" ban.

Bicsa, which represents about 50 major UK firms accounting for 75% of all direct British investment in SA, met in London on Tuesday to review its first nine months of operation.

No statement was issued after the meeting, but Mitchell had said that the British Government's interpretation of the EC sanctions package was "realistically worded".

"It is not unduly arduous. We can live with it."

Bicsa was formed at the beginning of the year to monitor sanctions and disinvestment pressures on British

# Britain can live with EC sanctions

JOHN BATTERSBY

business and to present a co-ordinated voice for British companies with SA interests.

A Bicsa spokesman said the organisation had been "mildly encouraged" by the meeting last week between the SA business community and government.

Mitchell, whose appointment as director-general of Bicsa was confirmed at the meeting, said he had called for a copy of a report by the Geneva-based Institute for Research and Information on Multinationals.

The report found that British companies were less active in mounting political opposition to apartheid than

their US counterparts, were scornful of the US corporate approach to SA, and more reluctant than US and European-based multinationals to recognise and deal with trade unions.

On Monday, Bicsa chairman Sir Leslie Smith led a delegation, including Mitchell and Humphrey Wood of Gold Fields, to see Lynda Chalker, Minister of State in the Foreign Office, to discuss "positive measures" which could be taken by British businesses in SA.

Foreign Office sources said the discussions centred on Bicsa's plans to enlist UK government support for a large-scale injection of funds into black education in SA.

Although the British government has already announced a R50m investment in black education over five years, it is understood that Bicsa is talking about larger sums of money, and it is not yet clear where the funds will come from.

In addition to Britain's R50m grant to black education, the EC has earmarked R11m in its 1987 budget for black education.

It is understood that Bicsa is pushing for large-scale investment in black education as the first phase of a "Marshall Aid plan" for SA which would be offered in turn for an undertaking from SA to dismantle all discriminatory legislation.

BUSINESS  
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NOON AFTERNOON FIX

Monday, November 24 1986

BRUSSELS — Unlike their US counterparts, European multinationals are reluctant to leave SA, according to a British researcher.

Geoffrey Hamilton, of the Geneva-based Institute for Research and Information on Multinationals, has written a book on the subject.

The book is based on interviews with managers of European firms and on visits to their SA subsidiaries.

"The profit of European investments in SA is on average higher than that of US multinationals and higher than their

# Why Europe won't quit

own profit elsewhere in the world," says Hamilton.

"European multinationals cannot, contrary to US companies, fall back on a large national market. They depend much more on the international market and cannot or dare not take the risk of reducing it." But also important in the decision by

European companies to stay was their political vision of SA's future.

"The European multinationals are far from showing as much enthusiasm as Americans about the black liberation in SA," Hamilton writes.

"Europeans fear SA blacks still have a tribal mentality and are very different from Westernised American blacks.

"They fear this black liberation, far from broadening the basis of democracy will . . . destroy it. European multinationals don't excuse apartheid, but they fear the consequences of too brutal an elimination of this regime."

According to Hamilton, Europeans believe the way to dismantle apartheid is through increased "social influence". Hamilton says co-operation with black unions could mean some risks for multinationals, but it would help create or strengthen links with the mainstream of black society. — Sapa-AP.

# EC mission to Lesotho

MASERU — A 15-man European Community mission was due to arrive in Maseru yesterday on a week-long visit as part of a familiarisation tour of Lesotho and Zimbabwe, according to the EC representative in Maseru, Mr Tue Rohrsted.

He said the tour by the European development Fund mission would allow EC representatives to observe at first hand the implementation of development projects financed by the EC.

The EC members began their tour in Zimbabwe, where they stayed from November 19 until Tuesday.

They will be in Lesotho until December 2. The leader of the mission is Mr A Wood of Britian, desk officer for the Lome Convention between the EC and African, Caribbean and Pacific states in the British Ministry of Overseas Development Administration.

The EC's programme of assistance to Lesotho is of great economic significance for the country's development. The volume of EDF assistance to Lesotho under the three Lome Conven-

tions over the past 10 years was R239-m.

The EDF also donated food aid to Lesotho valued at more than R6 million.

Mr Rohsted said the EDF committee was keenly interested in Lesotho. Evidence of this was that the Lesotho Highlands water project was the first project to be presented to the EDF committee for consideration for financing under the third Lome Convention in July this year.

The EDF agreed to provide a special, R23 million loan to cover equipment and technical assistance for the giant water project.

The EDF mission will visit a wide range of development projects financed by the EC under the Lome Convention during their visit. These include road construction projects, the Mphaki Livestock Development project in Southern Lesotho, Asparagus Production areas, clinics, schools, rural offices and village water supply schemes established with EC aid. — Sapa.

(Handwritten scribble)

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# BBC documentary casts Pretoria as the villain of Southern Africa

2/12/86  
By Michael Morris,  
The Star Bureau

LONDON — Large quantities of South African arms and ammunition in the hands of Mozambique National Resistance (MNR) rebels could keep the anti-Frelimo guerilla war going for a long time, according to a British colonel interviewed in a BBC documentary about the former Portuguese colony.

While there was no hard evidence of continuing arms supplies, the British military attache in Maputo, Colonel Mike Bowden, said that the existing stocks of weapons and ammunition were sufficient to keep the MNR rebels going for a long time.

The documentary, "Mozambique — Apartheid's Second Front", last night gave British viewers a picture of a country ravaged by war, economic collapse and drought which, nonetheless, was the tantalising key to Front Line Africa's economic dependence and the key to a regional economic counter-attack against Pretoria.

The film contains repeated claims of South African-sponsored destabilisation and economic sabotage which, Mozambican officials claim, are part of a campaign hatched in Pretoria to weaken the Frelimo Government and force it and other Frontline governments to depend on their "apartheid neighbour".

## Viable trade routes

Ideally, the documentary shows, Mozambique could provide South Africa's neighbours with viable trade routes to world markets through its three Indian Ocean ports. They could cut their considerable transport costs, boost bilateral trade and safely implement economic sanctions against South Africa.

But, while the MNR campaign persists, the odds are stacked against the Maputo Government.

The film argues that, from South Africa's point of view, an economically dependent Southern Africa is a useful lever in its confrontation with a worldwide anti-apartheid campaign. And that, while Mozambique holds the key to Frontline independence, it is the obvious target for South African destabilisation.

The Frelimo Government's director of information, Mr Carlos Cardosa, says: "South Africa is like a bully boy — it takes the little kid's food and then accuses it of going hungry."

The Maputo Government cites South Africa's expulsion of thousands of migrant miners as an example. The miners currently earn Mozambique a quarter of its foreign revenue. Trade Minister Mr Almada da Silva says: "South Africa is trying to create a social problem. We are receiving thousands of people expelled from South Africa who will have no jobs and we will have a big problem."

## 'The villain of the region'

South Africa is seen as the region's powerful villain. The documentary says that, despite Mozambique's economic recovery between 1977 and 1981, the economy has collapsed in the past four years due to destabilisation. And it gives several key examples of the country's economic dependence on Pretoria.

One of the most ironic is that the biggest export commodity through Mozambique is South African coal and that, because of MNR sabotage, Frontline states' exports bound for Mozambican ports have to come through South Africa.

Mozambican officials predict that the successful operation of its Beira, Nacala and Maputo trade routes with Frontline Africa would expose South Africa to losses of "hundreds of millions of dollars each year".

But the Frelimo Government's nightmare is that their costly efforts to open the routes are continually hampered by MNR attacks. And, while the sanctions campaign against South Africa continues, other nations in the region are threatened.

Former Rhodesian Prime Minister Mr Ian Smith warns in the film: "I have probably more experience of sanctions than anyone on earth and I tell you that, if sanctions are seriously imposed on South Africa and we in Zimbabwe are on the back end of that, this country would be finished in a couple of months."

# Sanctions move to back burner

LONDON — The campaign for tighter European sanctions against SA has run out of steam and is unlikely even to surface at the 12-nation European summit which opens in London today.

SA — which dominated the European Community (EC) agenda for the first three months of the British presidency from June — has become almost a non-issue in the closing weeks of Britain's term.

Prime Minister Margaret Thatcher believes her reservations about sanc-

tions have been confirmed by Pretoria's reaction of going into the laager and arresting the reform process.

Discussion on SA, if it takes place at all, is likely to centre on the intransigent mood of government, the limited leverage of a business community having to grapple with the effects of sanctions, and the apparent determination to stamp out all opposition to the apartheid system, particularly among liberal whites.

# EEC sanctions pressure is off

(GA) N/M 5/12/86

London Bureau

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South Africa — which dominated the EEC agenda for the first three months of the British presidency from June — has become almost a non-issue in the closing weeks of Britain's term.

British Prime Minister Margaret Thatcher believes that her reservations about sanctions have been confirmed by Pretoria's reaction of 'going into the laager' and arresting the reform process.

Discussion on South Africa, if it takes place at all, is likely to centre on the present intransigent mood of the Pretoria Government, the limited leverage of a business community having to grapple with the effects of sanctions, and the apparent determination to stamp out all opposition to the apartheid system — particularly among liberal whites.

### Referendum

While Britain and West Germany have been trying to switch the European emphasis from sanctions to 'positive measures' — investment in black advancement and the rehabilitation of the frontline states — these efforts in themselves are unlikely to break the political impasse unless aid is dramatically increased for projects such as the Beira Corridor.

The two-day summit is the last formal meeting of European leaders before the presidency passes to Belgium at the end of the month.

Belgium, which is counted as one of the neutral countries on the sanctions issue, is unlikely to push any harder than Britain to include a boycott of South African coal imports in the mild EEC sanctions package.

Diplomatic sources said that the EEC had effectively defused pressure for tougher sanctions, at least

for the time being.

Much will now depend on developments inside South Africa.

The most optimistic view in European capitals is that reform has been put on hold until after a test of white opinion — probably a general election or referendum in April next year.

But there is growing support for the alternative view that reform has ground to a halt as a result of the security arm of the Government being given the upper hand and is unlikely to resume under President Botha's term as president.

This school believes that whoever replaces President Botha will also be captive of the pervasive influence of the military.

The summit, which has been carefully stage-managed by Britain, will be dominated by issues on which there is broad agreement — fighting terrorism, AIDS and drug-trafficking.

As the European dimension has become part of British policy-making, formerly contentious internal EEC issues — such as budgets, jobs and internal markets — have become part of a more low-key bargaining process.

BOOKED.

# SA coal imports ban blocked

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S.A.

LONDON — West Germany and Portugal have maintained opposition to further European Economic Community (EEC) sanctions against South Africa, blocking a proposed ban on coal imports agreed in principle six months ago.

EEC diplomats said today Denmark and The Netherlands had called on an EEC summit here to fol-

low up the decision to impose limited economic sanctions against Pretoria.

The 12 leaders agreed at their June summit on a yearly package of sanctions if Pretoria failed to dismantle apartheid.

But West Germany and Portugal refused to back the coal move, arguing it was likely to harm black workers. — Sapa-Reuter

## Secret SA arms deal alleged by UK paper

SMC 9/12/88 (The Star Bureau) 56A

LONDON — An extensive secret operation has been launched to send machine guns and rocket launching equipment to South Africa — probably for Unita — from the United States and Europe, according to a prominent exclusive report in *The Independent* newspaper today.

The supplies contravene the United Nations arms embargo and the new United States Anti-Apartheid Act.

It is thought the arms, weighing about 60 tons, are part of the US Government's aid to Unita.

The newspaper says details have emerged of three airlifts, and that some of the equipment is thought to have been flown from Europe to Johannesburg last week.

### 40 TONS OF GUNS

The report says: "The three operations are a plan to send almost 40 tons of machine-guns from San Pedro Sula in Honduras to Johannesburg, an airlift of nearly 20 tons of rocket-launching equipment from Switzerland to Johannesburg, and an airlift of arms from Brussels to Johannesburg which took place recently, probably involving a US-owned freight aircraft."

In the first deal, Spain was initially quoted on the export licence as the end-user, but this was changed to Honduras.

The company which called for tenders for the contract, Air Charter Centre of Brussels, later pulled out of the deal "because it is against the policy of the company to handle guns".

The second operation, believed to have been carried out in the past 12 days, was from Switzerland, involving a Boeing 707 or DC-8.

18/11/77 SMK  
**EC is to protest to Pretoria**

The Star Bureau

56A

LONDON — The European Community (EC) plans to make high-level representations to Pretoria on human rights.

British Foreign Secretary Sir Geoffrey Howe said this in the Commons when the meeting of the EC Foreign Affairs Council, under his presidency, was discussed.

He was asked by Mr David Winnick (Labour) why the question of "police state" restrictions in South Africa had not been on the agenda.

"These restrictions demonstrate once again that there is no solution in South Africa while the present authorities remain in office."

Sir Geoffrey said South Africa had been discussed by the council.

"The (EC) 12 are planning to make high-level representations on human rights generally and Britain has already taken action. We have made it plain that muzzling the Press and locking up one's political opponents is not the answer."

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# EC HITS AT 'ABUSE' IN S A

N/M 20/12/86  
(56K)

PRETORIA—A demarche on the growing evidence of serious abuse of human rights in South Africa was made to the Government in Pretoria yesterday by the British Ambassador, Sir Patrick Moberly, on behalf of the 12-member European Community.

According to a statement released by the British Embassy, Sir Patrick met the new Deputy Minister of Foreign Affairs, Mr Kobus Meiring, at the Union Buildings in Pretoria.

'The ambassador said the EC governments were gravely concerned at growing evidence of serious abuses of human rights in South Africa.'

The EC's demarche in particular deplored:

The apparent continuation of forced removals from black townships, contrary to assurances previously given by the South African Government that such removals had stopped.

The continuing and indefinite detention without

charge of large numbers of people, and especially of many young people and children.

The imposition of draconian new restrictions on Press freedom, running counter to the principles of democracy and freedom of information.

Sir Patrick had made clear the view of the 12 EC governments that, taken together, these various infringements and abuses of human rights brought into question the South African Government's claim to be committed to Western values.

A spokesman for Deputy Minister Meiring confirmed Sir Patrick's visit, but confirmation of the delivery of a demarche was not immediately available. — (Sapa)

# EC protests to SA Govt over abuse of human rights

20/12/76 (56A) S.M.K.

A protest based on the growing evidence of alleged abuse of human rights in South Africa was made to the Government in Pretoria yesterday by the British Ambassador, Sir Patrick Moberly, on behalf of the 12-member European Community (EC).

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"The ambassador said the EC governments were gravely concerned at growing evidence of serious abuses of

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The EC's protest in particular deplored:

- "The apparent continuation of forced removals from black townships, contrary to assurances previously given by the South African government that such removals had stopped;

- "The continuing and indefinite detention without charge of large numbers of people, and especially of many young people and children; and

- "The imposition of draconian new restrictions on Press freedom, running counter to the principles of democracy and freedom of information."

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— Sapa.

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# EC 'yes' to coal industry handout

BRUSSELS — West Germany has got the go-ahead from the European Commission to hand out DM4,15bn of national aid to its coal industry over the next year.

More than 80% of the package will subsidise German coal prices to bridge the gap between the cost of producing deep-mined coal domestically and the price of cheap foreign imports from Australia and SA.

German coal costs DM290 a ton to produce and cannot be sold competitively in Europe without national aid — the world price is about DM95 a ton. Most of the coal and coke covered by the package is for the steel industry. This regular annual scheme has cost West German federal and state authorities DM24bn since 1980.

Practically all state aid in the EC has to be vetted by the Brussels authority to ensure it does not give beneficiaries an unfair advantage over EC competitors.

## Investment

German steel mills consumed 17.5-million tons of locally produced coal last year, while another 6-million tons was shipped to other EC steelmakers.

Also included in the scheme are DM837m for social costs to cover new investment, retraining and rationalisation.

The announcement comes a month after West German coal producers and unions agreed to cut output by 20% and shed 30 000 jobs by 1995.

The Commission said the package was unlikely to distort free competition because West German coal and coke stocks were already high, deliveries to other states were expected to fall this year and because there was no evidence to show that subsidised coal prices amounted to indirect state aid to industrial coal users. — Financial Times.

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# Thatcher sends secret note to Botha

Own Correspondent

LONDON. — The British Prime Minister, Mrs Margaret Thatcher, has sent a top-secret letter to President P W Botha.

The letter, which was delivered to Mr Botha last week, is believed to deal with events in Mozambique and could be connected with Bavarian leader Mr Franz Josef Strauss's mission to Southern Africa to try to negotiate an end to Renamo rebel activity.

A Downing Street spokesman declined to confirm or deny the existence of the letter. "We can't comment on whether or not a letter was sent. It's a long-standing practice not to comment on communications between heads of government."



Pres Botha

However, a senior British government source said a letter had been sent "in the past few days". While declining to elaborate on the contents, the source did not deny that it had dealt with Mozambique.



Mrs Thatcher

Mrs Thatcher's letter followed a visit to London last week by the US Assistant Secretary of State for Africa, Dr Chester Crocker, who held extensive discussions with the British Minister of State for Overseas Development, Mr Christopher Patten.

The US administration is known to have given its backing to the Strauss mission which was requested by Mozambican President Mr Joaquim Chissano when he met West German Chancellor Mr Helmut Kohl last year.

Mr Kohl discussed the mission with the US Ambassador to West Germany, Mr Richard Burt, and later with a US security adviser.

Observers here believe the US would certainly have kept Britain informed of developments especially as the UK is the leading Western provider of aid and military assistance to Mozambique.

There is growing belief among Western governments that, amidst the general turmoil in Southern Africa, a solution to Mozambique's security problems is the one attainable goal in the short term.

This is strengthened by recent Soviet indications that Southern Africa requires "regional solutions for regional problems" and that it is no longer prepared to pour endless amounts of money into seemingly bottomless pits to prop up bankrupt governments.

Mr Chissano, like his predecessor Mr Samora Machel, has a good personal relationship with Mrs Thatcher and, according to diplomats, goes far further in private than he has already done in public to indicate that he sees his country's future developing along the free-enterprise route.

"The perception that Mozambique has moved out of the Soviet orbit and into the Western one and that something has got to be done to assist it, is gaining ground rapidly," a British official said.

Britain and the European Community, as well as Canada through the Commonwealth, have been pumping in vast sums of money in emergency and development aid to Mozambique in the past year. Despite this Renamo has continued to step up its attacks and in many cases has destroyed the very projects, in particular transport installations, which the Western governments are funding.

Given this growing support for the Mozambican government, a Western initiative to South Africa, which is still seen as the main backer of Renamo, was inevitable.

British Deputy Foreign Secretary Mrs Lynda Chalker is believed to have sounded out South Africa's willingness to co-operate with any Western initiative when she met Deputy Foreign Minister Mr J W H Meiring before visiting Mozambique at the end of last year.

Mr Strauss's initiative comes at a time of increasing instability in Mozambique.

Mr Botha's media liaison officer, Mr Jack Viviers, yesterday declined to confirm or deny receipt of the letter, saying it was not policy to comment on the President's correspondence.

# THE ECONOMY

## Commonwealth leaders call on banks to squeeze SA

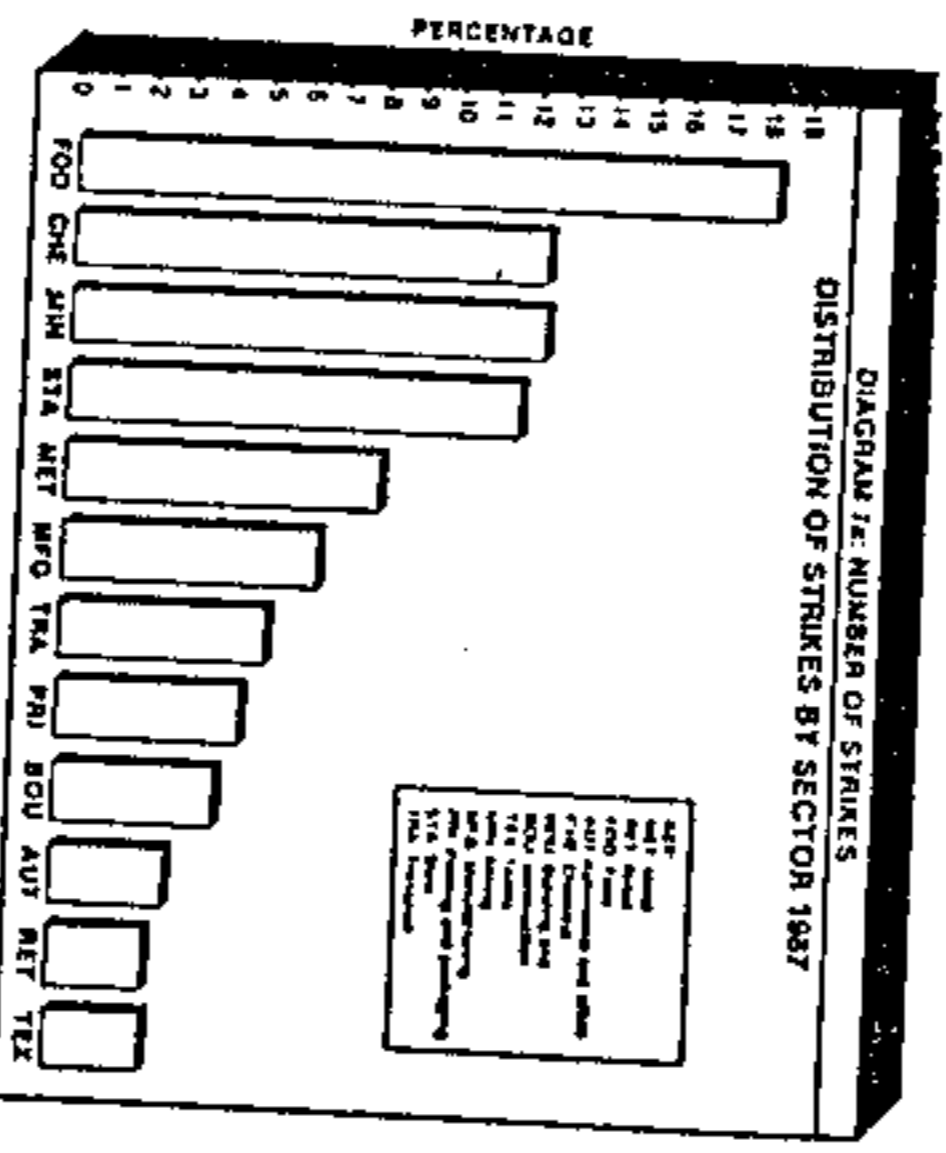
*SPA*

### GENERAL INDICATORS

#### UNITED STATES ECONOMY

The US economy recorded a 2,9 percent growth rate for 1987. Gross national product grew by a better than expected 4,2 percent in the fourth quarter of last year. Exports in the fourth quarter were up by 19,7 percent compared with 10,3 percent for the same period in 1986, while imports increased by 5,8 percent (11,1 percent in 1986). Economists said the narrowing trade gap means US producers are increasing their domestic and global market share. However, the US budget deficit for December was \$23,88-billion (about R47-billion), according to the Treasury, compared with \$12,22-billion one year earlier.

### BUSINESS BAROMETER



tion. However, there was much less stayaway action by workers. Whereas in 1986, stayaways accounted for 77,8 percent of "mandays" lost, according to ALA, for 1987 this figure was 15,5 percent.

#### JOB LOSS IN COAL INDUSTRY

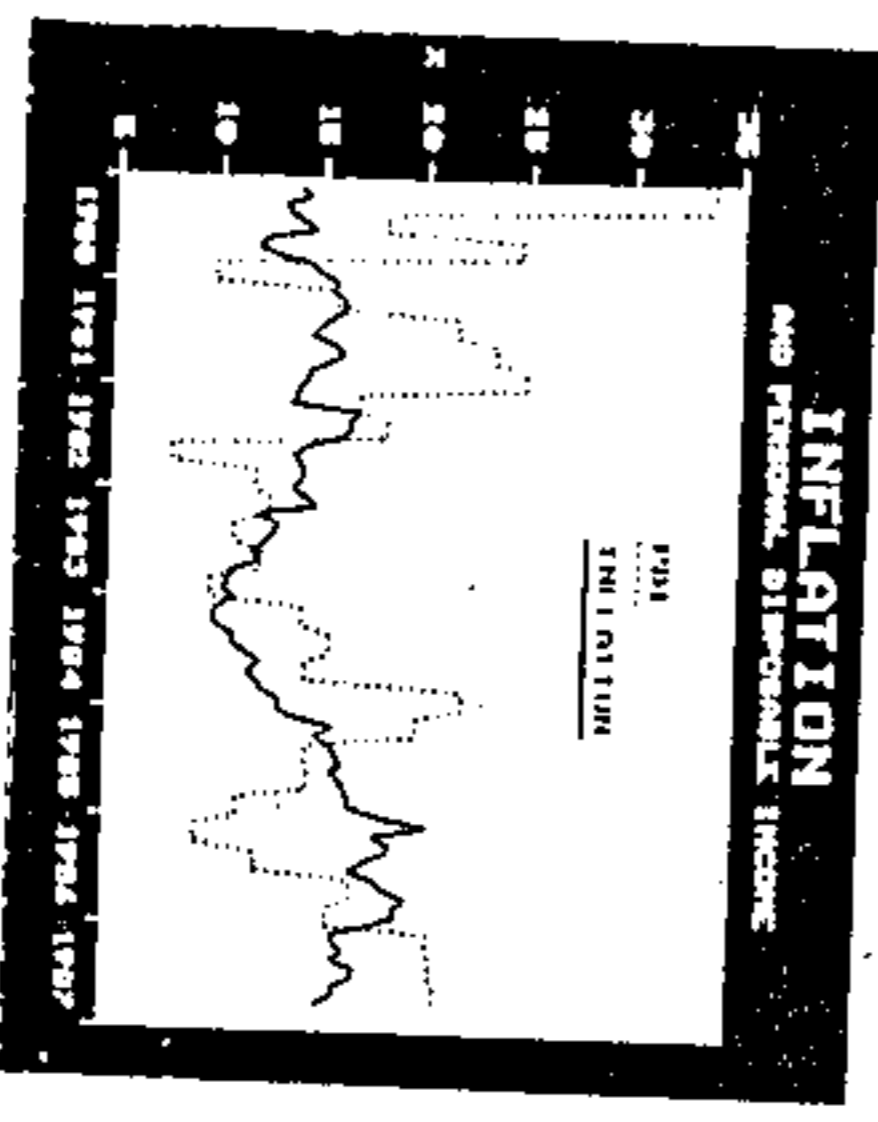
About 8 000 jobs have been lost in the coal industry since 1985. According to Chamber of Mines president Naas Steenkamp, many of the jobs have been lost due to sanctions, but depressed coal prices have also affected employment. Coal exports have fallen by 10 percent.

### FINANCIAL INDICATORS

Johannesburg Stock Exchange Indices

JSE Indexes	2/2/88	WEEK AGO	% CHANGE
All Market Index	1563	1623	-3,7
All Gold Index	1319	1366	-3,4

Private consumption expenditure last year was about four percent above the 1986 level and consumers made more use of bank credit to finance their purchases. Hire purchase credit, for example, was in-



EIGHT Commonwealth foreign ministers this week called on international banks not to participate in debt rescheduling exercises with South Africa.

They want the banks to maintain maximum pressure for early repayment of all due amounts.

The call came from Lusaka at the end of the first meeting of the Commonwealth standing committee of foreign ministers on Southern Africa.

The meeting decided that Canada, India and Australia would join forces to examine the vulnerability of the South African economy and to pinpoint ways in which pressure can be exerted to end apartheid.

The standing committee was set up at the Commonwealth summit last year in Vancouver. Britain decided not to take part because of its refusal to apply increased sanctions.

The committee members are Australia, Canada, India, Guyana, Nigeria, Tanzania, Zambia and Zimbabwe.

The British and American banks are nervous of the South African position. This became apparent in September 1985 by the way they took fright when South African declared a standstill on all foreign loan principal repayments and a rescue organisation

was organised. Negotiations with the British and US banks on the conversion of short-term debts to long-term debts are now nearing completion and the foreign ministers intend to appeal to the banks not to make concessions.

The foreign ministers are firmly of the view that the sanctions so far applied have had some impact on the South African situation, but they want to examine exactly these effects — psychologically as well as economically.

This will be the subject of a second Commonwealth study. The ministers were given disturbing details of the way in which the arms embargo is being breached by many countries with impunity — particularly by Britain, France, West Germany, Israel and Italy — and they want Commonwealth countries to press for international action against the embargo breakers.

The ministers will meet twice again this year in Canada in July and in October in one of the Frontline states. — Gemini News

1912486  
Companies  
beating  
embargo

BRUSSELS — The European Community (EC) cannot prevent companies from swapping consignments of uranium to beat a US embargo on imports of the mineral from South Africa, a senior EC official said yesterday.

The director of the European Atomic Energy Community (Euratom) Supply Agency, Mr Georg von Klitzing, was commenting on a report in the West German news magazine, Der Spiegel about so-called "flagswaps" which mask the origin of the uranium.

He said Euratom authorised swaps of nuclear material but it was common practice and did not break agreements with major supplier countries governing the final use of the uranium.

"Under the (Euratom) treaty and its statutes, it would be difficult for Euratom to say no for political reasons to such a contract," he told a news conference.

The US ban on imports of South African uranium is one of Washington's sanctions against Pretoria to press for an end to apartheid. The EC does not have a similar embargo. — Sapa-RNS

Added 7/3/88 (564) ~~564~~

# Curbs on foreign funds: Stern warning from EC

**The Argus Foreign Service**  
KONSTANZ (West Germany). — The European Community is to warn the South African Government not to interfere with EC aid programmes for human rights groups and trade unions in South Africa.

The warning, to be delivered at ambassadorial level, is in

... now 27

response to South Africa's draft proposals to block foreign funding for organisations with broadly defined "political purposes". The move was agreed to at a meeting of the EC's foreign ministers here yesterday.

## "Disturbing"

Ministers are also to ask officials to assess the size and strength of Pretoria's diplomatic missions in the EC, a move which diplomats said could be a first step towards requesting a cut in the number of South African officials.

Both steps mark a small but significant intensifying of pressure. So far, the EC has been

able to agree on limited sanctions against apartheid.

Mr Hans Dietrich Genscher, the West German Foreign Minister chairing the session, said: "The intention is to let South Africa know what our expectations are, that their actions will not impede the community's aid for human rights organisations, churches and trade unions".

British Foreign Secretary Sir Geoffrey Howe called Pretoria's planned crackdown "a potentially disturbing extension of the South African Government's power to act against foreign-funded anti-apartheid groups".

The West German and British foreign ministers did not know if the draft laws, unveiled in Pretoria last week, would present a total block on EC aid to anti-apartheid groups.

Brussels has committed Ecu 25-million (nearly R80-million) over the past two years out of a total allocation of Ecu 30-million to 113 South African human rights projects. A further Ecu 20-million is proposed for the current year.

The assistance comes under the "positive measures programme" set up to counter criticisms that EC sanctions against Pretoria were inadequate.



# EC to protest against aid cuts

KONSTANZ — The European Community (EC) said yesterday it would lodge a formal protest against South Africa's ban on anti-apartheid groups and its planned laws to limit foreign aid programmes to the black majority.

The West German Foreign Minister, Mr Hans-Dietrich Genscher, told a news conference after a two-day meeting of 12 Community foreign ministers: "We will in particular stress our expectations that the positive measures the EC has initiated to support human rights organisations, unions, churches and other groups are not impeded."

The Community has made \$36 million available in the past two years for such groups, of which \$30 million have already been committed to 113 projects. A further \$24 million is budgeted for this year.

Mr Genscher said the EC protest would be handed over in South Africa by the ambassador of West Germany, current president of the Community.

The British Foreign Secretary, Sir Geoffrey Howe, told reporters: "The potentially disturbing extension of the South African government's power to act against foreign anti-apartheid groups ... is a matter of grave concern to all of us."

Sir Howe disclosed that the EC was currently assessing the size of South African embassies in Community capitals, a move officials said could pave the way for diplomatic measures against South Africa.

A similar assessment of Libyan embassies in 1986 — in a diplomatic chill after alleged Libyan involvement in the bombing of a discotheque in West Berlin — led to an order to Tripoli to scale back its representations within the Community. — Sapa-RNS

# Don't block aid EEC warns

CAPL 7/15 8/308 2527 56A

BRUSSELS. — Mr Willy de Clercq, the European Economic Community's top foreign affairs official, yesterday summoned the South African ambassador to warn against interfering with EEC aid.

EEC sources said Mr De Clercq delivered a stern warning to Mr Bhadar Ranchod, South Africa's envoy to the 12-nation Community, against blocking financial aid to church groups, trade unions and other anti-apartheid organizations.

One EEC official said the Com-

munity was considering a variety of measures to put pressure on Pretoria, including the reduction of its Brussels mission.

In further recation:

● Mozambican Education Minister Mr Graca Machel said Western governments could only help war-torn and impoverished African frontline states by taking action against South Africa's government.

Mr Machel, in London to launch a festival of African women's cul-

ture, told journalists that governments opposing economic sanctions as a way to end apartheid were defeating the object of food and development aid to frontline states.

● In Tokyo, Zambian Foreign Minister Mr Luku Mwananshiku asked Japan to pressure South Africa to end its apartheid policy and refrain from armed attacks against its neighbours.

Mr Mwananshiku described Japan as "influential" toward South Africa. — Sapa-Reuter-AP

# EEC plans to continue funding groups in SA

(56A) 11/3/88

STRASBOURG (France) — The European Economic Community said yesterday it would continue financial aid to South African opposition groups.

The EEC Commission Vice President, Mr Lorenzo Natali, told the European Parliament the EEC has already paid \$30,5 million to anti-apartheid groups and planned to spend another \$24,4m this year.

The European parliament also condemned South Africa's ban on anti-apartheid groups.

However, it rejected a call from some members for an economic boycott of South Africa.

Mr Natali said the EEC has stepped up its effort to help South Africa's neighbours to reduce their dependence on South Africa.

He said the 12-nation EEC was paying "civil expenses" for Mocambican troops guarding EEC aid projects, including "operational costs".

● Meanwhile the Anglican Diocesan Council of Johannesburg has rejected the recent silencing of 17 organisations and called on the government to lift the restrictions.

"The genuine anger of substantial opposition groups to the government's policy cannot be expressed if they are silenced without any recourse to words or actions," the council said.

The council called on the government to lift the restrictions, the state of emergency and to "involve all the people of South Africa in the decisions affecting their lives".

● Three of the anti-apartheid groups affected by a South African Government clampdown filed legal challenges yesterday, calling the rules vague and unlawful.

A Johannesburg lawyer, Mr Peter Harris, said his firm filed applications in the Cape Town Supreme Court on behalf of the 650 000-member Congress of South African Trade Unions (Cosatu), and the Detainees' Parents Support Committee.

He said a third application was filed for the United Democratic Front (UDF), the country's biggest opposition movement, which claims to represent about 2,5 million people.

"We will argue that the new restrictions comprise so fundamental an inroad into the ordinary rights of citizens that they should never have been contemplated by Parliament."

The Minister of Law and Order, Mr Adriaan Vlok, published regulations on February 24 prohibiting any activity by 17 anti-apartheid organisations and banning political activities by Cosatu, the country's biggest black labour federation.

The government, whose action has been condemned by much of the western world, announced its plans to halt the foreign funding of opposition groups after this move.

The UDF, backed by more than 600 affiliated groups, and the Detainees' Parents Support Committee, which advised the families of people imprisoned without trial, were two of the main targets of the crackdown.

The committee's Johannesburg office, usually crowded with people seeking help, has been manned since the restrictions by one person directing callers to other agencies that might be able to help.

"We are hopeful of some success in Cape Town, but it will be at least a month before our application comes to court," Mr Harris said.— Sapa AP-RNS

# Diplomatic

CAPE TIMES 23/3/88

## ROW OVER

## search for

## Grosskopf

### Political Staff

A DIPLOMATIC row has broken over the police raid on the acting West German consul-general's Johannesburg residence by an anti-terrorist unit searching for alleged ANC bomber Mr Heinrich Johannes Grosskopf.

The German Foreign Ministry called in the South African Ambassador in Bonn, Mr Willem Rudolf Retief, to demand an explanation.

The ministry said Mr Erhard Lopser's residence was raided by police on Monday while he was absent. They told the ambassador it "was a serious violation of diplomatic status and a serious strain on relations between the two countries".

The German spokesman said the police arrived without warning, made their way past servants and searched the house.

Last night the Minister of Foreign Affairs, Mr Pik Botha, apologized to West Germany.

He said the officer in charge of the police unit had been instructed to personally apologize to the West German officials.

Sapa-Reuter reports from Brussels that the West German Foreign Minister, Mr Hans-Dietrich Genscher, reported the incident to a meeting of the European Community foreign ministers and they had unanimously condemned the police action.

● Mr Botha also criticized Mr Genscher for being "callously irresponsible" in remarks apparently endorsing a consumer boycott of South African products and for implying that the proper legal action had not been taken in respect of the Sharpeville Six.

According to a UPI report, last night Mr Genscher said the EEC ministers welcomed the stay of execution granted the "Sharpeville six", but that they "remain concerned about the further development of this case."

# Not all like Maggie in the Commonwealth

(SbA)

**AKHALWAYA:** What is the position of the Commonwealth now on the question of sanctions against South Africa?

**RAMPHAL:** The position of the Commonwealth is unchanging. The great majority of the Commonwealth, indeed the totality of the Commonwealth — save only for Britain — believe that it is the only way forward, the necessary way forward.

It is the right and the moral responsibility of the international community to apply pressure in all the areas in which it can apply pressure on Pretoria — not on the people, but the authorities in South Africa — to bring apartheid to an end.

The Commonwealth is utterly convinced that in the long haul of history, it must be seen to be on the side of that kind of positive practical action.

The argument in South Africa, especially by the government and its supporters, is that sanctions cannot work, will not work and that they will merely harm the black people.

That's now a familiar alibi. But there are two dimensions here. The first is that you can never tell the degree to which sanctions can work unless you try them.

It is illogical to talk about sanctions not being effective if they are never put into practice by those countries whose involvement is necessary for sanctions to be effective.

So this is an alibi and it must be exposed. We must encourage and convince Britain, the United States — at least the US administration — Germany, Japan, France — countries that have the biggest trading interests and investments in, and commitments to South Africa — that they're on the wrong side of history if they stand aside from this important dimension of the struggle for freedom.

**But can you convince these countries?**

I don't think we can convince them by tomorrow, but I don't think we can live for just tomorrow. We have to ensure in the Commonwealth and in every group of decent people around the world that there is an understanding that the issues at stake in South Africa — indeed, now the issues that are at stake in Southern Africa — are bigger than today, are bigger than trade, are bigger than investments and that we will all be ashamed in 10 years, in 20 years, if we have to explain the reluctance of the world's major democracies to apply pressure on South Africa.

Within South Africa, critics of sanctions and disinvestment argue that there is a lot of hypocrisy on the part of Commonwealth countries. For example, if you land at Jan Smuts Airport, the first sight you are likely to see is an Air Zimbabwe plane, and that it is politically comfortable for people like Robert Mugabe to talk sanctions, yet they are not prepared to do anything practical about it. What is your assessment?

That's a glib kind of statement. The truth is that we have to work with the realities of history, and a part of that history — indeed a part of the tactics of apartheid — was to make the neighbouring countries dependant upon South Africa, vulnerable to South Africa, and Zimbabwe is part of that.

Ian Smith and Rhodesia ensured that linkage. It can't be broken, it can't even be fractured within a matter of years. It is going to take a long time.

Countries like Zimbabwe, Botswana, Lesotho, Swaziland, Angola and Mozambique have to be regarded as unique because of their historical dependency, which itself is an off-shoot of the apartheid strategy. They have to proceed on issues like sanctions at a slower pace than the rest of the international community.

And it is terrible that major countries in Western Europe which do not share

*Although Britain's Margaret Thatcher is opposed to imposing sanctions on South Africa, other Commonwealth leaders have not given up on the possibility. The secretary-general of the Commonwealth, Shridath Ramphal, talks to Ameen Akhalwaya, the editor of the Johannesburg newspaper, the Indicator.*



Shridath Ramphal

that vulnerability, which do not have that dependency, should shelter behind the dependency of Zimbabwe and Zambia and say: "We're not going to apply sanctions, look what South Africa's neighbours are doing."

The truth is we have to help those neighbouring countries to break the dependency by applying that external pressure from Europe, North America, Japan.

**Does that mean assisting the SADCC (Southern African Development Co-ordinating Conference)?**

It means assisting every element that is working for release from that dependency, and SADCC is of course the prime vehicle of that. That is why the Commonwealth puts so much weight behind helping SADCC.

**Another argument heard in South Africa is that Commonwealth countries should be the last to try for a sanctions**

**campaign because very few of them are democratic and therefore have no moral right to point fingers at Pretoria.**

First of all, it is a lie. Most of the Commonwealth countries are practical working democracies.

We are not without our blemishes. There are Commonwealth countries that have military establishments, military regimes. We are not proud of those regimes, neither are those countries. We like to work within the framework of the Commonwealth for the return — as in Nigeria — to civilian rule.

We don't attempt to hide that. But, to imply that South Africa is unlike those countries because it is a working democracy, is the biggest lie of all.

The one thing that South Africa is not, is a democracy.

Democracy is majority rule, democracy is about the people of the country, all 30-million and more, black, white, brown South Africans having the vote. That is democracy.

South Africa is not a democracy, it looks more and more like a military junta.

So the sooner we call a spade a spade the better. Let's recognise that in South Africa we're dealing with a military regime that shelters behind an electoral facade and let us recognise that there are some other countries that are military regimes too — some in the Commonwealth, some beyond — but that South Africa is the only country which makes a virtue, almost a philosophy and ideology, of the system.

There is some speculation gaining currency in South Africa that Margaret Thatcher is having her own version of constructive engagement because she is going to do another Zimbabwe on South Africa — that this will be her crowning exit. Is there anything going on behind the scenes to this effect?

If there is something going on behind the scenes I'm not about to tell you! That's the first thing.

The second is that Mrs Thatcher played an enormously important role in the freedom of Zimbabwe. It's a role of which the Commonwealth is very proud.

**But white Zimbabweans and white South Africans regard that as a sell-out.**

I know. But look at the reality. The real reality — not the one that is sometimes portrayed from Pretoria — is that Zimbabwe is emerging into nationhood.

Yes, they have had their tribal conflicts. But as I go to Zimbabwe — three, four, five times a year — as I work with the government of President Mugabe, with Joshua Nkomo now back in the fold, what I see is the working out of nationhood between the communities, and I see a very lively partnership between black and white.

I see white Zimbabweans who are playing a full and active and involved role in the life of the community, who don't feel threatened. They are proud of their Zimbabwean identity.

If white South Africa will only allow itself to see the reality in Zimbabwe, it will see a country that should give it encouragement, even hope.

**Is there perhaps another EPG (Eminent Persons's Group) mission on the cards?**

The Commonwealth will not give up on trying to help South Africa to become a genuine multiracial democracy. We nearly managed it with the EPG.

It was within the grasp of Pretoria to have negotiations with the ANC, involving the ANC, in the context of a suspension of violence on all sides. The EPG floundered not because it failed to produce the prospect of peace but because it succeeded.

There were those in Pretoria who could not grapple with the concept of a negotiated peace, with a genuine settlement. And that is the real tragedy.

And things of course have only got worse, as the EPG said they would.

**In your view what would be the basic commitment needed from each of the many conflicting groups in South Africa to get a process of negotiation going?**

White South Africa has to accept the end of white supremacy. That's the bottom line.

**Do you think they will?**

I think they must, in their own interest. History has no examples of a racist clique holding on to its power in perpetuity. But beyond that international morality has developed to too high a point ultimately to permit it to happen.

I am very cautious about speaking in the name of the governments of the world, but I'm very sure that the people of the world are not going to permit the status quo in South Africa to persist.

**\$26m wanted to improve agency**

DAR ES SALAAM — Tanzania, Senegal and Nigeria had asked the European Community (EC) for \$26 million to improve the Pan-African News Agency (Pana), the acting EC delegate in Dar es Salaam said yesterday.

Mr Karl-Heinz Bode told Reuters that Tanzania's minister of state for finance, economic affairs and planning, Mr Damas Mbogoro, submitted the request on behalf of the 45 countries which contribute to Pana.

Pana, set up in 1979 because African governments felt the big international agencies were giving them a distorted version of African events, would spend the money on training new staff and buying new equipment to improve its service, he added.

Mr Bode said the request would go to the European Development Fund committee in Brussels and would probably win approval.

The grant would come out of money allocated to Africa under the Lome III convention, he added. — Sapa-RNS

ARGUS 18/4/88

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## Tutu asks Europe to step up pressure

MADRID. — Archbishop Desmond Tutu says European countries are not doing enough to help end race discrimination in South Africa by putting economic pressure on Pretoria.

Referring to Western nations he said: "It is really up to you whether South Africa is going to become a more democratic country peacefully or violently."

Speaking on his arrival here to record a television interview, he said there was still hope for a peaceful solution for South Africa.

### SHARPEVILLE SIX

Referring to the Sharpeville Six, Archbishop Tutu said he expected repercussions in South Africa if they were executed.

"Like any death it is something to be opposed and it is something for which people will feel sorry ... there will be a lot of pain and anguish and it is possible they might be provoked into acts of protest."

The six were granted a month's reprieve a month ago.

● It is reported from London that Lord Scarman, a retired British Law Lord, has appealed to President Botha to reprieve the Sharpeville Six.

After reviewing a transcript of the court proceedings, he says in a World in Action television programme to be screened tonight that he thinks there is not enough evidence for a safe conviction. The Court of Appeal in Britain would have overturned the verdict, he says. — Foreign Service and Sapa-Reuter.



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KIM IRVING

LONDON — AN EC decision to severely restrict the tonnage of SA apples exported to the Common Market this season is unlikely to be altered, according to Graham Broomhall, general manager of the European division of the Deciduous Fruit Board.

"It would appear there is little chance of the quota system being amended," Broomhall said yesterday.

# EC export restriction on S.A. apples

This came after an emergency meeting in Brussels of southern hemisphere producers, to discuss a mandatory quota system Broomhall describes as "dangerous" and potentially disastrous for Cape growers.

SA's exports to the EC have been limited to 166 000 tons after a fore-

cast 199 000 tons for the season, an output producers have been gearing up to meet.

A planned meeting last Friday between southern hemisphere producers and Alexander Tillingcamp, the director-general of DG6, the body responsible for formulating agricultural policy in the EC, was cancelled

at the last moment, Broomhall said.

The group had planned to question Tillingcamp on the basis of the quota system, which followed the introduction in February of import licences, and whether the shortfall from some countries could be taken up by more efficient producers.

"I don't think there is any will to

amend it," said Broomhall.

Further representations will be made through the body representing European importers in Brussels, Euroconfel, to the DG6, whose reaction should be known within the next few weeks.

Broomhall hopes the limits will be for this season only.

He says the action contravenes rules laid down by the General Agreement on Tariffs and Trade (GATT).



# EC pressurised to confront SA with tougher sanctions

SKR 2214/86

(56A)

LUXEMBOURG — Developing countries urged the European Community yesterday to impose tougher economic sanctions on South Africa, saying the bloc had the power to satisfy the world's demand for an end to apartheid.

The call came at a special meeting between a delegation from the 66-nation African, Caribbean and Pacific (ACP) group, which is linked to the community by the Lome trade and aid convention, and foreign ministers from three of the 12 EC member states.

Mr Almoustapha Soumaila, the Planning Minister of Niger and current president of the ACP, said the sanctions adopted by the EC in 1986 — a ban on some imports of iron and steel and gold coins from South Africa and a ban on new EC investment — needed to be enforced more strictly.

The situation in South Africa, he said, had deteriorated and new measures were needed. These included a ban on military and technical exports to South Africa; including nuclear technology; restrictions on imports of South African coal, gold and uranium, and a mandatory ban on investment.

West German Foreign Minister Hans-Dietrich Genscher, the EC's current chairman, did not reply directly to the call for more sanctions, which is opposed chiefly by his own government, Britain and Portugal among the EC states.

In a further development, South African coal industry executives are visiting Britain to boost anti-sanctions efforts ahead of the next round of EC talks, which could find coal sanctions returned to the agenda.

A delegation of industry executives has been encouraging sympathetic business and political leaders to keep fighting a ban.

They are warning that South Africa's coal export tonnage is down 14 percent over the past year and that sanctions, compounded by weak markets, have already cost the industry about 8 000 retrenchments. Two thousand more were likely to follow in the next year.

Britain and West Germany have so far managed between them to stop a coal ban but sanctions could resurface in EC talks soon on May 23 and June 13.

● A South African coal industry spokesman in London, Mr Robert Swain released a statement yesterday denying that the South African coal executives — including Mr Allen Cooke of Rand Mines, Mr David Rogans of Anglo American and Mr Bernard Holtzhausen of Gencor — were investigating South African investment in the privatisation of Britain's electricity industry — the Central Electricity Generating Board — as has been claimed by anti-apartheid activists.

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# Tutu asks EC to warn SA not to halt foreign funds

BRUSSELS — Archbishop Desmond Tutu called on the European Community (EC) yesterday to take united action to stop the South African Government legislating against the inflow of foreign funds.

Speaking at the opening of the General Assembly of Development Non-Governmental Organisations, Archbishop Tutu said the EC should tell the Government it would be compelled to act should the Promotion of Internal Orderly Politics Bill, aimed at curbing foreign funding of activities in South Africa, be passed.

Among steps EC countries could take if the Government failed to heed its appeals could be to break or scale down diplomatic relations, to deny landing rights to SAA, to suspend telecommunications for a set period and to deny South Africa access to the world's financial markets.

The Anglican Archbishop of Cape Town said the EC should call on the Government to lift the state of emergency, free political prisoners and detainees, unban political organisations

and move to negotiate with authentic representatives of all South Africans.

He used the international platform to focus attention on the detention of a Cape Town Anglican church worker, Mr Ngconde Balfour, a member of the KTC mediating committee, last week.

Events such as Mr Balfour's detention showed that people no longer "expressed a sufficient degree of outrage" at what was happening in South Africa.

"We want it to end. All we want is that we all should be citizens of a united South Africa."

He said the Government had chosen a military option and was determined to crush all opposition outside approved limits.

"The South African Government knows it will always be protected from the consequences of its actions because they know their friends in Bonn, No 10 Downing Street and the White House will apply their veto.

"Please don't tell us sanctions don't work. Why have you then applied them to Panama, Nicaragua, Poland and Argentina?"

AGUS 12/4/88

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(215)

INTERNATIO

# Dutch helping to bust sanctions — claim

AMSTERDAM. — The polished anti-apartheid image of the Netherlands has been tarnished by evidence that it is helping Britain and its European Community partners to break coal sanctions which have denied South Africa access to a third of its traditional markets.

It has been claimed that coal shipped from South Africa is unloaded at Dutch ports from where it is distributed within Europe as "Dutch coal" — even though the Netherlands stopped producing coal 20 years ago.

Faced by anti-apartheid pressure to cut South African coal imports, coal traders in Britain, with those

in West Germany, France and Italy, are reported to have sought to maintain their supplies of cheap steam coal by increasing imports of "Dutch coal".

In 1986, for example, Pretoria recorded British sales of 300 000 tons, while Britain admitted to 100 000 tons. Records at the Dutch Bureau of Statistics, however, indicate that in 1986 about 1.1-million tons of South African coal were transhipped to Britain through Dutch ports.

Imports of what is officially classified as Dutch coal account largely for the discrepancies.

The coal is believed to be sent to Britain in two ways: as re-exports of a "Dutch blend" and as tranship-

ments, not officially imported into the Netherlands.

The "Dutch blend", a relatively cheap mixture of South African and Chinese coal, has an altered calorific value which disguises its origins while keeping the cost low.

The coal is mixed in bunkers at Dutch ports, where it is reloaded on to other vessels. The re-exported coal is accompanied by reissued papers which omit the South African label by stating "the Netherlands" as the country of origin.

## Increased handling

In spite of calls by the Dutch Foreign Minister, Hans van den Broek, for more pressure on South Africa, the Dutch last year increased their handling of South African coal while most other European countries reduced theirs.

South African coal imports in the Netherlands rose from 200 000 tons in 1982 to almost 2-million tons last year.

Most of the ships used are owned or chartered by Shell, BP and Total. Shell Nederland and Shell Tankers (UK) play a key role in the transshipment of coal from the Richard's Bay terminal in Natal through Rotterdam. — Observer News Service.

APR 45 9/5/88

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## UK in row with EC over SA aid funds

The Argus Foreign Service

LONDON. — A major row is looming behind the scenes in the European Community over its response to the South African Government's crackdown on anti-apartheid organisations.

Many of the organisations are funded by the EC's special programme for the victims of apartheid, which amounts to about R50-million a year. Britain is increasingly taking a position on the issue which isolates it from its community partners.

Intense private discussions have been going on in London and Brussels ahead of the EC Foreign Ministers' meeting later this month, reports Victoria Brittain of the Guardian.

Those involved are the South African recipients of the EC's money, experts from EC member states and European non-governmental agencies working in South Africa.

### COLLAPSE LIKELY

She says the likely collapse of the EC special programme because of impending South African legislation, announced in February, will again bring the issue of comprehensive economic sanctions to the forefront of the EC agenda.

Britain is arguing that EC funding should be channelled through the British Embassy in South Africa rather than church-based bodies and the Kagiso Trust.

Organisations it would prefer to fund include Inkatha, World Vision and the South African Operation Hunger.

According to officials in Brussels "the British Government's attempts to hold up or block projects represents a serious threat to the programme".

STAV 9187 EX

# EC probe of SA trade unions is off

BONN — Britain has blocked a plan by European Community (EC) employment Ministers to send West German Labour Minister Mr Norbert Bluem on a fact-finding trip to South Africa.

Mr Bluem was to investigate the position of trade unions and workers in South Africa. — Sapa-Reuter.

(56A)

# Hunt for man who shot top ANC official

*Cap Times 3/5/88*  
*S6A*

Own Correspondent

LONDON. — The Belgian authorities have issued an international arrest warrant for a man — reported to be a white South African — in connection with the attempted assassination of a top ANC official.

The man, whose identity is being kept secret, is suspected of being behind a series of attacks on the ANC representative in Belgium, Holland and Luxembourg, Mr Godfrey Motsepe.

His details and country of origin are being withheld in line with Belgian policy that all judicial investigations be carried out in secret.

A Belgian spokesman refused to give any further details or comment on claims made by Mr Motsepe in an interview with the Dutch newspaper *De Standaard* at the

weekend that the suspect was a white South African.

An anti-terrorist brigade spokesman was quoted as saying that the investigation definitely concerned a South African individual, and an alert had been sent out via Interpol.

It is understood that the warrant may have been issued as much as two weeks ago.

The ANC office in Brussels has been the object of two attacks this year and it is in connection with these that the man is being sought.

In February, Mr Motsepe was slightly wounded when an unidentified attacker fired gunshots at the office.

And last month a 20,3kg bomb was found in a sports bag outside the office. It was defused by bomb disposal experts minutes before it was timed to go off.

# World sugar production running at record level

STAR 10/15/88  
(56A)

WASHINGTON — World sugar production in 1988-89 is forecast at a record 104,1 million tons, up slightly from a revised production of 103,6 million tons in 1987-88, the US Agriculture Department said this week.

The department's first forecast for the coming year included 65,9 million tons of cane sugar, up one percent from 1987-88, and 38,2 million tons from sugarbeets, down one percent.

Tonnage was expressed in raw sugar equivalents. A metric ton is about 2 205 pounds.

According to the department's Foreign Agricultural Service, pro-

duction in the European Economic Community, which accounts for 13 percent of the global output, may decline two percent in 1988-89 to about 13,8 million tons because of "a return to more normal yields and a 1 percent decline in area to be harvested."

Sugar production in the Soviet Union, the largest producer, was forecast at 9,7 million tons, down one percent from last year's revised output of 9,8 million tons.

In Brazil, the third-ranking producer, production may be 8,4 million tons, down one percent from last season's revised total of 8,5 million tons, the report said.— Sapa-AP.

# EC free trade study released

56A  
B/day  
10/5/88

BRUSSELS — The EC formally released a major study yesterday on the economic benefits of scrapping barriers to free movement of goods, people and capital between member countries.

The study's basic conclusions were released in late March. They included the study's most important calculation: that the EC's gross domestic product would rise by 4% to 7%, or by about 200-billion European Currency Units (ECUs) at 1988 price levels, if free movement was achieved.

The study was made using both macroeconomic and microeconomic approaches with a concentration on statistics and projections from eight of the 12 member countries.

Michael Emerson, one of the study's authors, said the estimates of potential gains by the EC had probably been understated by the focus on key countries.

The study detailed the benefits of a single market for various industries as well as the sort of existing barriers

between countries which must be scrapped.

Among the various sectors of the economy, the study estimated that the financial services sector would stand to gain by about 22-billion ECUs in a single EC market.

This gain is calculated on the basis of estimates of the prices of a standard set of financial products before and after the removal of regulatory barriers, including abolition of exchange controls.

The study noted that the largest overall benefits in this sector would be registered by Great Britain and West Germany, with respective gains of 5,1-billion and 4,6-billion ECUs.

The drop in price levels in these countries would not be as pronounced as in other EC member states, but the volume of their financial services was so large that their gain would be the most substantial.

The motor industry would save about 2,6-billion ECUs, while the telecommunications equipment industry would save between 3-billion and 4,8-billion ECUs. — AP-DJ.



## Bid to tighten screws on SA

PORT LOUIS — Developing nations have renewed a call for talks with the European Community to press demands for tougher sanctions against South Africa.

The request was submitted to the two-day annual joint ministerial meeting of the 66-nation African, Caribbean and Pacific (ACP) group and the EC, which started yesterday.

An ACP resolution said members were "appalled" by evidence of Western support for Pretoria.

The ACP now requests a special meeting of Foreign Ministers to discuss southern Africa.

An EC official said there was no change in the EC position to limit action against Pretoria to existing measures. — Sapa-Reuter.

1980 (SLA)  
SHV 11/17/88

EC 'considering new sanctions'

# Rap for SA on civil rights issue

STW 13/5/88

280

S6A

The Star's Foreign  
News Service

PORT LOUIS — The European Community is considering new economic sanctions against South Africa, Mr. Helmut Schaeffer, acting president of the EC's Council of Ministers, has disclosed.

Speaking in the Mauritian capital at the end of a two-day meeting with delegates from 66 associated African, Caribbean and Pacific states, he said the likelihood of new sanctions had been increased because of the "tremendously disappointing" lack of response by Pretoria to EC

protests about laws which denied civil rights organisations outside financial support.

"This response is weakening the position of all those European Ministers who in the past have preferred positive action rather than sanctions," he said.

There has been no clear indication of what specific measures the EC will take, but they might include a ban on imports of South African coal. Other possibilities include a ban or reduction in South African flights to Europe and a demand for a reduction in the size of South African embassies.

● In Britain, Labour MPs have blocked a private Bill for a R122-million extension to the port of Immingham, which they said would be used to import large quantities of cheap South African coal.

## Vote refused

The Star Bureau in London reports that after a 2½-hour debate in the Commons, the Speaker, Mr Bernard Weatherill, ruled that the Associated British Ports (No 2) Bill had not been sufficiently discussed and refused to allow a vote for its second reading.

The Bill's sponsor, Tory MP Mr Michael Brown, will now have to find other parliamentary time if it is to survive.

He warned that if Immingham were not expanded, larger ships would go to Rotterdam.

Mr Brown recently visited Richards Bay during a tour of bulk terminals around the world.

Tougher line if aid cut off — leader

# EC steps up support for SA sanctions

58A

B/away  
13/5/88

PORT LOUIS — The EC has apparently gone further in stepping up support for sanctions against SA than developing countries have dared ask, at least publicly.

The leader of the EC delegation at aid and trade talks in Mauritius with 66 African, Caribbean and Pacific (ACP) countries said Pretoria risked tougher sanctions by West Europe if it cut off EC aid to churches, unions and other private bodies in SA.

"If it comes to such a law, which will cut off positive aid to non-governmental organisations such as churches or labour unions, the situation is different," said Helmut Schaefer, Minister of State at West Germany's Ministry for Foreign Affairs.

Saying he had held talks in Washington last week with Congressmen from the Republican and Democratic parties, he spoke of possible, but unspecified, further action by Congress against SA which would influence the EC position.

He could not imagine Europe lagging behind American actions without creat-

ing serious problems with the US.

An EC official said: "West Germany has started to think things over, but any decision on change would be a long way off."

The ACP delegation leader responded cautiously when asked the ACP reaction to the position taken by the EC during the talks.

"We feel we've had positive developments in Luxembourg," Niger's Planning Minister Almoustapha Soumaila said, referring to talks on April 26 which EC officials said has been sought by the ACP specially to discuss SA.

They said there had been no shift in the EC's existing policy of limited sanctions at that meeting.

Soumaila said: "We will continue our discussions with our partners to be able to contribute to greater steps towards eliminating apartheid altogether."

□ The EC delegation also convinced Third World borrowers there was no quick-fix cure to their debt crisis, but laid the groundwork to speed up aid outlays. — Sapa-Reuter.

~~Star~~ Star  
12/578y

# EC cuts back on SA apple quota

CAPE TOWN — South African apple exports to Europe will be cut by about 10 percent this year following restrictions on imports by the European Community.

The multi-million rand deciduous fruit industry is one of the biggest employers and earners of foreign currency in the Western Cape.

(S6A)  
The EC has limited apple imports from all its southern hemisphere suppliers, partly because of dumping of fruit in Europe by some countries and partly to protect European producers, especially France and Italy which have large quantities of last year's crop in store.

Although South Africa's quota is the largest, it has been limited to 166 000 tons, about 10 percent less than usual, according to Mr Fred Meintjes, public affairs manager of Unifruco, the marketing arm of the Deciduous Fruit Board.

He said southern hemisphere countries supplying Europe imposed voluntary quotas but some producers had been undisciplined and had flooded the market with fruit.

It was not known at this stage what the effect on the South African industry would be but it was possible the shortfall in exports would be made up by higher prices in Europe.

In the meantime South Africans could look forward to more export quality apples this year and more class 2 fruit would be sent to the processors.

The cuts could affect some seasonal packing jobs but this would be minimal because the season was nearly over, Mr Meintjes said.—Sapa.

# Sugar producers incensed by EEC stance

Star 14/5788

PORT LOUIS — The European Economic Community (EEC) yesterday angered sugar producers at a meeting in Mauritius with the 66-nation African, Caribbean and Pacific (ACP) group of sugar producers by refusing to allow an increase in the community's sugar import quotas.

At the meeting, the EEC stood

**SATURDAY STAR'S AFRICA  
NEWS SERVICE**

**(S6A)** firm on allowing only 75 000 tons into the community until the transition period of Portugal's induction into the community ended in 1990.

Under a protocol agreed to

with the EEC, ACP members receive R1 115 a ton for raw sugar and R1 375 for refined sugar sold to the EEC countries. These prices are well above current world levels.

The ACP also protested vigorously against the EEC freezing the prices paid for sugar for the fourth year running, stressing that ACP countries had

made sacrifices when the protocol was first signed, so that current world prices should not affect the EEC/ACP pricing structure.

"Arrangements under the (sugar) protocol are a matter of life and death for Mauritius and its people" said Mauritian Prime Minister Anerood Jugnauth.

# Angola gets R150-m for food and medicine

Star 18/5/88 (S6A)

GENEVA — Angola won pledges of R150,5 million from donor nations yesterday to buy urgently needed food and medical aid for the war-torn country, UN officials said.

Forty nations took part

in the one-day emergency meeting under the auspices of the United Nations Disaster Relief Organisation (Undro).

Major donors were the European Community, which pledged R46 million, Italy with R42 million, France with R16 million and Sweden with R12 million.

Undro co-ordinator Mr M'Hamed Essaafi, who chaired the talks, said: "Angola is satisfied, undoubtedly, by the goodwill which was expressed. I don't believe the figures are final."

The Soviet Union, which backs the Luanda government, did not attend the meeting.

But the United States, which has no diplomatic ties with Angola, sent a delegation which offered to help distribute the supplies. — Sapa-Reuter.

# West's gold production rose 4 percent last year

LONDON — Non-Communist mine production of gold last year maintained its rapid growth rate, rising four percent to a record 1341 tons, London-based dealers Samuel Montagu announced this week.

In their annual bullion review, Samuel Montagu said the rise from the 1986 level of 1290 tons was due to increases in both North America and Australia.

South African production fell. Strikes and the mining of lower grade ore dropped output to 605 tons from 638 tons in 1986.

This is only 45 percent of non-Communist world production compared with 60 percent in 1984.

US, Canadian and Australian output all exceeded 100 tons last year, where the accelerated pace of both development and production was sustained, Montagu said.

Latin American production also continued to rise, and was estimated at 184 tons, up from 175 tons in 1986. Brazil was the region's largest producer, with output at 75 tons.

Sales of gold by the Soviet Union, possibly to finance substantial grain purchases, were around 280 tons, similar to 1986. Other Communist countries were net sellers, and total Communist sales are estimated at 305 tons. — Sapa-Reuter

9/26/76 26/5/86  
SA warned  
~~not~~ (Stolt) not to block

## EC aid

BONN. — West Germany issued a strong warning to South Africa yesterday not to block European Community (EC) aid to black groups.

The Foreign Minister, Mr. Hans-Dietrich Genscher, speaking at a reception for ambassadors from Organization of African Unity (OAU) states, said South Africa's white-minority government appeared to be considering a ban on such EC aid.

"Whoever wants to hinder these measures through law must know he is pitting himself against the 12 European Community countries," said Mr Genscher, whose government currently holds the rotating EC presidency.

"We will not put up with Pretoria prescribing either the kind or the extent of our assistance to victims of apartheid and their organizations," Mr Genscher said. He did not say what the EC would do if Pretoria prohibited the aid.  
— Sapa-Reuter



# Kohl tells <sup>Dev</sup> EC to get <sup>27/5/88</sup> a move on <sup>(SBA)</sup>

The West German Chancellor, Mr Helmut Kohl, has appealed to European Community leaders to inject fresh political urgency into flagging attempts to achieve a genuine common market by 1992.

In a letter to each of the EC heads of state and government, including Mrs Margaret Thatcher, Mr Kohl warns that, unless fresh progress is made quickly, the credibility of the programme will begin to falter.

Since the 1992-or-bust barrier-flattening programme was put forward by the European Commission more than two years ago, of the 290-odd measures contained in it only 75 have so far been adopted by governments, which is far short of the mid-term target agreed at the outset. Those that have been approved are mainly the least contentious.

The Chancellor's tactics are reminiscent of those used by Mrs Thatcher towards the end of the last British presidency of the EC, in 1986. She too wrote to all the heads of government, urging greater flexibility on all issues concerned with the single market. That time it proved rather successful, as several deadlocked issues were resolved in the following weeks.

## KEY ELEMENTS

In his letter, Chancellor Kohl identifies six areas where progress is possible: the liberalisation of public procurement, of capital movement and of road haulage, the establishment of a single EC trademark, agreement on the mutual recognition of higher education diplomas and the lifting of food industry barriers. The Chancellor also calls for agreement on "some of the key elements" of proposals for an EC merger policy.

Of all these, only the last is likely to meet substantial opposition from London. Britain, more than any other member state, remains sceptical about yielding its own merger control powers to a Brussels bureaucracy.

Notable absentees from the list include further progress on introducing frontier-free public broadcasting and on proposals, opposed by Britain, for an alignment of indirect tax rates. —  
*The Independent News Service, London.*

A SINGLE economy covering the 12 Common Market countries, and including a European central bank and a common currency, has been called for by Lord Cockfield, vice-president of the EEC Commission and author of the plan to create a single European market by 1992.

In a speech to a Financial Times lunch for the international financial community, he said the single market should be followed by steps to complete "the economic integration of Europe".

"The single currency is what should now be demanding our attention. We will not achieve it by 1992, but it is essential that we should do so as rapidly as possible thereafter," Lord Cockfield said.

"Essential, too, is the strengthening of

# Call for one economy in Common Market

ALAN OSBORNE  
in Brussels

the European Monetary System and full participation by all member states.

"Discussion of a European central bank has already started, and the time for a detailed study of this issue has surely come. The future of the European currency unit and its development into the single

currency must then follow."

This bold vision is not shared by Nigel Lawson, Britain's Chancellor, and will strengthen speculation that the government will not reappoint Lord Cockfield to Brussels when his term expires.

While the government supports the liberalisation of the EEC capital markets, it has refrained from joining in the Franco-German enthusiasm for an EEC central

bank, still less the growing demands for sterling to join the fixed exchange rate mechanism of the EMS.

But Lord Cockfield provided some reassurances for the City over aspects of the 1992 single market in financial services.

He dismissed fears that the proposed single banking licence would expose London to unregulated competition. The licence would depend on "high" standards of supervision and capital adequacy, and marketing and advertising would remain matters of national competence.

Moreover, Brussels did not plan to supervise the banking market in detail. "We aim to set out the essential principles, leaving the member states to fill in the details," he said.

SA  
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# EC embassy for Israel

24/6/88 Own Correspondent *ADW*



TEL AVIV — Israel has decided to set up a European embassy to handle its relations with the EC.

The decision to set up the new embassy was seen as a result of the Palestinian uprising which has produced strains between Israel and EC countries.



The new mission, to be based in Brussels, will rank second in importance only to the Israeli embassy in Washington.

Up till now the Israeli ambassador to Belgium has also handled contacts with the EC.

# Star 14/6/88

# Envoy's monitor

# Sharpeville Six

5619

By Claire Robertson,  
Pretoria Bureau

Foreign diplomats, particularly those of European Community (EC) countries, are closely monitoring the progress of the Sharpeville Six case in the light of a decision to

By Claire Robertson,  
Pretoria Bureau

"reconsider their stance on South Africa" should the Six hang.

A strong diplomatic presence was noticed in the Pretoria Supreme Court yesterday when Mr Acting Justice Human dismissed an application to re-open the case. He refused to allow new evidence to be heard on whether State witnesses had been intimidated and assaulted by police, as alleged by counsel for the Six.

## Condemned

The condemned — Duma Joshua Khumalo, Francis Don Mokgesi, Reid Malebo Mokoena, Oupa Moses Diniso, Theresa Ramashamola and Mojalefa Reginald Sefatsa — were sentenced in 1985 to be hanged for the September 1984 murder of Lekoa deputy mayor Mr Kuzwayo Dhlamini, having been found to have acted in common cause with the mob which killed him.

An appeal on the mur-

der charges was dismissed in December last year.

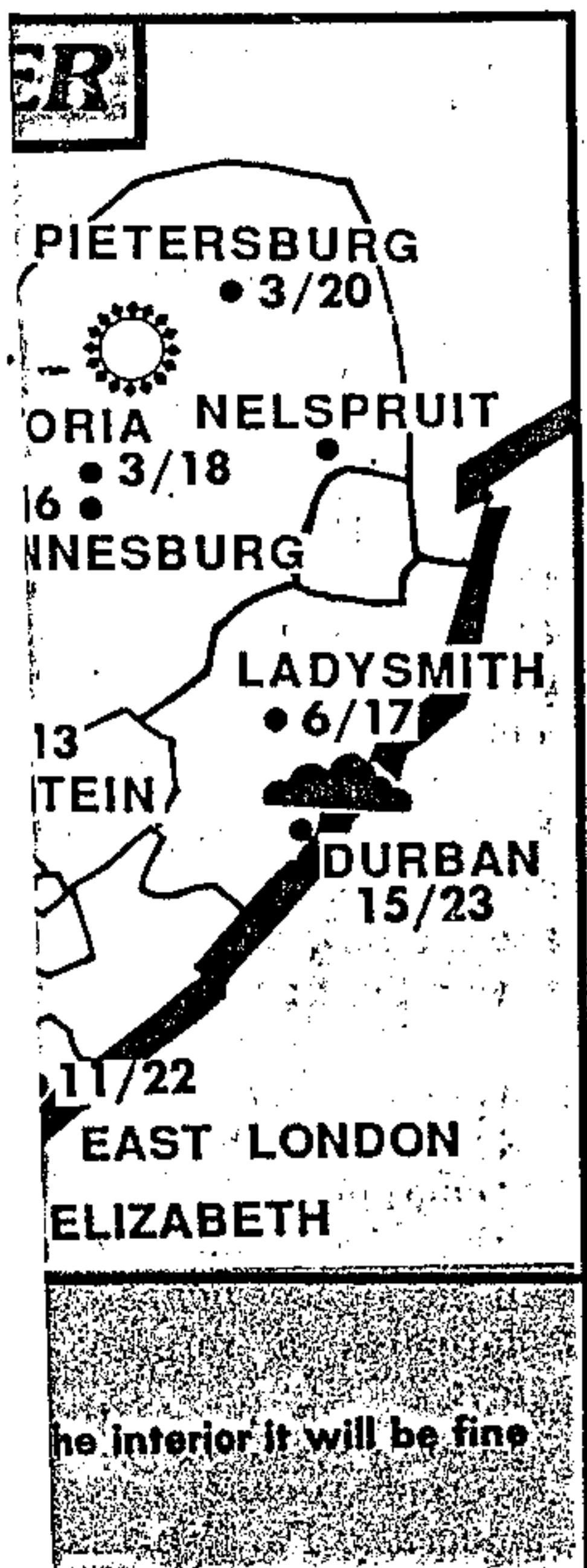
The Six won a stay on the eve of their scheduled execution on March 17 this year, to apply for a reopening of the case.

In refusing leave to appeal yesterday Mr Acting Justice Human granted the Six a stay of execution until July 19 to allow them to petition the Chief Justice for the right to appeal.

News that the Six were due to hang on March 18 met with an international storm of protest. The EC Council of Ministers announced that should the Six be executed member countries "would reconsider their stance on South Africa".

A diplomatic crisis was narrowly averted with the March 17 stay of execution. It was learned that some EC countries planned to recall their ambassadors if the Six were hanged.

In dismissing the application yesterday, the judge said the only course open to the Six was to petition the State President to allow the introduction of new evidence.



# The Six: Envoys

## may be recalled

Own Correspondent

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JOHANNESBURG. — A number of European ambassadors are likely to be recalled from South Africa for consultation — a gesture of severe protest — if the Sharpeville Six are executed, on July 19.

At least one senior ambassador, West Germany's Dr Immo Stabreit, has confirmed that he was set to return to Bonn, on the instructions of his government, when the Sharpeville Six were first due to be hanged, in March. The recall was cancelled when a stay of execution was granted.

Diplomatic sources indicated that several other governments, mainly from the group of 12 European Community (EC) states represented in South Africa, were likely to follow West Germany's lead.

It could not be ascertained at the weekend exactly how many European governments are committed to recalling their ambassadors if the executions go ahead. One senior diplomat said there was no concerted plan at present.

"It's still too early for that kind of joint decision. There are four weeks before the executions are to take place, and our hopes are high that something will happen before then to save the Six."

Appeals for clemency have come from all over the world, including the United States, France, Britain and Japan. On Friday, the UN Security Council unanimously appealed for clemency for the Six.

CMT Times  
21/6/88

56A

# Envoy will go if 'Six' hang

**THE HAGUE.** — The Netherlands will withdraw its ambassador from South Africa unless the death sentence on the Sharpeville Six is commuted, a spokesman for the Foreign Ministry said yesterday.

If the six are executed on July 19, the Dutch ambassador will be withdrawn.

In a message conveyed through South African Ambassador Mr Frank Quint on Friday, the Dutch have already asked South Africa to commute the sentence.

A West Germany Foreign Ministry spokesman indicated yesterday that his government would act against South Africa if the Sharpeville Six are executed.

## 'Execution must not take place'

Mr Reinhard Bettzuege said he could not disclose what the West German reaction would be, but there would be one. "The execution must not take place," he said.

It is reported from London that anti-apartheid activists will meet British Deputy Foreign Secretary Ms Lynda Chalker today to urge the UK government to intervene to stop the execution of more than 50 people in SA.

AAM executive secretary Mr Mike Terry and prominent lawyer Mr Geoffrey Bindman will focus specifically on the case of Robert McBride, who failed last week in his application to reopen his trial. — UPI and Own Correspondent

**CAPE PENINSULA** and vicinity and Western Cape Coast Belt: Cloudy and cold with showers clearing over the Peninsula and Boland. Wind moderate south-westerly becoming south-easterly late. The minimum and maximum temperature will be between 06 and 18 deg C.

**Coastal belt Cape Infanta to Plettenberg Bay:** Cloudy and cold with occasional rain.

**Coastal belt Plettenberg Bay to Port Alfred:** Cloudy and cold with occasional rain.

**Coastal belt Port Alfred to Port Edward:** Partly cloudy and mild becoming cloudy and cold with occasional rain.

**Namaqualand and the South-Western Cape interior:** Partly cloudy and cold but cloudy with isolated showers where it will clear late.

**Pretoria, Witwatersrand and Eastern Highveld:** Fine and mild becoming partly cloudy with isolated light showers.

**Transvaal:** Partly cloudy and becoming fine and mild.

**Free State:** Partly cloudy and cold with isolated showers.

**Natal:** Cloudy and colder from south with showers. Snowfall will occur on the southern Drakensberg.

**Namibia:** Partly cloudy and clearing.

**Botswana:** Fine and mild becoming colder.

### YESTERDAY'S READINGS

	noon	8
Barometer .....	1020,2	101
Humidity .....	80,0	9
Temperature .....	13,5	1
	max 15,5	min 10,9

(At D F Malan 24 hours to 8 pm)  
Hours of sunshine: 2,4  
Wind (D F Malan) 8 pm: Calm

## TV TODAY

NATIONAL/INTERNATIONAL

# Don't delude yourselves on SA's resilience, Senate told US warned on sanctions

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**BEIRUT BOMB:** Christian Lebanese militiamen stand amid the debris of a car-bomb explosion near a Christian militia headquarters in east Beirut yesterday. At least one person was killed and 19 were injured.

From NEIL LURSEN  
The Argus Foreign Service

WASHINGTON. — The European Community and the British Government have told the United States they are deeply concerned that tough new anti-South African economic sanctions will spark serious trade disputes between the US and its major trading partners.

The Europeans and the British are especially worried about provisions in proposed legislation now before the US Congress that would impose American trade embargoes on third countries that continue to do business with South Africa.

### Deeply concerned

The US Deputy Secretary of State, Mr John Whitehead, warned a Senate panel yesterday that passage of the Bill could lead to disputes between the US and its top trading allies in terms of the General Agreement on Tariffs and Trade.

He told the panel that the EC and the Thatcher Government had expressed their deep concern in official communications in recent weeks.

"It should be clearly understood that the Administration has consulted intensively with South Africa's main trading partners, all of whom are major allies of the United States.

"For the most part these governments are strongly disinclined to either follow an American lead or act unilaterally in adopting further punitive sanctions.

ally in adopting further punitive sanctions.

"Our allies either reject or are highly sceptical of the premise that by destabilising the SA economy the West can somehow engineer a relatively peaceful transition to democratic rule in South Africa.

"Moreover, these governments judge — as does the Administration — that international sanctions cannot be effectively enforced without recourse to military measures."

Americans should not delude themselves into thinking it was possible to internationalise sanctions under American leadership.

"Our allies will resist this approach, at least until such time as we can demonstrate convincingly that cutting trade links, selling off assets and relinquishing contacts across the board in South Africa will result in something other than a costly, symbolic protest."

### Wrong tool

"We must accept that the transition to a non-racial democracy in South Africa will inevitably take longer than all of us would like," he said.

The central fallacy of the sanctions approach was not simply that it was not feasible, Mr Whitehead said.

"Simply put, sanctions are the wrong tool brought to the wrong job."

There were no quick solutions to South Africa's enduring crisis and it could survive and even thrive without trade or contact with Americans.

## SA delegation leaves for Angolan/SWA talks

By DAVID BRAUN  
Political Staff

FOREIGN Minister Mr Pik Botha and a large South African delegation...

over certain African countries.

South Africa hopes to extract an agreement from Angola and Cuba for the total withdrawal of Cuban troops before allow-

## Dutch consider diplomatic steps over Six

The Argus Foreign Service

THE HAGUE. — The Dutch Cabinet is considering reducing the number of South African diplomats in The Hague to protest...

Star 23/10/88  
EC worried  
over tougher  
US sanctions

SA The Star Bureau

WASHINGTON — Both the European Community and the British government have told the United States they are deeply concerned that tough new anti-South African economic sanctions will spark serious trade disputes between the US and its main trading partners.

The Europeans and the British are especially worried about provisions in proposed legislation now before the US Congress — a series of amendments to current US sanctions laws — that would impose American trade embargoes on countries that continue to do business with South Africa.

● See Page 11.



# Urgent action

LONDON — The EEC is taking urgent action to curb the amount of toxic waste exported by the community, especially to Africa.

The European Commission plans to speed up the incorporation of its rules on toxic waste into the national legislation of the 12-member states.

The commission says its rules have been ignored in several deals with African countries which put at risk the health of those handling the material.

24/1/88

50/2/87

5619

# EEC war looms over 'the six'

Star 25/6/88

~~56A~~  
56A

BRUSSELS — Britain and Germany are expected to clash sharply at next week's EEC summit in Hanover over Britain's refusal to consider new sanctions should the Sharpeville Six be executed.

Prime Minister Mrs Margaret Thatcher and Foreign Secretary Sir Geoffrey Howe have made it clear that they will not abandon their no-sanctions line despite intensified pressure for Britain to join other Community countries in wielding the sanctions stick.

The case of the six — sentenced to die for the killing of a community councillor despite a court finding that they had not physically done the deed — has provided new focus and motivation for the European sanctions lobby.

A renewed drive for sanctions is being led by the Bonn government, which previously shared Britain's opposition to such measures.

As the current EEC president, West Germany has drawn up a list of measures including the recall of EEC nations' ambassadors from Pretoria, bilateral reductions in diplomatic staff and limits on landing rights for South African Airways.

It has lobbied for, and received, the support of all the other EEC member states — except Britain.

## Britain digs in heels against sanctions call

SUE LEEMAN

Holland has been particularly vociferous in its condemnation of the death sentence imposed on the six. Not known for acting alone, it revealed this week that it is considering the unilateral reduction of the number of South African diplomats in The Hague should the six hang.

Holland and other EEC members are keen to go further than the German sanctions package and impose a ban on imports of South Africa coal. However, Portugal, many of whose citizens work as coal miners in South Africa, is resisting this.

As European leaders meet in Hanover on Monday and Tuesday, the sparks are expected to fly over moves by Sir Geoffrey to block a joint declaration by the EEC on the six.

Although the statement eventually went out, Britain managed to have it watered down to such an extent that it contained no call to President P W Botha for clemency, stating simply that "all legal options available in South Africa should be used to prevent the death penalty being carried out".

The British argument — reiterated to a British Anti-Apartheid Movement lobby group earlier this week — is that all the legal channels must be explored before approaches are made to South Africa's Head of State.

# European central bank idea relegated to the back burner

Sitar 28/6/88

56A

HANOVER — West Germany backed away from pushing the European Community into a clash over a projected central bank yesterday as leaders of the 12-nation bloc assembled for their second summit this year.

Foreign Minister Hans-Dietrich Genscher, anxious to foster community harmony, said in a radio interview a central bank could be established only after agreement on a common monetary policy.

"You can't have the tail wagging the dog. You can't first create a central bank and then agree on currency reform," Mr Genscher said.

He had originally urged the two-day summit to appoint experts to draft within a year plans for a central bank.

The EC, its global stature endorsed at last week's economic summit in Toronto, wants to demonstrate it has the political and economic clout to

challenge the US and Japan.

Opposition to a central bank, led by Britain's Prime Minister Margaret Thatcher, had threatened to stoke fresh discord among EC leaders at their first trouble-free meeting after three summits dogged by budget rows.

Mr Genscher, retreating from his earlier position, indicated agreement with Chancellor Helmut Kohl, who said yesterday establishment of a central bank was still a long way off.

But Mr Genscher said: "There is no way around eventually creating a central bank."

Mr Kohl broke the worst deadlock in the EC's 30-year history in February when he persuaded Mrs Thatcher to make a rare retreat on EC spending.

Even ripples of discord over a central bank will not diminish the success of Bonn's six-month presidency of the EC, which ro-

tates to Greece on July 1.

Mr Kohl wants his partners to chart priorities over the next 18 months as they move towards the 1992 goal of turning the bloc into a genuine common market — giving free movement across all internal borders to its 320 million people their goods, services and capital.

Diplomats said yesterday the leaders would reappoint the chief architect of the plan, Frenchman Jacques Delors, to a further two-year term as president of the European Commission, the EC's executive body. Mr Kohl said on Sunday that Bonn reserved the right to claim the EC's top job after Mr Delors.

Community leaders would issue political statements on virtually every world trouble-spot, though without breaking new ground, the diplomats said.

All governments agreed that the EC must abolish

barriers to internal trade to inject fresh dynamism into its economy.

Mr Delors and several member states believe the EC must have a single currency and a central bank to reinforce what he calls the biggest economy in the Western world.

Mrs Thatcher said last week there was no point in discussing the creation of a European central bank until the EC had established a United States of Europe — something she could not envisage. — Sapa-Reuter.

# The Thatcher factor

Ostensibly, the half-yearly summit of the European Economic Community (EEC) in Hanover was a relaxed affair. With contentious issues such as the budget and the Common Agricultural Policy for once not on the agenda, there was a mood of amiability, epitomised by the ever-beaming West German Chancellor Helmut Kohl, hosting the gathering at the end of his six months as president of the EEC.

The heads of government got over one possible stumbling block by agreeing to reappoint Jacques Delors as head of the Europ-



Thatcher . . . touchy about Europe

ean Commission for another two years. German aspirations to the post took a back seat, possibly because their ex-defence minister, Manfred Woerner, was about to move in as secretary general of the North Atlantic Treaty Organisation, succeeding the UK's Lord Carrington. Having done so, they talked of loftier goals for the EEC — notably 1992 when all trade barriers are due to come down to create a truly common market of 320m people.

Top of the list was the French argument that this must ultimately involve monetary union, a common currency (based on the European Currency Unit, the ecu), and a common central bank to facilitate, as well as control, the free flow of capital in a single market. The theoretical logic of this seems irrefutable — an extension to the operations of the European Monetary System (EMS) which, apart from sterling, has produced relative stability in exchange rates for nearly a decade now.

That logic, however, continues to evade British Prime Minister Margaret Thatcher, who views the EMS with ideological aversion as being contradictory to the principle of free markets and will not allow sterling to be an operative member of the system — even though her Chancellor of the Exchequer and Foreign Minister believe the pound cannot indefinitely sit on the fence waiting for appropriate circumstances before joining. Hence the suggestion of something even more closely linked, which smacked of the surrender of sovereignty in monetary policy, had little chance of winning her agreement.

In her view it was out of the question at least until other EEC members matched Britain's level of deregulation, freedom in capital flows and absence of exchange controls — France and Italy being the worst examples. As far as she is concerned they are simply seeking to substitute their own internal controls with common EEC regulations which would be a step backwards for the UK markets.

But in the interests of the harmony on other matters evident in Hanover, Thatcher did agree to the setting up of a committee of experts to "study and propose concrete stages towards the progressive realisation of economic and monetary union," although insisting on deletion of any reference of a

common central bank and averring that "it is not going to happen in my lifetime."

Back home she rubbed it in when replying to opposition claims that a European Central Bank could be set up, if deemed necessary, by a majority of EEC members (unlike a common currency which requires unanimity). "You may be correct in theory . . . but not in practice," she told David Owen of the Social Democrats. "You are like many other people who discuss this in the European Community. They talk in very grandiose terms but they don't take the practical steps to get us closer in monetary union."

Many economists and industrialists are predicting that Thatcher's objections to EEC proposals — such as harmonisation of excise duties on wines and spirits — will ensure that a half-baked loaf emerges from the oven in 1992. Unless, that is, she has decided to hand over the reins of Conservative Party leadership before the next British general elections which are due in the same year.

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**JOHANNESBURG.** — If the Sharpeville Six are executed, major European countries could be expected to reduce South Africa's diplomatic presence and refuse landing rights to aircraft from South Africa and visas to Republic passport-holders.

This grim warning was given at an Assocom press conference here following the return of a delegation which studied foreign perceptions of South Africa. The delegation was led by the chairman, Mr Alec Rogoff, and chief executive officer, Mr Raymond Parsons.

The Assocom mission, which visited the US, Europe and Israel, has conveyed its report to the "highest levels" of government.

Mr Rogoff said that if the six were executed, European Economic Community (EEC) countries would take "measures of displeasure" against South Africa.

These steps would include:

- Reducing the number of SA diplomats in EEC countries.

- The expulsion of certain ambassadors.

- The refusal of landing rights to aircraft from SA.

- The refusal of visas to SA passport-holders.

Mr Rogoff said that while the EEC was against economic sanctions, it would regard the above steps as acceptable and meaningful.

### Urgent matter

However, Assocom had told the EEC that the steps were "economic" and that by preventing SA businessmen direct access to Europe the steps could damage the SA economy.

"South Africa must not confuse its friends with enemies, nor take actions which make it impossible for our friends overseas to defend us."

It went on to say: "The cost of further political isolation will be high in term of economic growth and prosperity. South Africa needs the world economy in order to successfully address its development needs."

"This is an urgent matter as South Africa stands on the threshold of further punitive steps against it."

"It is not a question of capitulating to overseas pressure, but rather of keeping it down to manageable proportions."

Assocom said in their report that the issues that particularly upset Europeans were:

- The question of the Sharpeville Six and their possible execution.

- The implications of the proposed legislation to control foreign funding of political activities in South Africa.

- The restrictions placed on certain trade unions on February 24.

- The proposed amendments to the Labour Relations Act.

- The restrictions on the media.

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P.T.O.

# SHARPEVILLE SIX: Summary

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APR 7/1990 27/7/89  
**Assocom**

● The question of child detainees.

● The general issue of civil rights in South Africa.

"While the Assocom mission did attempt to place certain of these developments in their proper perspective, it is clear that the cumulative impact of these factors could mean a further irrevocable shift in overseas opinion against South Africa.

"In that event, further anti-South African steps may be taken in the near future by EEC countries, leaving aside the question of the so-called Dellums legislation in the US."

Most European businessmen were not aware of the full implications of the US Dellums bill, said Mr Rogoff.

Assocom said: "Together with other developments, there is now a good chance that that the legislation may not be passed by the US Congress this year.

"At the same time the convergence of opinion overseas on this question strongly suggested

that the EEC did not want matters ever to develop to the point at which they would have to choose between doing business with the US or South Africa."

Assocom said that the Dellums bill was wanting to set the US up as "the policeman of the world" on sanctions and wanted to secure compliance from third countries through the back door.

Assocom also said there was a distinct deterioration in perceptions abroad on the pace of change in South Africa. "This was underscored by a sense of impatience and disappointment at the slow pace at which the reform process was perceived to be advancing. Friends of South Africa abroad seemed to be under great strain."

Assocom said there was still unhappiness in banking circles about the debt standstill arrangement and the rescheduling of foreign debt repayments.

It said: "They had been warned that the situation could change for the worse in June 1990."

— Sapa

# Europe will act on Six, says Assocom

Star 27/7/88

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SLA

By Michael Chester

Assocom has warned the Government that it can expect severe reaction from western Europe if it allows the Sharpeville Six to be executed.

Mr Alec Rogoff, president of Assocom, has told the Government in top-level talks that the withdrawal from South Africa of all ambassadors by members of the European Community may be only the first in a series of measures.

The EC already has a programme ready to swing into action if the Government does not show clemency.

Apart from recalling ambassadors, other likely measures could include:

- Orders to South Africa to make sharp cutbacks in its diplomatic staff in EC countries.
- Requirements for South Africans to have visas to visit EC countries.
- Withdrawal of South African Airways' landing rights.

## Warning of plans

Mr Rogoff said warning of the EC plans had been delivered to the Government in a round of behind-the-scenes meetings on the return of a special Assocom mission overseas to discuss sanctions and disinvestment issues in Europe, the United States and Israel.

The mission had talks with political leaders, public servants, businessmen, trade unionists and church leaders in London, Paris, Brussels, Bonn, Washington and Tel Aviv.

Mr Rogoff said the possible execution of the Sharpeville Six had drawn intense criticism and severe counter-action seemed inevitable unless clemency was shown.

Other issues which were causing concern included:

- The implications of proposed legislation to control the foreign funding of political activities in South Africa.
- The restrictions imposed on trade unions on February 24.
- Proposed amendments to labour relations legislation.

- Restrictions on the media.
- The question of child detainees.
- The general issue of civil rights.

Mr Rogoff said it was clear that the cumulative impact of these factors "could mean a further irrevocable shift in overseas opinion against South Africa".

"In that event, further anti-South Africa steps may be taken in the near future by EC countries."

However, there now seemed a good chance that the planned Dellums Bill in the US, which would seek to sever almost all trade links with South Africa, would not be passed this year.

The Bill has found no favour in the EC especially on chain-reactions to US threats to penalise outside countries filling the American trade gap.

Mr Rogoff said that, on the whole, most EC countries were opposed to further economic sanctions, and keen to expand their trade with South Africa. This was particularly the case with Britain.

"Yet, even in Europe, banks and businessmen are under increasing political pressure to limit their involvement in South Africa and this pressure is assuming serious dimensions."

## Slow pace of reform

There was growing dismay over the slow pace of reform, worsened by signs of an actual slowdown in the reform programme since 1985.

Mr Rogoff said: "South Africa needs the world economy in order to successfully address its development needs."

"This is an urgent matter as South Africa stands on the threshold of yet further punitive steps against it."

"It is not a question of capitulation to overseas pressure, but rather of keeping it down to manageable proportions."

"We must display finesse in our foreign policy, even in the face of great provocation."

"We must help our friends overseas to help us through the successful handling of change in South Africa, and by remaining sensitive to civil rights issues."

# Canada delays new Pretoria curbs Commonwealth still split over sanctions on SA

TORONTO — The Commonwealth remains divided on the question of South African sanctions, although this time it is the Canadians and not the British who are dragging their feet over imposing curbs on Pretoria.

As eight Commonwealth Foreign Ministers yesterday began two days of talks on ways of increasing international pressure on South Africa, several officials expressed dismay over Canada's reluctance to approve new sanctions.

Before the talks, Canadian officials said the meeting of Foreign Ministers from Australia, Canada, Guyana, India, Nigeria, Tanzania, Zambia and Zimbabwe would focus mainly on Canadian proposals for combating South African censorship and propaganda.

Although delegates will also consider an interim Commonwealth report on additional punitive measures, Canadian officials said they did not expect any new sanctions to be adopted until the final report at the end of the year.

However, some Commonwealth officials insisted yesterday that the report — whose contents have so far been kept secret — contained measures which could be implemented immediately.

As one official remarked: "We will send the completely wrong signal to Pretoria if we don't take new action now. They will think we have given up on sanctions."

The case for new sanctions was strongly argued by Mr Shridath Ram-

phal, the Commonwealth secretary-general, at yesterday's opening session: "This meeting has a major responsibility to keep the Commonwealth in the vanguard of the global movement against apartheid."

Strongly denying there was a growing "weariness" with sanctions, he said: "Commonwealth governments, I know, will continue at the forefront of the international campaign which is gathering, not losing, momentum."

Mr Ramphal had reservations about the Canadian proposals for countering South African news censorship. He said it was "too one-dimensional" to beam more news into the country, when getting news out was more urgent.

## Satisfaction

Britain, which is not a member of the Foreign Ministers committee because it opposes sanctions, will doubtless derive some satisfaction from seeing the Commonwealth again in a tangle over sanctions, especially as Canadian Prime Minister Mr Brian Mulroney strongly criticised Britain's refusal to approve new measures at last year's Commonwealth summit.

Canadian foot-dragging now is partly ascribed to the fact that Canada is expected to hold a general election soon and with US elections in November, any new moves on sanctions would have greater impact if introduced at the end of this year. — The Independent News Service.

● See Page 21.



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THE EUROPEAN COMMUNITY

# Maggie bucks 'the inevitable'

Renowned for rocking the European boat, Margaret Thatcher, the British Prime Minister, has been at it again. After a period of relative harmony within the councils of the European Economic Community (EEC), Thatcher last week unrepentantly upbraded the idealists across the English Channel, singling out the president of the European Commission, Jacques Delors, even though she only recently supported his reappointment for another two years.

She started by deciding that Lord Cockfield, one of two UK-appointed commissioners in Brussels, should step down at the end of his four-year term. He will be replaced by former Trade and Industry Secretary Leon Brittan, who carried the can for the PM in the Westland helicopter row in 1986 and resigned to the back benches.

Cockfield, a previously ardent Thatcherite, was the chief architect of the EEC's plan for a barrier-free single European trading market which is due to come into being in 1992. But in the judgment of Thatcher, he had become too infected by the European spirit during his time in Brussels, calling for harmonisation of taxes to allow a truly competitive market. By "going native," as Conservative MPs called it, Cockfield committed a cardinal sin in Thatcher's book — that of suggesting a surrender of some degree of sovereignty in the interests of the greatest good for the greatest number.

That went down badly in the Berlaymont, the European Community's (EC's) headquarters, where it had been hoped Cockfield would be seeing his programme through to fruition.

Thatcher's eulogy about "the wonders" of Cockfield's contribution rang hollowly, as did government claims that at 72 he was due for retirement anyway and that Brittan's acknowledged legal brain was the ideal follow-up for coping with the fine print supporting the grand design.

Then she rubbed it in, provoked by a Delors speech in which the EC president forecast that the next decade would see 80% of economic and social affairs becoming supra-national matters and necessitating the formation of "an embryonic European government" — with real power as opposed to the largely talking-shop function of the European parliament in Strasbourg. A United States of Europe? Thatcher dismissed the concept as "airy fairy."

Cultural and language differences ruled it out forever. Working together was laudable, but togetherness which involved a common central bank with power over national economic policies was out, certainly "in my lifetime and I hope never at all."

*Die Zeit*, the rightwing German paper, called her "a dictator" leading Britain into a new period of "splendid isolationism." It said she would use her power and position "to apply the brakes to all initiatives which lead beyond the 'Europe of ringing cash tills' which she values." On the Left the *Frankfurter Rundschau* accused her of trying to behave like General de Gaulle (who froze the UK out of the EEC). But the EEC of the Eighties could not be stopped by one nation: "Today's EEC can very well create an inter-



Thatcher ... no Eurocrat, she

nal market without border controls and, later, a monetary union without Britain."

The French displayed more cynical *sang froid*. Minister for European Affairs Edith Cresson commented: "We are used to Mrs Thatcher taking up vigorous positions. But it is the French and the Germans who get the European train rolling, while Mrs Thatcher comes along later."

*Le Monde* said it would be wrong to heighten divisions by paying too much attention to the British PM's Europhobia "because Mrs Thatcher is not, in spite of everything, eternal."

If Thatcher thinks that Brittan will be "her man" in Brussels she could be mistaken. The ex-minister went to some pains to remind people that European commissioners take an oath of office which specifically precludes them from taking orders from their home governments. Their duty is to the community alone.

#### His own man

He also pointed out the numerous times in House of Commons debates when he had argued against Thatcher policies and proposals. Chief among these is her antipathy towards the pound formally joining the European Monetary System and his support for the logic that free trade and free capital movement within the EEC requires exchange rate links and an expanded practical role of the European Currency Unit. Along with his

brother, Sam Brittan, the *Financial Times*' chief economic commentator, and Chancellor of the Exchequer Nigel Lawson, Brittan believes it also makes sense for sterling to be linked to a "low inflation currency," namely the Deutschemark.

On balance, the influential majority within the EEC seems prepared to accept Thatcher as an argumentative hazard rather than an immovable object. As the External Trade Commissioner Willy de Clerq summed up: the forces for European integration made it inevitable — but Thatcher means the road could be a long one. ■

# Commonwealth acts on SA

FOCUS

TORONTO — A panel of Commonwealth foreign ministers has called for intensified sanctions against South Africa to hasten the end of apartheid and urged their banks to cut off Pretoria's credit.

The eight foreign ministers, concluding a two-day review of the impact of sanctions and troubles of Southern Africa, on Wednesday pledged concerted lobbying to get Britain and other hold-out countries to join Commonwealth sanctions.

"They're not biting enough. There has to be a continuation of the pressure," Canadian Foreign Minister Joe Clark told a closing news conference.

A report prepared for the two-day meeting showed that Japan, Taiwan, West Germany, Italy, Spain and Turkey have sharply increased imports from South Africa recently, while the United States and other countries imposing sanctions have reduced theirs.

The reports said Mediterranean countries in particular have been buying thousands of tons of South African coal, providing an alternative market after the Commonwealth banned such purchases.

The panel's recommendations to Commonwealth and other

## Sapa-AP

governments focused on wider implementation of existing sanctions, rather than dramatic new measures and called on governments to:

- Abide by Commonwealth trade bans, especially on coal;
- Tighten customs scrutiny to prevent sanctions violations;
- Provide heavier penalties for such violations;
- Prohibit technology transfers designed to circumvent sanctions, particularly in the area of weapons, oil and computers;
- Better define the farm products banned from South Africa; and
- Increase publicity about companies continuing to trade with South Africa.

## Achieved

"I can't think of another Commonwealth meeting in which we've achieved so much in such a short time," said Sir Shridath Ramphal, secretary-general of the 49-nation organisation.

However, a South African embassy official who sat among journalists at the news conference, second secretary, Patrick Evans, termed the proposals "very, very superficial." Asked of their impact, he said: "None whatsoever. We roll with the punches."

Commonwealth secretariat official acknowledged that the amount of trade credits its members provide South Africa is small and described the move as a "moral commitment" to press other countries to take similar steps.

"A global ban on trade credits would have a very serious effect on South Africa's external accounts," the ministers said in a statement.

They also agreed to press members of the organisation for economic co-operation and development for a ban on insurance coverage by official agencies for loans to Pretoria.

## Export

The export credit agencies in Germany, the United Kingdom and France continue to offer unrestricted insurance cover for export credits to South Africa, according to a report prepared by Canada, Australia and India on Pretoria's financial links.

These agencies account for more than 90 percent of the roughly R16 billion of insured South African exposure outstanding.

The report, debated by the ministers, said the refusal of banks to lend new money to South Africa has severely stunted its economic growth.

"While South Africa is not at present stretched to its financial limits, its margin for manoeuvre is very small," it said. "The maintenance and extension of financial sanctions would hobble



SIR Shridath Ramphal, general secretary of the Commonwealth.

South African economic growth and maintain the economic pressure on the South African government to abandon apartheid.

"A survey of banks in the United States, Europe and the Far East revealed the lack of confidence in South Africa's longer term prospects in the absence of fundamental change," said the report, based on interviews with banks and regulatory authorities.

The foreign ministers

agreed to ask their bank regulators to rigorously apply bad loan provisions to make sure South Africa is not treated with special favour; to ask banks to extend rescheduled South African loans for no more than one year; to stop financing trade through new short-term credits; and to press official export credit agencies in all countries to discontinue insurance for South African trade.

Mr Clark announced a one million Canadian dollar (about R1 660 000) programme to counter South African censorship and propaganda, including a legal advisory fund for black journalists and a scholarship programme for young

# Trade credit move to 'hobble SA'

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5/8/88

WASHINGTON — A global ban on trade credits to "hobble" SA's economic growth is in the offing now that a Commonwealth foreign ministers committee on southern Africa has agreed to push for a package of tough new financial sanctions.

The eight ministers met in Toronto this week to prepare their agenda for the heads of government meeting in Kuala Lumpur next year.

They indicated the measures were intended to stimulate unemployment by collapsing SA's current account surpluses, hampering its repayment of foreign debt and blocking import growth.

On the basis of a study prepared by Australian, Canadian and Indian committee members, they agreed the "most significant sanction" to date had been the "refusal of banks to lend to SA".

That had successfully restricted economic growth by "forcing large capital account deficits to repay maturing loans and requiring corresponding current account surpluses".

In addition to seeking a trade credit ban, the committee called on national bank regulatory authorities to make lending to SA even less attractive by raising loan loss provisioning requirements.

They said: "Ministers expect the SA country risk will be treated no more favourably than that of heavily indebted countries."

The committee also agreed:

- To press banks with SA exposure sub-

SIMON BARBER

ject to the debt moratorium and interim rescheduling to limit rescheduling agreements to no more than one year;

- To demand an international ban in insurance cover by official export credit agencies for loans to SA;

- To provide data to anti-apartheid organisations enabling them to conduct boycotts and other campaigns against institutions that failed to co-operate with the new restrictions.

THE US House of Representatives is set to pass its sweeping SA sanctions Bill next Thursday in what congressional leaders privately concede to be a "symbolic gesture".

The Speaker of the House, Congressman Jim Wright, set the date — the last day before Congress goes into summer recess — under pressure from the congressional black caucus.

The measures were required because "the SA economy cannot grow fast to prevent unemployment from rising further without strong import growth and a collapse of the current account surpluses necessary to repay foreign debt".

The ministers concluded SA had little scope to increase its non-gold exports and said gold "faced increasing global supplies and uncertain price prospects".

Other committee members included

● To Page 2 →

The order, granted three weeks unlawful, conduct.

## Trade credit move to 'hobble' SA growth

Nigeria, Guyana, Tanzania, Zambia and Zimbabwe.

□ GRETA STEYN reports economists said yesterday a ban on foreign trade credits would put strain on the country's reserves and reduce the options to alleviate the balance of payments constraint on economic growth.

Bureau for Economic Research economist Glen Moore said foreign trade credits reduced short-term capital outflows, taking some of the strain off the current account surplus.

The Reserve Bank's June Quarterly Bulletin said importers had increasingly made use of foreign trade credit rather

than domestic finance in the first quarter. As a result, short-term capital outflows decreased sharply to R386m from R1bn in the last quarter of 1987.

Trust Bank economist Nick Barnardt said last week's increase in domestic interest rates would encourage importers to use foreign trade credit instead of more expensive domestic finance.

Other economists said it was not feasible to stop trade credits and at the same time still trade with SA.

● Stays on credits: Page 3

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# SA economy 'ripe for the picking'

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SA

WASHINGTON — External pressure and domestic mismanagement have made the SA economy ripe for the picking, concludes a Commonwealth study prepared to lay the groundwork for new financial sanctions.

SA's "margin for manoeuvre is very small", says the study, which was presented to the Commonwealth foreign minister's committee on southern Africa in Toronto last week.

It identifies "the fragility of the current-account surplus and the continued weakness of domestic savings and investment" as "the major areas of economic vulnerability".

Consumption, primarily government-generated, rather than exports or gross domestic fixed investment, now accounts for 80% of GDP growth, the study finds.

The collapse in real domestic investment — down by 31% between 1980 and 1987 — has become a "binding constraint ... As the existing capital stock becomes outmoded and run down and as the number of unemployed increases".

Gross domestic savings — needed to offset the drying up of

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capital inflows from abroad — have also shrunk dangerously in the face of large budget deficits "to counteract, partially, the economic consequences of political unrest".

In addition, as GDP growth has become more dependent than ever on consumption, "inflation and a growing personal tax burden have meant that consumers could only maintain that consumption at the cost of reducing their savings" — to 1.8% of personal disposable income in the first quarter of this year.

"At the moment when SA has been thrown back on its own savings for investment, its savings performance has deteriorated.

"The economic distortions inherent in apartheid, the impact of sanctions and political unrest have weakened investor confidence.

"Bad economic policies, which have led to negative real interest rates and high inflation have also added to the country's economic difficulties."

The study sees little chance for SA to redress these problems through increased exports and access to foreign credit.

It finds higher gold earnings

unlikely, and the expansion of capacity to produce higher volumes of non-gold exports seriously hampered by poor savings and investment performance.

Also, SA has "limited scope to expand exports of diamonds, strategic minerals and coal without adverse effects on world prices ... Other manufactured and agricultural exports will be more difficult to expand, and in all cases SA would shortly encounter capacity constraints".

SA has become a "high-risk borrower" and access to international capital is now effectively limited to short-term trade credits, which the foreign ministers' committee has recommended banning.

Even without a ban, however, resorting to trade credits "is not a viable instrument through which the country can obtain the sustained net capital inflows it requires to avoid further growth in unemployment".

Though still a member, SA has no access to the IMF or the World Bank, benefitting solely from the latter as a source of procurement for regional development projects.

Efforts are being made to court new capital exporters like Japan and Taiwan.

**'G**A NADA," I was reminded last week as Commonwealth Foreign Ministers met in Toronto to luxuriate in their hatred of SA, is Spanish for "there is nothing".

An utterly unfair thought, to be sure, but it somehow went to the core of Prime Minister Brian Mulroney's obsession with destroying the South African economy.

The Foreign Ministers in question were members of the Commonwealth Committee on Southern Africa, comprising — in addition to Canada's Joe Clark — worthies from Australia, India, Guyana, Nigeria, Tanzania, Zambia and Zimbabwe.

It is notable that the only two industrialised nations on the list were a pair that have long held a grudge for not being taken quite as seriously as other Western powers, most notably the US and their colonial mother, Britain.

This perhaps explains their fascination with SA. Just as much of Africa has found in apartheid a convenient rhetorical crusade that may be pursued in lieu of humane and competent governance at home, so Canada and Australia have discovered an international platform upon which to strut and earn the prestige their officialdom believes has too long been denied them.

**N**o doubt they derive a considerable thrill from the opportunity to thumb their noses at Maggie Thatcher and her fellow Europeans, Ronald Reagan and the newly emergent Pacific rim.

Yet it is all rather sad, an admission almost that they cannot hack it in the first division and so are seeking to win the applause of Donald Woods in the third.

A third division conference is unlikely to be an epochal event, and the Toronto meeting wasn't. The British were studiously absent, and just across Lake Ontario the Americans paid next to no attention even as the ministers lit candles in a televised ceremony on the waterfront hoping to persuade the rest of Canada to stop watching baseball and light up too.

This was supposed to symbolise the wonderful things Canada and its partners are doing to end or evade censorship in SA: for example, a parallel conference at which Woods advocated recruiting South African

# Commonwealth's much ado about nothing on SA

SIMON BARBER in Washington

journalists to "hand carry" dispatches out of the country. On cleft sticks through crocodile-infested rivers, perhaps.

The meat of the proceedings came in the form of two official reports, one evaluating the application and impact of sanctions, the other assessing SA's relations with the international financial system.

For reasons that its final communiqué made all too clear, the committee decided that the former should not be released. The impact of sanctions, the statement allowed, was being "diminished" because a lot of states were ignoring the Commonwealth's edict. Including, one might add (the committee did not), several whose foreign ministers were not a million miles from the conference room.

**E**ven so, the committee decided to get tough. The communiqué endorsed "an action plan of individual and concerted demarches" on offending countries, Raising the interesting prospect of Zambia's Lake Mwananshiku being obliged to dress himself down in front of a mirror. In addition to demarches, the ministers also rather tellingly called for "stricter customs scrutiny and ... penalties," a higher "definition of agricultural products" and a prohibition on "technology transfer that is designed to enable SA to circumvent existing sanctions, particularly in the areas of arms, oil and computers".



□ MULRONEY ... obsessed by SA

Evidently, the report had revealed the Commonwealth's sanctions to be ludicrously porous and had mentioned not a few embarrassing names, among them, according to a researcher who worked on it, the holier-than-thou Dutch, who have taken to buying South African coal and reselling it blended with their own product.

Officials felt it more acceptable to have a public go at Turkey. The latter, according to trade data released at the conference, has become "one of the most important buyers of South African steel," which it rolls and markets as its own.

As uneasy as they were about their sanctions not working and being widely ignored, the ministers seemed downright infuriated by the growing body of evidence that black South Africans themselves do not relish the prospect of deeper poverty and unemployment. This evidence they called a "concerted propaganda campaign supported by massive financial resources".

To fight back, they decided "it was specially important for the authentic voices of black South Africans, particularly of black trade unionists, to reach the outside world". As in other international forums, the word authentic has come to mean "sharing our pernicious, narrow-minded point of view".

**I**f the committee decided to sit on its sanctions report, it was more than happy to release the financial one. The reason was again fairly obvious: the report adumbrates a whole new area of attack that the Commonwealth will find far less contentious to implement. It is called doing nothing.

Since the Commonwealth is principally composed of economic basket cases, none of its members — with the exception of Britain — uses trade credits to support exports to SA, and even British banks (as the report itself concedes) have become highly circumspect about this form of lending.

Short-term trade lines have be-

come SA's last reliable means of access to foreign capital, says the report. Cut them off and SA will cease to be able to generate enough growth to stop a massive rise in unemployment and economic Zambianisation. That is exactly what the committee earnestly desires and, best of all, members will have to take absolutely no steps of their own to make it happen.

The ministers thus blundered into a spectacular truth: all they have to do is jet about the globe, lighting candles and issuing windy communiqués and, guess what, apartheid will crumble because, with the limited and highly compromised sanctions already in place — and thanks to the chronic mismanagement of the Nationalist government — it is no longer economically sustainable.

The central theme of the financial report is that SA is doing itself in. Disinvestment by foreign companies, it suggests, is infinitely less damaging than the disinvestment that is effectively going on internally, fuelled by government and an all-high taxation, inflation and an almost nonexistent savings rate.

Without major infusions of external capital — which are not going to happen because, sanctions or no, SA is now regarded as a bad credit risk — SA is fast losing the capacity either for inward development or export growth.

**S**o long as the gold price remains stable, SA's export earnings look to remain flat. It cannot expand its manufacturing capacity. Increased exports of raw materials will merely depress world prices. Productivity gains are blocked by increasingly outmoded and unreplaced plant, as well as by political constraints and a giant welfare state for Afrikaners. In short, the report concludes triumphantly, SA's "margin for manoeuvre is very small".

Which neatly shows up the Toronto meeting for what it was. An exercise in self-congratulatory play-acting. By its own assessment, it really doesn't matter what the Commonwealth does now. SA is going down the tubes anyway.

But as it goes, Canada's Brian Mulroney will have a lot of fun being important, ordering demarches and generally lordling it over the first division.

His only problem is going to be finding those "authentic" black South African voices to tell him what a swell he is as they pick through rubbish dumps for scraps to feed their children.

## THE ECONOMY

## Go for the gold — and trade credits

THE Commonwealth Economic Secretariat's report last week recommending financial sanctions against South Africa could not have been better timed — or worse, depending on your perspective.

The report noted how vulnerable South Africa's open economy was to foreign pressure on its balance of payments.

In the same week the country's gold and foreign reserves fell to \$2,3-billion, 28 percent below December 1987's United States dollar level. And the rand crashed to R2,5 per US dollar for the first time since the depths of the 1985 credit crisis.

The report notes how the South African economy has boxed itself into a corner in recent years and argues there would be no better time than the present to apply effective sanctions on South Africa.

The place to apply them, it argues, is in the area of international financial flows, and the ideal place to apply pressure is on trade credits.

There is little reason to argue against the logic of the report.

It is true South Africa won lenient terms from the committee of its creditor banks when the \$10-billion short-term debt rescheduling was negotiated in March 1987. Debtors only had to repay \$500-million a year, five percent of the debt.

But since 1985 it has been very difficult for South African borrowers to raise new medium or long-term finance. The old-fashioned syndicated loans that flowed into South Africa like water in the 1970s and early 1980s are now nowhere to be seen. South African international bond issues are equally rare.

However, the disinvestment movement, though it hasn't been that effective in getting firms completely out of South Africa — they sell plants, license out products — has proved a huge drain on capital, compounding the shortage of foreign finance.

But not all avenues to foreign finance have been closed. Medium and long-term loans that fell outside the 1985 standstill net can be rolled over and frequently are — not surprisingly when the creditors are able to charge their South African debtors a considerable premium over the original rates or over current market rates.

Even loans within the net do not have to be recalled. By late 1987 the Deutsche Bank, unlike most banks in the US and the United Kingdom, had received no repayments from South Africa through the rescheduling agreements. There was no overall reduction in the exposure of banks from West Germany to South Africa and Namibia.

New international loans are also still arranged through the interbank market — from one bank to another and thence to the final borrowers. Again there is a financial attraction: overseas banks regularly charge between 1 and 1,25 percent over the London interbank offered rate.

It is also known that small private banks in Switzerland, West Germany and the Benelux countries have been involved in gathering finance for South Africa, often through hidden, complex deals.

Gold swaps have been an important means of raising finance quickly and discreetly. A gold swap is the transfer of gold for finance for an agreed period of time. Even unmined gold can be "swapped".

In 1986 several large Swiss banks helped South Africa boost the foreign currency component of its dwindling reserves by arranging a series of gold swaps. It has typically been European banks, especially German and Swiss, rather than the traditional UK and US banks, that South Africa has relied on in recent years.

The most important form of foreign credit that continues to get to South Africa is the trade credit. Trade credits were excluded from the standstill net, and fall outside most existing

**A Commonwealth report on how sanctions will hurt South Africa's boxed-in economy was aptly timed. ALAN HIRSCH reports**

sanctions regulations.

Most of South Africa's trade, which amounts to \$10-billion to \$12-billion each year is financed through trade credits. Of that total about \$3-billion is insured by government export credit organisations; the biggest insurers are the UK and Japan.

Trade credits are either supplier credits or buyer credits. The former would be very difficult to stop as they would be domestic arrangements in the exporting country. However, the supply of credits to South African buyers of imported goods, especially those subject to government guarantee, is vulnerable to pressure.

Director of Finance Dr Chris Stals, hero of the debt negotiations, must be eating his words. Last year he told a journalist: "If the world banking community should effectively exclude South Africa from international trade and payments systems it would be a much more effective sanctions measure than trade sanctions applied by governments. It would put us on a barter system overnight."

But trade credits are important not only because they allow the importation of foreign goods; they also can be manipulated to act as medium to long-term loans. Trade credits on capital goods can be extended for as long as five years. Trade finance has become the crucial form of international solvency for South Africa.

The Commonwealth researchers were not the first to zero in on the trade credit chink in South Africa's tarnished armour. A San Francisco-based organisation, Cannicor Research, published a report in March last year which directed the attention of the sanctions movement towards the issue of trade credits.

In London, the "End Loans to South Africa" campaign also backs the trade finance boycott.

In New York too the United Nations Centre on Transnational Corporations — which earlier this year published a paper pointing to the limitations of disinvestment strategies — is currently conducting research into transnational banks' links with South Africa. It is likely that the UNCTC report will have a similar thrust to that of the Commonwealth researchers.

A body has been set up to attack the other leg of South Africa's balance of payments strategy — gold sales.

In June this year in London the World Gold Commission was established under the directorship of former gold broker Peter Robbins. The commission's object is to stop South African gold sales world-wide.

South Africa's share in world-wide gold production has fallen dramatically in recent years — and with it its power to control markets.

All this means South Africa is extremely vulnerable internationally through its economy. The period between now and the next debt rescheduling talks in June 1990 is likely to see concerted attempts to whip the economic base from under the feet of the South African government.

Those who oppose sanctions are likely to be frightened by this. However, if the last debt crisis is anything to go by we are due for some improvements.

Under international pressure at that time the private sector made many liberal appeals and the government made many promises. It actually abolished influx control and lifted the 1985 State of Emergency.

True the Emergency was reimposed shortly after the debts were safely rescheduled, and the promise to release Nelson Mandela was broken, but maybe the moral of the story is not to allow the economic pressure to be lifted until the changes are made.

## BUSINESS BAROMETER

## GENERAL INDICATORS

## MOTOR CAR SALES

New car sales rose by 17,9 percent in July following a decline of 5,7 percent in June. Total market sales for July — of cars, trucks and light commercial vehicles — were 31 504 units, 10 percent higher than in June, according to Naamsa statistics released this week.

## INFLATION: PENSIONERS

The Consumer Price Index (CPI) for pensioners showed an increase of 12,3 percent for the 12 months to June, whereas the inflation rate for all groups in the same period was 12,4 percent. The Cape Peninsula was the one area where inflation for pensioners at 12,8 percent was higher, than the rate for all income groups, which was 12 percent. This is the first time the Central Statistical Services has released CPI figures for pensioners, based on a 1985 survey and counting as pensioners' households all those where the income of the head of the household from pension income constitutes more than 50 percent of total direct household income. The weightings for the items comprising the "basket" of goods for these households is different: food constitutes 20,3 percent, housing 38,42 percent, homeowners' costs 22,69 percent, transport 9,15 percent, education 0,61 percent

## SUBSISTENCE LEVELS

A survey of minimum living levels by the Bureau of Market Research, found R452,59 to be the minimum monthly income for an African family of six in 1987. The highest minimum requirement was in Johannesburg, where the figure was R477,16. The survey, described in the official publication *South African Labour Statistics 1988*, also found a minimum living level of R408,55 for "coloured" family of five (based on two centres in South Africa) and R418,88 for Indians in Durban. A survey by the Institute of Planning Research at the University of Port Elizabeth found the minimum subsistence level to be R517,47 for a "coloured" family of five in Johannesburg in 1987 to be R474,73 for a black family of six.

## FINANCIAL INDICATORS

## Johannesburg Stock Exchange Indices

JSE Indexes	9/8/88	WEEK AGO	% CHANGE
All Market Index	1793	1815	-1,2
All Gold Index	1294	1335	-3
Industrial Index	1653	1677	-1,4

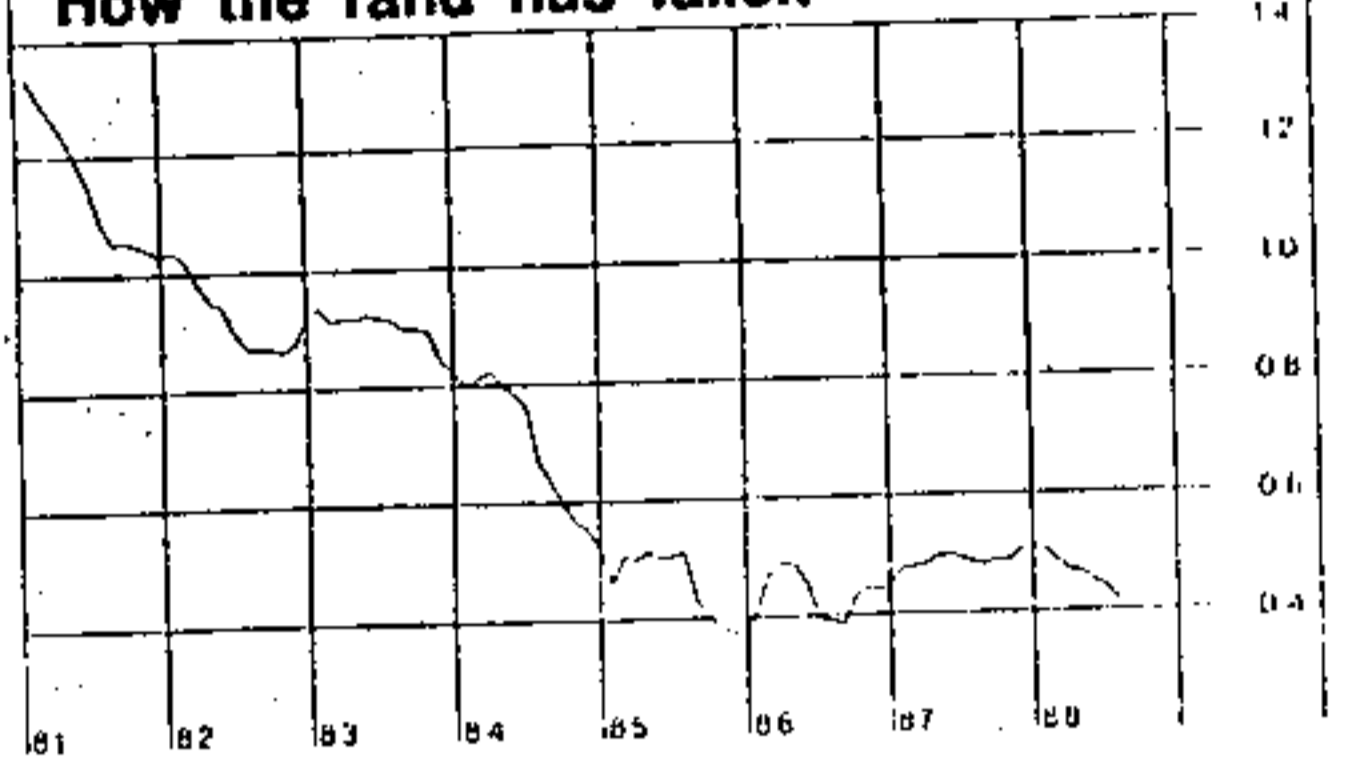
## Short-term interest rates

	9/8/88	WEEK AGO	YEAR AGO
Three-month bankers acceptances	13%	12,7%	8,9%
Prime overdraft rate	16%	16%	12,5%

## Gold Price

	9/8/88	WEEK AGO	% CHANGE
	425,80	433,30	-1,7

## How the rand has fallen



## Selling price: Major currencies against rand

	11/8/88	WEEK AGO	% CHANGE
US dollars	2,4830	2,4725	+0,4
Pounds Sterling	4,2190	4,2495	+0,7
Deutsche Mark	0,7675	0,7550	+1,6
Yen	53,85	53,50	+0,7
Swiss Franc	0,6415	0,6295	+1,9

# The will to succeed

SBA

## ■ Getting the Europeans together by 1992 will prove a really taxing issue

If anything, UK PM Margaret Thatcher's intemperate dismissal of the "US of Europe" vision of Jacques Delors, president of the EEC Commission, has added impetus to progress towards a truly common market.

The deadline of 1992 may be ambitious, given the disparities between the 12 member states. And Delors' assertion that, ultimately, 80% of national economic and social policies will be decided in Brussels is politically unpalatable even for the most ardent European unionists in Paris or Bonn.

But the forces which impelled the European Economic Community (EEC) countries to pass the Single European Act in 1986 are working inexorably: sluggish growth, high unemployment and growing competition in world markets from Japan and the Pacific Rim powerhouse all require action to cure what has become known as the creeping sickness of "Eurosclerosis."

American concerns about the consequences confirm that there is nothing "airy fairy" about 1992, billed as being the great-

est step forward since the signing of the Treaty of Rome.

Recently, US Treasury Deputy Secretary Peter McPherson felt moved to warn the Europeans against allowing the single market to lead to a common protectionist wall. In the first major policy statement on 1992, McPherson welcomed the move, but added: "If barriers against foreign firms are raised in the context of completing the internal market . . . the European Community will undermine support in the US and elsewhere

for multilateral efforts towards a more open international financial and trading system. Indeed protectionism in Europe would certainly evoke a response from the US."

So Europe will have to take care that the glittering prize of internal growth promised by the breaking down of barriers is not tarnished by more of the kind of mini-trade wars (chiefly with the US) which have spluttered intermittently as the EEC grew from being six nations to a dozen. Indeed, the EEC should become a better market for the rest of the world, enhancing global economic growth and trade with the removal of stifling regulations.

According to the Cecchini Report, prepared for the commission, the present costs of national red tape — from frontier controls to technical specifications such as the wording of labels or the colour of wiring in consumer goods — are enormous. In the case of the motor industry they add ECU2bn (US\$2,2bn) to the costs of vehicles. If a "European" car was produced to a common specification, prices would come down and sales rise. Differing standards for food, drink and tobacco products add ECU1bn (\$1,1bn) to prices. Deregulation of telecommunications would save another ECU2bn.

The list is long, but the Cecchini Report estimates that over the next five years the

price of the status quo amounted to ECU200bn (\$220bn) or 4,5% of EEC GDP. And, as it pointed out, the benefits of the single market do not add up to a zero sum game. Higher growth will be released as free competition and savings lead to lower prices, increased spending power and greater demand. The economies of scale offered to manufacturers able to make a "European" product would add 2,1% to GDP and mean consumer prices could be 2,3% lower than at present.

Totting up the benefits of the single market, in which financial services would be free and the end of nationalistic closed shop policies in state spending would allow open cross-border competition, Cecchini estimated it could add nearly 6% to EEC GDP, produce a 7,7% decline in relative consumer prices and generate another 2,3m jobs. Other calculations put the employment gain at 5m — equal to nearly a third of the 15,5m Europeans currently on the dole.

In addition, EEC exports to third markets would benefit, improving the external balance by the equivalent of 1,3% of GDP.

But this prize will not be won without some sacrifices. Abolition of internal customs checks will produce distortions unless taxes are harmonised. It already pays English shoppers to cross the Channel to France to load up with wine because of lower excise

duties there. The same applies to the thousands from the Republic of Ireland who slip into Ulster, along the hundreds of uncontrolled country lanes, to buy clothes and washing machines to avoid their own punitive 25% rate of VAT.

The tables illustrate the huge discrepancies which have to be reduced. The 1992 planners believe that a differential of up to 6% in indirect taxes on goods is tolerable — offering insufficient incentive for consumers to make long journeys for marginally lower prices.

Hence it has recommended a range of VAT rates of 4%-9% and 14%-20%.

The same — and worse — applies to all excise duties on fuel, alcohol and tobacco. Hence the tax issue is possibly the biggest single stumbling block to be overcome.

At present, it looks politically insuperable.

If Denmark fell into line with EEC proposals it would lose revenues equivalent to 6% of GDP. Thatcher, who rejects any idea of European interference in the British parliament's right to fix taxes, believes that the UK could still go it alone. Hence her displeasure with Lord Cockfield for advocating tax harmonisation. While British drinkers would rejoice, any thought of imposing VAT on goods which are presently zero-rated (from food to children's clothes and books) could be an electoral disaster.

Little imagination is required to guess how voters in Spain, Italy, France or Greece would react to having their wine drinking taxed or massive increases in the price of a bottle of ouzo, grappa or fundador.

A new way of dealing with indirect taxes is proposed. Under the existing system, all exports are free of VAT or duty. Customs controls are used by exporters to check that the goods are leaving the country and by importers to levy VAT on the cost price, which is then taxed again when it is sold to consumers to take account of value added by distributors' margins.

One answer, says the European Commission, is to collect charge VAT on exports. The importing country will then add its own VAT rate. A central clearing house would come into force, whereby importing countries will claim the VAT collected by the exporting nation, offset by the tax they have imposed on their own cross-border sales.

In this way, all VAT would end up in the hands of the country in which the goods were finally sold. Even so governments would lose revenues and the Cecchini Report reckoned aggregate budget deficits would increase by the equivalent of up to 3% of EEC GDP, imposing intolerable fiscal strains.

None of this has so far been resolved and is the chief reason why the more idyllic theories about Europe in the Nineties are being regarded with some scepticism.

The pragmatists believe it is realistic to believe handicaps such as technical specifications, open competition in financial services (such as banking and insurance) and transport can be done away with. But the dream of totally open borders, like that of a common currency, which has now been written into the EEC Treaty looks like remaining no more than that for a long time to come — even after Thatcher eventually retires to the House of Lords.



## MIXED DRINKS FOR SOME

(Examples of excise duties)

	Spirits 75cl	Still wine 100cl	Beer 100cl
Denmark .....	10,50	1,57	0,71
Britain .....	7,45	1,54	0,68
France .....	3,45	0,03	0,03
Germany .....	3,52	0	0,07
Ireland .....	8,17	2,79	1,13
Spain .....	0,93	0	0,03
Greece .....	0,14	0	0,10
EEC recommended	3,81	0,17	0,17

(1 ECU = US\$1,11. VAT not included)

## GAPS TOO FAR?

EEC Value Added Tax rates

	Low	Std	High
Belgium .....	1-6	19	25-33
Denmark .....	—	22	—
Germany .....	7	14	—
France .....	2-7	18,6	33,3
Greece .....	6	18	36
Ireland .....	2,4-10	25	—
Italy .....	2-9	18	38
Netherlands .....	6	20	—
Portugal .....	8	16	20
Spain .....	6	12	33
UK .....	—	15	—
EEC recommended .....	4-9	14-20	—

## WHERE TO BUY A CAR — OR NOT

(Examples of total indirect taxes on new car purchases)

	%
Germany .....	14
UK .....	24,6
France .....	28
Netherlands .....	48,6
Greece .....	131
Denmark .....	194,8

(As at end — 1987)



# The debate rages on



Joe Clarke

TORONTO. — Come and light the candle that demands an end to censorship in South Africa. If you're unable to be there, we invite you to light a candle at home and to place it in your window as a way of saying: South Africa, don't keep the world in the dark.

So ran a Canadian government announcement on the day eight foreign ministers met in Toronto to discuss further Commonwealth measures against apartheid.

And at 10pm thousands of people stood on the city's waterfront and held aloft lighted candles in a moving demonstration of protest against the S. government.

The foreign ministers were all there, headed by Canadian Joe Clark. Exiled South African musician, Abdullah Ibrahim, provided magical jazz accompaniment.

Canada's official public commitment to the anti-apartheid cause is more upfront than most western countries. It is a popular policy. Opinion polls show consistently high support for sanctions and for strengthening other measures against South Africa.

That is why the Canadian performance at the foreign ministers meeting caused some concern.

Clark and his team seemed to want to play down the sanctions aspect and concentrate on other matters, notably how to counter South African censorship and propaganda.

## More squeezings

The Canadians had to be brought back on course, as one African minister put it, and the outcome was agreement on a series of steps that will lead to further squeezing of Pretoria, especially on the financial front.

This group of ministers, which was set up at last year's Commonwealth summit in Vancouver and does not include Britain, believes that South Africa is most vulnerable to financial pressures.

So the most important outcome of the Toronto meeting was the decision to take a number of steps to further squeeze the already ailing South African economy.

Top of the list is a decision to seek a total global ban on all trade credits. At present all Commonwealth countries except Britain ban new lending, other than short-term trade credits.

This, said the Toronto eight, could be extended to include new trade credits. A global ban, they say, would have a very serious effect on South Africa's external accounts.

An international ban is to be sought on insurance cover by official export credit agencies for loans to South Africa, and new pressures will be exerted bilaterally and in international fora to persuade

countries to implement several other technical measures.

The Commonwealth has taken the lead in detailing programmes of sanctions, and it now intends to launch a campaign of persuasion in approaches to individual countries that have not so far adopted Commonwealth measures.

The eight want to tighten those sanctions already in place — for example, stricter customs scrutiny so that South African exports and imports are not relabelled and redirected through third countries, increasing publicity about companies which violate sanctions and imposing heavier penalties for violators.

It also plans to raise with governments arms embargo violations. The major offender is Israel, but others include West Germany, Italy, France, Britain, the Netherlands, the US and Switzerland. Recently at least seven West German helicopters were delivered directly to the South African police. These aircraft can carry Stinger missiles. A UN resolution prohibits paramilitary planes.

Then there is the very real problem of how to counteract the skilful way South Africa tries to manipulate the world's media. One most damaging argument successfully put about is that sanctions are opposed by blacks because they will harm them.

Although leading blacks have repeatedly said that their people are prepared to put up with more hardship in the cause of freedom, and that their lives are already miserable anyway they could hardly be made worse, this is a difficult case to make and prove in a country where black people have no vote and opinion polls are suspect.

*There is strong support in Canada for increased international pressures and sanctions against South Africa. But when Commonwealth foreign ministers met in Toronto, Canada recently they seemed to want to mark time on sanctions. The reasons were not clear, but it looks like Britain's Margaret Thatcher is stepping up the pressure on countries like Canada in preparation for her planned visit to Southern Africa in December. DEREK INGRAM reports:*

British prime minister Margaret Thatcher makes this "sanctions-mean-starving-blacks" line her main argument against sanctions.

The next meeting of foreign ministers will be held in Harare in January or February.

That, they believe, will be their crunch meeting, especially in relation to sanctions. By that time a detailed study of progress so far and new measures that might be taken will have been put before them.

By then, too, much could have happened to affect the situation in the region.

A new president will be in place in the

US. The Angola-Namibia problem may have taken on a new and perhaps more positive complexion.

And Margaret Thatcher will have visited Zimbabwe and Mozambique and possibly South Africa itself. She plans the trip for December.

Thatcher is working on her own scenario quite independently of the Commonwealth.

She seems to think she may be able to talk the South Africans into a constitutional conference at which all the parties in the country sit down together as they did at Lancaster House to bring peace and independence to Zimbabwe.

The situation is very different from the one in Zimbabwe — for one thing, South Africa is a sovereign country. Yet, it seems, her ambition is to make some dramatic initiative in southern Africa.

Thatcher could hardly start without a major concession from Pretoria. The release of Nelson Mandela is an obvious possibility.

No doubt she discussed her ideas with Australian prime minister Bob Hawke during her visit to Canberra, which took place while retiring foreign minister Bill Hayden was in Toronto.

The Canadian reluctance to go any further along the sanctions road for the moment may well have followed pressure from London. Foreign and Commonwealth Secretary Sir Geoffrey Howe will have argued with Clark that it will help Thatcher's mission if the Commonwealth does not pile on new pressures.

From the Canadian performance in Toronto it seems he is going along with that. — GEMINI NEWS

# Sharpeville 6: Sanctions hanging

Sowetan 28/7/81

SBA

FURTHER sanctions could be considered against South Africa if the Government failed to grant clemency to the condemned "Sharpeville Six," Assocom president Mr Alec Rogoff said this week.

Mr Rogoff, addressing a Press conference in Johannesburg, said the question of the Sharpeville Six was "the biggest single factor" which dominated discussions on South Africa overseas.

Mr Rogoff, together with an Assocom delegation, recently visited overseas countries "to evaluate foreign perceptions" of political and economic developments in South Africa. Places they visited included Washington DC, London, Paris and Bonn.

The Assocom president said political issues paramount to "future relationships and in the context of the imposition of possible additional punitive sanctions" by the European Economic Community Council (EEC) included:

- The question of the Sharpeville Six and their possible execution.
- The implications of the proposed legislation to control the foreign funding of political activities in South Africa.
- The proposed amend-

By LEN MASEKO

ments to the labour relations legislation.

- The restrictions placed on the Congress of South African Trade Union and other organisations on February 24.

- The restrictions on the media.

- The question of child detainees.

Mr Rogoff said the EEC — in the event of the Sharpeville Six being executed — would consider various punitive sanctions against the country including reduction of diplomatic personnel; requiring visas for South Africans to visit all EEC countries; withdrawal of landing rights for the country.

The motivation, he said, for "non-economic" sanctions was the EEC's strong desire to demonstrate to the black population that it was "deeply concerned about their well-being."

Mr Rogoff said South Africa had become a highly emotional domestic political issue in the United States, as reflected "in the

completely negative approach of the pro-sanctions Dellums legislation."

He said: "An incorrect perception was being presented to the international community that all blacks in South Africa continued to favour sanctions against this country.

"Assocom pointed out that black opinion was divided on the issue of sanctions, and that independent surveys show that the majority of blacks do not want sanctions.

"It is noteworthy that the recent evidence presented (overseas) by the South African Black Taxi Association (Sabta) against sanctions played an important role in creating doubt among the middle-of-the-road views about the usefulness of further sanctions," he added.

Assocom has reported its findings to the Government. "The cost of further political isolation will be high in terms of economic growth and prosperity," Mr Rogoff said.

# A united Europe planned by 1992

S6A  
SML  
2/9/88

Nineteen ninety-two . . . that is the target date on every European's lips.

By 1992, 12 countries with populations totalling about 320 million people, are planning an economic integration which will obviate all trade barriers and border controls — a gigantic step towards a united Europe.

The EC (European Community) comprises the following member countries listed in order of their population size:

West Germany, Italy, Great Britain, France, Spain, Netherlands, Greece, Portugal, Belgium, Denmark, Ireland, Luxembourg.

## Achievements made

The achievements of the EC since 1967 may be summarised in four main categories:

- Establishment of a customs union by adopting uniform customs tariffs in respect of non-member countries.
- Freedom of movement of the work forces within the EC and of all citizens of member countries within the community.
- With the European Currency Unit (ECU), a European currency was created which is used for fixing uniform farm prices. Since 1982, bond issues have been made available in ECU.
- Agreement has been reached on standardised farming policy with uniform pricing and rules of competition.

## BY ROGER F HUNZIKER

Mr Roger F Hunziker is managing director of Banque Hunziker SA (an accredited Swiss Bank) and president of Hunziker Associates SA of Geneva. He controls extensive business interests in Europe and internationally through associate companies based in the major world trading capitals. Mr Hunziker has been a regular visitor to South Africa for many years and has always shown extreme interest in South Africa, its problems and its progress.

Moreover, the concept of a European Central Bank has been agreed in principle and restrictions on the movement of capital will be lifted throughout the member countries.

In four short years, a market community of presently 320 million people is to enjoy the free exchange of goods, services, work forces and capital. Any remaining controls between EC countries are to be abolished.

It is also anticipated that residency permits will no longer be required and, in a next phase, professional education and recognised diplomas will be standardised within the EC.

Perhaps 1992 will not see the total programme implemented, but the setting of a date has had the effect of forcing people to crystallise their own ideas about the community and to start working towards a common end.

While admitting that some distinction must be made between political and economic motives, are not the two inexorably linked? And can one not therefore draw a

parallel of sorts between the situation facing the countries of Europe now, as 1992 approaches, and the situation faced by South Africa as time passes with a solution to its problems seemingly unattainable?

Is that solution really mythical or is it just too easy to keep on deferring the inevitable decisions that must one day be made? And does not the passing of time provide ever more opportunities for the country's political opponents to increase their attacks?

## Target date

By setting a target date, Europeans are working towards a common objective. Cannot South Africans do the same? Imagine the effect on the international community that the following announcement by the South African Government might have:

"The Government has committed itself by 1996 to arrive at a political formula which will be acceptable to all of its people."

Wouldn't it be worth a try?

# Jabbing at SA's Achilles Heel

DR

WHILE South Africa tries to make out that it is really troubled by the international pressures that have built up over the last few years, indications are growing that it is becoming very worried indeed.

Some pressures are military and others result from the sheer weight of hostile international publicity, but probably the deep concern arises from the tight economic corner the country finds itself.

It is difficult to read a 109-page report, just published by a Commonwealth inter-governmental group of experts, without concluding that South Africa is beginning to face a no-win situation.

The report was released unexpectedly during the Commonwealth foreign ministers meeting in Toronto and received less attention at the time than it deserved.

Its striking conclusion is that

South Africa is in a trap from which it cannot escape. To a considerable extent this is due to United States action.

Before 1985, US banks ranked second to Britain as a major source of loans. Now community attitudes across the US are such that any bank seen to be providing new finance to South Africa would suffer a substantial loss of domestic business. Also, the banks themselves are very dubious about the country's creditworthiness.

South Africa, says the report, has no access to medium or long-term credit from US banks and no real prospect of regaining such access.

Such credit is banned under Congress' Comprehensive Anti-Apartheid Act. Short-term credits are exempted, yet all US banks approached by the group said they were not providing them and one major bank said it would not provide finance to any US

company trading with South Africa.

The extent of the US financial squeeze is in remarkable contrast to that of other countries. British banks are most unenthusiastic about providing further loans, but French banks have received none of the public, customer and shareholder pressure which has been so important in changing the attitudes of British and American banks to South Africa.

One French bank said it knew of not a single letter being received about its approach to South Africa and that the matter had never been discussed by its board or annual meeting.

British bank exposure to South Africa amounts to 25 percent, US 20 percent and France 14 percent.

Swiss lending has contracted so that very little medium and longer-term finance was provided in 1987. German banks are banned from making loans of more than one year and public

pressures on them is increasing.

The Japanese are now not lending, and several US cities, states, corporations and trusts are checking on Japanese banks before dealing with them to ensure that they do no business with South Africa.

At the same time the Japanese have still not removed South African credits from cover by their official export credit insurance agencies.

Italy has stopped all business except small amounts of short-term trade finance, and Holland is involved only in indirect short-term trade financing. No Nordic bank seems to be involved in lending of any kind. Canada's voluntary ban on new bank lending and Australian bans on lending are being complied with.

Despite all this, the South African economy cannot grow fast enough to prevent unemployment rising further without strong

import growth and it cannot gain enough new sources of foreign exchange to break out of the economic trap.

Nor does the country's key export, gold, promise any certain relief, although it accounts for one-eighth of its gross domestic product (GDP) and two-fifths of its export earnings. Half a million people are employed in the mines.

But South Africa's share of the world market is falling. It dropped from 70.4 percent of non-communist world production in 1980 to 45.1 percent in 1987. Meanwhile, the rest of the non-communist world raised its output from 284 tons in 1980 to 736 tons in 1987.

## New technology

This is partly because the rest of the world has introduced low-cost new technology while South Africa remains a relatively high-cost producer. Its gold now costs 30 percent more to produce than the average of the rest of the non-communist world.

The report, which gives a blow-by-blow account of the economic crisis that hit South Africa in 1985 and was slaved off by the Stals Accord of March 1987, says that real GDP in 1987 was about 2.6 percent higher than in 1986. Population growth is 2.4 percent and a sustained growth of 3.5-4 percent is needed to stop unemployment rising. In 1987 real GDP per head grew only 0.3 percent.

Other adverse factors: Unemployment in the non-agricultural sector has grown by only about five percent since 1980 while the work force has grown nearly 20 percent; personal savings continue to fall while general government has been a net dis-saver since 1982;

Disinvestment has reduced domestic and international business confidence in the country. By the end of 1987 the number of operating subsidiaries of foreign-based multinationals operating in South Africa had fallen 40 percent from its peak.

All this, says the study, leads to the conclusion that while South Africa is not at present stretched to its financial limits, its margin for manoeuvre is very small.

## Financial pressure

The Commonwealth, which is the only international organisation monitoring the sanctions effort against South Africa in this kind of detail, believes (with the exceptions of Britain, which remains adamantly against sanctions) that the economy is South Africa's Achilles heel and that a development of the financial pressures already shown to be effective is the most practical way of bringing apartheid to an end.

The difficulties of tightening other sanctions are shown by a series of statistics the study has compiled. These show that six countries have actually stepped up their trade with South Africa — Japan, Taiwan, West Germany, Italy, Spain and Turkey.

Britain is the largest importer of South African fruit, Japan is the largest importer of coal and maize. Spain, Hong Kong, South Korea, Belgium, Taiwan, the Netherlands, Portugal, Greece and Switzerland have all increased coal purchases.

Two-thirds of all exports to South Africa are by West Germany, Japan, Britain and the US — and they are still rising.

THE SUGGESTION by US senator Paul Simon that Dr Anton Rupert should convene informal black-white negotiations on the future of SA at an external venue raises fascinating prospects. A South African industrialist giant who is also a player in the "Europeanising" of Western Europe's corporate life is now pertinently asked to help in setting a destiny for our country.

The best convener is one who maintains neutrality, and should Rupert take up the role asked of him, he will certainly do that.

South Africans in general will miss a major opportunity if the get-together, should it come about, is not used to highlight the difference between the US sanctions approach to apartheid and a potentially much more effective one based on Europe's own vision, in which 1992 is to be such an important year.

The European Community (EC) owes its beginnings to the wish to prevent another war in the region. Predictions of war in SA are common. It is surprising, then, that neither in SA nor in Europe has the idea come strongly to the fore that multilateral government might be an

# EC'S way answer for SA?

**RON SCHURINK believes the vision of the European Community could offer an answer for SA**

answer here, too. I am convinced history will say this answer stared us in the face.

Europeans may well feel the multilateral government emanating from Brussels — and then focused on the economic sphere — has been uniquely welded for Europe's needs. But it can certainly be argued that similar multilateral government is also needed where people exercising exclusive government fear its replacement by other — opposed — exclusive government.

Just as the pioneers of the EC dreamed, so it

should be possible for South Africans of all races to dream of multilateral administration emanating from a centre other than Pretoria, which is clearly the heart of Afrikaner administration. To Afrikaners themselves, and particularly Dr Treurnicht and his kind, it can be argued strongly that if they wish Pretoria to remain "their" city then administration of other peoples must mainly be moved elsewhere (The realities of partition!)

The city which most needs the benefit of becoming "capital" of our economic community is surely Port Elizabeth. Like Durban, it is

close to ancestral territory of a large tribal grouping. In this day and age — and particularly with the example of Europe before us — should whites cringe from exchanging a too-large nationhood for participation in a potentially highly effective economic community?

The most likely dispensation within the economic community would be: Zulu hegemony in Natal; Xhosa hegemony in the Eastern Cape; coloured hegemony in the Western Cape; and continued white hegemony only in that part of the Transvaal and Free State left after consolidation of all other homelands. If such a scenario receives the backing of Europe, who have some understanding of wanting to maintain a distance even from congenial neighbours, Afrikanerdom as a whole might be loathe to scorn it. After all, moves towards it would turn American sanctions on their head. They are a poor comparison, in intellectual terms, with a vision of economic co-operation between peoples who will have implicitly recognised one another's aspirations and non-negotiable positions.

SGA  
B/Don  
12/9/88

# EC urged to give power to SA blacks

URBAN Foundation chairman Jan Steyn has called on the European Community to involve itself in the economic empowerment of South African blacks rather than pursue the sanctions option as a means for change.



● STEYN

In a speech to the *Industrie und Handelskammer* (Chamber of Industry and Commerce) in Frankfurt, a copy of which was released in Johannesburg, Steyn said the point of the final challenge to apartheid had been reached. And, in spite of efforts to the contrary, government had shown it eventually gave way to pressures from within its own systems.

In the past economic forces had given blacks and the private sector the power to persuade government to change.

"The sheer impossibility of control in an attempt to maintain the status quo will bring a new change ... determined mainly by market forces or normal stan-

ALISON CAMPBELL

dards," Steyn said. The greatest danger to this would be increased economic sanctions and overt external demands for capitulation.

Slow growth and an economic recession would mean the danger of renewed unrest in black areas and a resultant backlash which could extend to the possibility of a right-wing government coming to power, he said.

Steyn suggested European governments first decide what was possible in SA within a given time. All their pressure should be targeted to specific and achievable goals.

Secondly, they should assist black South Africans to increase their ability to organise, their leverage and their economic importance in society.

"A concerted effort by Western governments ... directing resources via the SA business community ... is the one avenue that holds real promise of success in securing effective black advancement across the required broad front."

# EC report gets tough on citizens who serve in SA

MORE than two million white South Africans are citizens or potential citizens of European countries and "can easily return to the Community should things become too hot for them in South Africa", according to a report for the European Parliament.

The 80-page report, by European MP Alman Metten and Dr Paul Goodison, was released yesterday as part of a campaign against the presence of European citizens in the South African Defence Force. It argues that "the return of European citizens who have fulfilled their military service in South Africa must be made more difficult or impossible".

It also proposes that European countries which have a system of conscription should not exempt anyone from military service because he had already undergone training in South Africa. The report further suggested that, where legally possible, military service in South Africa by European citizens "should result in loss of European citizenship". It points out, for example, that in Greece, France and Italy citizenship may be forfeited for acts incompatible with national interests.

The report claims that 1 405 400 South African whites are currently holding citizenship of a European country, and that a further 724 600 are potentially eligible for European citizenship. This represents about 43 percent of the white population.

The breakdown of these European citizens and potential citizens is as follows: United Kingdom, 500 000 (with one million eligible); Portugal, 600 000; Germany, 100 000; Italy, 50 000; Holland, 40 000 (200 000 eligible); Belgium, 25 000; France, 8 000; Greece, 80 000; and Ireland, 2 400 (75 000 eligible).

According to the report, in 1984, when the South African Citizenship

South African residents with European passports may find themselves unwelcome back home, if an EC proposal is accepted, reports GAVIN EVANS

Amendment Act compelled about 75 percent of non-citizens to take out South African citizenship, 82 percent of European citizens (1 318 525) were South African nationals.

Metten and Goodison estimate 445 663 European citizens are eligible for South African military service. "Because of ... European South Africans in the South African armed forces, by now over one-third of these forces consist of whites who possess or are entitled to an EC passport," the report states.

The report criticises the European Community countries, particularly Portugal, the United Kingdom and West Germany, for condemning apartheid while doing nothing to prevent their citizens from "bolstering apartheid".

The report argues that the measures approved by the EC on September 10 1985, specifically the "refusal to cooperate in the military sphere" with South Africa, were meaningless "since it is hard to see how the mass participation of EC subjects in the South African armed forces could fail to fall under this heading".

The report recommends that European companies should be prevented from making voluntary supplementary payments to South African conscripts, and that disinvestment be demanded should these supplementary payments become compulsory.

It also recommends that a "positive measure" would include "a magnanimous policy on taking in South African draft dodgers".

'SA is not at war', judge tells Air Force chief

# SADF broke the law with ECC smears

Stav 15/10/88

56A

CAPE TOWN — The deliberate use of false statements about the End Conscription Campaign made by the South African Defence Force during a covert campaign was unlawful, a Supreme Court judge found yesterday.

Mr Justice J Selikowitz granted an order interdicting and restraining the Minister of Defence and the Officer Commanding Western Province Command of the SADF and all those subject to their executive authority from unlawfully harassing and interfering with the ECC.

Mr Justice Selikowitz ordered the SADF to take all reasonable steps to ensure that none of its members or employees unlawfully harassed or interfered with the ECC and that they communicated the order.

The SADF was also ordered to pay the costs of the ECC, including that of two counsel.

Mr Justice Selikowitz said the ECC was a lawful organisation which had the legal right to recruit members and canvass for funds without interference.

"Insofar as it enters the political arena, as it undoubtedly did, its political opponents as well as anyone else who disagrees with its views can criticise those views and can do so in the harshest terms," he said.

But he added that the SADF's campaign went "beyond lawful opposition".

The respondents, the Minister of Defence, General Magnus Malan and Brigadier A de Jager, Officer Commanding Western Province Command, admitted the SADF was responsible for certain, but not all, of the acts attributed to them by the ECC.

They said the actions formed part of a campaign by the Defence Force to counter anti-conscription propaganda as well as propaganda discrediting the SADF.

It was their intention to continue the campaign in future "in order to combat the harmful effect of the ECC on the defence effort of the SADF", they said.

Some of their actions included dropping pamphlets from a heli-

copter on an ECC fair and displaying smear posters.

Lieutenant-General van Loggerenberg, Chief of the Air Force, contended the court had no jurisdiction to hear the matter and the actions of the SADF were lawful because a state of war existed in South Africa.

Lieutenant-General van Loggerenberg gave the court an account of SADF deployment in Angola and on the Namibian border in support of his claim that South Africa was "at war" in the region.

But in his judgement, Mr Justice Selikowitz dismissed the argument, saying: "War, rebellion or civil uprising which does not actually threaten the Republic is not a war."

The involvement of the SADF in countering "terrorist insurgency being conducted from states outside the borders" did not amount to a war situation, he said.

"The Republic of South Africa has not declared war," the judge said. "Nor does it appear that it has been necessary to formally proclaim martial law."



London rumours of ConsGold stake sales

56p 27/10/88

# EC starts inquiries into Minorco bid

**STRASBOURG** — The European Commission has begun inquiries into Minorco's proposed takeover of UK mining giant Consolidated Gold Fields, a senior EC official said yesterday.

Competition Commissioner Peter Sutherland stopped short, however, of announcing a formal EC investigation.

Sutherland said after a complaint to Brussels by ConsGold the commission had asked Minorco for its comments and asked for information from other interested parties. He declined further comment.

The British government on Tuesday said it had decided to refer the £2.9bn bid — the largest in British corporate history — to its Monopolies and Mergers Commission.

Under British rules, the bid now lapses and Minorco would have to launch a new one if the Monopolies panel found a takeover would not be bad for competition.

EC sources said the European Commission would now have to decide whether to go ahead and launch its own investigation, or whether to await the outcome of the British inquiry.

## Firmed

Meanwhile in London, ConsGold shares firmed yesterday in the wake of market rumours that Minorco may have sold its stake of around 30%, dealers said.

However, officials at Minorco and its merchant bankers Morgan Grenfell declined comment, while the volume of trading in

ConsGold shares on the London Stock Exchange remained low, suggesting Minorco had not sold its 60-million-share stake.

Sources at ConsGold also declined comment.

ConsGold was quoted at 1 155p yesterday morning, up 16p from Tuesday's close. Analysts said Noranda Mines of Canada was the rumoured buyer, but they were sceptical.

The rise in ConsGold's share price reflected market speculation that a potential buyer of Minorco's stake could be another bidder. Noranda was mentioned in this context but analysts were sceptical it could afford a bid.

Minorco has still to clarify its response to the monopoly probe.

Analysts noted that sale of its ConsGold stake was obviously one option, though not the only one. — Sapa-Reuter.

# Numsa slams Haggie tactics as workers fired

27/10/88

**THE** National Union of Metal workers of SA (Numsa) yesterday condemned what it called the vicious tactics of Haggie Rand management aimed at smashing worker resistance at the company.

This week, after a 38-day lock-out, Haggie dismissed 1 800

workers at its Germiston and Jupiter plants and asked the 800 hostel dwellers among them to vacate their accommodation.

Numsa accused the company of using apartheid structures in

the dispute and warned that, while it was still prepared to attempt to settle the dispute, it was ready for a protracted battle which could include legal action and intervention by Haggie employees at other plants.

Management spokesmen could not be reached.

ALAN FINE

terms the project will generate con

In view of the efficiencies achievable,

SA

Mail: <sup>SM-  
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Own Correspondent

JOHANNESBURG. — Diplomatic pressure on Home Affairs Minister Mr Stoffel Botha may have persuaded him to suspend the Weekly Mail newspaper for one month and not the three-month period he was entitled to impose, diplomatic sources said at the weekend.

The 12 member countries of the European Community issued a strongly-worded statement at the weekend condemning the government's decision to suspend the Mail.

"The 12 reiterate their belief that the freedom of the press is a constructive agent, rather than an impediment to the peaceful process of reform in SA."

Sources disclosed that virtually all the European missions in SA would have been shut down if the government had rejected a joint representation made earlier this year on behalf of the so-called Sharpeville Six.

Police yesterday confirmed the detention, in terms of the emergency regulations, of eight people who protested on Friday in Pretoria against the banning of the Weekly Mail.

They had not been released by late yesterday.

# EC and Soviets discuss pact

Moscow and the European Community seem to set embark upon a course of mutual co-operation that will benefit the Soviets greatly if technology and science are included. The EC insists on the easing of conditions for Western businessmen.

Moscow and the European Community have taken the first steps towards a milestone economic pact which should stimulate trade and lead to co-operation in fields such as the environment and even, possibly, science and technology.

The agreement, which could be finalised early next year, will mark the climax of a rapprochement that, under President Gorbachev, is already helping to end more than 30 years of mutual estrangement.

Two days of preliminary talks at the European Commission in Brussels ended last week with both sides claiming "satisfactory progress".

The importance attached by Moscow to the agreement was reflected in the seniority of the Soviet delegation, led by the Deputy Trade Minister, Mr Ivan Ivanov.

Mr Ivanov later held separate meetings with the EC Trade Commissioner, Mr Willy de Clercq, and the British Ambassador to the Community, Sir David Hannay. Among member states, Britain is the most anxious to ensure that any deal with Moscow should offer equal benefit to both parties.

### SURPLUS

In a minor victory for Brussels, the Soviet side accepted that the agreement should contain co-operation and trade provisions. Because most Soviet exports to the EC are raw materials such as oil and gas and are not subject to import restrictions, Moscow had previously shown no interest in additional trade benefits. The Soviet Union already has a substantial trade surplus with the Community.

Whatever extra trade benefits may be offered to Moscow, Brussels is anxious that they should be matched by improved conditions for European businessmen working in the Soviet Union.

"The Commission insisted on this," a spokesman said. She added that areas of possible mutual co-operation were likely to include the environment, energy and transport.

Commission officials refused to say whether the possibility of co-operation in science and hi-tech research had been discussed. This could be the greatest prize for Moscow but may also be the one which the Community, and especially Britain, will be least keen to hand over.

Last week's talks follow the signing of similar bilateral accords with Hungary and Czechoslovakia and the conclusion of a bloc-to-bloc agreement with the Soviet-led Comecon.

Commission officials have indicated that talks with Moscow would continue until the end of the year, when a proposal for a mandate might be submitted to EC foreign ministers for their approval.

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## EC chief calls for caution in trade credits for USSR

STASBOURG — Mr Jacques Delors, the president of the European Commission, appealed yesterday for a united EC approach to developing relations with the East bloc and cautioned against an unco-ordinated rush to offer trade credits to the Soviet Union.

He told the European Parliament in Strasbourg that EC leaders should use the Rhodes summit in two weeks' time to reach a "common agreement on an analysis of East-West relations and on the role which the European Community must play in this field".

The Soviet leader, Mr Mikhail Gorbachev, is to visit London in mid-December during the Rhodes talks, giving them a new significance.

— The Independent.

(S6A)

## Call for EC companies to move out

Star 22/11/88  
HARARE — A Zimbabwean cabinet Minister yesterday called on European Community (EEC) companies still operating in South Africa to relocate their regional headquarters in independent southern African countries.

Opening a four-day meeting for regional co-operation for industrial production and marketing, Acting Industry and Technology Minister Mr Kumbirai Kangai said there was need for EEC countries to disinvest from South Africa because of its apartheid policies.

The meeting is being attended by about 100 policy-makers, industrialists and industrial promotion agencies from eight southern African members of the African, Caribbean and Pacific (ACP) countries and the 12 EEC countries.

### POTENTIAL

Mr Kangai said there was great investment potential in southern Africa as the region had vast natural resources which were largely untapped.

"Southern African states represented here all live under the long, dark shadow of apartheid South Africa and it is our aim to decrease our dependence and relationships with that hostile neighbour.

"We would also like to strengthen our production structures and, in this respect, urge those companies that operate from South African subsidiaries to relocate their regional headquarters in the independent southern African states," he said. — Sapa.

Star 11/2/88

## EC urged to <sup>s6A</sup> ban imports of tropical wood

GENEVA — Conservation groups are pressing the European Community (EC) to ban imports of tropical timber from countries that do not act to preserve their forests.

Alarmed by wholesale destruction of forests from Indonesia and Malaysia to Brazil, they have urged European Parliament members to back measures to encourage forest management on a long-term basis.

A proposed regulation which would give aid to countries to manage their tropical forests, but would halt imports of their wood within five years if they failed to come up with a credible forest management plan, will go before the environment committee in Brussels.

"It's of paramount importance. There needs to be serious discussion at the EC level," said campaigner Mr Adam Markham of the World Wide Fund for Nature (WWF), noting that the EC was the largest importer of tropical hardwoods after Japan.

Experts say between 1.5 percent and 3 percent of the world's estimated 1 billion hectares of tropical forests are destroyed each year. — Sapa-Reuter.

0221 (SGA) B/day 5/12/88

# EC makes open trade promise

**RHODES** — The EC gave a summit pledge to the US, Japan and others at the weekend not to turn itself into a protectionist fortress.

"The community has explicitly set its face against the concept of Fortress Europe," British Prime Minister Margaret Thatcher said after EC leaders ended talks on the Greek island of Rhodes on Saturday.

The major task of their summit was to issue a declaration, largely meant to allay fears that foreign business will be kept out of the community after 1992 when the 12 members abolish trade barriers to create a genuine common market.

"The internal market will not turn in on itself," said the document, issued shortly before the start of major world free trade talks in Montreal today.

The two other economic superpowers, the US and Japan, got specific mention as partners for the EC's 320-million people in pursuing the goal of a world "more secure, more just, more free".

The summit otherwise got briskly through a modest agenda and sidestepped most divisive issues.

"Isn't it remarkable? The word agriculture has not been mentioned once in these two days," said West German Chancellor Helmut Kohl. Farm subsidies have, in the past, provoked bitter EC rows.

And while the declaration promised

closer links with the Soviet Bloc, diplomats said the leaders spent only a few minutes actually talking about East-West relations.

So few were the decisions in Rhodes that media interest strayed to Dimitra Liani, 34, an airline stewardess who is the constant companion of Greek Prime Minister Andreas Papandreu, in spite of his facing a political crisis and a hostile Press.

Despite the lightweight summit agenda, the meeting showed up strains within the EC. Papandreu and others failed to persuade such "Northern Tier" nations as Britain and West Germany to take a more pro-Arab stance on Middle East policy.

Kohl told reporters Madrid and Paris summits next year "will not be as relaxed as this one" as the EC struggles to harmonise tax, monetary and social policy.

□ The US and the EC came out swinging on Saturday on the critical issue of agricultural subsidies, signalling tough bargaining in the week-long Montreal talks.

Officials from both sides said making progress on agriculture was crucial to the negotiations that begin today under the 96-nation General Agreement on Tariffs and Trade (Gatt) — but showed no willingness to bow to each other's demands.

"A lack of compromise or consensus on agriculture is likely to block all the other negotiations," EC Trade Commissioner Willy de Clercq told a news briefing at the weekend. — Sapa-Reuter.

# European motor industry seriously flawed — study

by Guy de Jonquieres

The strength of Western Europe's new car market masks serious weaknesses in its motor industry, which is highly vulnerable to a downturn in demand, an internal European Commission study has warned.

The study says Europe's six volume car makers remain in a precarious situation and are not yet strong or profitable enough to withstand the full force of open international competition if the European Community market sagged. It warns that even without Japanese competition the EC industry faces more turbulence and restructuring.

Although European car makers had sharply increased their productivity and efficiency since 1980, their competitiveness still lagged far behind the Japanese industry.

The study was prepared by Commission officials to help deal with Japanese car imports after 1992. The study coincides with signs that the four-year boom in worldwide car sales is tailing off.

It says that if the import curbs imposed by several EC countries were removed and not replaced by Community-wide restraints, the share held by Japanese car makers in the EC market could rise from 10.6 per cent in 1986 to 18 per cent in 1995.

Arithmetically, this increase of 1m units in Japanese imports would equate to the disappearance of one of Europe's six main producers, the study says.

It expects between 500,000 and 800,000 vehicles a year to be assembled in Japanese-owned plants in the EC by 1995. In the US, Japanese car

production capacity is due to exceed 2m units annually by 1990.

The lower assembly volumes expected in the EC could make it hard for Japanese companies to achieve high levels of local content. Japanese component makers would probably also be slower to set up in Europe than in the US.

The study says the EC car industry has recovered sharply in the past few years and almost all companies made profits last year and the study dismissed claims that there is still excess capacity.

It warns, however, that the industry will need to make huge investments to survive against international competition on the EC market. Therefore, the volume manufacturers are still in a precarious situation, which is masked by the boom in demand, it says.

It says EC companies suffer from three main weaknesses: They are still not matching Japanese efforts to increase productivity, quality and logistics, to diversify their supply sources and speed up innovation. The debt levels and financial resources of most EC car and components makers give cause for concern, particularly since many of their US and Japanese competitors are financially much stronger. EC car makers have failed to expand aggressively in international markets, particularly in comparison with Japan which is increasingly operating on a worldwide basis.

EC car makers' share of non-EC markets has fallen sharply since 1970, the study points out. They have also been slow to adopt common vehicle platforms and assemblies, despite a series of mergers.



(S6A) B/dwy 19/12/88

# Thatcher backed on EC currency moves

LONDON — Margaret Thatcher has won powerful domestic support for her resistance to over-hasty European moves towards a common currency and a central bank for the Community.

In a report, the House of Lords select committee on the European Community (EC) throws its weight behind the British Prime Minister's desire to put the brakes on the headlong dash for full monetary integration within the EC. Thatcher has vigorously resisted calls from some of her European counterparts for monetary union as an essential ingredient in the development of a single market after 1992.

## Rebuke

She has angered many by insisting there would be no central bank for the EC or a common currency within her lifetime, even though a special EC committee on monetary union is not due to report until the mid-1989 heads of government summit in Madrid.

In its report, the House of Lords delivers an implied rebuke to Thatcher, warn-

Own Correspondent



□ THATCHER ... angered many

ing that "it is not helpful to say that monetary union will or will not come by a certain date". But the report adds: "Whether or not the individual political leaders of Europe

consider a common currency and a European central bank to be one of the EC's ultimate goals, they are not ready to take such a step at this time.

"If political rhetoric focuses on distant objectives and emotive ideology, needless divisions tend to arise."

## 'Harsh choice'

The Lords committee believes a common currency would require greater economic convergence than currently exists and further political development in the EC.

"In the field of monetary policy, there is no need for the member states to be presented with a harsh choice of full monetary union or nothing. It would be more practical for the EC to make a progressive approach and to consider what action could be agreed now."

It was important, however, for the British government to make a practical contribution by removing the "fairly widespread perception" that Britain's attitude towards the EC was fundamentally negative.

# EC plans ivory import cuts

BRUSSELS — Plans to introduce new restrictions on imported ivory were announced in Brussels this week as part of a European Community (EC) effort to help save the African elephant.

The promise of tighter guidelines due to come into effect at the start of 1990 to cover this often illicit trade was accompanied by a commitment of 500 000 European Currency Units to a major conservation programme being run by the World Wide Fund for Nature, formerly the World Wildlife Fund.

Such is the decline in the elephant population that there are those who predict that the species will not survive the century, Mr Stanley Clinton Davis, the EC's environment Commissioner, said yesterday.

The population of African elephants has fallen from 2,3 million in 1970 to less than 700 000 today. Most of the 80 000 which die each year are slaughtered for their ivory.

The Commission believes that one way to tackle the problem is to stop imports of illegal origin entering the Community, and to exclude ivory which has been produced outside the framework

(S6A) Star 21/12/88  
of the international convention governing the trade.

Experts believe that up to R500 million-worth of the 800 tonnes sold on the world market each year is illegal.

The other approach reflected in the donation to the WWF programme is to give direct help to African countries to protect their herds and to encourage the development of a legal trade with the enhanced economic benefits which would follow.

A Commission spokesman pointed out that demise of the species has hit tourist earnings and that the proceeds of illegal imports ended up in the hands of poachers and middle men.

In a touching illustration of Brussels' concern, the Commission's background paper on the subject also emphasises the elephant's crucial role in maintaining the ecological balance in Africa.

After a three-year drought in Namibia, for example, the animal's ability to survive adversity, and the defecation of seed carried in its stomach over long distances, was an important factor in replacing the lost vegetation. — The Financial Times News Service.

Northamptonshire secretary  
Steve Coverdale said: "We

know it will jeopardise their in-  
ternational careers.  
"They have to accept, like

them would not have to mi-  
grate to South Africa every  
winter to pay the bills. — Sapa.

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The Financial Times News Service.

# EC plans total ban on leaded fuel

LONDON — Britain and the rest of the European Community are aiming to ban leaded petrol altogether by October next year, but they still lag behind many other Western countries.

In 1985 Britain fell in line with other EC countries by bringing the level to 0.4g/litre. It has now dropped even further to 0.15g, along with most other EC countries except France, where the level is 0.4g.

America banned the import and manufacture of "leaded" cars in 1975, and now virtually all vehicles on the road run on lead-free petrol. Studies of blood lead-levels in children showed a sharp drop at exactly the same time as the measures were introduced.

The Japanese government became alarmed at pollution levels in Tokyo in the 1960s and, after a 20-year campaign, leaded fuel is almost unobtainable, except for older cars unable to be converted.

568 B/day 22/12/88

Own Correspondent

In Germany, 42% of fuel sold is now lead-free after the government made it cheaper in 1985. France — still at a 0.4g level — says it will ban leaded petrol next year.

Italy and Spain have yet to introduce lead-free fuel. SA announced this week the maximum lead content in petrol would be cut from 0.6g to 0.4g from January 1.

## Permanent

Lead pollution in Britain from exhaust fumes became a political hot potato in 1982 when a scientist's warning that it was possibly causing brain damage in children was leaked to the Press.

The letter, from a Department of Health doctor to his Whitehall head office, said there was a "strong likeli-

hood that lead in petrol was permanently reducing the IQ of many of our children".

The writer, chief medical officer Sir Henry Yellowlees, estimated hundreds of thousands of children, particularly those living in cities, were being affected.

Since then Britain has embarked on a campaign to cut lead content.

A drive by both the government and the Campaign for Lead-free Air (CLEAR) to persuade motorists to convert cars to unleaded petrol (which has a level of less than 0.013g) has been only partially successful.

Only 2% of the UK's 20-million motorists use unleaded fuel, and scientists estimate Britain's cars are pumping 3 000 tons of lead into the atmosphere every year. Lead levels in exhaust fumes measured in some road tunnels are 10 times higher than the EC safety limit.

# US-European trade war looming in 1989

Star 29/12/88

56A

LONDON — A 1989 trade war between the US and Europe looks likely.

Mr Jacques Delors, French president of the European Commission, said yesterday the European Community would match the punitive import taxes which the US plans to levy on some luxury foodstuffs from EC countries.

And British Premier Mrs Margaret Thatcher was under pressure to intervene as fears are growing that the tit-for-tat row over tariffs could lead to a major rift.

Against a background of sabre-rattling, officials are desperately working to prevent a trade war escalating if the

Americans carry out their threat to impose massive duties on many European imports from New Year's Day.

Britain was outvoted by her partners when she urged postponement of a Common Market ban — due to start on January 1 — on the import of American meat which has been treated by steroid-style growth hormones.

Angry Americans claim that although the hormones have been officially banned in European beef production for a year, there is evidence that some European farmers are using black market supplies.

Tory MPs believe the Prime Minister may have to use her special relationship with Wash-

ington to get the Americans to back off. Or she could bang some heads together in Europe to prevent a damaging counter-strike by the EEC.

President Ronald Reagan has already signed an order which will hit back at Europe, doubling import duties on a range of foodstuffs. The EEC is ready to retaliate with its own list of American imports where tariffs would be doubled.

Yesterday there were demands on both sides of the Atlantic for a hard-line stand.

Senior Tory MP Mr Kenneth Warren said Europe had to confront the United States in a "John Wayne" fashion. Mr Warren, chairman of the Commons trade and industry committee, said: "I really do not see why we have to buy what we do not want to eat."

He added: "If the Americans manage to force us to take this meat, every single pound should carry a health warning."

In America, Senator Patrick Leahy, chairman of the Senate agricultural committee, accused the EC of unfair trade competition and warned: "If we do have a trade war, the United States will win."

The dispute springs from an EC ban on imports of hormone-treated meat, which is due to take effect on Sunday and which the community says is necessary for health reasons.

Though US-EC trade in the products now under threat is worth only about R675 million a year, the apparent insolubility of the meat problem means that it could spread rapidly to other and bigger areas of the total-R350 billion trade.

## Ginger beer

In particular, there are fears that it could lead to a US ban on meat imports from the EC, worth over R1 billion annually.

Mr Delors said that if, as expected, the US retaliated by adding 100 percent import taxes to some European products, including ham, tinned tomatoes and ginger beer, the EC would do the same to US natural honey, tinned sweetcorn, nuts and dried fruit.

He called the US taxes "an inadmissible intrusion into the right of each country to judge what is good and what is not good for its citizens' health".

Mr Alfred Kingon, the US ambassador to the European Community, said the ban was "on what we consider irrational scientific grounds... the correct use of hormones contains no health hazard".

Washington has denied that the hormones are harmful and ment doubts about the adequacy of the scientific evidence.

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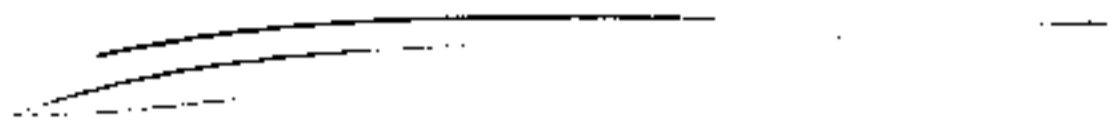
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## UK agrees to EC monetary move

S'AGARO Britain, showing no signs of softening opposition to a single European currency, has backed preliminary steps towards monetary union in an apparent bid to break out of diplomatic isolation.

EC finance ministers agreed at this Costa Brava resort on Saturday to recommend stepping up economic co-operation as a possible prelude to monetary union.

EC leaders meet in Madrid next month to discuss the plan, set out in a report drafted by EC central bankers under the chairmanship of Commission president Jacques Delors.

Britain was seen to be trying to avoid being left out in the cold in the debate by accepting the first of three stages towards union envisaged in the Delors report.

Ministers also agreed to recommend EC leaders set in motion a detailed study of how stages 2 and 3 of the Delors report would work in practice, so that a decision could be taken whether to hold an inter-governmental conference.

But UK Chancellor of the Exchequer Nigel Lawson said he remained opposed to the ultimate objective — monetary union involving a single European currency. — Sapa-Reuter.



# US to name its trade retaliation hit-list

WASHINGTON -- The US administration reportedly has decided to take so-called "super 301" trade retaliation action this week against Japan, the European Community (EC), Brazil and India, while leaving South Korea and Taiwan off the list.

US Trade Representative Carla Hills is expected to announce the decision this week.

What is "301" and when is it "super"? It is a section of the Trade and Competitiveness Act of 1988 aimed at breaking down barriers to US exports.

Part of Section 301 is commonly termed "super 301" because it requires the White House trade representative to identify a range, or pattern, of supposedly unfair trading practices involving specific countries.

The nickname has caught on because it captures the boldness and strength of the provision.

## Barriers

To comply with "super 301," Hills — or whoever is serving as the White House trade representative — must send a list to Congress by the end of this month, as well as one year from now, identifying countries that maintain numerous and pervasive barriers to US exports — barriers that, if eliminated, would bring "the most significant potential to increase US exports".

The law then obligates Hills and her staff to try and eliminate these "priority practices and countries" from the hit list through bilateral negotiations. If they don't get satisfactory results at the bargaining table, the law mandates trade retaliation within as little as 12 months.

Likely retaliatory measures include increased tariffs, import quotas, fees and withdrawal from existing trade agreements.

US administration Cabinet members met at the White House last Thursday to discuss what countries and foreign trade practices should be cited for possible US trade retaliation later if the US fails to

## ALL-OUT TRADE WAR WARNING

BRUSSELS — Departing US envoy to the EC Alfred Kingon has warned that "an all-out trade war could break out" if trade distorting barriers to agricultural products aren't dismantled.

"If the movement to reform worldwide agriculture fails, then we could have an all-out trade war," Kingon said.

Agricultural trade was the "overriding" unresolved concern of the issues that have caused friction between the EC and the US. They have been unsuccessful so far in negotiating the removal of barriers to agricultural trade, such as subsidies to producers and exporters.

Kingon also said that the ver-

dict is still out on whether the internal EC market envisioned after 1992 will be a protectionist trade bloc. "I don't know, and I don't think anyone will know for several years" whether the EC will become a highly protected market, Kingon said.

He added that new competitive pressures on European companies as trade borders are removed, and a likely economic downturn in the early 1990s, could create pressure for a protectionist EC.

"My own impression is that the European business people who pushed for 1992 are now having to come to grips with what they've done," Kingon said. — AP-DJ.

work out acceptable agreements with these countries on outstanding trade issues.

Informed sources said they now expect Japan would be put on the "super 301" list this week for its trade barriers involving wood products and a second category covering supercomputers and communications satellite equipment.

The EC is expected to be cited for its restrictions on telecommunications equipment, particularly in West Germany.

Meanwhile, EC officials attending a conference in Annapolis said they had not received any hint from Hills or any US administration officials on what the White House wanted to do about extending steel import restrictions beyond their scheduled expiration of September 30.

The US currently has bilateral agreements with the EC, Japan and about 18 other countries that limit their steel exports. The US steel industry and members of Congress are pressing the White House to seek a five-year extension of these agreements.

Administration officials have said US President George Bush won't make a decision on extending

the steel agreements until early next month.

"Super 301" may open new foreign markets to US exporters, but if it fails the provision could isolate the US, closing markets abroad and choking off the import of foreign goods.

According to its advocates, the US can only pry open important foreign markets by threatening unilateral retaliation against its more recalcitrant trading partners.

## Dangerous

Hills, who is charged with wielding 301, likens it to a crowbar that will be used "to open and expand trade".

But to its opponents, "super 301" is a dangerous club, perhaps the biggest threat to international commerce since the notorious Smoot-Hawley Tariff Act of 1930, which contracted trade, sinking the world into years of depression. Such critics say "super 301" will lead the US into an escalating battle of protectionist retaliation and counter-retaliation. — AP-DJ.

# An integrated Europe could create as many problems as it solves

By Carole Hogan

The hype surrounding the 1992 proposals for a European Community (EC) devoid of all trade barriers has been quite extraordinary.

Dramatic claims have been made by the EC about the economic implications of the completion of its internal market, but the reality is that 1992 represents a distant event with few consequences that can be known with certainty.

It is quite impossible to quantify even approximately the effects of 1992 and analysts and commentators are therefore free to make assertions with total impunity.

The question of whether 1992 will actually happen is already largely redundant.

The current excitement surrounding the proposals — so-called Euro-euphoria — is already beginning to alter behaviour and expectations as the private sector begins to position itself for the expected changes.

## Current expectations

What is less certain, however, is the extent to which Europe post-1992 will satisfy current expectations.

The avowed intention of the EC, by suppressing constraints within the European market, is to create a dynamically more competitive market which will prove to be to the advantage of producers and consumers alike.

However, current hype notwithstanding, fulfilling what the EC sincerely believes to be the necessary conditions for carrying the EC forward will not be an automatic, or easy, process.

Rather, it will be a very severe test for an EC whose political development is even more primitive than its state of economic integration.

There are grounds for considerable scepticism that the economic effects expected from the

creation of a single market will be as large as everyone seems to think.

The first, and most important, is that the proposals may not be implemented in their pure form because the loss of national autonomy will be much greater than most people have so far realised.

This will apply, in particular, to the small member countries who have no strong natural comparative advantages and who may fear becoming the depressed regions of an integrated Europe, with little independent political voice.

If the rewards are not perceived to be shared out fairly, the EC home market will become a confusion of regional, social and perhaps national tensions.

Secondly, the benefits currently being claimed are out of all proportion to the costs which can be shown to exist as a result of the present fragmentation of the European market.

It has, for example, been estimated that frontier formalities and associated administrative costs add 1.8 percent to the cost of goods traded within the EC.

This is equivalent to a tariff of 1.8 percent which, by world standards, is a very small number.

Large economic consequences can hardly be expected to follow from the removal of such a small number.

Thirdly, frontier controls

exist for a number of reasons other than the control of trade: for reasons of security and the maintenance of health standards.

If frontiers are to be abolished, then other measures will have to be taken to handle statistical, health and security problems.

The EC has simply failed to calculate these alternative costs.

Finally, economic theory has long recognised that the abolition of tariffs or non-tariff barriers within a group of countries does not necessarily bring economic benefits at all.

Certainly, trade within the group will be stimulated, but it will be at the expense of trade with countries outside the group.

There will obviously be economic losses associated with this distortion of world trade patterns and it is quite possible that these costs will mop up all the economic benefits of trade creation.

A further case for scepticism about the likely success of the 1992 proposals centres around their potential implications for the economies of the EC's major trading partners.

While the expectation may be that a dynamic European market will provide a much-needed shot in the arm for other markets and economies in less buoyant shape, the EC intends to take steps to safeguard the suc-

cessful implementation of its 1992 plan.

Alarm bells have begun to ring worldwide at the possibility that the stringent implementation of this philosophy will mean that instead of becoming more openly competitive, the EC will in fact, become a very inward-looking cartel.

Should the general global economic situation in the meantime deteriorate, any EC moves to erect higher external trade barriers would automatically generate retaliation and the very real possibility of trade wars around the globe.

The proposed 1992 reforms represent Europe's belated acceptance of the need for a supply-side revolution, having for the past two decades witnessed the very painful contrast between high unemployment and low growth in the Community and falling unemployment and relatively rapid growth in the US and Asia.

However, the hype surrounding the implications of 1992 should be taken with a healthy dose of scepticism.

Ultimately, the EC's scope for economic action and successful development will, rather paradoxically, be limited by the strictly economic nature of the EC itself as distributive issues and losses in national autonomy become more acute than they would in a more complete political system.

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## Hope for Mogopa tribe after appeal to Pik <sup>6A</sup>

BRUSSELS — The 12 European Community nations hope South Africa's Mogopa tribe will not now be displaced.

They appealed to Foreign Minister Mr Pik Botha about the tribe which has been threatened with its second removal in five years.

EC foreign ministers were cautiously hopeful after the failure of Government bulldozers to appear by Saturday night. — The Star's Foreign News Service.

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2 Nov 1987

# EC approves charter to guarantee basic rights for workers

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LONDON — A social charter designed to guarantee basic rights for workers in the European Community (EC) has been approved in outline by the European Commission, launching itself more deeply than ever into the controversial social policy field.

EC government heads will be asked, at their Paris summit at the end of this year, to approve as a solemn declaration the charter listing workers' rights to free movement around the EC, healthy and safe work conditions, minimum pay, social security, vocational training, union membership, collective bargaining, consultation and participation in their companies' management.

Vasso Papandreou, the Social Affairs Commissioner, says the declaration will have no legal force, but will contain a specific mandate for the commission to produce an action programme on detailed proposals on workers' rights by mid-1990.

The programme has drawn a frosty response from Britain.

Downing Street says it will be prepared to veto any measure it dislikes.

Officials say that changes affecting the rights and interests of employed persons are specifically exempted from the provisions for majority voting in the Single European Act.

They insist that Mrs Margaret Thatcher will not accept a return via the European Community to the corporatist, bureaucratic and interventionist stance adopted by British governments in the 1960s and 1970s.

Her view is that Britain has achieved its economic revival in the 1980s because it has swept away such regulations.

The Prime Minister is said to remain determined to maintain a firm line be-

tween the commission's responsibilities and those of sovereign nation states.

The commission, however, clearly hopes that the programme will do for workers and the community labour market what its 1985 internal market White Paper has done for industry and business.

Ms Papandreou has linked the two by saying social rights go hand in hand with economic progress and claims EC action is needed to assuage trade union fears that business will override worker interests in the coming single market.

The draft has been stripped of earlier provisions going beyond areas of immediate concern to workers, such as in education.

Ms Papandreou says the UK could always challenge anything in the proposed programme in the European Court.

A specifically EC charter is needed because a similar Council of Europe charter and the International Labour Organisation convention were either left unratified or ignored by some EC member states, she says.

Ms Papandreou, a former minister in the Pasok socialist government in Greece, says she plans to present the draft to EC employment ministers on June 12 and to consult employers and unions before putting the final version forward to EC government heads.

The European Trade Union Confederation (Etuc) has welcomed the charter, although it would like it to have direct legal effect.

On the other hand, Unice, the European employers' federation, would prefer to discuss workers' rights with the Etuc. — Financial Times.

# African group to export to EC — claim

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HARARE — Former Irish Premier Garret FitzGerald said yesterday the African-Pacific-Caribbean (ACP) group of countries, of which Zimbabwe is a member, will be able to export to the European Common Market as a whole after 1992, Ziana reports.

It is then that the EC is due to abolish its trade barriers and, with 320-million consumers in its 12 member states, will become the biggest market in the world.

FitzGerald, who was Irish Prime Minister from 1982 to 1986, is here on a brief visit at the invitation of the Zimbabwe Export Promotion Programme, which is funded by the EC.

At present, the EC nations collec-

ively form Zimbabwe's largest trading partner.

FitzGerald said an ACP country wishing to trade with the EC on a community-wide basis after 1992 would be able to do so by establishing a company in one of the member states where the domestic law permits such an initiative, and by entering into a joint venture, licensing or agency agreement with a partner in the community.

He said professional diplomas were recognised reciprocally across the EC, enabling members of most of the liberal professions to carry on their work throughout the community. — Sapa.

## Mogopa — envoy delivers demarche

**The Argus Correspondent**

JOHANNESBURG. — Formal representations on the people of Mogopa were made to Foreign Minister Mr Pik Botha in Cape Town by the Spanish ambassador, acting on behalf of all 12 member states of the European Community.

The first secretary at the Spanish embassy, Mr Alfonso Sanz Portolis, confirmed that a demarche had been delivered to Mr Botha. He was not in a position to disclose details of the communication.

The diplomatic initiative came amid fresh concern for the security of about 50 Mogopa residents who have reoccupied the Western Transvaal farm from which they were unlawfully removed in 1984 and against whom the Department of Development Aid and the Department of Agriculture have obtained an eviction order.

A spokesman for the State Attorney's office said today that staff were conducting negotiations with attorneys for Mogopa and that no action would be taken while these negotiations were under way.

The spokesman said the outcome of the talks should be known later today.

56A mail 12/1/89

EUROPE 1992

# The future is now

## Internal reforms are essential to meet the challenges of the new Europe

On December 31 1992, the European Community (EC) will come of age. Is SA prepared for the complex challenges represented by this momentous event — now just two-and-a-half years away?

At worst — at the political level — SA could face a common front of European states demanding radical change under penalty of more severe and uniform sanctions. That aside, exporters of industrial goods could find themselves frozen out of the unified market of 320m affluent consumers and producers by non-political market forces.

A recent conference on this issue — *Europe 1992* — did much to outline and evaluate these problems and made it clear that the solutions lie in the hands of our politicians and corporate decision-makers. There is little time left for SA to position itself, either politically or commercially, to anticipate the potential constraints which could bind it in the Nineties.

SA's best friends in Europe, Britain and West Germany, have been fighting a less than fully successful rearguard action to prevent Euromart countries from imposing collective sanctions — for example on steel imports. More militant anti-SA campaigners, like France, have gone further in imposing a restraint on coal imports too.

The requirement that European economic policies be decided on in unison after 1992 could mean that Britain and Germany will be outvoted within the EC's governing institutions on the sanctions issue and forced to move at the pace of the majority.

Admittedly, it seems SA coal is still finding its way to European countries that have officially barred it. One should never underestimate the cynicism of politicians, which could ease the rigour of any wider sanctions imposed after 1992. But it would be folly to base expectations on this shadowy hope.

The message of *Europe 1992* is clear: the urgency for SA to work its political passage back to acceptance within the Western community is much reinforced. Because "reform" has become a slogan which can mean all things to all men, it should be pointed out that reform does not mean capitulation to the demands of the radicals. As the *FM* has stressed, *movement* is required, not mere appearance.

If government can produce real evidence of strong commitment to deracialising (without destabilising) SA, that will provide conservatives and even moderates in the new Europe with ammunition to fight off emotive, extravagant demands.

To turn to the purely commercial side, both North America and East Asia — indeed, all significant trading nations outside the EC — are deeply concerned

about the implications for their exports of the economic unification of Western Europe.

It seems self-evident that economies of scale within a market of 320m, coupled with whatever tariff barriers the new Europe may impose against third parties, will make it harder to sell to the community.

Deplorably, SA has simply not shaped up as an exporter of manufactured goods in competition with countries which frequently lack our plethora of raw materials. There are no political excuses for that. How much coal, iron ore or other minerals do Japan, Hong Kong or Taiwan produce?

The conference, perhaps, had its greatest value in dissecting the reasons for this failure. Two main issues were exposed: exaggerated increases in manufacturing unit labour costs are not fully offset even by the collapse of the rand and the failure of most manufacturers to develop an "export culture."

These two factors, though distinct, are linked. In the local market, high unit labour costs are compensated for by high unit profit margins, as described by Jan Visser, executive director of the National Productivity Institute. No wonder manufacturers prefer operating in the cosy, cartelised domestic market to venturing into the icy waters of international trade, where competition is cut-throat and pricing has to be keen.

More needs to be done to stimulate competition within SA — by cutting tariffs, breaking up cosy cartels and easing government regulation. More intense competition at home would make manufacturers pay more attention to unit costs and so make them better able to compete internationally

without the dubious medicine of continual depreciation of the rand.

The impact of rapidly rising black wages on unit labour costs of manufacturing makes it clear that the time for hard bargaining on wages has arrived. Money wage increases will have to be tied closely to improvements in productivity. The time has arrived for "tough love" in dealings with all unions, and black unions in particular.

The authorities must also ensure more disciplined monetary policies and a real interest rate to force manufacturers to use all factors of production more effectively. Such disciplines would also improve the relative attractions of exports.

Lack of an "export culture" also plays a role. Piet Kieser, of P Kieser Associates, says that, among other failings, too many SA manufacturers anachronistically quote prices "at the factory door." In today's fierce international competition, even fob is not enough. The minimum is cif. The ideal is to quote "ddp" (delivered duty paid). This way, the manufacturer retains control over the costs of financing and transporting his wares to the front door of the purchaser.

As for the new Europe, there is a need for specialised services for the would-be exporter, covering the emerging body of common European law, in particular the rapidly expanding body of regulations propounded by the European bureaucracy in Brussels. It is no longer enough for an exporter to maintain an office in London — on-the-spot representation in Brussels is already important and will become indispensable after 1992.

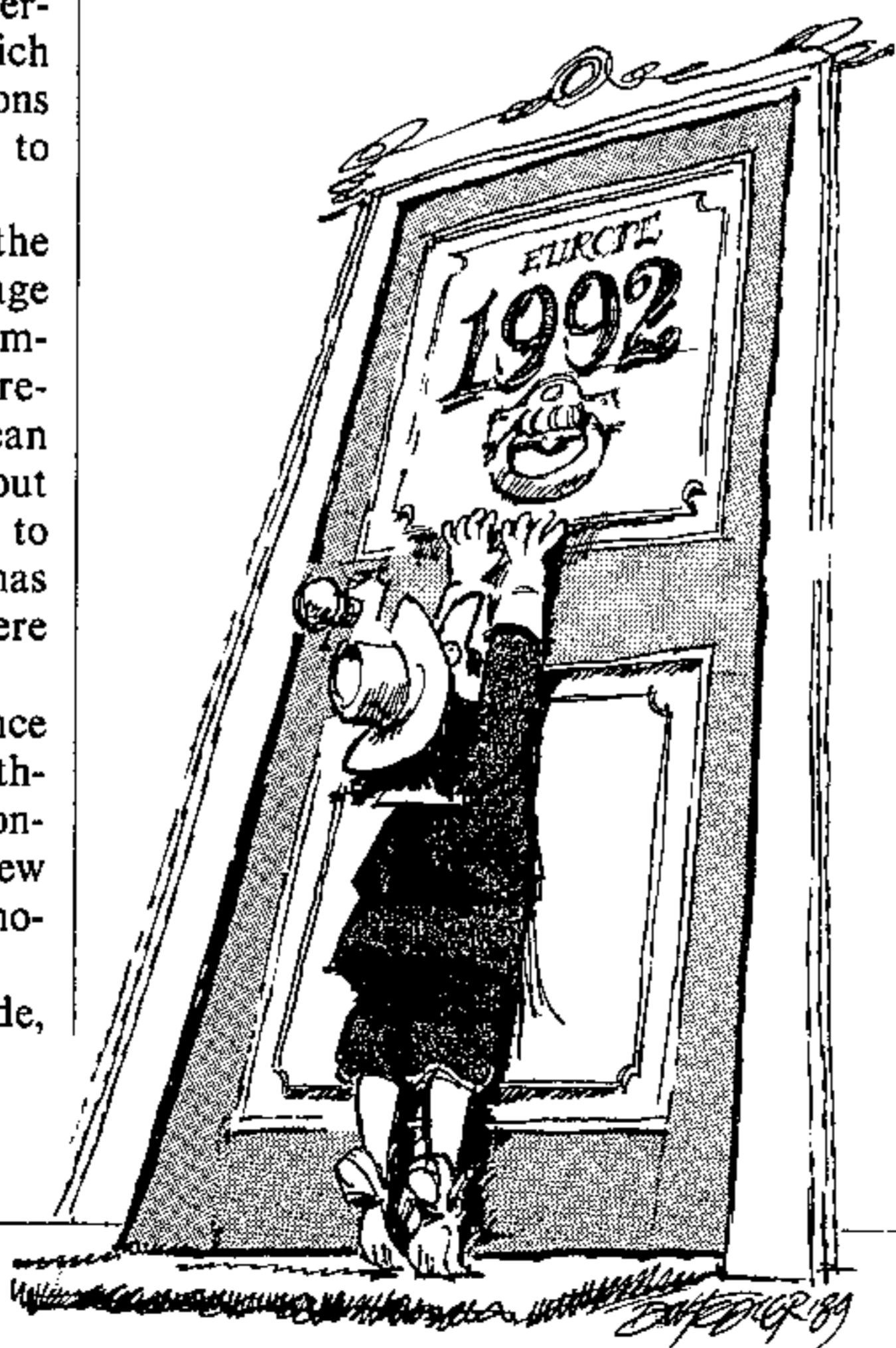
Lastly, there was consensus at the conference that unification of European markets will result in a shake-out of firms.

Giant firms — already in existence or being created through merger or takeover — able to take advantage of economies of scale will thrive. So will small specialised firms aiming at niche markets.

Left out in the cold will be medium-sized firms lacking either economies of scale or specialised products. To this extent the new Europe will resemble the present US.

Lessons for local exporters are clear: aim for "niche" products, for which a market will always be open. Go for alliances with firms within the community walls so that local marketing skills are accessible. Tariff and non-tariff barriers can be circumvented, where appropriate, by local manufacture.

The challenge for both politicians and manufacturers is formidable. Delay is inexcusable. But the benefits of reacting to the pressures of the deadline could be enormous. As Samuel Johnson said: "Depend upon it, Sir, if a man is to be hanged in a fortnight, it concentrates his mind wonderfully." ■



# Checking the slide

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Alarm bells are ringing in Amsterdam as the city observes its role as one of Europe's leading financial centres slipping away.

There is no small irony in the fact that Amsterdam — one of the greatest Continental trading centres since its golden 17th Century — is missing out on the internationalisation of equity and bond markets, as Europe prepares for 1992's dismantling of trade barriers. More foreign companies are listed in Amsterdam than in any other EEC centre — and foreign bonds have been traded since the 18th Century.

But missing out it is — thanks to what critics say is a combination of antiquated trading regulations, conservative business attitudes and poor physical infrastructure.

Half of all business in Dutch government bonds has been siphoned off by London — twice the level of two years ago. The Amsterdam Stock Exchange has been eclipsed in size by Milan in recent years, though it remains the fifth largest in Europe. Dutch share price:earnings ratios remain below those in London and New York. And foreign banks now have only 20% of the banking market, compared to 25% a few years ago.

Faced with statistics such as these, the financial establishment has been stirred into action. It has just published a plan drawn up with management consultant McKinsey. The aim is to transform Amsterdam into the "financial gateway to continental Europe."

The group was chaired by Wim Duisenberg, president of the Central Bank, and included bourse executives, prominent bankers, industrialists and high government officials. Critics argue that the plan does not go far enough in tackling basic problems of the financial structure.

Aims include ensuring that Amsterdam remains the main centre for Dutch guilders paper and carving out market niches in areas draw-

ing on particular local strengths, including trade finance, venture capital, dealing in the European currency unit and data processing. A foundation has been established to carry out the plan by July 1990.

The strategy to achieve this is essentially twofold. First, Amsterdam has to be made a more attractive place for international financial institutions to set up shop. There is, for example, an acute shortage of executive housing and telecommunications are patchy.

Second, regulations governing markets must be brought in line with other major financial centres. Urgent needs are improving liquidity and transparency of markets.

Solutions put forward include scrapping stamp duty on securities trades; attracting better qualified personnel; widening Dutch share ownership; and improving the bourse reporting system. With rare haste, one task force was supposed to propose by May 1 how lost bond business can be recouped and another will ponder whether "direct dealing" — bypassing jobbers — should be promoted. Critics argue that while all this is welcome, some glaring weaknesses have been ignored.

Take the plan to specialise in data processing. This is puzzling, in view of the fact that Dutch banks lose F1100m (£28m) a year in payments clearing and having stonewalled against credit cards, automatic teller machines and point-of-sales terminals.

According to consultancy Arthur Andersen, which recently published a report on European capital markets, what the Nether-

lands needs most is more creative, flexible management to stimulate innovative products and services. But talent is lacking because Dutch bankers frown on the kind of fat salaries and ego massaging which are characteristic of London and New York.

Critics also charge that the blueprint papers over the bourse's structural weaknesses and omits the question of regulation.

The bourse is a self-regulatory, private association with only vague legal obligations to anyone except members, while the watchdog Dutch Securities Board has limited powers. Pieter van de Paverd, former chairman of the Netherlands Association of Securities Analysts, argues that while self-regulation is theoretically the best model, the spate of recent international share trading scandals — none of them, admittedly, touching the Dutch market — means that "a government agency like America's SEC is the only way all interests can be represented."

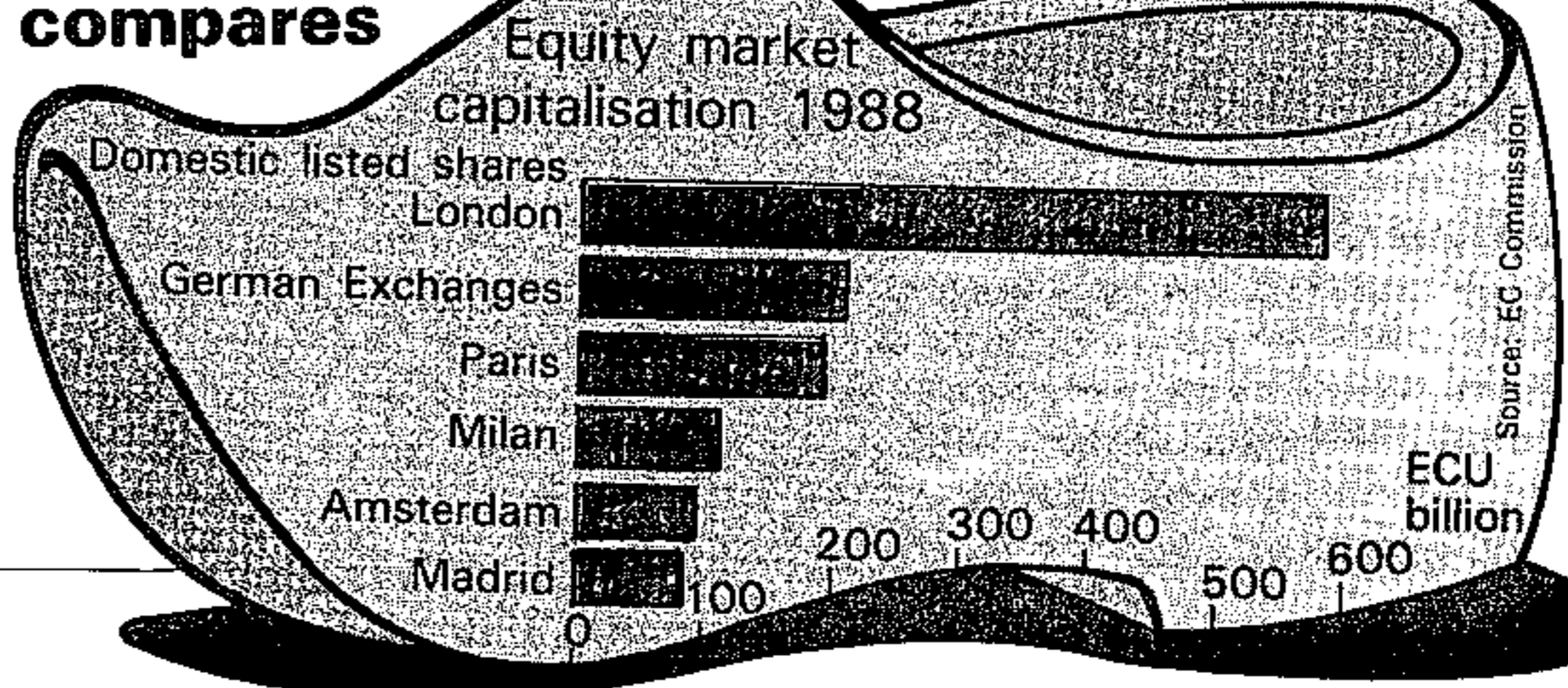
Critics say that rather than rising to the competitive challenge implied by a level playing field, many industrialists display a fortress mentality: Dutch businesses have erected some of the most powerful anti-takeover barriers in Europe. The bourse has ordered them to start taking them down, in anticipation of 1992, but companies are instead reinforcing barriers.

Wider share ownership would help balance the power of company managements and nourish the home capital market. But government recently passed up a chance to

spread equity with the privatisation of DSM, the chemicals group, which was aimed mostly at institutional investors.

All this suggests that the Netherlands may need a more fundamental shake-up in attitudes to the capital markets if the "gateway to Europe" is to be anything other than a narrow and rather uninviting one. ■

## How Amsterdam compares





Star 28/4/89

SLA

# 'Fortress Europe' could hurt SA trade

By Carol Hogan

Whereas to most people the term Europe 1992 represents merely the year and place in which the next Olympic games are to be held, a two-day symposium, organised by the UNISA Business and Economics Centre earlier this week, sought to elucidate the more significant meanings of the term and to identify exactly what Europe 1992 would mean for South Africa.

It is the year targeted by the European Community for the completion of its internal market. It is the year in which all remaining internal barriers are to be completely dismantled, in the process creating the single largest consumer market in the world.

It is not, however, of importance just to the European Community members themselves. It is a date of vital importance to all the trading partners of the EC since the creation of the single market has, for them, the added implication of not only greatly increased competition but the distinct possibility of the development of a so-called Fortress Europe, ie, a Europe more protectionist because of greater integration. In attempting to access the likely im-

plications for South Africa of 1992, the clear and unashamed message which emanated from this week's conference was that unless South Africa speeds up the pace of socio-political reform, 1992 could in fact represent a very serious threat.

As a country for whom the European Community represents a market of some 57 percent of total domestic exports, South Africa can ill afford any deterioration in trading practices resulting from an increased sense of European dissatisfaction at the pace of domestic reform.

## Corporate cultures

However, the increasing globalisation of international business is not just a source of governmental concern. A change in South African corporate culture will also be a necessary prerequisite for South Africa's successful adaptation to a post-1992 Europe.

South Africa's dependence on exports as the main engine for domestic growth inevitably means that corporate South Africa faces a severe challenge in the run-up to 1992. Thereafter, competition

within Europe will be very severe and will necessitate a fundamental improvement in the competitiveness of South African goods.

As identified by Dr J Visser of the National Productivity Institute, this inevitably means a vast improvement in productivity levels, the South African track record for which is very poor.

Assuming however, that increased productivity post-1992 is possible, what should companies be doing now to prepare themselves for the vastly different trading environment which will then operate?

A coordinated, strategic and visible corporate plan will become essential. The most important elements of this plan would include the strict definition of corporate profile ie the identification of particular company strengths and weaknesses, and the selection and appointment of advisors to work with in-house management on how 1992 will affect hitherto traditional areas of activity.

A further imperative will be to decide whether and how to centralise business activities in Europe. For those

companies with already existing levels of business in Europe, the choice will be essentially one of three.

As identified by Mr W Clewlow, chief executive of Barlow Rand, these are to do absolutely nothing: to establish a physical presence in Europe or, by means of alliances, to indirectly forge business relationships there.

## Implications

Lest South African businessmen become totally confused about the implications for them of 1992 and the necessary preparations they must consequently make, some comfort can be drawn from the fact that European businessmen are in equal trepidation of what 1992 really means.

Certainly, there is potential for 1992 to be a rewarding time for some. Equally though, others will inevitably lose out. If South Africa is not to become one of the losers, public and private sectors alike will increasingly have to focus on 1992 not simply as a date but as a fundamental and far-reaching concept which ultimately will materially affect all.

# EC flight market's progress 'modest'

BRUSSELS — A single European market for air transport remains a distant goal, according to EC transport policy commissioner Karel van Miert.

At the International Conference of Airport Authorities in Brussels yesterday, Van Miert said there was "a long way to go" before a single air transport market in the 12-nation EC would be created.

A single market would allow carriers to fly between any two airports in the EC, he said.

The EC commission has tried for years to inject more competition into the EC's protected air transport industry.

In December 1987, the EC approved a

programme to partially liberalise the sector which gave individual airlines greater freedom to set their own fares and start new services.

But Van Miert said progress had been "modest" and the commission had received "a number of complaints".

Van Miert said further moves to liberalise the sector should focus on greater flexibility in fares and progress towards eliminating capacity controls, a system where airlines flying on the same route agree to share out the total seats available.

Various airline and airport exemptions in the current airline rules should also be dropped, he said. — AP-DJ.

**C**OMMON interest suggests that Western Europe and the countries of southern Africa should work together to develop, as fully as possible, the human and natural resources of the region.

Europe experienced the spectacular results of the Marshall Plan for the rebuilding of Europe after 1945.

In Africa it has been found that capital funds, by themselves, do not bring about development. Managerial and technological competence, together with personal integrity and dedication on the part of those utilising capital funds, are indispensable if economic progress is to be achieved.

SA is short of funds but has built up a wealth of technical and scientific knowledge and experience of African conditions. Western Europe has similar knowledge and experience, but its contribution to the development of southern Africa must be sought above all in respect of finance.

Urgent attention should be given to ways and means for Western Europe — and, more particularly, the European Community — to co-operate with the countries of southern Africa in developing the resources of the region.

**O**n a recent visit to Europe I proposed to Western leaders that a tripartite approach should be adopted. Europe, SA and the other southern African countries should together pursue the ultimate goal of co-ordinated economic progress in southern Africa. This co-ordinated effort should be of a dimension to compare with the historic European recovery programme.

The countries of southern Africa enjoy opportunities for economic upliftment unique in Africa. Through trade, transport, investment, labour migration, tourism and technology transfers they interact closely and beneficially with the strongest and most diversified economy south of the Sahara.

Commercial exchanges between countries stimulate development more effectively than handouts. Western nations interested in the development of the region would support mutually profitable links between the countries of Southern Africa rather than actively discouraging them, as is so often the case — for example, in respect of the South-

# Europe holds key to Southern Africa's economic progress

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**Foreign Minister PIK BOTHA says SA can help develop Africa if Europe will help**

ern African Development Co-ordinating Conference (SADCC).

The European Community should embrace a programme to improve political and economic conditions through regional co-operation. Europe should:

- Acknowledge that SA has an essential contribution to make if Western efforts to uplift countries in the region economically are to have a chance of succeeding;
- Pursue policies supportive of — rather than impeding — South African efforts to evolve a domestic, social and political order broadly acceptable to all South Africans;
- Grant and/or mobilise funds and expertise for extending and modernising the physical infrastructures of the regions;
- Provide assistance for measures aimed at raising human productivity through education and training, as well as public health and family planning programmes; and housing;
- Urge and assist governments in the region to create economic and legal conditions conducive to attracting local and foreign private investments in processing, manufacturing and other productive ventures; and
- Consider other appropriate measures to promote the development of



**BOTHA ... "SA willing partner"**

the region, such as steps to facilitate the importation of southern African products in the European Community.

The contribution of SA to such a development programme would be primarily in respect of technology, including research and advisory services, as well as the supply of goods and materials, notably in agriculture, mining, building and construction, business development, hu-

man health, education and training and diverse technical fields.

Trade and investment will continue to play a crucial role. Apart from investments, SA has traditionally supplied its neighbours with building materials, equipment, machinery, spares, pharmaceutical products, agrochemicals and food.

There is a wide range of activities in respect of which SA is already contributing towards the development of southern Africa.

In promoting an economic rehabilitation programme for southern Africa, SA is not merely well placed — it is uniquely placed. SA is both in and of Africa. Its own economic development has taken place in an African context.

It has had to cope with such traditional Third World problems as a rapidly expanding population and the resultant needs for housing, health and education, the effects of a harsh and unpredictable climate and the economy's exposure to the fluctuating world commodity markets.

In addition, the development of the so-called "informal sector" within the South African economy resembles closely similar "grassroots" growth of private entrepreneurship in the continent's less rigidly managed economies.

SA is a unique blend of the First and Third Worlds. The mining

houses, industrial enterprises, business concerns and financial institutions of its formal sector, trace their roots to the economies of Western Europe and North America. In many respects in technology, organisation and operating procedure, First World standards are obvious in SA.

Despite SA's strengthening trade links with African nations, the trading and financial relationships of its very open economy are still primarily with Western Europe, and other industrialised economies in the developed world.

Two basic points follow from this: □ SA is in a unique position as the world's natural gateway to Africa and as a bridge between Africa and the industrialised world. □ SA and the rest of Africa possess natural resources and human capabilities that provide the foundations for mutually beneficial co-operation. SA's relatively advanced production apparatus, its sophisticated infrastructural facilities and its scientific, technological and technical, commercial and financial know-how are at Africa's disposal.

**G**iven the broad spectrum of Africa-related technological know-how available in SA, common sense suggests that European governments, development agencies and other institutes seeking to promote the material welfare of the peoples of Southern Africa should make maximum use of this locally available expertise.

Practical steps are needed to implement tripartite co-operation involving the European Community (or individual EC member countries) and the countries of southern Africa in promoting the development of the region.

My appeal today is that West European nations should serve their own interests by doing everything within their power to facilitate and encourage intra-regional understanding and co-operation in southern Africa, and the active involvement of West European business interests and institutions throughout the region.

They will find SA a willing partner in promoting the interests of the region by building bridges of co-operation in this way.

□ This is an extract from Botha's address at the conference on "Europe 1992" in Sandton yesterday.

# 1992 could bring tougher sanctions

By Sven Lünsche

Sanctions could intensify when the EC becomes a unified market in 1992, says Lord Marsh, chairman of the British Industry Committee on South Africa.

He was delivering the keynote address in Johannesburg yesterday at the Unisa Centre for Business Economics' conference on Europe 1992.

Lord Marsh said a united Europe would make it more difficult for individual member countries to resist a common sanctions campaign against South Africa.

"There is definitely a limit to how far a member state can stand on its own if the majority supports a resolution favouring sanctions and disinvestment."

He said all indications were that

Star 25/4/89  
the political balance in the European Parliament would shift to the left over the next few years.

Lord Marsh said individual member countries were already trying to use their models of industrial relations as a standard for the EC.

West German Foreign Minister Dietrich Genscher had recently asked the EC to add a 14-point programme, devised by the powerful IG Metall trade union and already accepted by three German car manufacturers, to the community's code on multinational companies operating in SA.

## Pessimistic scenario

But Lord Marsh said this pessimistic scenario depended on how South Africa handled its political future.

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"There is no doubt that unless reform is speeded up, external pressures could worsen. But if the political situation is perceived to be improving, SA will get enthusiastic economic and political support from the EC," he said.

He SA would have to tackle the problem of educating skilled labour and improving productivity.

In SA labour-intensive industries were not the answer because a unified Europe would open up cheaper labour markets for businesses, he said.

After 1992 the free movement of labour within Europe would ensure that average wage levels declined and SA, with its increasing wage costs and limited access to technology, could well be a less exciting proposition for new investments, Lord Marsh said.

# It's positive reform before '92 OR NEW Europe could sink SA

ROBERT GENTLE in London

To date, SA has been able to weather the storm of hostile European opinion by appealing to the common sense of her traditional friends, particularly Britain and West Germany. Where governments have been of the right political complexion — and leaders of the right conviction — it has been possible to buy time. Post-1992, the holes in this wall will have been papered over to present a unified commercial entity operating on one, coherent and mutually agreed set of trade policies.

with SA coming a close second behind acid rain and exhaust emissions in the emotion stakes, prospects do not look good. "Evidence of change in SA will have to be that much more dramatic after 1992 to make an impact on the EC," he says.

access to the single market. It wouldn't have the right products at competitive prices. The international marketing effort would also have to be jacked up. "Even in today's hostile climate, South African businessmen could be doing a lot more in European markets," he says.

## Frightening

On the downside, it could see a tightening of the screws already throttling the SA economy — more sanctions, an end to fresh credit, withdrawal of landing rights, closure of embassies and non-recognition of passports.

It will no longer matter what West Germany or Britain or any other EC country thinks of SA's reform process. Group policy will prevail. "It's as simple as that," says Marsh. "If in the run-up to 1992, the problems of SA are not at least perceived to be on the road to some sort of solution acceptable to all, the EC will be forced to act."

order. Having to grapple with the hostile investment climate, he perhaps appreciates more than others the tremendous opportunities that would open to SA if the EC were an ally rather than a foe.

They all acknowledge how easy it is to criticise from the relative comfort of Thatcherite Britain, but feel it is precisely this detached view that puts the SA issue in stark perspective. "Look how long it took Thatcher to fight the wrongs of successive post-war British governments," says Mitchell. "It's never too early to start." However, with barely three years left before 1992 and with many believing Pretoria has not grasped the enormity of the subject, time is not on SA's side.

The downside is a frightening scenario, but what is even more frightening, according to SA watchers in Britain, is that it has taken so long for the country to wake up to what is ultimately SA's Rubicon — whatever President P W Botha may once have thought.

He bases this view on the political complexion of the present European Parliament, which he regards as split down the middle between left and right, with a smattering of conservative "Greens" in between.

That's why he urges South African business not only to whip Pretoria into a line but to start laying the groundwork now for the problems SA would inevitably face if it is allowed access to the huge new European market.

Lord Marsh... blunt warning

There is the danger of SA being so concerned — however justifiably — with its immediate internal problems that it is incapable of seeing things going on in the outside world that are directly relevant to those problems.

There is the real possibility of a left-of-centre government emerging, with all the anti-SA sentiment — however justifiable or not — which that would entail.

These include improving black skills, worker education and productivity. He says that even if SA did have

access to the single market, it wouldn't have the right products at competitive prices. The international marketing effort would also have to be jacked up.

## Emotive issues

SA's worst nightmare, a common sanctions policy, would no longer be in the realms of fantasy. That view of Fortress Europe — Thatcher's worst nightmare — finds an echo at the SA Foundation in London.

Says director David Willers: "If European Commission President Jacques Delors's vision of 1992 is correct — namely that 80% of all commercial decisions will be taken in Brussels — that's 80% of decisions that directly affect us."

not afford hand-outs, but we can offer competitive products. Pretoria, until recently SA's Trade consul in Taiwan, said South African industrialists lacked an export culture. Import replacement had been the focus of industrial development over the past few decades, and this was reflected in the quality and standards of goods made in SA.

access to the single market, it wouldn't have the right products at competitive prices. The international marketing effort would also have to be jacked up.

People there think she is first and foremost a closet member of the National Party, that she can play Joan of Arc and protect them from the wicked EC," says Marsh. "Why, she can't even do that for the British people on a matter as trivial as value added tax."

He goes on to warn of how the European parliament, even today, comes up with unexpected votes on emotive issues, such as the environment. And

access to the single market, it wouldn't have the right products at competitive prices. The international marketing effort would also have to be jacked up.

access to the single market, it wouldn't have the right products at competitive prices. The international marketing effort would also have to be jacked up.

## SA opening markets in Asia, Eastern Europe

HELOISE HENNING

The Department of Trade and Industry is undergoing a restructuring to help exporters, director of trade promotion Bert Pienaar told the FCI Industry Ahead Conference last week.

Following government's new export promotion formula, the department was being restructured into sections to deal with conventional trade, unconventional trade and trade with Africa.

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access to the single market, it wouldn't have the right products at competitive prices. The international marketing effort would also have to be jacked up.

Those are the blunt words of Lord Marsh, former British Labour cabinet minister and one-time chairman of British Rail. He echoes a view often heard in Whitehall these days — that SA has been lulled into a false sense of security because of the presence in Europe of Margaret Thatcher. Consequently, Pretoria has not grasped the urgency of reform.

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Tenders are invited from interested parties for the purchase of the shares in and shareholders' claims against the above mentioned company situated at Factory No. 14, Madagana Street, Dimbaza.

**NATURE OF BUSINESS:**  
The manufacture of cellulose acetate spectacles and sunglasses, glazing and fitting. The company was established in Ciskei in January 1982 and has an annual turnover of approximately R400 000.00. Comstock sells approximately 60% of its products to hospitals in the Cape Province, the balance to hospitals in Transvaal and through Chemists (Reading Spectacles). It has a unique positioning within a highly specialised market.

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All interested parties are to contact Mr C E Ronger, Ciskei Peoples Development Bank Limited, P O Box 66, Bisho, Republic of Ciskei. Telephone Number (0401) 92011, Ext 2134.

Tenders are to be submitted on the prescribed Tender Documents containing all the conditions of sale, available from Mr C E Ronger.

Completed and sealed tender documents are to be lodged before 16h00 on Tuesday, 2 May 1989 at Room 1049 (Mr J C Luthing) of the Ciskei Peoples Development Bank, Independence Avenue, Bisho.

Tender documents will be supervised and opened by a General Manager of the Peoples Bank in the Committee Room, 1st Floor, Ciskei Peoples Development Bank Building 657 Independence Avenue, Bisho on Friday, 8 May 1989 and Tenderers will be entitled to attend.

The Peoples Bank shall not be obliged to accept the highest or any Tender received and shall have the right, in its sole and absolute discretion, to accept such Tender as it chooses or to reject them all.

**Ciskei Peoples Development Bank**



LORD MARSH... blunt warning

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21-27/4/89.

## Four percent growth in East, but it's not enough

EASTERN Europe's centrally planned economies grew by four percent last year — which fell short of their planned targets, but was a considerable improvement on 1987, according to the annual economic survey of the United Nations Economic Commission for Europe.

The survey, a major source of information about Eastern bloc economic performance, says that East-West trade was buoyant in 1988, as the international political climate improved. There were increasing official and business contacts following efforts by many Eastern countries to reform their systems of economic management.

The volume of Soviet exports to the West is estimated to have increased by about 13 percent over the year to the first three quarters of 1988, with higher oil exports playing an important part.

Soviet imports to Eastern Europe grew by 11 percent after falling back sharply in the previous two years. However, the price of these imports rose far more sharply than the price of Soviet exports, so that the annual trade balance swung from a surplus to a deficit. The fall in the dollar between 1987 and 1988 meant that in current dollar terms, Soviet indebtedness remained unchanged.

Moscow intends to increase its economy — measured by net material product — by six percent in 1989, and the other Eastern European economies planned a 4,4 percent growth on average. — The Guardian, London

Star 20/4/87  
AAM moves  
for EC ban  
on SA coal

(Sb) The Star's Foreign News Service

BRUSSELS — Anti-apartheid movements in the 12 countries of the European Community have presented a manifesto they want prospective members of the European Parliament to support during elections in June.

And they have disclosed that representatives of the Frontline states in Southern Africa are to meet all 12 EC Foreign Ministers in Luxembourg on June 12 or 13.

Mr Mike Terry of the British Anti-Apartheid Movement said: "It is a follow-up to the meeting in Lusaka in February 1986. The Frontline states have been pushing for it but some EC member states held back. It represents a significant new initiative."

A liaison group of anti-apartheid movements was formed in September last year and co-ordinates national movements.

It is now finalising arrangements for an EC-wide conference called "No to Apartheid Coal" in Rome next month.

# Lawson rejects EC's monetary union plan

Star 19/4/89 56A

LUXEMBOURG — Nigel Lawson, Britain's Chancellor of the Exchequer, has rejected plans for an economic and monetary union among the 12 countries of the European Community.

The proposals, drafted by a committee of central bankers and finance officials, call for a common currency, a European central bank and limits to national budget deficits. These would be achieved by additions or amendments to the treaties which bind EC member-states.

"We could not agree to a treaty amendment," Mr Lawson said at a meeting of finance ministers in Luxembourg. "Our view of the Community is one of independent sovereign nation states.

"We cannot accept the transfer of sovereignty which is implied. Economic and monetary union would in effect require political union and a United States of Europe," which was, Mr Lawson said, "not on the agenda for now, or for the foreseeable future."

## Not divisive

The drafting committee, which endorsed the report in Basle last week, included the governor of the Bank of England, Robin Leigh-Pemberton, "who had acted in his personal capacity only," Mr Lawson said.

Jacques Delors, president of the European Commission, who chaired the committee, insisted yesterday it was not intended to divide Community governments.

Nonetheless, significant disagreements seem certain at the Madrid heads of government summit in June, when the report is due to be tabled and when Mr Lawson's criticisms are likely to be voiced more strongly still by Margaret Thatcher.

At this week's Luxembourg meeting

of economic and finance ministers, officials suggested privately that the other 11 EC member-states could negotiate and ratify a treaty of their own.

That process might begin as early as the second half of this year, when France holds the presidency of the EC and could call a special inter-governmental conference.

A target date is set for starting the process, but no timetable beyond that point. The report says that in a first stage, beginning by July 1, 1990, governments should start to formulate and exchange opinions on economic management, try to reduce exchange-rate movements and start drafting the new treaty.

## Full membership

An attempt would be made to bring all the main currencies into full membership of the European Monetary System, which sterling has resisted. Once the treaty was in force, the second stage could begin.

A European System of Central Banks (ESCB) would come into being, a federal body comprising national central banks, plus a new common central bank with its own balance sheet.

A medium-term framework would be agreed for macro-economic policies and non-binding limits set for national budget deficits. Exchange rate realignments would cease. In the third and final stage, budget constraints would become binding, exchange rates would be irrevocably locked and a single Community currency would follow. The ESCB would assume responsibility for monetary policy.

In London, the Bank of England was adamant the terms of the report would not increase pressure on Britain to assume full EMS membership because no deadline was set for completion of the first phase.— **The Independent.**



PARIS — In one industry after another, European businessmen are finding themselves facing a new and sometimes startling onslaught of Japanese competition.

And Japanese businesses consider few arenas off-limits. Many Europeans tend to underestimate Japanese determination to compete not only in high technology and motor vehicles but also in unexpected areas such as services, retailing, transportation and utilities.

Those conclusions were among findings in a survey involving 202 leading Japanese and European executives conducted recently by the Wall Street Journal/Europe and management consulting firm Booz-Allen & Hamilton.

Neither trade protectionism, established European positions nor cultural barriers seem likely to slow the Japanese. This is especially true as Japanese companies scramble to establish a broad-based market presence in preparation for the planned unified European Community (EC) market after 1992.

"If the EC puts up a barrier, we try to go around the barrier," says Minoru Akimoto, MD in London of the Japanese trading company C Itoh. "That's what business people do. There are no barriers for business people."

Along with EC market integration, the coming to Europe of Japanese companies is likely to be a dominant feature of European business in the future. This will add fuel to the fire of competition already raging in Europe.

# Europeans face stiff Japanese competition

THOMAS KAMM and MARK M NELSON

The survey also indicated that Japanese and European businessmen have conflicting images of each other and their relative competitive positions.

In March, Japan's total trade surplus and its surplus with Europe narrowed, but economists said the imbalance is likely to resume its widening.

"People are going to find themselves working ever closer to Japanese competitors," says Robin Fox, vice-chairman of British merchant bank Kleinwort Benson. "There will be a very sharp rise in awareness in European business about what Japanese competition means."

The most striking finding of the survey was the Japanese confidence in their ability to compete with Europeans. Although Europeans acknowledge vulnerability in manufacturing industries such as cars, electronics and other consumer goods, they expect little competition in

other sectors. The Japanese seem to think that all sectors are fair game.

This all translates into a looming juggernaut of Japanese companies competing in Europe's backyard, similar to — though probably smaller than — the wave of Japanese investment in the US. Already, the ball is rolling.

Suntory, a Japanese beverage maker, became the first Japanese company to own a Cognac house when it won clearance from the French government to buy century-old Louis Royer, France's 12th-largest Cognac maker.

## Liaison

Kobe Steel Europe, after serving mainly as a liaison office, has set up a research laboratory in Britain to study plastics and new materials and now wants to add manufacturing operations in Europe.

Dai-ichi Kangyo Bank, the world's largest, became the fifth Japanese bank to be listed on the Paris Stock Exchange after being listed in London two months earlier.

Survey respondents indicated that Japanese decisions to set up local factories are stimulated by increased protectionism aimed at Japanese imports. "Japanese companies hope that the EC

market won't become a fortress," says Yoshiteru Murakami, deputy president of Dai-ichi Kangyo Bank, "but they think, just in case, they should be inside Europe before 1992."

But many Europeans warn against exaggerating the Japanese threat. As the Japanese become more integrated in the world economy, many expect them to display more weaknesses than their current financial might would suggest.

"The Japanese have a lot of trouble understanding intra-European differences," says French car parts manufacturer Valeo chairman Noel Goutard, which has just signed a licensing agreement with Japan's Mitsubishi, under which Valeo will supply European-made starters to replace the ones that Honda currently imports from Japan.

"We thought it was intelligent to propose our capacities to the Japanese who are coming," says Goutard.

Many European businessmen are finding that the often-feared Japanese can help rebuild industries where European companies have lost the way.

"If you co-operate with the Japanese, it's not impossible for a nation to benefit," concludes Jonathan Solomon, director of business development at Cable & Wireless in London. "It depends on how you ride the tiger." — AP-DJ.

## HONG KONG NEEDS MIGRANT LABOUR

HONG KONG — Leading employers' organisations in Hong Kong are urging governments to admit 50 000 workers from China and other Asian countries during the next two years to ease a serious labour shortage.

Own Correspondent 26

This has helped push inflation to more than 11%. Labour costs rose by more than 20% last year, according to a recent employers' report. Wage

# UK discourages SA labour law defiance

BiDay 17/4/89

SA

LONDON — The British government said on Friday it would oppose any EC move to encourage employees of European companies in SA to defy local labour law.

A joint declaration on the issue is expected to be made at the EC foreign minister's meeting currently being held in Grenada, Spain.

It is understood the proposal will urge European companies with subsidiaries in SA to adopt a 14-point charter that bypasses SA's official collective bargaining system.

The initiative was devised by the West German metal workers union IG Metall. It has been supported by the West German government, which wants it included in the EC Code of Conduct. The charter has also been accepted by several German companies operating in SA.

A British Department of Trade and Industry spokesman said: "Our view is that the EC Code of Conduct has just been amended, and that another amendment is not appropriate at this time."

While the proposals might be appropri-

ROBERT GENTLE

ate in the context of West German law, they did "not necessarily apply" to other EC countries.

"Some of the proposals would in effect give SA employees of European subsidiaries in SA more rights than workers in the home countries," he said, adding that Spain and Portugal were among those with strong reservations.

## Cautioned

Among the proposals in the IG Metall 14-point charter are the right to stage legitimate strikes without fear of dismissal and the guarantee that union members held under emergency regulation would draw full pay. It also calls for an agreement by companies not to avoid dealing with unions by having recourse to "apartheid laws".

The DTI spokesman cautioned against attaching too much importance to this issue, saying no binding legislation on the union proposals would result.

# New EC laws: platinum group metals soar

NUMEROUS developments yesterday fired large price gains for platinum and related metals, and shares in SA producers approached all-time highs on the JSE.

In London, the price of platinum rose from Tuesday's afternoon fixing of \$530,50 to a trading range, at close, of \$552/\$554. Palladium rose \$10,50, or 6% to \$178,50. On the JSE, the platinum index rose 6%, or 252 points, to 4 191.

The most important development was the news late on Wednesday that the European Parliament in Strasbourg had voted in favour of tough new exhaust emission laws which could create significant new demand for platinum, and other platinum group metals like palladium and rhodium.

J D Anderson analyst Dave Russell said yesterday the new laws would require autocatalysts — devices which remove

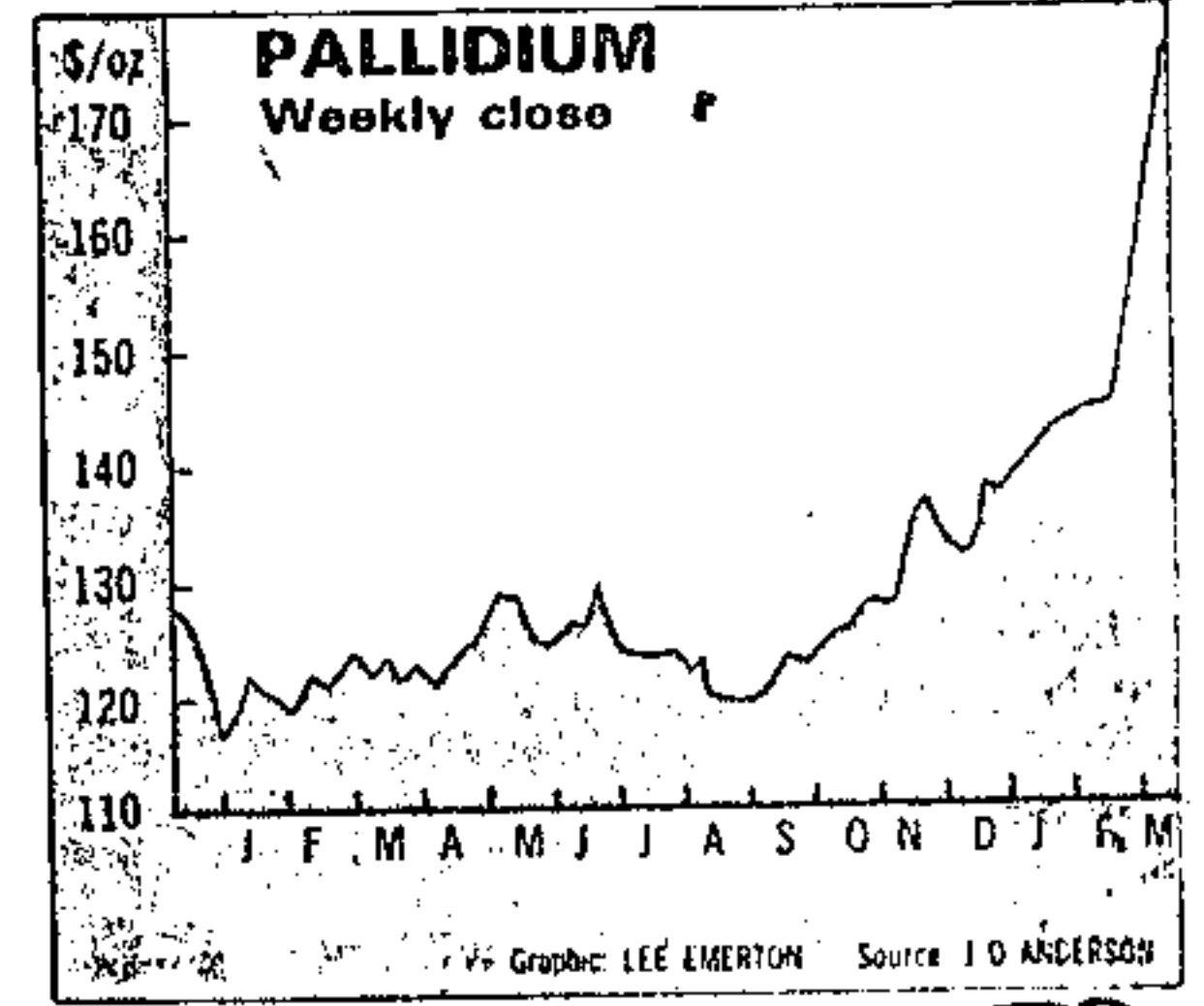
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**REINIE BOOYSEN**

harmful emissions from car exhausts — to be far more efficient than before, to meet the standards already adopted in the US. Autocatalysts would consequently contain significantly higher loadings of platinum, palladium and rhodium.

The new EC laws will come into effect in stages.

By October 1992 all new small cars (those under 1 400cc, comprising about 57% of the total) in Europe will have to meet the new standards.

Palladium, which has been on a strong up-trend recently, has been buoyed ever-higher by developments in nuclear physics. Yesterday it emerged that Soviet scientists had duplicated US experiments to create nuclear fusion at room temperature



To Page 2 → 56A

## Platinum group metals soar on EC news

using electrodes which use palladium. Of all the platinum shares on the JSE, the largest price gain was achieved by Impala, which received a fillip of another kind: a strong rumour, that judgment in its court case with the Bafokeng Tribe of Bophuthatswana was in its favour. The case revolved around a dispute regarding royalties which Impala pays the tribe to mine its land.

The registrar of the Bophuthatswana Supreme Court said yesterday that judgment had not been handed down yet.

Impala rose 400c or 8,6% to 5 050c, com-

pared with its 12-month low of 2 200c on May 4 last year.

Soaring platinum shares boosted mining shares on Diagonal Street and gave a firm tone to the rest of the market. The overall index gained 35 points to 2 507.

□ The extent of the platinum price gain is illustrated by the fact that July platinum futures rose \$25 — which is the most allowed under New York Commodity Exchange regulations — to \$558,30.

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# Huge dairy fraud may have cost EC millions

Star 14/1/87  
56A

STRASBOURG — Dairy farmers have defrauded the European Community (EC) of hundreds of millions of rands by illegally selling thousands of tons of butter into EC stockpiles, a member of the European Parliament said yesterday.

Mr Piet Dankert, a Dutch Socialist, said that the fraud could only have occurred with some official connivance. He said the fraud was made possible by a method of butter-making, called Nizo, which created not only butter, but also a residue of sweet milk which could be processed to yield a second saleable product, usually animal fodder or skimmed milk.

Through the early 1980s, the EC bought thousands of tons of butter from farmers to stockpile or export to keep market prices artificially high. But it had ruled that butter made by the Nizo process could not be subsidised.

According to Mr Dankert, this stipulation was widely ignored and stockpiles were filled with about 300 000 tons of Nizo butter.

In effect, farmers using Nizo were selling the same pint of milk to the Community twice: first as butter, the second time as skimmed milk or fodder.

The revelation of the butter fraud is likely to bolster the British view that fraud is now among the EC's most serious and urgent problems. — The Independent News Service.

# European boost for platinum

LONDON — The European Community's (EC) decision last week to push for tough emission standards on small cars will provide a major boost to the platinum price, analysts say.

As legislation tightens, three-way catalytic converters using platinum are seen by carmakers as the best way to limit the acid rain and smog caused by three harmful gases discharged from car exhausts.

Platinum should also remain in the forefront of technology to fight car pollution, despite the search for cheaper alternatives.

It is considered an essential ingredient in catalytic converters, which cut noxious emissions from exhausts.

## Lean-burn engines

"People will tinker with the mix, but you can't get away without platinum," says Rhona O'Connell, precious metals analyst at brokers Shearson Lehman Hutton.

The converters must contain a combination of platinum, palladium and rhodium, another expensive precious metal, to be effective.

Other possibilities are lean-burn engines and a platinum-free converter announced by Ford last December.

Andrew Smith, analyst at London stockbrokers UBS Phillips and Drew, says Ford's catalyst, widely believed to rely on palladium, would have a negligible impact.

Palladium substitution may eat into platinum demand by less

than 0.5 percent a year, he says.

Shearson's O'Connell says Ford's converter applies only to high-powered cars.

With lean-burn engines a high air/fuel mix and an oxidation catalyst meet standards at speeds of 19 km/h, but driven faster, nitrogen oxide emissions increase.

"They are not effective enough. They are gross polluters at high speeds," says Robert Searles, sales and marketing manager of Johnson Matthey's European autocatalyst division.

One of palladium's drawbacks as a substitute for platinum is that more of it is needed in the converter.

Because it has weaker catalytic properties it has to be placed in a hotter part of the exhaust, and so wears out more quickly.

This could cancel out any price advantage over platinum.

Palladium prices touched five-year highs of \$166.25 an ounce in London trading last week. Platinum was little changed at \$524 an ounce.

Palladium's recent surge has followed experiments involving the metal to produce energy from nuclear fusion.

But traders say the tougher EC stand on car pollution has helped push palladium higher.

Palladium is also less resistant than platinum to lead in petrol — a disadvantage because the widespread use of lead-free fuel in Europe is regarded as at least three years away.

Mr Searles of Johnson Matthey says the European market for

converters has grown from virtually nothing three years ago to six million a year. He sees this growing to 15 to 20 million by 1993 as EC legislation is implemented.

Shearson's Ms O'Connell forecasts EC offtake of platinum for converters more than doubling to 500 000 ounces by 1993 from 225 000 last year. She says world demand will rise to 1.55 million ounces by 1993 from 1.12 million in 1988.

The Netherlands' recent decision to introduce tax-incentives for low-pollution cars is a boost for platinum. Cars fitted with catalytic converters will cost about the same as those without.

## Alternative ways

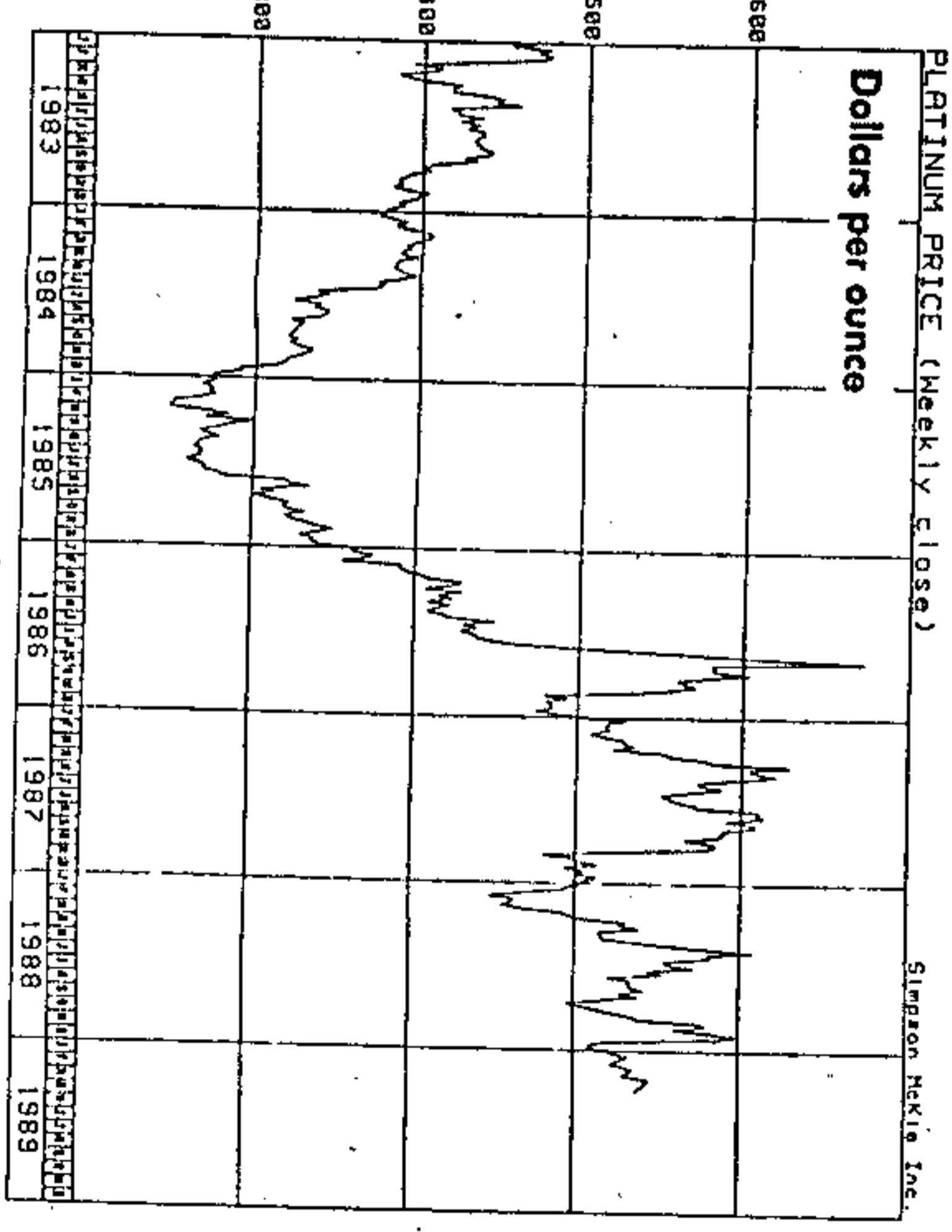
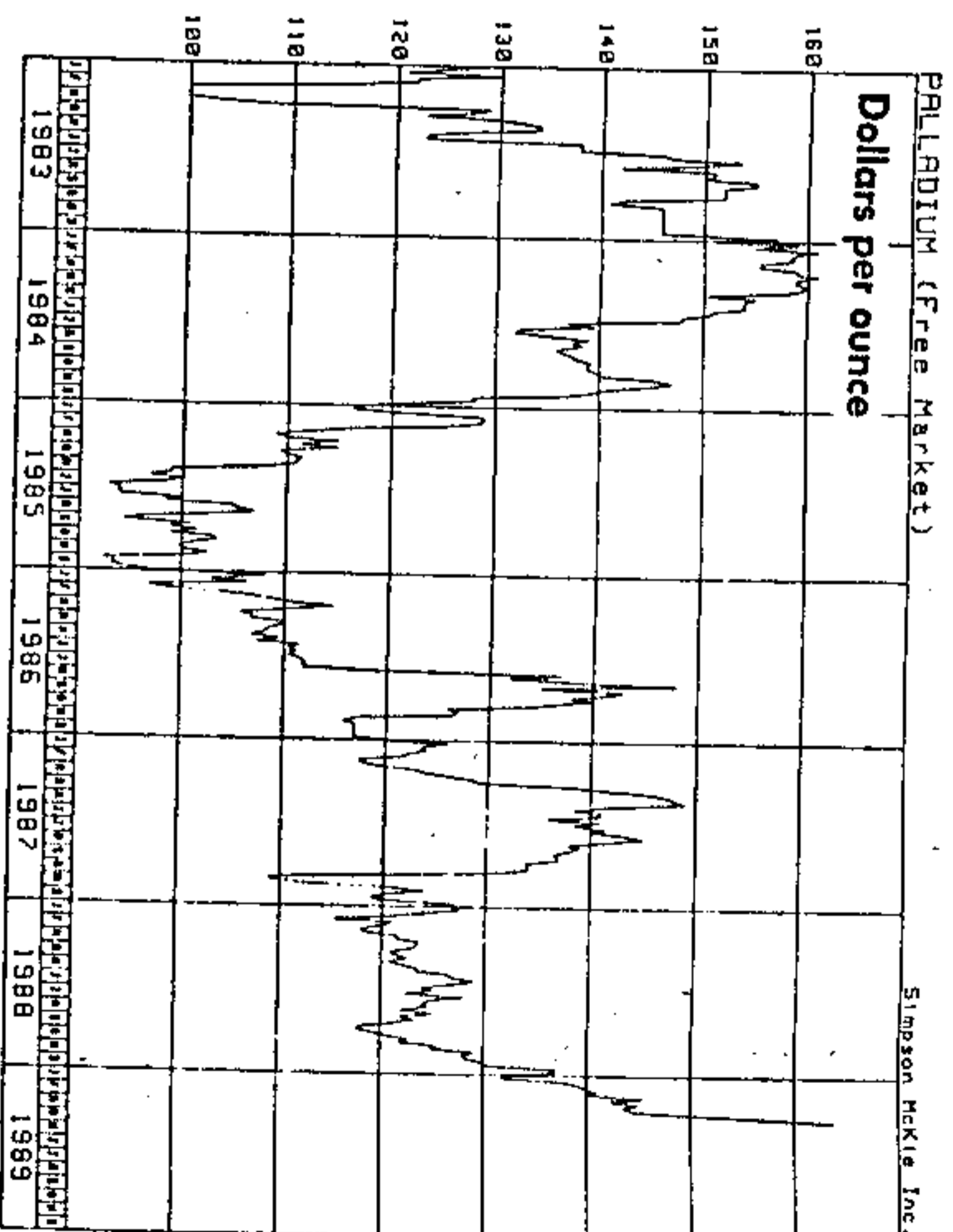
A BMW spokesman in West Germany says engineers are examining alternative ways of achieving the efficiency of the platinum-coated converter.

In Britain, Ford will introduce three-way platinum catalysts by October 1991. These will add to costs.

British carmaker Rover Group sells one model with a three-way catalyst. It declines to comment on its plans, but says converters will become compulsory.

General Motors's British affiliate Vauxhall aims to offer three-way catalysts on three models next year as the use of unleaded petrol increases.

France is making converters compulsory on cars over two litres from July 1, also creating a major new market. — Sapa-Reuters.



## SA denies Kagiso raid claims

BRUSSELS — The European Commission is studying a South African reply to its claims that security police broke into the premises of the Kagiso Trust in Durban.

The trust has received R84 million in European grants for victims of apartheid.

In the reply, filed with the Commission on Thursday by Mr Bhadra Ranchod, the South African ambassador to the European Community, South Africa rejected the Commission's claims and said the police were investigating a detainees' organisation.

A spokesman for the ambassador said: "I want to stress that it was nothing to do with Kagiso but was because Mr Ramharak (regional director of Kagiso) is involved in a detainees' organisation."

The Commission had earlier complained that it believed Kagiso was the subject of "intimidation".

The latest incident comes at the same time as the introduction of the Financial Disclosures Act, which may affect EC funding of Kagiso.

The South African reply rejected the

SATURDAY STAR  
FOREIGN NEWS SERVICE

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Commission's claims that Mr Ramharak was arrested and that his keys were copied while he was held.

It said Mr Ramharak had cooperated during the meeting.

The reply also rejected a claim that security police returned in the evening to the Kagiso premises and went through Kagiso papers.

It said police remained outside the premises, which are also used by a detainees' organisation.

The police say that they were investigating the Detainees Co-ordinated Committee, which they believe was to hold a meeting that evening.

The position of Mr Yunus Mahomed, the Kagiso trustee who claimed to have disturbed the police, has not been confirmed.

The Commission said yesterday it was studying the South African explanation and would be contacting Kagiso again.

An official is due in South Africa next week to brief EC ambassadors on the funding issue.

# SA TOLD NOT TO INTERFERE

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16/3/89

BRUSSELS — The European Commission has warned South Africa that any attempt to "interfere" with its multi-million rand aid programmes for the victims of apartheid would lead to "serious complications" in relations between the two powers.

The warning was given by Manuel Marin, European Commissioner in Charge of Development Aid, when he called in Bhadra Ranchod, the South African Ambassador to the European

Community to complain over the Disclosure of Foreign Funding Act.

A commission statement after the meeting said that Marin "reiterated the importance the commission attaches to the continued smooth implementation of the community's special programme.

"The commission will continue to support the work of its partners in South Africa to bring about the peaceful end of apartheid and the creation of a multi-racial society for the benefit of all South Africans."

The commission said that the Council of Churches, the Catholic Bishops Conference and the Kagiso Trust, three leading recipients of aid, had said they "could not comply with the information-gathering aspects of the new legislation."

But South African diplomats in Brussels suggested that the organisations were jumping the gun. One said that the laws requiring disclosure of foreign funding gained widespread parliamentary support and their effect was still not known.

It remains for the registrar, still to be appointed under the Act, to decide which organisations will be required to disclose information. EC funding of anti-apartheid organisations was expected to reach R70-million in 1988.

The EC programme to give aid to church and trade union organisations for legal and welfare payments has been fraught with problems. The largest recipient, the Kagiso Trust, was raided by security forces during 1987.

## EC warns SA over foreign funding moves

The Star's Foreign  
News Service

BRUSSELS — The European Commission has warned South Africa that any attempt to "interfere" with its multimillion-rand aid programmes for the victims of apartheid would lead to complications in relations.

*star, 15/3/89*  
The warning was given by Mr Manuel Marin, European commissioner in

charge of development aid, when he called in Mr Bhadra Ranchod, the South African Ambassador to the European Community (EC), to complain about the Foreign Funding Act.

A commission statement said Mr Marin reiterated the importance of the continued smooth implementation of the special programme.

The commission said the Council of Churches,

The Catholic Bishops Conference and the Kagi-so Trust, three leading recipients, had said they "could not comply with the information-gathering aspects of the new legislation".

But South African diplomats in Brussels suggested the organisations were jumping the gun. The laws requiring disclosure of foreign funding gained widespread parliamentary support.



# Efta ministers meet to discuss closer EC ties

B/Dan 14 3/89

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OSLO — Prime Ministers from six European nations gather here today faced with a pressing decision: whether to grab the hand of the EC.

The Wall Street Journal/Europe said Switzerland, Austria, Sweden, Norway, Finland and Iceland — European Free Trade Association (Efta) members — must decide whether to continue to live on the fringe or to join in a closer relationship with the rest of Europe.

Long-held principles are at stake — political neutrality and national sovereignty. But having previously spurned EC membership, the prosperous Efta nations now worry that they may soon find themselves in an economic “no-man’s land”.

That is because Efta’s leading trading partner, the EC, is changing its rules, reducing internal trade barriers and investing in its own future as part of its plan to create a more unified market after 1992.

The Efta nations are divided over what role to play in the creation of Europe’s emerging new order. In recent years, Efta has come close to splitting up. Austria, Norway and Iceland have been drawn toward membership in the EC, while Switzerland, Sweden and Finland have held to neutrality and independence.

Ironically, it may be EC Commission president Jacques Delors who saves and even strengthens the odd alliance of Nordic and Alpine nations that make up Efta. Delors and other European leaders worry that new applications from other Europ-

ean countries — especially politically neutral ones such as Austria — could wreck the EC’s new-found dynamism, which increasingly involves political co-operation.

But as most of the Efta countries’ worries have more to do with trade than politics, Delors has suggested a “middle way”: Efta could get a special, improved trading relationship with the EC — in effect, ringside seats in the new Europe without full EC membership.

If the Efta countries were ready to cooperate in certain obligations, such as financial transfers to poorer regions, Efta could take a more active role in setting up the EC’s market, a move which would be welcomed by many Efta-based companies. But, European diplomats said Efta would have to negotiate with the EC as a group rather than as individual nations.

Although it is still unclear what shape such co-operation will take, ministers who meet here for the two-day Efta summit are expected to endorse the idea of entering into negotiations. While they differ in the response they want to make, the Efta countries are united in their conviction that the EC’s 1992 programme could be a real threat to their prosperity.

The EC denies it wants to create new protectionist trade barriers, but the very act of setting up a single EC market requires that many national rules be modified or replaced with EC regulations. EC firms have an influence on how those rules are made, whereas some smaller Efta firms have no direct voice. — AP-DJ.

# Europe's dream of peace and wealth may

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## Yet become a reality

LONDON — Despite the commitment to the ideal of the original six members of the EEC, it remained just a dream for many years. A dream few Europeans ever believed would displace the reality of conflicting national ambitions, mismatched objectives and galloping chauvinism.

And yet a single European market is suddenly upon western Europe, with remarkably little fanfare and an almost unbelievable degree of co-operation.

The intention of the Single European Act, signed in 1986, is to achieve "harmonisation", not through bureaucratic standardisation, but through bureaucratic deregulation, to exorcise the spectre of bureaucratic interventionism on the part of Brussels, and to balance the socialist principles of some nations with the overall capitalist thrust of the whole venture. Moreover, all this is to be achieved by December 31 1992.

Central to the concept of a unified Europe is the free interchange of people, goods, services and capital. This, in turn, involves unification of the monetary system, taxes, production methods, professional qualifications, customs regulations and laws.

The effect most immediately noticeable to the majority of EC citizens will be the "free passage of persons".

Once they have entered the single European "unit" through high-speed, computerised EC-only passport channels, their new burgundy-coloured passports will be required only in the event of spot-checks. Movement between EC countries will be as effortless as, say, passing from England to Scotland.

This has not been achieved without effort. Britain, in particular, believes that free passage across borders will jeopardise

Star 9/3/89

BY GARNER THOMSON, The Star Bureau

The dream of a Europe united in freedom and prosperity has flourished since World War 2. An early visionary saw it as "a family of nations whose lives are so inextricably intertwined that they shall never again be allowed to rise in war against each other".

the battle against terrorism whereas most of its EC partners believe these risks will be offset by sharing intelligence among member states, and by each respecting and acting on requests by the others.

Travel itself is likely to become cheaper as well as easier, following the 1987 package liberalising air transport restrictions.

Smaller carriers are expected to proliferate and, it is hoped, also to prosper, passing on to the traveller all the benefits of a heightened competitive spirit.

The harmonisation of goods and foodstuffs has been a more controversial issue. To many people — including several of the more chauvinistic governments — "harmoni-

isation" is read as "standardisation", prompting a proliferation of jokes about "Euro-sausages" or "Euro-chocolate".

However, this has now been resolved — in theory, anyway — by laying down a range of acceptable ingredients, labelled according to common rules, rather than by standardising recipes or formulae.

But technical specifications will have to be more closely adhered to, and consumer durables, from coffee percolators to lawnmowers, will have to be manufactured to the same standard wherever they are made.

In order to sell these items throughout

the EC in the full spirit of free competition,

Europe's labyrinthian domestic import-export legislation has been abandoned in favour of the Single Administrative Document, known, rather unfortunately, by its acronym SAD.

The harmonisation of services will mean that, from the end of 1992, companies will be able to tender for contracts throughout the EC. By law, the job can go to a tenderer anywhere in the EC, regardless of nationality.

Professional qualifications, too, will be unified, so that doctors and lawyers and other professionals will be allowed to practise wherever they choose.

Predictably, perhaps, the issue of money has been the most controversial issue. Most EC partners welcomed the principle of widening the range and influence of European business, and cross-frontier mergers are al-

ready commonplace.

But issues like the harmonisation of taxes, VAT (sales tax) in particular, are still major political stumbling-blocks. Exchange rate management, a single European currency and a European central bank are all obstacles to harmonisation.

But already the European Currency Unit (the ECU), which is basically a European unit of account, is being used in increasing numbers of business arrangements throughout the Community. And June sees a conference of the Delors Committee and the heads of governments, aimed at initiating revisions to the Treaty of Rome to pave the way for a European Bank.

These developments suggest that the problems may yet be overcome, and that Europe's hopeful dream of peace and wealth will be reality well before the century ends.

# Talks on Africa's debt

HARARE — Sub-Saharan Africa's almost \$138b debt is expected to figure prominently in a two-day meeting of the eastern and southern African region of the Economic Commission for Africa, starting here today. Ziana news agency reports.

ECA officials, from the 17 nations in the area, met in Harare last week and their recommendations will be put forward at the meeting.

At a briefing for the officials involved, Addis Ababa-based ECA secretariat official Louis Sangare said the debt, and additional obligations such as interest payments, had reached almost 47% of regional export earnings.

He said raw materials' prices were unfavourable on world markets and terms of trade continued to worsen.

He also said in the face of economic and social crises, about 20-million people had become refugees, thus worsening the already bad infant mortality rate of the region.

Sangare attacked the response of the international community, which he said had failed adequately to assist African countries in spite of the bold reform measures initiated by them in 1986. BIDAM 6/3/89

He said in eastern and southern Africa the recovery programme was hampered by a plethora of disasters, such as civil wars, wars of destabilisation and plagues of locusts. — Sapa.

# SA draft evaders face EC rejection

Star 24/2/89

(S6A)

The Common Market could act soon to cut the number of South African war resisters seeking asylum in Britain and other EC countries. **THE STAR BUREAU** reports

LONDON — South African conscientious objectors, along with a wide range of other refugees, could be prevented from settling in Britain with a set of tough new laws coming into effect over the next three years.

The London-based Committee of South African War Resisters (Cosawr) said Wednesday that it was worried that EC plans to tighten controls on aliens could prevent conscientious objectors gaining political asylum, but admitted that at this stage it was unable to take action to protect its charges. The plans, scheduled for 1992 when the EC becomes a single market, aim to cut back on all immigration from non-Market countries. Asylum-seekers will be included in the controls.

Speaking in London, Cosawr spokesman Mr Roger Field said: "We are certainly concerned that these new measures will inhibit people making applications to stay. This is a concern we share with a number of other organisations which deal with refugee applications."

## 'A bit early'

"But our problem at the moment is that we don't know the precise forms these restrictions will take. It is a bit early to make plans."

EC officials are aiming to tighten controls against a broad group of aliens, including visa applicants, suspected criminals, refugees and people who are regarded as *persona non grata* for reasons of national security.

At this point in the negotiations, the British government is opposing the European Commission's suggestions that national frontier controls against non-Community nationals be abandoned.

The Home Secretary, Mr Douglas Hurd, believes this will undermine the pan-European battle against terrorism.

But France, West Germany and the three Benelux countries maintain that the disappearance of internal frontier controls can be compensated for by increased exchange of information between police and security authorities. Each would respect the others' claims against individuals regarded as "undesirable".

The new proposals include the suggestion that aliens should cross external EC borders only at certain points and fixed times, if they do not have criminal records and pose no threat to security, and have proof of sufficient financial means.

## Alarming

The acceleration of what looks like fairly extensive measures is also alarming other refugee organisations.

According to Ms Anne Owers, general secretary of the Joint Council for the Welfare of Immigrants, greater controls and checks on ethnic minorities could also ensue.

Britain has already taken several steps over the past few years to reduce the number of asylum-seekers from an average of around 5 000 a year.

Not all the South African war resisters among them, however, are granted political asylum.

Mr Field said: "Each case is judged on its merit and applicants who are allowed to stay are either given 'exceptional leave' to remain or full refugee status, depending on their circumstances."

"We are watching the situation to see what steps need to be taken when and if the situation changes."

# EC plans <sup>Star 11/3/89</sup> 'platinum payoff'<sup>(56A)</sup>

BRUSSELS — Britain, the self-appointed champion of the campaign against fraud and money-wasting in the European Community, is backing a scheme to give 100 EC scientists up to R4 000 a week to do nothing for the rest of their working lives.

The plan could cost taxpayers R295 million for no return whatsoever. Its purpose is to persuade an ageing and allegedly unproductive team of scientists at the EC's joint research centre at Ispra, northern Italy, to sacrifice their jobs for younger and, presumably, more brilliant, blood. Those who oblige will be offered 70 percent of their basic salary — in some cases equal to R280 000 tax free — every year until retirement age.

Details of Ispra's "platinum pay-off" could be an embarrassment to the British government. This week, parliament is due to debate the latest EC court of auditors' report from which Whitehall has drawn inspiration for a British-led assault on EC fraud and waste. British officials are unabashed however.

"This is an unfortunate result of years of featherbedding," one said. "This is the only way to get the old retainers out and reinvigorate the research centres." — The Independent.

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# US softens position in trade disputes with EC

B/D 22/2/87

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WASHINGTON — The administration of US President George Bush, anxious to revive stalled world trade negotiations, has retreated from earlier hardline bargaining positions in two important disputes with the 12-nation European Community (EC).

In the more important of the battles, a fight over long-term changes in farm subsidies, the administration has decided to abandon the US insistence that Europe commit itself in advance to seeking the "elimination" of all "trade-distorting" farm subsidies by some specified date after the year 2000.

The US insistence on such a sweeping pledge, and European refusal to accept it, led to the breakup of a 96-nation world trade negotiating session in Montreal in December.

Over the weekend, in an unannounced

action during the US administration's first meeting with EC trade officials, US Agriculture Secretary Clayton Yeutter and trade representative Carla Hills proposed new language that would commit the Europeans merely to agree to "ratchet down" farm subsidies over many years.

## Ambiguous

The new wording does not mention whether this would end with their elimination or leave some subsidies in place, as Europe has favoured doing. The new US language was designed to be ambiguous, according to sources on both sides of the talks.

Frans Andriessen, the EC's top trade negotiator, declined to discuss the new US proposal in detail, but said: "It cer-

tainly merits further consideration."

Another EC official, however, said the plan was the basis for a solution.

On the second trade dispute, involving Europe's ban on imports of beef from cattle raised on growth-inducing hormones, the administration also softened its position. When the ban was imposed on January 1, the US called it an illegal trade barrier masquerading as a health measure and refused to comply with it by certifying Europe-bound beef as hormone-free, and slapped retaliatory tariffs on European goods valued at about \$100m — roughly the value of lost US beef sales in Europe.

But at the latest talks the US agreed to look for a way to certify as hormone-free as much US beef as possible for sale to Europe, if the EC would agree to submit the dispute to some sort of neutral panel of "wise men". — AP-DJ.

# Thatcher still refuses to push pound into EC forex mechanism

FRANKFURT — Britain would continue to remain outside the foreign exchange rate mechanism of the European Monetary System (EMS), Prime Minister Margaret Thatcher said yesterday.

Following talks with Deutsche Bundesbank president Karl Otto Poehl

and Chancellor Helmut Kohl in Frankfurt, Thatcher said Britain had done "very well" outside the mechanism.

"We're in the EMS and we're not in the exchange rate mechanism, and our position regarding that hasn't changed."

Poehl has repeatedly called for Britain's participation in the system, which

is seen as a further step towards European monetary integration

But British officials have expressed concern over the loss of sovereignty that would result from pegging the pound's exchange rate to other EMS currencies. — AP-DJ.

B164 22/2/89

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B/Day 22/2/89

## Iran pulls its ambassadors out of EC

NICOSIA — Iran said yesterday it had recalled its ambassadors from the EC in retaliation for a similar move by the 12-nation organisation in the row over The Satanic Verses novel.

Muslim scholars in Teheran also urged the Iranian government to cut diplomatic ties with the UK because of the book by Indian-born Briton Salman Rushdie.

Iranian spiritual leader Ayatollah Ruhollah Khomeini has called twice in the last week for Rushdie to be killed for writing the book many Muslims consider blasphemous.

Britain said on Monday it was closing its embassy in Teheran because of Khomeini's action. Other EC members said they would also recall top envoys.

Iran's IRNA news agency said a communique from the Foreign Ministry yesterday "deplored the refusal of the EC to condemn the book and criticised its support for a work which blasphemes Islam".

The communique said Khomeini's order to assassinate Rushdie was the consensus of all Muslim leaders throughout the world. — Sapa-Reuter.



# Europe's chiefs give Minorco a Consgold takeover thumbs-up

Star 18/1/89

THE European Community (EC) said yesterday it had no objections to Minorco's takeover bid for Consgold.

The ruling came after assurances by Minorco that it would sell Consgold's platinum interests if its bid succeeded.

But the EC's executive gave Consgold two weeks to comment before it reached a final decision on the bid.

Consgold failed earlier this month to persuade the British government to stop the bid.

However, a New York appeals court ruling is pending on an injunction granted to Consgold's US subsidiary, Newmont Mining, barring Minorco from launching a bid on the grounds of a possible violation of US anti-trust laws.

Consgold complained to Brussels last October that a takeover by Minorco would give it a position of dominance in the European market.

The EC said yesterday that on the basis of information gathered it considered the complaint should be rejected, particularly after Minorco's undertaking to sell Consgold's platinum interests within a set period, should its bid succeed.

EC competition commissioner, Sir Leon Brittan, stressed the importance of maintaining competition in the platinum market be-

cause demand for it was growing from makers of catalytic converters that cut car exhaust pollutions.

The EC said Minorco had agreed not to sell the platinum interests to Anglo or to De Beers.

A commission spokesman said the Brussels executive had examined all metal sectors to assess the impact of the takeover on competition in the EC.

"Platinum is the sector where the consequences would be most serious," he said.

The spokesman said the commission had the jurisdiction to prevent Minorco selling to other South African companies because their activities affected the EC. "What we're concerned about is the effect on the European market," he said.

Minorco welcomed the EC ruling, but gave no indication of whether the bid would be renewed before next Friday.

Analysts in London suggested that Minorco should ask the Takeover Panel for more time to make up its mind.

The *Financial Times* said that in terms of the Takeover Code, Minorco would normally have to make another offer by next Thursday or wait until September — the first anniversary of its previous £2.9 billion hostile

bid. The major stumbling block for Minorco is the injunction imposed by the New York court, preventing it from raising its Consgold holding above the current 30 percent.

"Minorco is waiting to hear the outcome of its appeal in the US," the newspaper said. "If the injunction remains in place, Minorco could bid again, but would not be able to declare any offer for Consgold unconditional."

The New York judge is aware of the time limit Minorco faces in Britain, but has given no indication that he will take this into account, or even when he will give judgment.

Both sides have talked to the UK Takeover Panel recently — Minorco on Wednesday and Consgold on Thursday — but it is understood that Minorco has not asked for an extension of the time allowed.

Consgold has said it would agree to an extension, but would urge that, in return, the panel should press Minorco to make a clear statement about its intention.

Until the US court ruling is known, Minorco sees little point in calling the board meeting at which it will decide whether to bid again. — Finance Staff, Sapa-Reuter, *Financial Times*.

Star 16/2/89

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## Report on EC companies in SA

# Firms help to forge better race relations

The Star's Foreign  
News Service

MADRID — Foreign Ministers of the European Community's 12 member States, meeting in Madrid, have approved an EC report which expresses "satisfaction" at progress made towards racial equality by European-run companies in South Africa.

They said on Tuesday they were pleased that "the reports received indicate a consolidation of company policy to promote and improve relations between the employers and workers."

They also said companies "accept the principle of equal pay for equal work regardless of race." In concrete terms, the implementation of the EC Guidance Code had led to an improvement in wages and a wide range of fringe benefits were made available by companies.

They added: "Many companies also

continue to promote development in the training and advancement of black employees and a number of companies further contributed to the encouragement of black businesses."

The report was on the Code of Conduct for companies based in the EC and with connections in South Africa. It covered the period from July 1986 to June 1987 and involved 97 000 black employees at 247 companies.

The report noted that the restrictions of the South African Government's emergency powers during the period did not prevent increased union growth and severe labour unrest. Inflation at around 17 percent had led to a decline in average wages in real terms.

The EC wants to encourage EC companies to promote integration by peaceful means and an end to apartheid. The Foreign Ministers called on Pretoria to take all the necessary steps to remove all racial discrimination.



# Weighing up the positive and negative developments

By ROBIN DREW,  
The Star's Africa News Service

HARARE — This week's meeting in Harare of the Commonwealth Committee of Foreign Ministers on southern Africa was essentially just one more preparatory step along the road to October's summit in Kuala Lumpur.

It is then that any real changes in attitudes, and in particular Britain's approach, on how to bring pressure to bear on South Africa will become apparent.

By then the course of Namibia's route to independence will have become much clearer and this will undoubtedly have a bearing on how South Africa's sincerity will be judged.

The concluding statement of the Committee of Eight noted there had been a "few" positive developments by the South African Government.

But suspicion of South African intentions remained high.

Events within South Africa itself seemed to outweigh the appreciation of the peace treaty with Angola and attempts by South Africa to forge friendlier relations with other African states.

Said the committee: "One of the negative developments has serious implications. The outcome of the Delmas Treason Trial ... has reinforced the message from Pretoria that it will not tolerate even peaceful opposition to apartheid from any quarter within South Africa.

"The use of the legal system to harass and suppress legitimate, non-violent opposition to apartheid is particularly disturbing. The committee also noted that while older black leaders in poor health had been released from prison, a new generation was being incarcerated under the continuing state of emergency."

South Africa's assertions that it was not actively working to destabilise its neighbours were dismissed.

Instead the committee chose to "recognise specifically" that South Africa was persisting with destabilisation.

Unless there is a dramatic change in the level of violent activities in Mozambique especially,

the Commonwealth leaders will be presented with a horrifying tale of duplicity in an enlarged and updated version of the preliminary report presented to the committee this week.

One of the practical steps the committee is going to take as a result of the Harare meeting is to push for the tighter applications of financial sanctions on South Africa.

Commonwealth Secretary-General Sonny Ramphal stressed financial sanctions were regarded as one of the most powerful sources of pressure.

## TARGETS FOR SANCTIONS

There is to be another meeting of the committee in Australia, in about six months' time, when specific targets for intensified financial sanctions will be drawn up.

This meeting too will see recommendations for tightening the wording of the Commonwealth recommended ban on all new bank loans to South Africa.

The existing wording refers only to "loans to South Africa whether to the public or private sectors".

This gave rise to what must have been one of the most embarrassing moments in the life of Canadian Foreign Minister Mr Joe Clark, chairman of the committee, who had to explain why Canada had allowed one of its banks to lend a South African-controlled company, Minorco, a billion rands when Canada was supposed to be in the forefront of applying sanctions.

Mr Clark's excuse that the company was registered in Luxembourg and thus not covered by the ban did not answer the accusation that the spirit and intention of this crucial financial sanction had been evaded.

Only at the Kuala Lumpur meeting will decisions taken by the committee come up for implementation by the heads of government.

The question thus is whether South Africa will take advantage of the intervening period to show that "positive developments", given some acknowledgment by the Committee of Eight, have moved to the position where they outshine the events which cry out for condemnation.

56A

Star 10/21/89

# EC puts a spoke in Minorco bid

ROBERT GENTLE

LONDON — Minorco's renewed bid for ConsGold may be delayed following news that the European Commission's inquiry into the original bid could take at least two more weeks.

Under City takeover rules, Minorco had only 21 days from the date of the Monopolies and Mergers Commission's official clearance to launch another bid. One week has already gone by.

If the present 21-day cycle lapses without a formal bid for ConsGold, Minorco will have one final opportunity to do so — in October.

Another possible hurdle is a New York court injunction against the original bid on anti-trust grounds. Minorco is awaiting the outcome of its appeal.

Report with details expected today

# SA destabilisation goes on — Canada

By Robin Drew,  
The Star's Africa  
News Service and Sapa

HARARE — Commonwealth Foreign Ministers meeting in Harare have received a report containing shocking indications of continuing destabilisation activities by South Africa in neighbouring states, Canadian Foreign Minister Mr Joe Clark said last night.

Mr Clark was unable to give newsmen any evidence of South African involvement, but said: "I certainly believe these activities continue."

He referred questioners at a

news briefing to a report prepared by former journalists David Martin and Phylis Johnson, who run a publishing house in Harare, and said the two would be available to answer questions.

But they left hurriedly before reporters could put any questions.

Mr Clark said the Eighth Commonwealth Foreign Ministers meeting here to discuss southern Africa had decided that the report should be made public.

He said: "We have been given precise information."

A Commonwealth Office official said the report should be available

today.

Among other things, it claims that destabilisation has cost one million lives, half of them children, and in money terms has cost the frontline states US\$35 billion (R88 billion) over the past eight years.

Mr Clark said a child died every four minutes in Angola or Mozambique from war-related causes.

The Commonwealth Ministers Committee is due to hear evidence from a number of South Africans including Dr Alan Boesak.

Also due here are Mr Murphy Morobe and Mr Mohammed Valli, former detainees who holed up in the American Embassy in Johannesburg last year before being formally released.

Mr Clark's charges were denied in a statement released in Johannesburg yesterday by South Africa's Ambassador to Canada, Mr J H de Klerk.

Mr de Klerk cited meetings between South Africa's State President, Mr P W Botha, and the heads of five African states late last year as evidence of South Africa's growing rapport with its neighbours in southern Africa.

He pointed out South Africa was providing Mozambique with more military aid than Canada does — to protect projects in Mozambique from sabotage by rebels.

● See Page 7.

# Destabilisation theme of talks

Day 6/2/89

567

**HARARE** — Foreign ministers from eight Commonwealth nations gathered here yesterday for a conference to propose tougher economic sanctions against SA.

Organisers said the ministers would also discuss fresh ways for the 49-member Commonwealth to bolster states threatened by SA destabilisation.

Canadian External Affairs Minister Joe Clark, who arrived on Saturday, will chair the third three-day meeting of the Commonwealth Committee of Foreign Ministers on Southern Africa, opening today.

The Canadian High Commission said: "Given the location of this meeting and the special circumstances of the Frontline States, the committee



● THATCHER

has agreed that destabilisation be the theme of the Harare meeting."

The committee was formed by the 26th Commonwealth summit in Vancouver, Canada, in 1987, to monitor and tighten sanctions against SA in a bid to force it to abandon apartheid. The committee met twice last year, in Lusaka and Toronto.

Britain is not a member of the committee because of Prime Minister Margaret Thatcher's opposition to sanctions.

Britain, Japan, the US and West Germany are frequently singled out by the Frontline states for ignoring calls for tougher sanctions. But the Commonwealth has little real muscle in confronting SA without Thatcher's support.

The Harare talks will also focus on the fate of Namibia which will hold UN-supervised independence elections in November. — Sapa-AP.

## Move focuses on financial isolation

# New bid to put squeeze on SA

By Robin Drew,  
The Star's Africa News Service  
Harare

Commonwealth countries are working on fresh proposals to increase the financial squeeze on South Africa to force the abandonment of apartheid.

Australia initiated the plan and a report has been submitted by a working committee consisting of Australia, Canada and India. The proposals are expected to be presented to the meeting of Foreign Ministers of eight Commonwealth countries, starting in Harare today.

The three-day meeting is expected to focus on ways to put the squeeze on South Africa through financial sanctions.

Commonwealth Secretary-General Sir Shridath Ramphal considers the document, outlining steps to isolate South Africa from the international money market, as the most significant sanctions measure.

Conference sources say the financial sanctions would hurt South Africa far more than trade sanctions. The South African Reserve Bank is said to be extremely worried about the implications if, indeed, the document contains workable measures.

### Closed session

This week's meeting follows a decision taken at the Vancouver heads of Commonwealth governments meeting in October 1987 to provide high level impetus and guidance on pressure to be applied on South Africa.

The committee of Foreign Ministers held its first meeting in Lusaka in February 1988 and its second meeting in Toronto in August last year.

Ministers from Australia, Canada, Guyana, India, Nigeria, Tanzania, Zambia and Zimbabwe will attend the closed sessions, which will be chaired by Canadian Foreign Minister, Mr Joe Clark.

Alleged South African destabilisation of the Frontline states will be reviewed through discussion of a document produced by two former journalists based in Harare, David Martin and Phyllis Johnson, who estimate that destabilisation by Pretoria has cost one million lives — half of them children — and in money terms has cost the Frontline states \$35 billion (R84 billion).

The Foreign Ministers are to visit a camp in Zimbabwe housing thousands of Mozambican refugees.



Today is the official start of the Chinese New Year, the Y  
tions to welcome the new year were held at Gold Reef City  
martial arts displays and traditional dancing. Displaying th



# Fortress Europe fears as 1992 approaches

B/Day 6/2/89 (S&A)  
DAVOS, Switzerland - Fear and occasional panic are welling up in the US and Japan about the campaign by the EC to unite by 1992.

The outsiders have little idea of what kind of union will emerge, according to business and government leaders.

"It's a big concern," said Akio Morita, chairman and chief executive officer of Sony Corp. "We still don't know what will happen."

"It is fear of the unknown," said Tim McNamar, former assistant secretary of the US treasury.

A series of politicians, trade officials and businessmen interviewed at a conference here gave the impression they were nervous about the prospect of a trading bloc run by an unpredictable European parliament and a highly politicised European Commission with a vast but unspecified mandate.

## Protectionist

The EC hopes to eliminate all barriers to movement of goods, capital and people between its 12 member states by 1992. The chief concern is whether the bloc will be protectionist and evolve into a "fortress Europe" in spite of the steady chorus of denials by EC officials.

Several experts have been struck by how long it has taken for outsiders to appreciate what has begun to happen in the EC. The essential blueprint of the 1992 campaign was set out in 1985.

The actual machinery of 1992, ranging from the harmonisation of technical standards to broad plans to put banking, insurance, some taxation and even monetary policy on a level playing field, is still moving slowly and is more a slogan than a deadline.

But business leaders, while uncertain of the speed of change, didn't doubt that the EC would be a major factor in their business strategies in the next decade. — AP-DJ.

# Companies and countries gear up to meet the challenge of 1992

Star  
30/1/88  
SLA

LONDON — The essential feature of the European Community's single market after 1992 will be mobility.

If all goes according to plan, exports will move unhindered through frontiers, capital will switch freely between currencies, and companies will range or merge across borders with no more red tape than they might expect at home.

More mobility should mean greater efficiency — arising not merely from simple economies of scale, but from the freedom of enterprises to seek out the most cost-effective sources of raw materials and labour, and the most benign operating environments, anywhere in the community's 12 member-states.

## Economic gains

The potential economic gains are, by the calculations of European Commission, immense. A

group of its senior economists and advisers, known as the Cecchini Committee, estimates that integration could, in the medium term, trigger new economic activity, adding about 4.5 percent to the community's gross domestic product; deflate consumer prices by 6.1 percent; improve government finances by a sum equivalent to 2.2 percent of GDP on average; and create 1.8 million jobs.

A Commission-sponsored pool of 11 000 industrial firms found that most expected to benefit from the single market. Some 53 percent said they believed it would benefit the economy of their own country; on average they expected production costs to fall by 1.8 percent, and sales to rise by 5 percent.

Some industries, it is already clear, will suffer severely. These are, for the most part, sectors in which public-sector procurement polices and other non-market

forces have protected domestic firms from foreign competition.

The commission reports that EC countries' boiler-making firms, for instance, use on average just 20 percent of available capacity. In the laser industry, capacity utilisation is about 50 percent; and in the manufacturing of telephone exchanges about 70 percent.

The losses within each industry should, however, be more than made up by the general savings to the economy from cheaper sourcing of goods.

Within the European Commission, the Community's policy-making civil service, the single market passed through its visionary and drafting stages almost four years ago.

A White Paper listing 300 objectives was published in mid-1985, and its principles adopted by heads of government when they signed the Single European Act at the end of that year.

Since then, the legislative treadmill has been grinding away in Brussels, turning the White Paper into laws and regulations binding on the governments of member-states.

In national capitals, ministries of trade and industry have set in motion vast campaigns of advertising and education, trying to ensure that their own businessmen are not the last to appreciate the new opportunities and problems which the post-1992 single market will create.

In the private sector, larger companies have been setting up their own 1992 research departments and task forces to consider or consummate cross-border investments and marketing strategies.

Any growth in cross-border takeovers will also have implications for stock markets and stock-market investors where public companies are involved. Nomura, the Japanese brokerage house, expects that willingness to countenance such takeovers will create "a large performance differential" between national markets.

It considers Germany and the Netherlands to be among the community countries at present least friendly to foreign bidders, and Italy to deter them through the sheer complexity of shareholding structures.

The final stage in European integration will be the impact of 1992 on the individual worker. In the manufacturing sector, jobs will tend to go in search of the workers and manufacturers will set up shop wherever the mathematics of wages and productivity dictate.

Head offices and service industries, by contrast, are less portable. Most need to be near their "core" customers, near city centres, or simply near to one another. But as more such businesses move from a one-country to a community-wide view, they are sure to become less inhibited about adding foreign expertise to management structures. — The Independent.

## OPENING THE FRONTIERS

PROPOSALS	Adopted	Partially adopted	Pending	In Council	Common position
<b>Part 1: The removal of physical barriers</b>					
<b>A Control of Goods</b>					
1 Various controls	3	2	3	—	—
2 Veterinary and phytosanitary	22	2	44	11	—
<b>B Control of Individuals</b>					
	3	—	5	4	—
<b>Part 2: The removal of technical barriers</b>					
<b>A Free movement of goods</b>					
1 New approach in technical harmonisation and standards policy	3	—	6	3	—
2 Sectoral proposals	34	2	8	16	6
<b>B Public procurement</b>					
	1	—	1	4	—
<b>C Free movement of labour and the professions</b>					
	6	—	2	4	1
<b>D Common market for services</b>					
1 Financial services	8	—	4	10	2
2 Transport	4	1	3	4	—
3 New technologies and services	4	—	—	1	—
<b>E Capital movements</b>					
	3	—	—	—	—
<b>F Creation of suitable conditions for industrial co-operation</b>					
	2	—	7	15	1
<b>G Application of Community law</b>					
	—	—	1	—	—
<b>Part 3: The removal of fiscal barriers VAT/Excise Duties</b>					
	3	—	4	18	—
<b>TOTAL = 291</b>	<b>96</b>	<b>7</b>	<b>88</b>	<b>90</b>	<b>10</b>

Source: Nomura

Current situation of EC countries towards single market.

# EC urged not to build new trade barriers

B/Day 30/11/89

SBA.

DAVOS — Canada's Minister for International Trade John Crosbie warned the European Community (EC) on Saturday against erecting trade barriers as the community lays the groundwork for its integrated market, set to take effect at the end of 1992.

Crosbie, addressing a symposium in Switzerland of the Private World Economic Forum, said: "European integration must not lead to new trade barriers. That would be a blow to an open international trading system."

"Even the threat of new barriers could have a chilling effect on international trade and investment and on progress in the multilateral trade negotiations (of Gatt)."

At the same time, Crosbie said he was "confident that Europe will remain open and contribute positively to the establishment of new rules and disciplines in the Uruguay round (of Gatt talks) that will lead to a more open, dynamic world economy".

While expressing disappointment at the failure of the mid-term review of Gatt talks, held in December in Montreal, he added he thought ways could be found to resolve such thorny issues as agricultural subsidies.

"I say this because I believe there is a general recognition among trading nations that we must succeed," he said.

Crosbie cited the recent US-Canadian free trade agreement as an

example of a positive trend in trade talks that would lead to a more open market for international trade.

Speaking at the same symposium, Helmut Haussmann, West Germany's new Economics Minister, called for more EC flexibility in upcoming trade talks.

Referring to the pace of negotiations in the Uruguay round, Haussmann said the "EC will have to demonstrate more willingness to compromise".

He said the EC had not been able to keep pace with the US at the mid-term review of the Uruguay round.

"The US wanted to accomplish far more at the mid-term review than would have been necessary to meet the agenda charted out...."

## Ensure progress

He said final agreement on the current Gatt round could be achieved only through "compromise by all of the negotiating parties".

"I intend to use all the means at my disposal to ensure progress in this field," Haussmann said.

US Under-Secretary of the Treasury for International Affairs David Mulford told the symposium this week's meeting of officials of the Group of Seven (G-7) industrial nations was not being held to discuss current foreign exchange market developments, adding that "we will review the general economic situation".

Star 27/1/89

56A

# Lawson lashes at plan for European economic union

LONDON — The British Chancellor of the Exchequer, Mr Nigel Lawson, this week launched an attack on proposals for European economic and monetary union.

He also lambasted elements within the European Community (EC) for seeking to hinder by unnecessary regulation the goal of a single market for goods, services and capital by 1992.

He warned that the dream of 1992 would become a nightmare if anti-free-market forces in the EC gained the upper hand and a post-1992 Europe was saddled with red tape, bureaucracy, supra-national intervention and protectionism.

In a speech at the Royal Institute for International Affairs, Mr Lawson described as divisive and difficult the issue of European monetary and economic union and questioned the motives of those promoting it.

He said it raised issues which went to the heart of nationhood and sovereignty and warned Mr Jacques Delors, president of the European Commission, that neither the British government nor Parliament would accept any further amendment to the Treaty of Rome to give effect to such union.

Mr Delors heads a 17-man inquiry into economic and monetary union set up by the EC Council of Ministers at its summit in Hanover last year. It is due to report to EC leaders in June.

"It is difficult to escape the



Nigel Lawson

conclusion that this divisive and difficult new issue has been propelled into the forefront of European debate at this time, either out of culpable carelessness, or as a smokescreen to obscure a lack of sufficient progress towards the single market, or, worse, as a means of running away from taking the practical but difficult steps the single market requires and running away from the challenges of freedom," Mr Lawson said.

He said union was not just a technical issue. It implied nothing less than European government and political union.

"Such a United States of Europe is simply not on the agenda now, nor will it be for the

foreseeable future," he said.

Mr Lawson's speech was characterised by an identity of attitude to European issues with that of the Prime Minister, Mrs Margaret Thatcher, who, in her speech in Bruges last September, warned against the temptation to regulate and enforce common standards on different nations.

His main departure from Mrs Thatcher was contained in his brief references to the European Monetary System (EMS), to full British participation of which the Prime Minister remains opposed.

He said that as 1992 approached, the pound's value against European currencies would become increasingly important and that some problems associated with sterling's full participation in the EMS had diminished over time.

Mr Lawson praised the 1992 initiative as an historic opportunity for Europe and for Britain. But he was dismayed by the attitude of some who saw it as an opportunity to overlay business with more regulation and create a Fortress Europe that was closed to the world. He staked out Britain's opposition to:

- A concept of 1992 based on supra-national regulation, which did not break down barriers but where restrictions and controls were levelled up.

- Protectionism introduced under the guise of reciprocity. The UK was committed to breaking

down barriers so that the single market was really a free trade area.

- A single market not based on the principle that firms and products approved in one country were free to compete throughout the EC and people not free to buy goods and services from anywhere within the community.

- Regulation that did not achieve a level playing field and simply sought an average of existing national regulations and not the best free-market approach.

- Proposals by the commission for an enforced withholding tax on income from savings.

Mr Lawson said the proposal was supported by those who, having accepted capital liberalisation, were now trying to escape from its consequences.

Mr Lawson restated his opposition to the harmonisation of tax throughout the community.

He said the community should adopt a market-based approach to tax issues, one allowing market forces to produce the incentives for such closer convergence as was desirable.

Community members should make large and progressive increases in tax-paid allowances on goods brought back from member states.

The present limit was £250 and he proposed raising the ceiling to £1000 of tax-paid goods without any need to make a customs declaration. — Financial Times.

# Study doubts that EC will be ready for 1992 unity

BRUSSELS — A study conducted by US accounting firm Arthur Andersen & Co forecast strong growth for EC capital markets but doubted that the EC could achieve a single market by 1992 — the target date.

“An integrated European capital market, with a common infrastruc-

ture, will not be achieved by 1992. A longer timetable is needed,” said the report, released yesterday.

It predicted assets managed by European institutions would double in the next five years but claimed savers would demand more sophisticated investment vehicles.

(S6A) The report concluded that it would take longer than the few remaining years before 1992 to unify the EC market because serious problems remained in harmonising regulation, taxes and technology among the markets of the various member countries. — AP-DJ.

said for furniture shares.

MR Ray Gould and MR

competitors

# UK blocks GEC-Siemens bid for Plessey

56A

LONDON — Britain's Conservative government yesterday said its monopolies watchdog would examine a hostile Anglo-German takeover bid worth £1.7 billion for electronics firm Plessey Co Plc.

If successful, the takeover bid by West Germany's Siemens AG and Britain's leading manufacturing firm General Electric Co Plc (GEC) would create one of Europe's biggest electronics concerns.

Trade and Industry Secretary Lord Young said his decision to refer the bid to the Monopolies and Mergers Commission followed a recommendation from the Office of Fair Trading, another government agency, which had held a preliminary probe.

The commission has been asked to report within three months.

The referral effectively blocks the bid. It cannot be revived until the commission has given the government its findings.

The Trade and Industry Department cited possible competition implications in the bid, particularly in the areas of defence electronics and traffic control equipment, which it said deserved investigation.

"The decision to make a reference to the commission does not in any way prejudice the question of whether or not the merger concerned would be against the public interest," it said.

Plessey, the target of another GEC bid two years ago, has been building defences against this latest assault by its bigger rival.

In Brussels the European Commission ordered a full investigation into the bid because collaboration between the bidders appeared to break competition rules.

Officials said the crucial question would be whether the overall advantages to the European Community of creating a world-class electronics and telecommunications giant outweighed

the potential damage to competition from the link-up between heavyweight competitors GEC and Siemens.

Sir Leon Brittan, the EC's new competition commissioner, said there appeared to be a case that the joint bid broke EC rules banning agreements that prevent, restrict or distort competition.

"The commissioner considers that the proposal ... raises issues of community law that require a full investigation," Brittan, a former British trade minister, said.

But he added that, if the commission concluded that the accords between GEC and Siemens did break EC rules, "it will also have to consider whether the advantages of the agreement are such that it should be permitted to proceed".

Siemens ranked fourth in a 1988 world table of top electronics firms, with annual sales around \$27.5 billion. GEC, Britain's biggest manufacturer,

was in 10th place with sales around \$7.8 billion, and Plessey was 11th with \$2.1 billion.

Under the 12-nation bloc's founding Treaty of Rome, the commission has the power to approve agreements which contribute to improving the production or distribution of goods or promoting technical or economic progress.

Officials at the commission, the EC's executive body, noted that one aim of the community's drive to create a giant single market by the end of 1992 was to help the best EC companies become strong global competitors for US and Japanese firms.

Britain's statement followed a preliminary commission probe into the hostile bid, announced in November, that was requested by GEC and Siemens themselves. Plessey, for its part, has asked the commission to block the takeover on competition grounds. — Sapa-Reuter.

the France led troops ... advanced ... earth-penetrating weap...

## MORE EC CASH FOR ANGOLA IN \$72m 'ACTION PLAN'

LONDON — The EC is to pump \$72m into Angola as part of an "action plan" to rehabilitate its economy.

The move flows from the signing of the tri-partite peace accord to bring peace to south western Africa.

An EC spokesman said the initial grant was to carry out short-term objectives. Discussions were continuing with EC members with a view to them pledging more bilateral aid to Angola.

The \$72m has been earmarked for:

- Aid to repatriates and displaced persons;
- Rural development;

MIKE ROBERTSON

- Rehabilitation of infrastructure;
- Training and employment creation.

### Convention (SBA)

The European Commission said the "action plan" would "form part of an intense co-operation that several member states have already established with Angola, using significant amounts in grants, in loans and in technical assistance to ensure the reconstruction and the development of the Angolan economy".

Angola was not among the original signatories of the Third Lome Convention, the agreement which provides free access to the EC for industrial and most agricultural produce of African, Caribbean and Pacific countries. It has, however, since joined the convention.

Since becoming a signatory, Angola has received \$122,4m in grants, loans and aid under the convention.

In addition, the EC has made \$270m available to Angola, racked by civil war for 13 years, for financing projects in the rural sector, fisheries, infrastructure development, food aid and emergency aid.

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MIKE ROBERTSON

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# Namibia is welcome to join the EC

8/Day 13//82  
MIKE ROBERTSON

LONDON — An independent Namibia would be welcomed into the Commonwealth, an official said yesterday.

Commonwealth Secretariat information director Patsy Robertson said Commonwealth heads of government had already indicated this. (56A)

She added that Swapo, fancied by most to win next year's elections, had already indicated to the Commonwealth it "would be interested in pursuing discussions about membership".

Membership would provide Namibia with access to a wide range of technical, scientific, educational and developmental assistance programmes.

The Commonwealth Secretariat in 1986/87 received a budget of £19.3m to fund technical co-operation between member states. It also received £1m for youth programmes and £425 000 for the Commonwealth Science Council.

An EC spokesman said an independent Namibia would also be welcomed as a member of the Lome Convention — a trade, aid and co-operation agreement that allows black African (bar Angola), Caribbean and Pacific (ACP) countries access to the EC for industrial goods, most agricultural products and an export-earnings stabilisation scheme for certain agricultural commodities.

Under the Third Lome Convention, which expires in 1990, EC countries will provide about £4.4bn in aid to ACP countries and the European Investment Bank will lend an additional £655m.

Particularly attractive for Namibia is an agreement by the EC to provide assistance for the acquisition of fishing equipment, fisheries management and the processing and marketing of fish products.

## ANOTHER TWIST IN EC/US TRADE WAR

B/Dom 9/1/87 (S6A)

BRUSSELS — Representatives of the 12 EC member states gave tentative approval last Thursday to a set of tariffs designed to respond to US measures in an escalating trade war.

The conflict began when the EC carried out threats to ban imports of meat treated with hormones at the start of this year. The US responded immediately with tariffs on a range of EC goods and the EC has since been considering counter-measures.

The representatives approved a tentative plan for such counter-measures which would apply 100% tariffs to unshelled walnuts and some dried fruit.

But the representatives, who are permanently assigned to the EC by their governments, left the final decision about the imposition of the tariffs to their foreign ministers, who will meet in Brussels on January 23.

On that date the foreign ministers, if they do adopt the measures by a qualified majority, will also decide the date when the measures will take effect.

The hormone ban, as well as the two rounds of tariffs, are each estimated to affect about \$100m in trade. — AP-DJ.

## EC chief 'committed to free trade' 5/6A

BRUSSELS — On the eve of taking up the European Community (EC) post of European Commissioner for Foreign Relations Mr Frans Andriessen of the Netherlands, said he was committed to free trade and an EC market open to the rest of the world. *Star 9/1/89*

But for four years, Mr Andriessen has been in charge of the Common Agricultural Policy, which, despite recent reforms, is still regarded outside the EC as protectionist.

And Brussels still has problems demonstrating that the 1992 single-market campaign does not spell an eventual "Fortress Europe".

Speaking at the EC headquarters in Brussels Friday, Mr Andriessen insisted

his priorities for the next four years were twofold: to dispel "fortress" fears, and to use the EC's economic weight to help build a "free, liberal and open" world trading system.

Doubters will point to the EC's dispute with the United States, which has led Washington to block imports of £55 million (about R250 million) of EC goods in retaliation to a EC ban on the import of hormone-treated meats. Friday, Mr Andriessen tabled proposals for counter-retaliation.

But the EC's retaliatory package was milder than had been expected, covering only an equivalent £55 million of US nuts and dried fruit. — The Independent News Service.

# EC inflation rate speeding up

BRUSSELS — EC consumer prices posted the highest annual increase in 31 months in November and were likely to rise higher in December, the EC statistical agency, Eurostat, said.

The agency said: "It confirms the speeding up of inflation which has been evident since the summer of 1988."

Consumer prices in the 12-EC member states had risen by 0,4% in November from October. Prices had risen by 4,1% in November on a year-to-year basis, up from rates of 3,9% in October and 3,8% in September.

BIDAM 6/11/89 (S6A)  
Eurostat said it estimated on the basis of data for the first 11 months of the year that year-to-year inflation in December should rise further to 4,2%.

The year-to-year index has been steadily rising since January 1987 when it rose only 2,3%.

The November rise was due to substantial rises in Italy, Denmark, Greece, Britain and Portugal. Italy posted the highest increase of 0,8% and was followed by Denmark and Greece which registered rises of 0,7%. — AP-DJ.

pros and cons of a raid to destroy the operation, will also launch attacks on

# Trade war: US looks into EC copper exports

B | Day 3 | 1988

(S6A)

WASHINGTON — Launching its third trade fight last month with the EC, the administration of US President Ronald Reagan decided to start a legal investigation of European export quotas on copper.

The investigation, prompted by a complaint from US copper fabricators, is an unusual one. Rather than looking into whether Europe is flooding the US with cheap imports or barring the entry of goods as most such investigations do, this one will focus on whether Europe is unfairly restricting its own exports.

But US trade representative Clayton Yeutter's decision to launch the inquiry has significance well beyond the case at hand, because it is part of a pattern of angry trade disputes that have strained economic relations between the US and Europe, the world's two biggest trading partners.

Earlier this month, the US and the EC staged a bitter battle at a world trade meeting over farm subsidies. And this week, Yeutter said he would impose punitive 100% tariffs on a list of European imports from January 1 if the EC went ahead with a plan to ban US meat from cattle treated with growth hormones.

Don Eiss, the deputy assistant trade representative for industry, said: "The copper decision isn't related in the least to the other disputes with Europe." One

trade official said there was "no hesitation" on Yeutter's part in launching the copper inquiry, even though it might inflame the trade climate with Europe. He said the industry complaint was too strong to ignore.

According to the complaint, filed by the Copper and Brass Fabricators Council, the EC and Britain are restricting exports of copper scrap in order to force up scrap prices in the US. The US fabricators, who use the scrap as a raw material, allege the quotas are designed to ensure European fabricators will have lower costs than their US competitors and can thus charge less for finished items such as copper sheet and tubing.

## Retaliation

"We think it's part of a predatory pricing scheme that's being used to try and take over our market," said Joe Mayer, president of the council. Mayer estimated the practice costs his 18 member companies \$180m a year.

By launching the investigation, Yeutter was not necessarily agreeing with that claim. Nor is any retaliation necessarily in prospect. The council is merely asking that if the investigation finds a trade violation, the US negotiate with the Europeans to remove the export quotas. — AP-DJ

WASHING-

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# Lead in air

By Jeremy Brooks  
London

STimes 11/18

# The deadly motor menace

## FOCUS ON PETROL POLLUTION

**SOUTH Africa's decision to lower petrol lead content aware-ness worldwide of the unseen in-jury caused mainly to children and babies, by metal poisoning.**

Britain, which recognised the dangers in the early 1980s, has moved quickly to protect the public from exposure to lead. But it still lags far behind other Western nations — Australia and America included — which have all but banned lead additives.

European Economic Community nations have set a target of October next year to ban leaded petrol altogether and convert most cars to unleaded fuel. Whether it would be practical — unleaded petrol has still not been introduced in Italy and Spain — is another matter.

Lead pollution in Britain has not yet become a political hot potato in 1982 when a scientist's warning that it was causing brain injury to children was leaked to the newspapers.

The letter, from a Department of Health doctor to his Whitehall colleagues, said there was a strong likelihood that lead in petrol is permanently reducing the IQ of many of our children.

Chief medical officer Sir Henry Velton estimated that thousands of low-lead petrol, particularly those living in cities and attending schools close to major highways, were affected.

He said that in spite of claims by petrol companies and a Government inquiry

finding that a connection between petrol lead and health impairment could not be proved, other more recent studies — including one at an EEC lab in Italy — pointed to the opposite.

Britain reacted quickly, and by 1985 had fallen in line with major EEC partners by bringing the level to 0.4 grams a litre. Most EEC members, with the exception of France which still sticks to 0.4g, have brought this down to 0.15g a litre.

But a drive by both the UK Government and the Campaign for Lead-free Air (CLEFA) to persuade motorists to convert their cars to unleaded petrol, which has a level of less than 0.013g, has met with only partial success.

Only 2% of the UK's 20-million motor-

ists use unleaded fuel. Scientists estimate that Britain's cars pump 3,000 tons of lead into the atmosphere every year. Lead levels in exhaust fumes measured in some road tunnels are 10 times higher than the EEC limit.

People were warned this year not to eat wild berries picked in the immediate area of central London. One expert suggested that if anyone were able to eat eight of Trafalgar Square's pigeons at one sitting he would die soon afterwards.

Exposure to lead pollution — which can also be caused by flaking paint — is most injurious to the under-18s and unborn babies. Medical evidence has shown that, in early stages, it can lead to mental retardation and impair development, causing a permanent lowering of the IQ

of as much as 5%. It has also been linked to lower birth weight, smaller head size, and developmental difficulties in the first six months.

Other studies show that lead levels are also affecting food supplies and wildlife. Lead content in cabbage and lettuce is 10 times higher than in peas — simply because they are protected by their pods. Washing of vegetables failed to clear the lead completely.

The issue of lead-petrol and exhaust pollution in general was taken up two months ago by environmentalist groups Greenpeace and Friends of the Earth.

They launched an advertising campaign directed at Ford UK, which has refused to supply the catalytic converter-equipped cars it sells in other countries.

One poster, using the company's slogan "Ford gives you more", showed a skull formed by exhaust gases.

America banned the import and manufacture of "leaded" cars in 1975, and now virtually all vehicles run on lead-free petrol. Studies of "blood-lead" levels in children showed a sharp drop at exactly the same time as the measures were introduced.

The Japanese Government became alarmed at pollution in Tokyo in the 1960s and, after a 20-year campaign, leaded fuel is almost unobtainable — except for older cars unable to be converted.

About 42% of fuel sold in Germany is now lead-free after the Government made it cheaper in 1983. France says it will ban leaded petrol this year.

Lead poisoning is not a modern phenomenon. Analysis of bones from Roman skeletons dug up in Gloucestershire have shown levels up to 10 times those in modern man, possibly caused by their habit of eating sapa, a grape syrup thinned in

lead-lined vessels and drinking wine sweetened with lead acetate.

George III drank and ate quantities of lemonade and sauerkraut may have led to his dementia at a young age.

lead-lined vessels and drinking wine sweetened with lead acetate. Because of the danger, the city council has ordered schools to remain closed until February.

Studies there have shown most children have lead levels above the World Health Organisation safety limit. Residents have been warned that if they wish to exercise they should do so indoors, keeping their windows closed.

Normal breathing in Mexico City, said doctors, was equivalent to smoking 40 cigarettes a day.

# Inflation <sup>564</sup> on the rise in European <sup>newly</sup> Community

BRUSSELS — The annual inflation rate within the European Economic Community rose to a provisional 5.4 percent in April from five percent the previous month, a top EEC official said Thursday.

EEC Commissioner for Economic and Financial Affairs, Henning Christophersen, said in a statement price increases were accelerating in the 12-nation trade bloc and called for "early and determined action to signal that such price pressures will not be accommodated."

The EEC's annual inflation rate has risen steadily since the beginning of 1989 from a rate of 4.8 percent in January.

An EEC Commission study said the low inflation rates of the 1980's had come to a halt.

The rise in inflation was caused by a rebound in prices for imports, notably oil and raw materials, as well as an increase in indirect taxes and wage rises in several member states, the study said.

Christophersen said that it was important to avoid "a build up of inflationary expectations."

This would then be transmitted through to wage developments, and would put a fatal brake on the current growth process," he said.

The study said governments should prevent inflation by gearing economic policies toward tightening monetary conditions, moderating wage increases, preventing labor costs from rising and reining in public spending.

Such actions would not only control inflation but would strengthen economic growth, the EEC study said. —Sapa-AP