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Reinforcements bussed in to hostels as township fighting escalates

JOHANNESBURG/ As reinforcements were bussed into black townships here, evidence is mounting of direct intervention in the escalating fighting.

The new wave of fighting, at the end of a month which has claimed more than 300 lives, comes as Inkatha Freedom Party officials move to halt the fragmentation of their support-bases in Soweto's Meadowlands hostel and at the Madala hostel in Alexandra, north of Johannesburg (*SouthScan* v7/12).

Increasing reluctance among hostel inmates to live in a permanent state of conflict with their non-hostel - and generally ANC-supporting - neighbours, has been losing Chief Gatsha Buthelezi's embattled Inkatha a crucial political lever.

As reported, national Inkatha spokesperson Suzanne Vos last week blocked participation by the local Inkatha branch in a multi-party peace march in Alexandra on Thursday.

When a local magistrate banned the march, angry residents clashed with police - triggering a week of virtually non-stop fighting.

But other forces too have moved to buttress Inkatha's besieged hostel communities:

- At least two bus-loads of what locals claim were Inkatha reinforcements arrived at Meadowlands hostel on Monday - all apparently armed and in buses travelling without number-plates.

There is as yet no clear evidence of who is providing this back-up, but evidence compiled by journalists of the Johannesburg-based *Weekly Mail* for the Peace Accord commission under Judge Richard Goldstone indicates a probably unbreakable link between Inkatha and the SADF's Directorate of Military Intelligence.

- At least six people were killed at the weekend in "drive-by" shootings - gunmen firing indiscriminately at residents from unmarked cars. A further 15 were injured by a grenade hurled from a passing car near Meadowlands hostel.

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- The past week has also seen a clear shift in policing tactics, with police in both Alexandra and Meadowlands ending their referendum-linked containment of Inkatha (*SouthScan* v7/11 p82).

When Pretoria finally began deploying troops in Alexandra on Wednesday to replace elements of the police 'internal stability unit' (formerly the feared riot squad) after a full week of clashes which

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72 deaths in past week

There were 72 deaths and 210 injured over the past week in the current wave of violence in SA as recorded by the Johannesburg-based Human Rights Commission.

Much of this was accounted for by violence in Alexandra township, the HRC says. In Natal there were 30 deaths and 21 injuries, more than in the PWV area.

Bop 'homeland' and 'Boerestaters' seek region of their own in new SA

JOHANNESBURG/ The Bophuthatswana 'homeland' and die-hard 'Boerestaats' adherents are discussing regional government in the Western Transvaal and Northern Cape province. The exercise may be a stalking horse for the National Party, analysts here believe.

With the apparent blessing of the South African government, the Mmabatho administration has, over the past year, employed about 300 people, including top academics from Bophuthatswana and Potchefstroom universities, to do the groundwork on a regional government proposal which will find its way to the Codesa negotiating table.

One such proposal, made at a recent regional government conference in Potchefstroom, sketches a 230,000 square kilometre area which would include the existing Bophuthatswana and chunks of the Western Transvaal and Northern Cape.

With a population of 3.5 million people - 55% of them Tswanas - the region would be a significant economic force, mainly because of its wealth, which includes deposits of gold, platinum, iron, manganese and chrome. The proposal envisages the regional government would have wide autonomy over its own affairs - including the distribution of its own tax

revenue - but would leave matters like foreign affairs, defence and macro financial policy to the central government.

President Lucas Mangope and his advisers have found allies for their insurance policy in the white right-wingers in the northern Cape and western Transvaal - areas which some would like to proclaim part of a white 'Boerestaats'. The role of the South African government in the whole scheme is unclear, but the concepts of regional government and "devolution of power", which are rapidly becoming catchwords in the homelands, are certainly part of the National Party vision of the future.

Whether or not Bophuthatswana is being used as a stalking horse by the government for the regional government concept, the process revealed at Potchefstroom could, at the very least, be held up as a labour-saving example for others at Codesa.

Significantly, Olaus Van Zyl, a former member of the Executive Committee for the Transvaal and now one of the government's regional development negotiators, was present at the conference, as were representatives from Pretoria's Department of Foreign Affairs. The government's publicity arm, the SA Communication Service, played a major role in the arrange-

ments. Interestingly, the man at the centre of the Bophuthatswana initiative is Hennie Van Der Walt, the man who in the 1970s headed the land commission which drew up the original borders of the homelands. Van Der Walt, a one-time deputy Minister, was released from jail in late 1989, after serving only two years of a ten-year sentence for fraud.

Van Der Walt, who hails from Potchefstroom and is very well connected in the Western Transvaal, used to boast that he and FW de Klerk have a friendship that goes back to the time both did their articles with a law firm in a small Western Transvaal town.

It is also noteworthy that the 'Western Transvaal clique' - of NP politicians, De Klerk and Foreign Minister Pik Botha - has come to dominate Nationalist politics in recent years.

A former top official of the parastatal Development Bank of Southern Africa (DBSA), Danie Schoeman, heads the Bophuthatswana government's strategic planning section which is tasked with much of the nuts-and-bolts work on the regional government plan.

Sources in Mmabatho believe the homeland administration has been on a buying spree already, taking up land in the Western Trans-

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Prison reporting ban to be lifted by mid-year

JOHANNESBURG/ President FW de Klerk's government is to scrap legislation effectively prohibiting media coverage of conditions and activities inside South African prisons.

Correctional Services Minister Adriaan Vlok says Section 44 (1) of the Prisons Act will be scrapped before mid-year.

The section, used to convict journalists on the *Rand Daily Mail* in the infamous Prisons Trial of the mid-1960s, obliges journalists to prove they have taken "reasonable steps" to establish the accuracy of their reports.

South African courts have interpreted this as restricting coverage to versions provided by prison authorities.

The section is one of 11 pieces of legislation identified by a conference organised in January by the Campaign for Open Media as preventing the establishment of a "climate of free political activity" in the country's transitional period.

[Own correspondent]

Armcor split up

JOHANNESBURG/ South Africa's parastatal armaments manufacturer Armcor has been officially partitioned ahead of a possible sell-off of several subsidiaries.

Armcor itself is now divided into two companies, armaments procurement company, Armcor, and manufacturer and supply company, Denel.

Denel subsidiaries and sub-divisions include:

- Simera (formerly Atlas Aircraft), dealing with civil and commercial aircraft maintenance;
- Atlas Aviation, handling maintenance of South African Air Force maintenance;
- Kentron and Elopto (both former Armcor subsidiaries), which specialise in guided missiles, and aviation and navigation systems.

[Own correspondent]

No crime to avoid army

The Witwatersrand supreme court ruled last week that failure to register for military service was not a criminal offence.

Last Friday's decision was met with banner headlines saying 'It's no crime to dodge the army', and has generated wide publicity for the End Conscription Campaign, which brought the test case. [Agencies]

Inquiry into toxic waste firm

The South African government has ordered an inquiry into operations at Thor Chemicals, a British-owned toxic waste plant in Natal province. Two workers were in comas this week after collapsing (*SouthScan* v7/4 p27).

[Local reports]

Academic flak for Crocker

Rhodes University academics have joined the growing chorus of criticism over the university's decision to award Dr Chester Crocker an honorary degree. Crocker, former US Assistant under secretary of state for Africa, is to receive an honorary doctorate in law at a graduation ceremony in East London in May.

The head of the politics department, Prof Roger Southall, and a politics lecturer, Dr John Daniel, said they "cannot accept" the decision.

Cosatu policy document premises strong state involvement

JOHANNESBURG/ The 'Growth Path' document adopted by the giant trade union federation Cosatu's economic policy conference last weekend (March 27 - 29) is likely initially to send shivers down the spines of business leaders here, though many will see its thinking as muddled.

It will certainly put it on a collision course with the government.

However, to the extent that it reflects grassroots thinking it shows some flexibility in the labour movement, known previously to be openly in favour of nationalising, for instance, the mining industry outright.

Cosatu's document contains proposals designed to irk and enrage conservative business. The rhetoric itself will be used against it - for example, a decision "to promote the working class as the dominant political and economic power." There is an underlying premise of strong state intervention.

Cosatu pins its hopes for redistribution of power and resources on state intervention combining nationalisation, anti-trust legislation and other forms of legislative intervention, including price control.

It goes further and also advocates discouraging luxury goods by differential taxes and retaining in state or local government hands the production and provision of basic necessities of electricity, water, transportation, housing, education, health and welfare, food, clothing and recreational facilities.

Any such services that have been privatised should be re-nationalised.

Redistribution, it says, will be financed by redirecting existing investment, increasing the amount raised in tax from companies, new taxes such as land and wealth taxes, and increasing the level of both institutional and personal savings. How this is to be done is not spelt out, but it is unlikely to find favour with the local or international business community.

Cosatu echoes the present government in calling for increased beneficiation of mineral resources.

This is not merely to put South Africa on an export growth path, but is part of an overall industrial strategy. The foreign exchange raised this way will finance increased imports of machinery for manufacturing which South Africa does not produce itself to expand production to meet basic needs.

On industrial policy, Cosatu wants job creation and full employment, a reasonable demand of any labour union. It also says industry must produce high quality basic goods and services at prices affordable to everyone, pay living wages to all, and contribute to the development of human resources.

However, it acknowledges industry in South Africa will have to function in a world-wide economy. "Our objective in relation to the world economy should

be that our costs and prices should compare favourably with world costs and prices."

Cosatu also wants, among other things, labour intensive production as well as beneficiation, sustainable growth, an end to the outflow of capital, an "appropriate" tariff and trade policy and anti-monopoly legislation.

It says the state must not attempt to do everything but must intervene decisively in production, distribution and consumption, as identified in its growth path.

But the state must also be restructured to achieve a "slim state" in which levels of employment are based on the provision of useful and effective services.

It also wants affirmative action and a public works programme.

Cosatu wants to increase the power wielded by workers in the economy and polity. It wants nationalisation which will take place under workers' control.

"We remain committed to social ownership which will include nationalisation of the leading heights of the economy."

However, not all industries should be nationalised. With the objective of providing basic goods and services to all it recommends the following be under public control: Eskom; public transport; the Post Office and Telkom; state forests; municipal services; water; education; Iscor; roads and health.

It also will consider strategic nationalisation. Most of these sectors are partly or wholly under state control.

It is not the attachment to nationalisation which is seen here as important, but the degree of state intervention.

If the document is taken at face value, Cosatu's policy verges on that applicable in a centrally planned economy.

But since the union movement lays great stress on negotiation and this is only one salvo against an illegitimate government it is by no means the last word. [Own correspondent]

No to 'dead cow theory'

DURBAN/South African Communist Party leader Joe Slovo was criticised for promoting "wishy-washy socialism" by a priest at a breakfast briefing arranged by the ecumenical agency Diakonia. Father Cosmas Desmond, a long-time exile now returned, asked Slovo if he was embarrassed about his Marxist roots and declared, "I'm not in favour of private property." Slovo responded by saying his party worked "in the real world and not in some sort of university laboratory." He said that without economic growth, redistribution of wealth from white to black hands would be meaningless. Redistribution, he said, was the task of government. The task of business was to make a profit and satisfy shareholders and "that's the way it should be". "We don't follow the dead cow theory," he said, describing it as an economic policy to "kill, feast, gorge and then there's nothing left to milk".

[Own correspondent]

Mines production slips further behind

South African mining production for 1991 decreased by 2.4% compared with 1990, according to Central Statistical Service (CSS) figures. Non-gold production declined by 3.8% and gold production by 1%. Coal and iron ore production dropped by 0.8% and 5.1% respectively. Minerals which showed increases in production were asbestos, up 5.4%, and copper, up 4.7%. The CSS said total mining sales for 1991 increased by 2.9% — non-gold sales increased by 2% and gold sales by 3.9%. Coal and iron ore sales also increased — 4.8% and 6.7% respectively.

• Valued in Swiss Francs, gold is currently at its lowest price since 1978. At this level, according to the Gold Fields Mineral Services consultancy group, at least half the world's gold mining capacity is unprofitable. [Staff writers]

1,000 coal miners fired

DURBAN/ Over 1,000 miners have been fired for joining illegal strikes at a parastatal coal mine in the northern Natal town of Dannhauser. Three hundred of the workers spent part of last weekend underground in a wildcat strike for higher wages.

The National Union of Mineworkers has levelled charges of unfair labour practices and racism at the mine, calling for the dismissal of two white officials. [Own correspondent]

FinRand intervention

The Reserve Bank of South Africa took the decision this week to intervene in the Financial Rand market by buying or selling the currency against US dollars.

The bank's intervention should narrow the discount between the commercial and financial rand and lead to greater market stability, say analysts. [Local reports]

Pacific region eyed

South Africa was eyeing the Pacific region more than the industrialised West for future trade links. Foreign Minister Pik Botha said on his return last Friday from a four-nation trip to the Far East.

Exports to the countries he visited - Japan, Taiwan, South Korea and Singapore - already totalled R9 billion (\$3.1bn).

Japan, Singapore and South Korea have all agreed to raise the level of diplomatic representation with Pretoria. [Agencies]

Ciskei King 'harassed'

The Congress of Traditional Leaders of South Africa (Contralesa) has asked the SA government to intervene in the alleged harassment of the Ciskei king by the Ciskei government.

The Ciskei Council of State last week wrote to the king, Chief Maxhoba Sandile, threatening to cut his salary of R800 a month for not performing all his duties. [Agencies]

Jan Breytenbach leaves

The Ciskei 'homeland' government confirmed last week that the founding commander of the SA Defence Force 32 Battalion, Col Jan Breytenbach has resigned from the Ciskei Defence Force. [Local reports]

Right-wing boycott of Codesa continues as 'moderates' are defeated

JOHANNESBURG/ A strong post-referendum thrust to pull far-Right parties into South Africa's multi-party Codesa talks has failed.

And powerful international pressure on boycotting black-exclusivist parties has similarly failed to force them into the talks - although both the Pan-Africanist Congress (PAC) and the Azanian People's Organisation (Azapo) have significantly softened their attitude towards Codesa.

Despite white secessionist founding father Carel Boshoff's post-referendum announcement that he would put the case for a white 'homeland' to Codesa, the main far-Right formations, both highly vulnerable in the wake of their referendum defeat, have resisted internal pressure and Codesa wooing.

At the weekend (March 28), hardliners in Andries Treurnicht's Conservative Party decisively defeated a bid from party moderates to end their boycott of Codesa.

Led by former party spokesperson Koos van der Merwe and senior Orange Free State officials, moderate MPs had banked on the threat of a split to force

the first post-referendum party executive council meeting to reverse itself on Codesa.

But they were decisively defeated by hardliners rallying behind deputy leader Ferdi Hartzenberg.

And although key moderates left the meeting early, there is little immediate chance of a split.

A week earlier Eugene Terre'Blanche soundly defeated a similar rebellion within the ranks of his *Afrikaner Weerstandsbeweging* (AWB), the Conservatives' main extra-parliamentary ally, over Codesa.

The only referendum bonus for Codesa has thus been the announcement by Boshoff that he plans to put the case for a white homeland to the talks.

This is not, however, the decisive break in far-Right ranks Codesa officials had hoped to see.

Boshoff, head of the shadowy *Afrikaner Broederbond* until he resigned in 1983 over the government's tricameral constitution, announced his willingness to put his case to Codesa before the talks' first sitting last De-

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All-party committees must have teeth says ANC

HARARE/ The African National Congress (ANC) is confident Pretoria will accept that new transitional structures must have executive, not merely advisory powers, according to the deputy head of the ANC's international affairs department, Aziz Pahad.

Last week the government tabled its proposals for a transitional authority in Working Group 3 of Codesa, putting forward merely advisory powers for multi-party committees.

Pahad told *SouthScan* here last week that "the government must accept that without powers given to these committees, they cannot function, they will not have legitimacy, and nobody of any political standing will participate in them."

A second major difference between the ANC and President FW de Klerk over an interim government was that according to the government's latest proposals, the present constitution will not be amended - it will remain as it is until a new constitution comes into being.

"There is already agreement at Codesa that any decision taken by Codesa will be legislated for by Codesa, or at least a draft will be worked out by Codesa and then the tri-cameral parliament's task will be simply to put it into legal effect," said Pahad.

"So we cannot accept any position that says that decisions by Codesa will not have legal effect."

Pahad said he was confident the people of South Africa and the international community would not accept the government's proposals, which were

"a negation of the very concept of democracy", and that the government would then have to reconsider its position. But he denied that De Klerk's proposals demonstrated that he was negotiating in bad faith and that nothing could therefore be achieved through Codesa. "You negotiate not with friends, but with opposing forces," he said. "Naturally, we expect the government to have proposals that are different to ours, otherwise we would have agreed to it outside the negotiating forum."

The rival Pan-Africanist Congress (PAC) has called for the ANC to reconvene the Patriotic Front before Codesa 2, but Pahad said that the vast majority of participants at the first meeting of the Front totally supported the Codesa process and had agreed to reconvene six months after the first meeting.

However the ANC and other groups in Codesa have started discussions about reconvening the Patriotic Front, and the ANC is holding bilateral discussions with many outside the conference to try and bring them in.

Pahad said he believed it was in the PAC's interests to continue to be part of the Patriotic Front. There have been some reports about the possibility of the PAC starting a rival Patriotic Front.

The PAC has also announced a campaign against the violence, but Pahad said: "Any campaign on the violence issue cannot ignore the vast amount of work that has already been done on the issue of peace, and must involve the local dispute resolution committees, civic organisations, trade unions, and so on." [Own correspondent]

Continued

cember. And in 1990, when much of the far-Right was mobilising white support for an anti-negotiations "freedom struggle", Boshoff met ANC officials.

As originator of the secessionist white homeland proposals in 1988 and head of the *Afrikaner Volkswag* cultural movement he will provide some symbolic value for Codesa.

But, for the foreseeable future, the main far-Right parties remain outside the talks. This is despite an proffered sweetener from the Codesa management committee on Monday softening the talks' founding commitment to a unitary post-apartheid state.

In an addendum to this founding declaration of intent, added in the hope of enticing Chief Gatsha Buthelezi's Inkatha and Lucas Mangope's BophuthaTswana homeland into signing it, the committee says a commitment to a unitary South Africa does not preclude federal or even confederal constitutional options.

This stops short of far-Right demands for an independent white homeland, but could prove useful in the future.

On Codesa's left, meanwhile, Azapo and the PAC are also holding to their boycott - although less firmly than the far-Right.

In the wake of a joint public call from the Frontline States last week that they participate in Codesa, both have markedly softened their anti-Codesa postures.

PAC officials responded by replacing their outright rejection to a conditional opposition based on their assessment that the talks have yet to demonstrate they can produce results - specifically an elected constituent assembly to draft a new constitution.

This leaves the way open for the PAC to get on board if and when the ANC wins agreement on this point.

Azapo, by contrast, is attempting to deflect Frontline and international pressure by calling for establishment of a non-Codesa front. But it is to be edging unhappily towards the talks.

For the Codesa parties the PAC and Azapo are secondary, however: with the Conservative-AWB platform drawing nearly 900,000 votes in the referendum, they are keen to pull the far-Right's teeth by drawing it into Codesa - or, as De Klerk attempted last year, to provoke a split in CP ranks. [Own correspondent]

Military integration ahead

When an interim government is established in South Africa, all the 'homeland' armies, *Umkhonto weSizwe* and the SADF would be integrated into one national defence force under the interim government, MK Commander Joe Modise told *SouthScan* this week.

On the question of ANC arms caches Modise said: "It goes without saying that the interim government will also take control of the equipment of all the armed forces in the country under its command." [Own correspondent]

Codesa in deadlock as confident NP goes into retreat to consider strategy

JOHANNESBURG/ Talks-watchers are preparing for a massive hiccough in South Africa's multi-party negotiations some time within the next fortnight.

The talks are already closer to deadlock than at any time since 'Codesa I', the first plenary session, opened in December.

Now the cabinet is preparing a strategy session to formulate its next move.

The sticking point is the whether President FW de Klerk's National Party can perform as both referee and player in the months ahead of constituent assembly elections - the phase one period of both the African National Congress' and the government's interim government proposals.

Two years of manipulation and security force-linked violence has convinced the ANC that it cannot.

It has therefore tabled proposals for the transfer to multi-party or independent control of state functions affecting the elections.

From the start of Codesa, De Klerk's government appeared to go along with this idea. But last week Pretoria's chief negotiator, Gerrit Viljoen, tabled proposals jerking the debate back more than a year (*SouthScan* v7/12 p89) by insisting that the phase one interim government would consist of little more than the current dispensation plus a handful of advisory councils with less authority and influence than Codesa itself - which has yet to demonstrate that its "sufficient consensus" principle will stand up to government disagreement. In the single instance where a working group tried it - agreeing by a margin of 17 to two - Foreign Minister Pik Botha forced them to reverse their announcement.

The dispute has been compounded by government proposals that its agreement to an elected constituent assembly was conditional on establishment of a non-representative upper house, giving the unrepresentative 'homeland' governments and the white parliament full veto rights over any constitution drafted by the elected assembly.

Viljoen's proposals, and the rock-like immobility with which government delegates have defended them, have jerked those on the other side of the Codesa table out of the complacency into which four months of rapid but, it now transpires, circular progress had lulled them.

There remains a strong possibility that De Klerk's negotiators are massively overplaying their hand so they can eventually retreat to the position they set out to achieve in the first place.

But several factors point to a government belief that they can and will force acceptance of at least the phase one proposals. Victory on phase one would put De Klerk in a powerful position to force the toothless advisory councils to

accept the upper house veto over the constituent assembly - and, through this, ensuring a similar post-apartheid system, which would see the ANC in government, but the National Party still in power.

- The first of these are plans, after parliament's Easter recess, to revert to five-day-a-week parliamentary sittings - from the three-day sittings introduced in February to enable government delegates to attend two days of Codesa working group meetings a week.

This will require not only agreement on phase one, but agreement specifically on the government's proposals - under which the advisory councils will take over Codesa's outstanding work.

- A second is the delay in any bilateral meetings between the government and the ANC. After the storm of protest over last week's interim government proposals from the government, the working group dealing with the issue delayed its next meeting for a week, with delegates from the smaller parties predicting that the ANC and the government would immediately go into a protracted huddle to work out a compromise.

This has not happened and, say delegates, will not until well into next week - a further sign that the government is in no hurry to break the deadlock, although it remains confident that Codesa's work will be done by late April.

But after two years of successfully wrong-footing the ANC, De Klerk is unlikely to simply sit still while the ANC leadership prepares itself for the counter-attack.

Exactly how he plans to keep up the pressure, is not yet clear.

But he, his cabinet and their senior government advisers are, *SouthScan* understands, due to hold a protracted strategy session (a *bosberaad*) from April 11 at which they are likely to finalise the details of what they clearly expect will be the knock-out blow. [Own correspondent]

Peace talks called off

RICHMOND, NATAL/ Last weekend was one of the worst for violence in the Midlands this year. Police reported 16 dead in four days.

To mark it Inkatha this week called off peace talks with the African National Congress for the seventh time in this violent farming town.

The decision came after a gunman attacked the wife of the KwaZulu deputy minister of works in the city of Pietermaritzburg, an hour's drive from Richmond. ANC midlands spokesman Reggie Hadebe said his organisation would continue with peace talks although he said Inkatha members had killed 22 ANC supporters since the peace process hesitantly started. [Own correspondent]

Paper company vantage point for EC and East Europe

VIENNA/ An Oppenheimer consortium, led by Mondi Paper Company and consisting also of Anglo American, De Beers Centenary and Minorco, is to buy 44% of shares of the Austrian paper producer Frantschach AG.

Executive chairman of Mondi, Tony Trahar, said the deal brought Mondi back into the international arena. The deal also enhances Mondi's ability to export pulp from South Africa.

In December 1990, Mondi invested massively in Neusiedler AG, a subsidiary of Frantschach which runs one of the biggest Austrian paper producing factories.

The new deal gives Mondi effective control over Frantschach which is owned by 86-year-old Harriet Hartman, and is said to be the biggest private Austrian company.

The price of the transaction was Austrian Shillings 2.2 billion (\$188m). Overall turnover of the Frantschach in 1991 in Europe was about AS12.3bn (\$1,051m).

Through Frantschach, the Oppenheimer consortium will be seeking other investments in Europe, both West and East. Austria is also a good vantage point for assessing possibilities in the Hungarian economy.

• By last year, two-way trade between Hungary and South Africa had grown to \$12m with exports and imports balanced at \$6m each. Talks are underway about a \$15m South African investment in a fruit juice plant in Hungary. Hungarian officials estimate there will be a 20% growth in bilateral trade with South Africa this year. [Own correspondent]

Venezuela blames SA

CARACAS/ The chairman of the Venezuelan house of representatives' defence committee, Donald Ramirez, has blamed Monarch Resources Limited, a transnational based in Britain and South Africa, for financing the activities of Brazilian gold miners, called *garimpeiros*, who cross illegally into the country's Amazon region.

The management of Monarch's Venezuelan subsidiary, which employs thousands of Venezuelan workers, has denied the allegation. The *garimpeiros* are "invading and colonising" south-eastern Venezuela, and violating the boundaries of the Amerindian Yanomani tribe reservation, Ramirez said.

The Venezuelan national guard has reacted harshly but the illegal gold rush from Brazil is continuing. [Own correspondent]

Musicians lift ban

The UK Musician's Union will lift its ban on performing in South Africa, it was announced on March 30. The decision comes after the 'Yes' vote in the SA referendum. An official of the actors union Equity said there were no plans to lift the ban, but that there could be a referendum after the union's conference in April.

US gives OK on aid

The international community should help South Africa as soon as that country has a multiracial interim government and not wait for a new constitution, US Assistant Secretary of State for African Affairs Herman Cohen said on Tuesday.

Lucrative pickings for Washington lobbyists may be nearing end

WASHINGTON/ For many African governments, US politics can be a costly and confusing affair with large sums being paid to experienced Washington lobbyists. But their days may be numbered as economic and trading realities take the place of political manoeuvres.

Up to the present Pretoria has spent millions of dollars - but Angola's two contending parties have been even more lucrative. The ruling MPLA and opposition Unita spent a combined \$3.6 million on lobbying and public relations in the US last year, just beating the \$3.3m spent during the same period by various political forces in South Africa.

SOUTH AFRICA: **John Sears**, a former campaign manager for Ronald Reagan, earned nearly \$400,000 last year representing the South African government. He has been active since 1981.

Riley & Fox, a well-connected law firm, earned more than \$450,000 last year lobbying for South Africa. South African officials claim that this kind of lobbying is coming to an end, thanks to the tremendous changes in South Africa.

The **South Africa Foundation** (SAF), a private, non-governmental organisation based in South Africa and backed primarily by businesses, and the **South African Tourist Board**, a government entity with offices in New York and Los Angeles, both have an important effect on US policy.

The SAF concentrates on the media and spent just under \$240,000 last year on the promotional activities of director Michael Christie and other staff - including an undisclosed amount on membership fees for exclusive clubs in the Washington area. It also sponsors visits to South Africa - such as that of Francis Fukuyama, a former State Department analyst who wrote the controversial book *The End of History*.

The Tourist Board took a different tack, pitching the various attractions of South Africa to more than a million travel agents and potential tourists, using promotional films. Another 24m people watched these films on television, according to the Board's own estimates.

Last year the Tourist Board spent \$1.5 million, more than twice as much as any other South African organisation.

The **African National Congress** is playing the PR game too.

Last November, **Walter Fauntroy**, former Congressional Delegate for the District of Columbia and long-time civil rights leader, signed a \$700,000 a year agreement with the ANC. Fauntroy has yet to convince sceptics, however, that he will have the clout that the ANC needs.

The ANC, his firm's first major foreign client, made an initial payment of \$230,000, but the remainder will depend on the success of a \$5m fund-raising campaign Fauntroy promised to implement for the ANC. Several events are expected soon.

Still another lucrative client is the Transkei, which paid \$130,000 last year to the Pagonis & Donnelly Group to help attract foreign investment.

The **Inkatha Freedom Party** has authorised Dr **Sipho Mzimela**, a Baptist priest based in Georgia, to represent it. Mzimela is not being paid for his services, however, and so far his activities have had little effect.

ANGOLA, however, has been a public relations gold mine. Neither the MPLA nor Unita have spared any expense - but according to most Washington insiders, Unita has won this contest hands down.

Black, Manafort, Stone & Kelly, employed by Unita since 1985, has developed a reputation as one of the most ruthless and effective PR companies in Washington, with close links to the innermost circles of the Reagan and Bush administrations.

This influence has come at a high price, however. Unita spent more than \$2m last year on public relations in the US, including \$750,000 to Black, Manafort, \$180,000 to the Washington Public Affairs Group, and \$1.4m to the **Free Angola Information Service**, a Washington-based pro-Unita group headed by former Black, Manafort associate **Christopher Lehman**.

This group also provided \$40,000 for Angolans students in the US and another \$250,000 for what the group itself refers to as "living expenses for members of the registrant and their dependents."

Black, Manafort has a record of lobbying for Third World dictators such as Mobutu Sese Seko of Zaire, Siad Barre of Somalia, and Ferdinand Marcos of the Philippines.

"These guys come around with their flashy suits and boasting about their connections at the White House, and it's a complete turn-off," said one Congressional staffer who insisted on remaining anonymous. "The effect is totally counterproductive."

The MPLA has spent equivalent sums of money on equally high-powered PR campaigns, but according to all accounts has had much less success.

Last July the Angolan government signed a contract with **Hill & Knowlton**, one of the largest public relations companies in the world. Public records show that H&K received nearly half a million dollars from the MPLA last year.

The firm launched a PR campaign that culminated in President Jose Eduardo dos Santos' visit to the US in November.

The visit, Dos Santos' first to the US, was widely considered a major step forward, but many Washington insiders are sharply critical of the firm, saying that in spite of its connections and experience, H&K has little knowledge of the Angolan situation and is unlikely to keep the contract much longer.

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The MPLA spent another several hundred thousand dollars on lawyer **Robert B Washington, Jr.**, who arranged a visit to Angola by members of the Congressional Black Caucus in 1990. He is said to have particularly good access to influential African-Americans, and congressional staffers give him high marks but say that he has little influence on Capitol Hill.

The Angolan government also sought advice for the presidential trip from **Samuels International**, a consulting firm that usually works for businesses. Michael Samuels has held numerous high-level positions in the US government and is believed to have played a key role in coordinating what otherwise might have become a logistical nightmare.

MOZAMBIQUE: For \$110,000, a relatively small sum in the high-stakes world of Washington lobbying, the Mozambique government acquired the services of **Bruce Cameron**, a self-proclaimed liberal who formerly represented Central American contras.

Cameron has been surprisingly successful.

The rebel movement Renamo, on the other hand, hired a relatively unknown right-wing journalist and political commentator named **Bruce Fein**. He began working for Renamo last year, was paid \$145,000 to draft a constitution for Afonso Dhlakama, and expects to receive \$40,000 per month this year for his lobbying activities.

Political interests are not the only issues at stake in Washington.

The South African Chamber of Mines, the Minerals Marketing Corporation of Zimbabwe, and the Mauritius Sugar Syndicate all hired high-powered law firms to promote their interests in Washington.

Rossing Uranium went even farther, hiring Neill & Company two years ago to represent not only their own interests, but those of the Namibian government as well. The trend may be moving in this direction. Kevin O'Dwyer, the editor of *The Washington Report*, a newsletter that closely tracks the activities of PR companies, predicts that lobbying will increasingly move away from politics to trade and investment issues.

"Economics is the name of the game nowadays," says O'Dwyer. Three trade-oriented deals were signed last year by governments in Southern Africa: Hill & Knowlton's promotion of Botswana's national parks, which cost \$45,000 over four months; Vogt Communications' efforts to promote investment in Tanzania, paid for by the Canadian mining company Sutton Resources; and McKinney & McDowell's seminar for oil executives interested in Namibia, which cost \$3,000.

"On the whole, most governments in Southern Africa that pay these phenomenal consulting fees are being ripped off," advises Shawn McCormick, deputy director of African Affairs at the Center for Strategic and International Studies. [Own correspondent]

ZIMBABWE

Exposé of ruling party's business empire brings fierce response

HARARE/ The new independent monthly magazine *Horizon* has come under fire in parliament shortly after publishing an exposé of the ruling Zanu-PF's business empire.

The latest issue of the journal said: "Company records dug up by *Horizon*'s investigative team show that over the last 12 years and under the veil of the Zidco group of companies, Zanu-PF has transformed itself into a business domain controlling a variety of activities in Zimbabwe and abroad along with a scope and depth of interests which are, frankly, morally alarming."

None of Zidco's companies or associates are listed on the Zimbabwe stock exchange. As private, limited companies, they are not legally bound to make their financial performance a matter of public record, the magazine said.

Horizon was set up only a few months ago after its editor, Andrew Moyse, was fired by *Parade* magazine which he had built up into a widely read and controversial publication.

There was speculation at the time that there may have been political pressure on *Parade*'s management.

Warning against food hoarding after supermarket battles

HARARE/ The Minister of Industry and Commerce, Kumbirai Kangai, has warned of food riots if the shortages are exacerbated by consumers who hoard food to resell at higher prices.

Tensions rose this week with long queues and fights in supermarkets over mealie-meal, cooking oil and sugar. On

Horizon was set up by most of the *Parade* staff who resigned in solidarity with Moyse, and has continued to lead the new crop of independent publications in fearless comment and investigation.

In parliament this week a Zanu-PF MP asked the Minister of Information Victoria Chitepo to investigate the involvement of the Swedish International Development Agency (Sida) in funding "private companies which make blasphemous attacks on the government of Zimbabwe". The MP also claimed *Horizon* was a "Ndonga magazine".

But Chitepo said it was not the function of her ministry to control who Sida gives money to. [Own correspondent]

New party ahead?

Veteran Nationalist politicians James Chikerema and Henry Hamadziripi are believed to be about to launch a new political party, probably on May 1. Robert Zvinoira, a former high commissioner to London, has also been linked to the scheme, according to local reports. [Own correspondent]

occasion riot police have been called in.

President Robert Mugabe has given repeated assurances that nobody would die as a result of the drought, and has named eight ministers to head drought relief operations in each of the provinces.

[Own correspondent]

NAMIBIA

Prevarication at Walvis Bay talks

WINDHOEK/ The last round of talks on Walvis Bay, held between Namibian and South African technical committees on March 26, was dogged by delay and disagreement.

According to reports, no starting date for a joint administration, to be used as a transitional step on the road to transferring sovereignty, was agreed.

At the previous round, held in December, Namibia had reportedly submitted a memorandum and this time SA, led by Neil van Heerden, submitted its own paper on joint administration which ignored several points the

Namibians felt had been agreed at previous talks.

Among the disagreements were Namibian willingness to use SA laws provided discriminatory ones were removed; SA this time made no reference to the objections.

• *The Namibian* newspaper has been conducting a telephone poll of readers on whether the government should press for immediate re-integration or continue with talks. Early indications showed hundreds of callers were overwhelmingly in favour of immediate reintegration. [Own correspondent]

World Bank notes massive income disparity

A newly published World Bank report on Namibia says that the majority of Namibians live in poverty as bad as anywhere else in Africa.

World Bank economist and country officer Dr Hasan Imam told *SouthScan* that the average annual share of income is \$85 per head for rural black people who make up 90% of the population.

Another 5% earn an average of \$500 per head while the remaining 5% average \$16,000 each.

The figures will have to be revised up

in view of lower overall population figures after the recent census, which will also affect 'least developed country' concessions given to Namibia by some donors.

• On April 1 Rossing Uranium handed over the town of Arandis to the government. Arandis has been proclaimed Namibia's first export processing zone. A Hong-Kong and SA-run clothing firm, Pacific Best, has firmed up its agreement to move in from May 1. [Own correspondent]

ANGOLA

Cabinet ministers in Luanda 'engaged in diamond trafficking'

BRUSSELS/ Evidence is mounting that a group at the very top of the MPLA administration is engaged in trafficking in diamonds worth over one billion dollars - several times the official receipts from diamonds traded through the Angolan parastatal Endiama.

Some of the most senior figures in government - up to but not including the president himself - are believed to be engaged in the illicit trade. It involves top cabinet ministers and other officials and a provincial governor.

The extent of the smuggling has staggered European diplomats in Luanda who have advised their governments to block all but essential humanitarian aid to Angola until after the September elections.

Even more serious are allegations that a presidential adviser who is the head of one group of traffickers has presided over an arms for diamonds deal with Israel.

In February, three secret diamond buying houses were operating in Luanda:

- at the Brazilian residential camp known as Vila Gamek;
- at Maianga, overseen by a man wanted by Interpol and Portuguese police for previous offences
- at the five-star Hotel Presidente Meridien - where the buyer was seen surrounded by Israeli bodyguards.

Many of the stones were finding their way to a leading Israeli-linked and Antwerp-based Belgian diamond house.

Through the buyers' hands have passed an estimated \$1 billion worth of uncut diamonds, some stones of up to 120 carats which have been taken out of Angola both by traditional smuggling practices (carried out of the country by VIP travellers in false bottomed cases) and in bulk aboard a Hercules aircraft that once (or perhaps still) belongs to Endiama.

Conversations in Hebrew were monitored at the Hotel Presidente Meridien and revealed the arms for diamonds swap - reported to the US state department in recent weeks by US peace commission representative, Geoffrey Millington.

SWAZILAND

\$200m ADB bait for new investors

Swaziland has launched a national development programme in a bid to attract further foreign investment.

The two-year programme also aims to increase agricultural production by supporting agro-based industries stagnating because of the drought.

New companies and investors wishing to invest in Swaziland will benefit from \$200 million from the African Development Bank. The programme, initiated by the ADB, will be carried out by *Tibiyo Takangwane*, the kingdom's economic organisation, which will buy

Endiama and its chairman Noe Baltazar appear to have been left on the sidelines, though senior Endiama officials are involved.

Sources at the De Beers corporation say they have tried to warn President Jose Eduardo Dos Santos of what is going on but to no avail.

De Beers Central Selling Organisation (CSO) signed a contract with Endiama last April to buy all of Angola's Cuango basin diamond production and the current activities are in breach of that agreement.

The secretary of state for mines and geology has been informed but is powerless to act, while planning minister Emmanuel Carneiro was horrified to learn of the extent of the operation which is raping Angola's treasury of desperately needed foreign exchange.

The opposition movement Unita, which continues to harvest diamonds from the two mining areas near Lukapa, not yet handed back into government control, is also said to be trading guns for arms with Israel.

Other diamond companies operating in Angola notably Portugal's SPE (*Sociedade Portuguesa de Empreendimentos*) and RST (run by the multi-faceted Christian Hellinger) are deeply unhappy about the situation.

The diamond mining region of Lunda Norte has become the 'Wild East' of Angola with killings commonplace, particularly of foreigners, neighbouring Zaireans and non-Lundan Angolans.

A secessionist group calling itself *Wafa Meso* ('the exploited' in the Chokwe language) has given all non-Lundans a deadline to leave or be killed. Its thought *Wafa Meso* may be linked to another group *Kulikunga* (meaning 'union' in Chokwe).

Endiama, which earned \$250m from diamond sales in 1990 and an estimated \$400m in 1991, has shown very little activity so far this year (*SouthScan* v7/7 p54). A damaging strike in January and February was said to have cost the company \$700,000 per day, according to the provincial director Ganga Junior. [*Own correspondent*]

shares in the ADB package and lend directly to prospective investors.

Tibiyo Takangwane will be able to fund and advise on viable investment projects that will build capacity, expertise and create employment opportunities to the country's about one million.

Swaziland wants projects for the private sector unit which should be export-oriented, with a good technical partner to transfer technology, businesses which generate employment, are based on local materials and have maximum value added. [*Agencies*]

ANGOLA

Washington does about-face on 'Unita killings'

The US government has done an abrupt about-face and has called on Unita leader Jonas Savimbi to reveal what happened to key leaders held secretly in Jamba.

The former Washington and Lisbon representatives, Tito Chingunji and Wilson dos Santos, are widely believed to have been killed while in Savimbi's custody (*SouthScan* v7/12 p94).

The change in policy marks an end to a long defence of Unita's human rights record by US officials.

"We call upon Unita either to produce these individuals publicly or to provide a detailed explanation of the circumstances surrounding their reported disappearances," a State Department official told reporters.

A letter from Secretary of State James Baker was sent to Savimbi, and this week assistant Africa envoy Herman Cohen called for a reply in a few days.

Savimbi has blamed human rights abuses on defectors Miguel N'Zau Puna, a former secretary-general, and Tony Fernandes, its foreign minister.

US support for Unita was briefly challenged in early 1989 when charges were made that Savimbi had accused dissidents and their families of witchcraft and then had them publicly burned to death, and that high-ranking cadres had been detained, tortured, and eventually killed.

State department officials said that the latest reports about the deaths of the two men "appear increasingly credible; we have raised the issue of their welfare and whereabouts with Unita regularly over the past six to eight months". N'Zau Puna said this week that Savimbi had ordered the killings of the men and had asked him to take the blame. Savimbi had accused Chingunji on his arrest of CIA links, he said. About 30 officials who challenged Savimbi had been killed, he said.

• Demobilisation of troops of the two contending sides in Angola began this week. They have been held in containment centres, and were given 10 months wages to start them on their way. The Angolan government has said it has had to print money to pay soldiers' wages. [*Staff writers*]

Unita capitulates on murder

Angola's opposition Unita movement said this week it would hand over to the government a man accused of killing three British tourists in the southern part of the country.

Four young British tourists were shot dead while driving near a Unita camp in early January. Unita initially accused the government of the killings. [*Agencies*]

Angola-SA talks

Angolan Defence Minister Pedro Maria Tonha and Deputy Foreign Minister Joao Miranda held talks in South Africa with President FW de Klerk on March 25. The nature of the discussions was not disclosed. [*Local reports*]

Japan to give food aid

Japan is to consider providing food aid grants to Angola. [*Agencies*]

Bop and Boerestaters seek region of their own

Continued

vaal, although for what purpose is not clear at present.

Some of the farm land purchased at top prices has been leased back to its original owners on highly favourable terms.

Although the proposals for the western 'super-region' are still a long way from finality, they have progressed much further than many of the homeland's opponents may have suspected, and have been looked at with interest by other Codesa groups concerned at being swamped by an ANC-dominated government.

Bophuthatswana's negotiators at Codesa, led by former Rhodesian cabinet minister Rowan Cronje, have made no secret of the fact that they will be propagating their federalist options to anyone who will listen. And there could well be listeners.

An erstwhile ANC ally, Venda leader Brigadier Gabriel Ramushwana, has gone on record as saying he does not want to see his people swamped or forgotten in the new South Africa, and that he favours a regional solution with devolution of power.

One of the most interesting developments at the Potchefstroom conference was the first public indication from Mangope that despite his virulent anti-reincorporation stance, he is reconciled to eventually re-entering the South African fold.

In a speech before the conference, Mangope went out to woo white Afrikaners - as voters for his Christian Democratic Party. Recalling what he saw as the historical bond between Tswanas and the Boers, he promised that the party would offer a political home to the whites should a regional government come about.

He also indicated clearly that he would be taking the CDP on the campaign trail inside South Africa - something he would have to do if he wants to fight a constituent assembly election. The sudden urge to court whites could indicate that Mangope is not that sure of his support at home, despite repeated claims that he and his party would win elections in the homeland. Its main opponent, the ANC, has been prevented from operating openly in the homeland because it refuses to accede to Mangope's demands that it register as a political party.

[Own correspondent]

Reinforcements for hostels

Continued

climaxed on Tuesday night with a wave of Inkatha attacks through the township, residents lined the streets to cheer the soldiers.

And in Meadowlands, residents say police have resumed dusk-to-dawn foot patrols to force local defence units off the streets - a tactic which, throughout 1990 and last year prevented communities from resisting Inkatha assaults.

In Meadowlands the situation has been further confused by clashes between police patrols and Inkatha gunmen firing from inside the hostel on Sunday night and into Monday morning. This, however, is the exception. The past week has seen a loosening of the tight rein on which Pretoria has kept Buthelezi's Inkatha since the start of the Codesa talks.

As in the past, an escalation of coordinated violence comes hard on the heels of a deadlock in negotiations (see separate story). The new wave of clashes, after months of steady slaughter, has, meanwhile prompted from Lawyers for Human Rights chairperson Brian Currin the stinging assessment that the Peace Accord signed last August "is not working at all". This may be a premature judgement. Despite high expectations after the accord's signing, several of its authors cautioned at the time that, with only limited enforcement mechanisms independent of the white government, it offered no quick-fix solution.

They were optimistic, however, that it could be used to gradually restrict the freedom of those wielding the weapons - and, more important, their covert backers - to operate.

From this perspective, the accord has achieved some crucial milestones - most recently the reversal of President FW de Klerk's 1990 legalisation of the public bearing of lethal weapons - through authorisation of Zulu-speakers to bear 'traditional weapons'.

Although the new prohibition has major flaws - it leaves the decision to

disarm at the discretion of the police - it provides ANC and other officials with a crucial lever on the police.

This week the ANC moved to strengthen that lever.

With lethal weapons in evidence in all three Inkatha marches held since the prohibition, a senior ANC-led delegation argued, in a meeting Law and Order Minister Hernus Kriel and his police generals, that police were not enforcing the prohibition, and won agreement that police would in future video all marches and political meetings, to enable prosecution of anyone bearing arms. They were less successful in their insistence that Pretoria take over control of Buthelezi's KwaZulu homeland police force, the KZP, from the homeland authorities.

In this they were backed by the report last weekend of a visiting International Commission of Jurists team, which found "overwhelming evidence that (the KZP) are one-sided, and openly join in attacks by members of Inkatha".

the attitude of the KZP force to Inkatha was graphically demonstrated in the testimony of a KZP sergeant in a recent murder trial that all members of the force took an oath of allegiance to Inkatha. The allegiance is to the homeland government, but the sergeant appeared unaware of the distinction.

Kriel remains adamant that the KZP will continue to operate.

And as *SouthScan* went to press his police force formally transferred control of the four main northern Natal police stations to the KZP.

• Investigations are continuing into the death, in a hand grenade explosion at his Vereeniging home, of South African Council of Churches official Saul Tsotetsi (*SouthScan* v7/12 p91). Witnesses have offered conflicting accounts of the blast which killed Tsotetsi, a senior member of the local ANC branch. By some accounts, his home was attacked and the two men who died with him were among his attackers. Others, however, suggest that Tsotetsi himself accidentally detonated the grenade.

[Own correspondent]

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