

has been in the ANC
most of his adult life â\200\224
â\200\230and a soldier for most of g
that. i

He joined the Con-

gress of Democrats, a
white affiliate of the
ANC-led Con Alli-
ance, at the age of 20,

Banned soon after-
wards, he joined Umk-
~ honto weSizwe, working
full-time in its Natal
â\200\230High Command.

Late in 1963, he was
or to leave the
conntryto undergo mili-
tary training

Based in Tanzania, he

- worked throughout the

In 1966 Eleanor
moved to London where
the first of their two sons
was born.

From London they

1960s to rebuild
ANCâ\200\231s

side South Africa and
build the international
anti-apartheid cam-
paign.

M In 1976 he was sum-
moned to Angola to train
the hundreds dolf S?m
activists rapidly filli
up the ANCâ\200\231s military
camps.

the
in-
to

M Eventually promoted
to political commissar of
the Angolan MK camps,
he was transferred again
in 1980 to Maputo to
help develop the under-
ground in South Africa.
M In 1983 he was again
moved â\200\224 promoted to

- head of MKâ\200\231s military

intelligence. He held the
post until 1987 when he

was co-opted to the

ANC national executiv

~one of only two whi

members of the NEC.

B In 1987 ANC pres
dent Oliver Tamb
launched â\200\234Operatic
Vulindlelaâ\200\235 (open tk
road), the movement
most ambitious und&
operation â\200\224
hment of a n

Dow theory mechanics
simple as child's play

PICTURE two children, one sitting at each end of a seesaw. One child's side is aloft while the other child's side is near the ground. The low seated child pushes upward when his feet touch the ground and this energy propels his side to its maximum height and the other child's end is forced down. Then, in turn, the child on the end that is now low, pushes and his side rises. It is a principle that even children understand, which also has application in stock markets.

As each child's end in turn rises, it reaches a horizontal equilibrium level half-way. If the child's leg energy has not been sufficient to break through this equilibrium level, his side will drop to the ground level again. If his leg thrust has been adequate, he will keep on going up until the other side bottoms out.

Charles Dow called this the 50 per cent principle when he did his original thinking on the Dow Theory. Richard Russel, who writes Dow Theory Letters in La Jolla, California, explains the principle this way, "The Dow embarks on an extended rise. Following the rise, the market corrects. If, on the correction, the Dow can hold above the half-way level of the preceding rise, it is probable that the Dow will, in due time, advance to test the old high again. On the other hand, if the correction takes the Dow below the half-way level, this represents bearish action and in that case, we can expect the Dow, in due time, to approach or violate that low from which the en-

tire advance began.â\200\235

Putting our seesaw, or Dowâ\200\231s 50 per cent principle into todayâ\200\231s situation, statistics show the Dow Jones Industrial Average was at the bottom in 1974 at 580 and its highest point was 3,000 reached this year. The differential is 2,420. The equilibrium or 50 per cent position is 1,790 and if the DJIA breaks below that the Dow Theory holds that a slide well below 1,000 would be likely.

Leonâ\200\231s tipâ\200\224

@ Sterling may be the most risk-free way to coin money I have known. It is now in a six per cent band with the German mark due to the Exchange Rate Mechanism. That means the pound can go six per cent below or above the mark, a 12 per cent spread. All an investor needs to do is sell sterling short when it is at the top of the range and then cover the short sale when it is at the bottom! Â® Readers have made money with our suggestion to get out of US and Hongkong dollars. The dollar will now have to rise, at least short-term. It is considered undervalued and it is time to re-enter the dollar.

Money Talks

Leon Richardson

Looking at more current numbers, the 1987 â\200\234Black Mondayâ\204¢ low was 1,738 for the DJIA. It then rose to touch 3,000. The equilibrium point between 3,000 and 1,738 is 2,369. The Dow Theory makes this number a significant one. A drop below this would position the DJIA to test the â\200\234Black Mondayâ\200\235 level of 1,738.

The Dow Theory has already broken through its shorter-term test which was the 1989 low of 2,570. It then rose 430 points to 3,000. The half-way level for the seesaw was 2,785, which the DJIA

penetrated. Since this equilibrium point didn't stop the fall, the Dow Theory held it would test the level at where the '89-'90 rise began. The Dow Theory again proved itself by dropping below 2,570. The next level the theory envisions being tested is 2,369, and if that is crossed the DJIA must next test the Black Monday level of 1.738.

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THE US insurance companies' scam represents a new breed of economic horror. It is now starting to unfold and the hidden dimensions are

frightening. While banks and security companies have Federal Government watchdogs, the insurance companies have no Federal supervision, even though many are massive in size and equal to, or even exceeding, large banks.

Unlike banks, which have generally only been allowed to operate in one state, an insurance company can, with a minimum of formalities, do business in all 50 states. It would be virtually impossible for a state to supervise or properly monitor an insurance company with headquarters in a distant state. This lack of regulation has allowed these institutions to operate with unfettered greed, avarice and recklessness.

ELEI [

LEONARD Silk, writing in the New York Times, states

- that Federal Reserve chief Mr

Alan Greenspan and men close to the President are saying the US is in a 'meaningful downturn'. This is a new euphemism so that US officials can avoid using words like 'recession' and 'depression'.

There is a difference. Ray Dalio of Bridgewater Asso-

ciates, was quoted in Barrons Weekly as saying, "Recessions occur when the Fed tightens monetary policy, usually to fight inflation [which causes consumption to fall and savings to rise], and ends when the Fed eases, [which causes consumption to fall and savings to decline]. A depression is a self-feeding contraction brought about by incomes falling faster than costs, primarily due to high debt-cost service burdens, which in turn leads to a crisis among financial intermediaries and extreme discrimination in lending. In a depression, unlike a recession, the economy does not respond to central bank easing, and both consumption and savings fall." Ray has stated that he believes the economy is at least on the brink of a depression. :

| By SANDILE MEMELA

A NATIONAL Black Christmas campaign that includes a consumer boycott of businesses in the central business district does not seem to be on the cards, the ANC said this week. e

Publicity secretary Pallo Jordan told City Press that the national executive committee would not take a decision on the matter.

â\200\234We believe that the decision does not rest with the national executive committee but is a matter for regional committees,â\200\235 said Jordan,

However, there seems to be a

| general feeling that Black Christmas action should only target CP-controlled towns where township residents have had essential services cut off,

Several townships have already

gun consumer boycotts,

It is believed the â\200\234Peace and Freedom Nowâ\200\235 campaign, which saw thousands of people march through Johannesburg and Pretoria this week, has already highlight-

CP towns will be hit

by boycotts

ed township grievances.

A series of candlelit Pprocessions to police stations may also take place. -

Township residents interviewed at random by City Press this week generally agreed that a Black Christmas was unnecessary considering the changes introduced

by President FW de Klerk this

year.

â\200\234This should be a season of goodwill when people bridge gaps created by apartheid over the decades,â\200\235 said Sipho Majola of Soweto.

Nomawethu Nkoli said there

was reason to celebrate Nelson Mandelaâ\200\231s first Christmas at -

home, â\200\230

â\200\234A Black Christmas would somehow be a continuation of his imprisonment,â\200\235 said Nkoli.

Jabu Skhosana of Emndeni said

a consumer boycott would also affect black businesses in the CBD.

Last weekend a seven-week consumer boycott in Fort Beaufort in the Eastern Cape was called off after the local municipality agreed to work towards a democratic, -

non-racial authority,

' However, township residents in Louis Trichardt last week em-

arked on a full consumer boycott after an attack by rightwingers on black children, ,

The Ikhutseng Civic Association is also likely to launch a consumer boycott of white businesses â\200\224 the third thj year â\200\224 in Warrenton in the Free State this week, said publicity secretary Maria Khupiso,

This would be to Pprotest against police harassment and community councils, :