

Much is at stake in the the battle of the banks

THE fight between two black banks, the African Bank and the about-to-be launched Future Bank, is more than a battle for the market.

It is an extension of the increasingly bitter rivalry between two black chambers of commerce - the National African Federated Chamber of Commerce and Foundation of African Business and Consumer Services.

At stake immediately are the billions of rand in black savings and business organisations.

African Bank was founded in 1975 and Gaby Magomola became its first chief executive. It is in the Nafcoc camp and is now to be challenged by Future Bank - also probably with Magomola as its first CE after his move to Fabcos.

The competition between Nafcoc and Fabcos has not been confined to whispering campaigns or the establishment of rival businesses to compete in the black market.

Violence

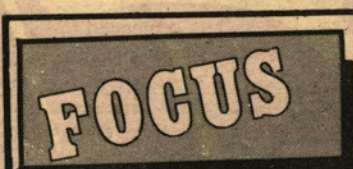
Some of the violence in the taxi industry, in the Cape and Katlehong on the East Rand, is part of the feuding between the groups' supporters.

Supporters of Nafcoc have also questioned the credentials of Fabcos, some claiming it was a puppet organisation controlled by James Chapman, managing director of Fabcos Marketing, and that it was set up by corporate South Africa.

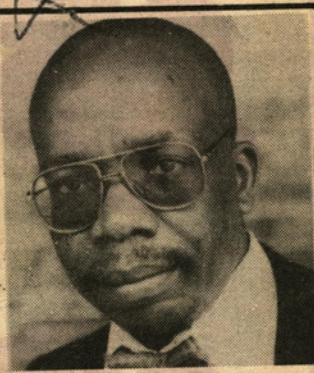
Fabcos says Chapman has the skills it needs, just as Nafcoc has not hesitated to use whites or white organisations whose resources it needed.

White businesses involved in its launch provided management expertise or resources, as they do for Nafcoc.

Strong undercurrents of loyalties to the ANC or PAC have also made themselves felt in the



By THAMI MAZWAI who is away on a year-long sabbatical. He will return to Sowetan in January after working on various local and overseas financial publications.



past two years, to the extent that Nafcoc was regarded as ANC-inclined while Fabcos was regarded as PAC-inclined.

The two organisations have, however, stressed their neutrality and regularly meet both political groups.

Future Bank, as it is expected to be called, is the brainchild of Fabcos and the African Bank that of Nafcoc.

There has been no love lost between the two black chambers of commerce since the launch of Fabcos in 1988.

Until then, Nafcoc was the only business organisation seeking a better stake for black entrepreneurs in the economy.

Traders

When the South African Black Taxi Association was formed in 1979, Nafcoc saw this as an opportunity to increase its membership, which until then had consisted mainly of the retail traders in the townships and pockets of black industrialists and farmers.

Nafcoc wanted Sabta as an affiliate but Sabta, conscious of its growing clout in the transport industry, demanded that Nafcoc first restructure its national executive and give Sabta a say commensurate with its numbers.

Nafcoc rejected this, for it

would have meant being swallowed by Sabta.

Sabta then launched Fabcos, roping in or forming various trade associations like the National Stokvels Association of South Africa and the African Builders Association, to establish itself as a chamber representing all aspects of black business.

It now has 14 affiliates.

Insurance

Significantly it was James Ngcoya, president of Sabta, who was elected president of Fabcos.

The black community has seen a proliferation and duplication of trade organisations since the formation of Fabcos.

Last year Nafcoc launched the National African Taxi Organisation, countering Fabcos' Sabta. Before this Fabcos had launched Afsure (Pty) Ltd, an insurance broking house which then directly competed with Afrikabrokers, the African Bank - and thus Nafcoc - inspired insurance broking agency.

Nafcoc this year formed the National Industries Chamber and resuscitated its African Federation for Building Industry.

In a nutshell, Fabcos and Nafcoc control rival trade associations in insurance broking, taxis, the liquor and building industries, sphaza shops and informal businesses.

The fight has now extended to the banking sector.

It was Gaby Magomola's dismissal by the African Bank three years ago that set the scene for the coming battle.

After his dismissal, which had a sequel in the Industrial Court where he was awarded an out-of-court settlement, Fabcos appointed him chairman of Fabcos Marketing.

In the meantime Jack Theron, who is white, was appointed chief executive to replace Magomola.

Sam Motsuenyane, president of Nafcoc and chairman of the African Bank, who was in the middle of the Magomola controversy, has defended the decision to fire Magomola and appoint Theron.

For the past 14 months Magomola has worked tirelessly with Wesbank officials to set up the new bank. There was thus an unmistakable air of triumph about him; and his comment last week, "my years as a banker are not yet over", was loaded with meaning.

Also at the centre of the coming fight between the African Bank and Future Bank will be NedPerm, which has a big stake in stokvel money through the Perm.

The Perm's Richard Ford has worked closely with stokvels over the years, creating a strong base.

The institution now has at least 80 000 stokvels as customers. Ford banks on retaining their loyalty through the service they have received from the Perm.

There could be a brighter side for traders in organisations affiliated to Fabcos and Nafcoc, who may at long last find credit easier to come by.

Behind the battle of the banks lies two rival business organisations. And involved in both are the personalities - Magomola, Theron, Motsuenyane and Fabcos president James Ngcoya. Much is at stake for all of them.

Political comment in this issue by Aggrey Klaaste and Deon du Plessis. Newsbills by Sydney Matlhaku. Sub-editing and headlines by Ivan Fynn. All of 61 Commando Road, Industria West, Johannesburg.

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16/1/11

THE
CITIZEN

Ramaphosa may be a SACP member 09/07/91

Citizen Reporter

THE new secretary general of the ANC, Mr Cyril Ramaphosa, was on "probation" as a prospective member of the South African Communist Party last year.

According to ANC documents retrieved by the police in its investigation into Operation Vula, Mr Ramaphosa was described as being on proba-

tion as an SACP member, along with the Cosatu General Secretary, Mr Jay Naidoo.

During the SABC TV agenda programme on Sunday night, Mr Ramaphosa was specifically asked if he was a SACP member, a question to which he avoided giving a direct answer.

It is not known whether

or not his membership was finally accepted, while the SACP — apart from making its executive known — has to date never made its list of members public.

Intelligence sources put the number of SACP members serving on the ANC's new 50 man national executive committee as high as 37.

16/1/11

Farmers told: Stop ANC land take-over

THE CITIZEN 09/07/91

KIMBERLEY. — Northern Cape farmers have called on their counterparts throughout the country to assert themselves to prevent an alleged attempt by the ANC to take away their land.

A Northern Cape agricultural spokesman for the Conservative Party said yesterday the farmers had also called for "a restoration of their right to land" and assurances of safety for their families so that effective and long-

term agriculture be made possible.

Dr C A van der Merwe said in a statement that the government's scrapping of the Land Acts and the ANC's alleged announcement on Saturday that Umkhonto we Sizwe would be on the offensive seriously threatened the functioning of agriculture and the survival of White farmers.

An urgent investigation into a new agricultural structure for White farmers was being launched in the northern Cape, he said.

The ANC had targetted White farmers and the present agricultural system, with its "compliant leaders", left farmers defenceless amid the growing crisis, Dr Van der Merwe said.

In an apparent reference to the ANC, the CP said Northern Cape farmers were demanding a declaration by the Government about whether or not it was making further preparations to put an organisation which, according to the CP, had openly declared war in a position to take control of farmers' families and land. — Sapa.

16/1/11

Large number of ANC exec Reds worries FW

THE CITIZEN 09/07/91

By Fred de Lange

STATE President De Klerk yesterday described the ANC's new executive as a "scrambled egg" with a large number of its members also being members of the South African Communist Party.

Commenting on the ANC's congress and the number of elected to the ANC's executive, Mr De Klerk said with the con-

gress over, real negotiations could now start.

He was, however, concerned over the fact that with the large number of Communists on the ANC executive, there would now be uncertainty over who stood where.

"An alliance between two parties, each with its own party structure, is nothing strange, but in this case one of the parties has no superstructure.

"The SACP has a superstructure, but the

ANC does not have its own.

"Their superstructure is filled with people who have a double membership. It is not an alliance, it is a scrambled egg," Mr De Klerk said.

He stressed that the Communist presence in the ANC would not affect negotiations.

"I am on record as saying that while I can negotiate with anyone playing the game, I cannot push in the same scrum with Communists," Mr De

Klerk said.

However, he said, with the conclusion of the ANC's national congress the ANC now had a constructive mandate to start negotiations sooner rather than later.

"We are in a hurry to get a multiparty conference together to start serious negotiations," he said.

Negotiations would also be a fundamental solution to violence and Mr

TO PAGE 2

The Star July 9, 1991

Ciskei party for silent majority

BISHO — The newly formed African Democratic Movement believes there is no other political movement that represents the silent majority of southern Africa on a realistic and moderate basis.

Speaking at the official announcement of the formation of the ADM yesterday, the chairman of the Ciskei Council of State, Brigadier Oupa Gqozo,

said the ADM rejected a unitary state and nationalisation.

Brigadier Gqozo — the "elected leader" of the ADM — said no single party or movement could claim the right to be the sole representative of the majority.

The ADM would accommodate all peace-loving people who did not wish to be intimi-

dated or involved in violence.

The brigadier said the ADM supported the unity of people through the common objectives and core values of the freedom of association, religion, responsible freedom of speech, a free economy, a bill of rights, an independent judicial system, and the right to equal opportunities and education. — Sapa.

16/1/14

SA now has 'terror censorship', says prof

THE CITIZEN
09/07/91

Citizen Reporter
CENSORSHIP through terror has taken root in South Africa in order to manipulate or stop publication of certain kinds of news, according to Professor Arnold de Beer, head of the Department of Communication and director of the Institute for Communication research at Potchefstroom University.

Prof De Beer was writing in *Ecquid Novi*, the journal for journalism in South Africa.

Prof De Beer said this type of censorship took the form of political intimidation, and was particularly relevant in the Black media community, although to a lesser extent it also affected the White media communities.

It was taking place at a time of unprecedented openness in comparison to the situation which had

prevailed over the past few decades.

Some sources quoted by Prof De Beer referred to the level of intimidation against the media as "frightening", and he said it appeared that not only had at least four journalists been attacked, but that many feared for their lives.

The source of what Prof De Beer called "terror censorship" lay primarily in the struggle between supporters of the Charterists (ANC and UDF) and the Africanists and Black Consciousness, as represented by the PAC and Azapo, and non-Charterist movements, such as Inkatha.

This, according to Prof De Beer was resulting in news manipulation — news given which favoured a particular organisation — or avoidance of particular subjects,

where these did not suit a particular organisation.

Black reporters were in particular being forced to slant their reports because of intimidation by political and community organisations.

Some South African editors, because of the terror censorship, had decided not to publish certain news or reports, he said, while journalists chose not to ask specific questions or investigate subjects which could be regarded as negative by certain political groups.

Buthelezi says violence between black groups has become endemic

GRAVE FEARS FOR CIVIL WAR

9/7/91
ULUNDI: Inkatha leader Mangosuthu Buthelezi says violence between black groups has become endemic and he fears civil war may break out.

He said last night that the African National Congress conference had changed little in regard to peace talks and fighting in black townships.

Dr Buthelezi said he was worried by the ANC's refusal to begin constitutional talks until the Government ended violence in black townships.

"Violence now is endemic and needs the efforts of us all to defuse it, not just the Government alone."

He did not share the ANC's view, expressed forcefully at the conference, that the violence was State terror unleashed on black people in order to preserve white supremacy.

More than 2 000 people have been killed in township fighting, mainly between supporters of the ANC and Inkatha, in less than a year.

Dr Buthelezi said the violence was "black-on-black" and had to be seen in the context of Mozambique and Angola, where war against white rule had led to years of conflict between blacks.

Asked if he feared civil war in South Africa, he replied: "I think we have the makings of it. If we don't succeed (in talks) things may really flare up into a very serious civil war. I'm very concerned about that... very worried."

Dr Buthelezi said negotiations on a democratic constitution had to take place, but he could not see the way forward at the moment. "One cannot predict what the next move is and that is really worrying," he said, adding that there was a paralysing "lack of trust all round".

He was despondent at the ANC's ultimatum over violence and said he had serious reservations about an ANC decision to keep its guerilla wing combat-ready and to set up defence units in violence-torn townships.

He did not share the view of ANC president Nelson Mandela that President F.W. de Klerk was pursuing a double agenda, talking peace while waging war to preserve white rule. He said the President's dismantling of apartheid laws was evidence of his honesty.

The Zulu leader said he had a good relationship with Mr Mandela but that it was constrained by hardline elements within the ANC.

"He likes to say he is a disciplined member of the ANC. All of us have to abide by what our constituents want, but there is a time when a leader must lead."

Like Mr de Klerk, Dr Buthelezi opposes an ANC demand for an interim government and a constituent assembly to govern the transition from white rule and draw up a democratic constitution.

He said the ANC had always demanded power be handed to it "and one cannot brush away the suspicion they want to create a situation that would make it easy for them to seize power".—
Sana-Reuters

16/1/14

State, ANC closer on interim govt

16/1/11

SOWETAN 9/07/91
Sowetan Correspondent

THE African National Congress and the Government have come closer on the question of an interim government, according to ANC publicity director Dr Pallo Jordan.

He was speaking on the *Agenda* TV programme, which was staged live in the Durban Exhibition Centre with participation by an audience which included Nationalist and Democratic Party MPs, Durban civic figures, Inkatha representatives, members of the House of Delegates and leaders of the business community.

With Jordan on an ANC panel were secretary-general Mr Cyril Ramaphosa, his deputy, Mr Jacob Zuma, and national executive com-

mittee member Mr Ronnie Kasrils.

Replying to a question by Professor Mervyn Frost of the Political Science Department of the University of Natal, whether a government of national unity was likely or imminent, Jordan said there had been *toenadering* (overtures) on this issue.

Election

However, he also made it clear that what the ANC had in mind was still very different from the co-option process suggested by Minister of Constitutional Development Dr Gerrit Viljoen.

Replying to a question by Dr

Zach de Beer, leader of the DP, whether the ANC would be prepared to share government with other parties - the Nationalists specifically - he said the idea had merit but would depend on the outcome of a democratic election.

If the ANC won a clear majority in such an election, it would probably prefer to form its own government.

Sections of the largely good-humoured audience laughed derisively when Kasrils, a senior functionary in Umkhonto we Sizwe, the ANC armed wing, described the organisation as a force for peace.

He was replying to Mr Musa Zondi, leader of the Inkatha Youth Brigade.

ANC LOBBY COULD SPARK CIVIL WAR, SAYS BUTHELEZI

South Africa's Inkatha Freedom Party (IFP) president, Chief Mangosuthu Buthelezi, has issued a controversial warning that if the Pretoria Government is pushed too hard towards scrapping apartheid, civil war could break out.

During a two-day stop over visit in London before meeting with President Bush in Washington, Mr Buthelezi claimed there was a real possibility that negotiations leading to the abolition of apartheid could be wrecked if the African National Congress (ANC) began making too many demands.

"The approach which says hand over power to an interim government which will run the country and organise an election to choose people to write a constitution is a ridiculous approach. It is a recipe for disaster.

"We cannot just rise up and take over - like it or not. South Africa remains the most powerful state in Africa. A constituent assembly conveniently ignores this reality.

"The prime danger of a

constituent assembly with its elections before negotiations is that it would dramatically escalate the likelihood of conflict and violence. It could precipitate a civil war," Buthelezi said.

He claimed the future of South Africa should be determined in a constitution devised at a national convention, with representatives from the major political parties.

"We believe that the present government will rule with input from the oppressed until apartheid is abolished," said Mr Buthelezi.

But Mr Buthelezi vigorously rejected suggestions that he feared the idea of free elections because he believed he may lose. And he hit out at the media for describing Inkatha as a tribal group, insisting instead that it should be viewed

as a political party.

Despite calls from the ANC and other anti-apartheid organisations that sanctions should remain intact until apartheid is abolished, Buthelezi claimed that the continuation of such

pressure would hit the black majority hardest of all.

"It is criminal to say sanctions must be kept. I would applaud the fact that Mr Major has continued the policies of Mrs Thatcher on sanctions."



BUTHELEZI: Calling for a national convention.

The Voice

9/7/91 - London

The Guardian
4/7/91 - London

Hurd unimpressed by ANC softening on sanctions

David Baresford
in Johannesburg

DESPITE the weekend decision by the African National Congress to be more flexible on sanctions, British foreign policy remained tilted towards the South African government yesterday after meetings between the Foreign Secretary, Douglas Hurd, Nelson Mandela, and President F. W. de Klerk.

Mr Hurd, who arrived in

South Africa for a three-day visit yesterday morning, said that differences with the ANC on sanctions remained, although he declined to detail them. Relations with Mr Mandela appeared amicable, however, and the ANC leader said: "We are friends; differences are there, but we are addressing them."

He added: "Sanctions, as I have repeatedly pointed out, were introduced for a specific objective and until that objective is attained our position is

that they should be maintained. But in doing so we should be realistic..."

The ANC national conference decided at the weekend on a three-phase approach towards the relaxation of sanctions, with each stage tied to steps taken in the negotiating process. The second phase would be the most important: economic sanctions would be dropped once agreement was reached on arrangements for a handover to majority rule.

After meeting Mr De Klerk

earlier in the day, Mr Hurd said that he had made the trip "to listen, to learn, but also to consider and judge how we can help carry the [negotiating] process forward".

He said the process was "of huge importance to Britain" and announced a £1 million grant to help finance the return of exiles.

Mr De Klerk used the joint press conference with Mr Hurd to attack the ANC for its links with the South African Communist Party.

Referring to the outcome of leadership elections at the ANC conference — declared or suspected communists won nearly half the posts on the national executive — Mr De Klerk said: "It is a misnomer to speak about an alliance [between the ANC and SACP]. It is more like a scrambled egg than an alliance. While I can negotiate with anyone about the rules of the game, I can never push in the same scrum as the SACP."

Mr De Klerk said, however, that the conference was "con-

structive" about peace. "There is reason for confidence that the negotiating process will get going sooner rather than later."

● A prominent civic leader, Michael Mapongwana, whose wife was killed in political violence in October, was shot dead outside Cape Town yesterday by masked assailants, his family and police said. Gunmen killed five people and injured at least 10 others in an attack on a bar in Sebokeng township on Sunday night.

Britain pays to return Mandela exiles

From STEVE DOUGHTY
in Johannesburg

BRITAIN is giving £1million to help South Africa welcome political exiles back to a country rapidly freeing itself of the apartheid they opposed.

The 'reward' was announced here yesterday by Foreign Secretary Douglas Hurd at separate meetings with President P.W. de Klerk and Nelson Mandela, leader of the African National Congress.

The ANC has about 30,000 supporters stranded penniless in the so-called front-line states of Tanzania, Zambia and Angola.

Their plight has been one of Mr Mandela's main reasons for opposing talks to pave the way to a non-racial constitution.

Now that their return home is being made possible — President de Klerk promised last year that they could return without fear of prosecution for anti-racist activities — Mr Hurd hopes that Mr Mandela will now agree to an early start to negotiations. It was, he warned, 'a race against time'.

Once the Government and the United Nations have agreed, half the money will go to the UN High Commissioner for Refugees to transport the exiles home. The rest will be spent on resettling them — two reception centres have been set aside in Capetown and in Transkei.

Violence

Mr Hurd said the £1million demonstrated Britain's 'practical commitment to helping South Africans achieve a political settlement'. Contributions from other western nations would be sought.

He said South Africa had made good progress in dismantling apartheid and the transition to non-racial democracy needed to go smoothly.

The last big obstacle was township violence, which has killed 6,000 in five years. It must stop, said Mr Hurd.

President de Klerk agreed, saying it was of 'prime importance'.

ANC leaders are beginning to play down the importance of other key issues, notably the release of political prisoners. Mr Mandela's officials now admit that these may be ordinary criminals.

Mr Mandela said after his meeting with the Foreign Secretary: 'We want flexibility'. But he still wanted to maintain sanctions.

Britain has been a leading campaigner to have sanctions lifted in acknowledgment of Pretoria's reforms, which have led to the easing of its international isolation.

UNEQUAL STRUGGLE FOR PREMIER



Mme Cresson: No Iron Lady, just 'rustproof'

French 'not ready for lady leader'

MOST Frenchmen are not yet prepared to be led by a woman, their lady prime minister admitted yesterday.

Edith Cresson said Britain had always been better at accepting women in important positions.

She told reporters there had been 'not exactly an underground campaign' against her since she became premier in May, but French politicians resented 'having their habits disturbed'.

Asked whether she could foresee a woman president, the 57-year-old socialist replied: 'Not for a thousand years'.

Mme Cresson does not yet enjoy the same Iron Lady image that Mrs Thatcher built up over 11 years in office but she referred to herself in a recent interview as 'rustproof' and called her critics 'machos' and 'hyenas'.

Rape girl sues for £46m

LOS ANGELES: A 15-year-old girl is suing the State of California for £46million for freeing a man who raped her six years ago.

She claims that Samuel

Barnett, 44, attacked her again last month after being paroled midway through his 12-year sentence.

Her family say they should have been told of

his release. Officials say they should have made a special request. Barnett, awaiting trial, denies subjecting her to a seven-hour sex ordeal in the garage where he first raped her when she was nine.

*The Daily
Mail
11/7/91
London*

Govt out to retain white rule - claim

By Garner Thomson
and Guy Jepson

A powerful and ruthless State security machine is playing a "decisive role" in shaping the course of South African politics, a leading British newspaper has claimed.

The Independent on Sunday this week alleged that the "sophisticated use of violence and propaganda" together with the Inkatha Freedom Party is undermining both the democratic process and the ANC.

"The final objective is to ensure the perpetuation of white political control beyond apartheid," it said.

In the report, the newspaper's southern Africa correspondent, John Carlin, accused the Directorate of Military Intelligence (DMI) of orchestrating township violence last year, with the police being "clear accomplices".

The allegations were yesterday rejected by spokesmen for both the SA Defence Force and the Ministry of Law and Order.

The strategy, added Carlin, contained the possibility that, should the ANC become the government, "a military force will be unleashed capable either of seizing power or of plunging the country into civil war".

The Independent on Sunday's investigation included interviews with a wide range of MPs, military experts, Inkatha and ANC officials, trade unionists, monitors, victims of violence and former SADF offi-

cers including Nico Basson - who repeated his claim that the State was funding Inkatha and training its members, while "subtly fanning the township violence".

The objectives of the campaign, Carlin reported, were to undermine the ANC's capacity to organise itself while reducing its credibility, to project Inkatha, to promote ethnic divisions and to put across the idea to both blacks and whites that South African blacks cannot be trusted to run a party.

The newspaper cited claims by Mr Basson and others like him, as well as "commonsense", to support its belief. New evidence included a statement from a black man who said he was an employee of military intelligence and who insisted there was collusion between Inkatha and the police.

Securocrats

The man claimed to have been personally involved in seven murders and two attempts on the lives of ANC sympathisers or activists. He also said the killing of Chief Mhlabinzina Maphumlo was a military intelligence mission.

Dozens of interviews revealed how Natal Zulus were being recruited and armed to fight in the townships.

The force behind this strategy are the "securocrats" who, Carlin continued, appeared to have reimposed the old counter-revolutionary agenda, "convinced that a fair political game would not secure white political control after apartheid".

And, within the DMI, he added, "the only difference they perceive between the De Klerk and the Botha eras is that the enemy, the communist ANC, is now within the country's borders".

Carlin claimed that a "terrifying contingency plan" existed: that, should the ANC succeed, thousands of highly trained men in Special Forces, together with Inkatha and the KwaZulu police, "will be in a position to render an ANC government utterly ineffective, or to overthrow it".

Approached for comment yesterday, an SADF spokesman described the allegations as vague and unsourced, and said they were obviously part of Mr Basson's "own agenda to discredit the defence force for reasons of his own".

"In this process, it appears he is blatantly using others to do his dirty work for him. The SADF is no longer prepared to comment on allegations of this nature," the SADF spokesman said.

Commenting on the allegations only insofar as they affected the SAP and its role as law enforcer, Law and Order Ministry spokesman Captain Craig Kotze said the claims amounted to "propaganda paranoia based on the 'Big Lie' principle".

"The SAP would never tolerate anyone breaking the law. The mindless repetition of claims that the SAP is in any way involved in the violence simply does not stand up to closer scrutiny".