# Leave New Nation alone, Says Church

THE South African Catholic Bishops' Conference has called on Minister of Home Affairs Mr Eugene Louw to desist from taking action against New Nation newspaper.

The SACBC said yesterday it had learnt with astonishment that Louw had given notice to New Nation of possible action being taken against it for alleged contraventions of the state of emergency regulations.

It earnestly called on Louw not to take action against New Nation and appealed to the State President to remove the state of emergency forthwith.

"We have no right to claim democracy if we forcefully prevent those who have opinions differing from ours the right to express them." Marathon session may signal pact

### SIPHO NGCOBO

PAC leader Jeff Masemola leaves tonight for six days of talks with imprisoned ANC leader Nelson Mandela at his house at Victor Verster Prison,

This is the longest visit yet by an individ-ual to Mandela, and is being described in Paarl. extra-parliamentary circles as the beginning of a "unity pact" between the ANC and PAC.

Masemola's special aide Bennie Alex-ander said the PAC leader would be flying to the Cape tonight, where he would stay

He declined to comment on a unity pact until next week. but said the PAC had given Masemola the

green light for the visit. He reiterated Masemola's statement last week that should any political discussion concerning the ANC and PAC occur, he would listen and report back to the PAC leadership.

Masemola, whom former Robben Island leadership. inmates regard as a good friend of Mandenimates regard as a good friend of Mande-la's — the two served many years in the same section on the island — is adamant the visit might turn out to be a "social one". This is his second visit in less than a

On October 13, two days before he was released from life imprisonment with Walter Sisulu and six other ANC leaders, Mater Sisulu and six other ANC leaders, Masemola, escorted by a prison warder, flew from Jan Smuts to the Cape, where he spent seven hours with Mandela.

This visit will be preceded by one at Victor Verster today between three leading figures in the Black Lawyers Association (BLA) and Mandela.

The three are attorney and former ANC

The three are attorney and former ANC Youth League president Godfrey Pitje, ad-

JAILED ANC leader Nelson Mandela is communicating with people outside the prison by fax, it was established yesterday through interviews with prominent law-yers who are meeting Mandela for five

hours today.

Former Robben Island prisoner and Pretoria-based advocate Dikgang Moseneke, attorney and former ANC Youth League president Godfrey Pitje and Black Lawyers Association deputy president Keith Kunene received faxed invitations from Mandela two weeks ago.

from Mandela two weeks ago.

PAC leader Jeff Masemola, who had tried to speak to Mandela by telephone last month, was urged by a prison service war-rant officer to use a fax machine to com-municate with the ANC leader. The officer furnished Masemola with Mandela's fax

An SA Prisons Service spokesman de-clined to comment yesterday, saying it was the policy of the service not to discuss the privileges or facilities of individuals.

vocate and BLA publicity secretary Dikgang Moseneke (a former Robben Island prisoner) and the organisation's deputy president Keith Kunene.

Pitje, who was Youth League's president between 1950 and 1951, did his articles under Mandela from 1955 to 1958.

Moseneke, who served 10 years on the island for PAC activities, was convicted and sentenced at the age of 15, making him the island's youngest prisoner. He obtained the island's youngest prisoner. He obtained his BA and LL B degrees in prison.

The three were to leave at 7am today for

their five-hour meeting.

Two weeks ago an invitation to the meeting was faxed to them from Mandela's prison house.

Key proposals to overcome debt problems

# Plan to inject new vitality into Soweto

By Norman Chandler, Pretoria Bureau

A scheme designed to revitalise Soweto financially and socially was revealed in Pretoria yesterday in a report released by the Transvaal Provincial Administration.

If acceptable to the Soweto Council, the TPA and other neighbouring local authorities, the Simon Brand Report on the Finances and Economy of Soweto will:

• Bring financial independence to Soweto by the 1992-93 financial year after years of massive debt.

Overcome the burden of non-payment of rent and service charges.

 Provide Soweto with industrial and housing developments.

It would also contribute to improving existing and future residential areas and turn a number of Soweto's municipal services over to private en-

Two key proposals are: more lenient conditions of sale and terms of repayment for housing, and the separation of service charges from rent accounts, with outstanding charges being paid over an extended period.

Extreme step

The report revealed that bus lanes and new rail transport links were already being provided.

ready being provided.

The door has not been closed to reincorporation with Johannesburg, but this would be an extreme step to take. Instead, some Johannesburg services could, on a paid-for basis, become available to Soweto.

The author of the report, Development Bank of Southern Africa chief accutive Dr Simon Brand, yesterday said the SCC's financial problems were not hopeless although they were certainly difficult.

If his plan were acceptable, the existing R94,1 million deficit facing the Soweto Council could be translated into a surplus of R40,4 million by 1992/93, rising to R116,5 million in 1993/94.

The report sets out guidelines and makes recommendations on how to "improve the direction of revenues by addressing the rent boycott, and to see what can be done in the interim to help Soweto". The report does not set any unrealistic targets.

### Recover revenue

Dr Brand said when tabling the document at a press conference: "The Soweto Council, the TPA and other authorities should agree on a systematic plan for the next few years to recover revenue, in terms of which a further agreement on planned levels of expenditure can be decided upon.

"The plan would include standards for the provision of services, and would be a more orderly process of budge-

Dr Brand said one of the fastest ways for the Soweto Council to realise capital and to release itself from the responsibility of maintenance was to sail off houses to residents.

sell off houses to residents.

Mr Olaus van Zyl, MEC in charge of local government, said: 'The report includes very necessary prerequisites to any action needed to solve Soweto's fi-

nancial problems."

The Soweto People's Delegation, a group of community leaders in favour of scrapping rent arrears and service charges, yesterday said it had not been consulted on the report. The SCC said it had not been informed about the report's findings and could not comment.

BACKGROUND TO THE NEWS

### Privatising Sats: profit at all costs?

PRIVATISED railway system for South Africa? A policy of profitability or bust? It sounds unnerving. Yet the enabling legislation, the Legal Succession to the South African Transport Services Act, was passed by all three houses of Parliament earlier this year.

But what will this "privatisation" mean in practice? At present, the State-owned railways is guardian of one of the most valuable assets the country possesses. Yet it commands a relatively small share of the transportation market, has collosal debts of around R5 billion, operated at a loss of R788 million in 1987/88, and is dependent for its survival on large State subsidies and the practice of cross-subsidisation within Sats (which comprises not only railways, but airways, harbours, pipelines and road transport) itself. How can one privatise all this?

Many believe that one cannot, or at least not in the manner envisaged. Mr Mike Norris of the Public Carriers' Association points out that "because of Government control of the transport industry as a whole - for example, through the permit system for road transport - and because of the crosssubsidisation policies within Sats, South Africa has a very artificial and distorted transport economy. The planned privatisation appears not to be sound simply because it entrenches the distortions and anomolies which already exist".

Specific areas of concern mentioned by Mr Norris, and by some other trans-

port economists, are:

• that the whole of the railways, not only the operation but also the infrastructure, is to be privatised; a safer way would be for the State to retain ownership of the infrastructure while sections of the operation are privatised;

• that, because of this, control of railways assets will pass beyond Parliament via the Minister of Transport and be vested in a privatised Sats management answerable only to itself;

• that, in spite of recommendations to this effect, there will be no significant private-sector representation on the

railways management and control board.

"The deterioration of our roads has forced the introduction of tolls," Mr Norris said. "If the railways is now to be operated purely for profit, while nevertheless being supported to an extent by taxpayers' money and the protective permit system, the costs of transportation may well become prohibitive.

"Now look at the rankings of the various sectors which generate freight. Agriculture, not mining, is way out in front, followed by manufacturing and commerce. In fact, mining is ranked only fourth. It is obvious that rocketing transport costs would wreak havoc with the inflation rate and shrink still further the value of the rand in the consumer's pocket."

So much for the criticism. But how, in practice, is Sats to be privatised? The answer is relatively simple. The purpose of the enabling legislation is "to make provision for the formation of a company, for the legal succession to Sats by this company, for the establishment of the South African Commuter Corporation Ltd, and for related mat-

In short, Sats will become a private sector company no longer subject to the old Railways Act but to the provisions of the Companies Act. The parent company will have five independent subsidiaries: pipelines, airways, road transport, pipelines harbours and railways. It will pay tax on profits as laid down in the Companies Act. It will have shareholders who will own the capital assets of the company and share in the profits. On 1 April 1990 the State will be the sole shareholder, but there are plans to sell off shares, presumably in a way similar to the current Iscor campaign, to anyone who wishes to buy. The need for the subsidiary companies (for example, the railways) to make a profit individually will put paid to the practice of cross-subsidisation within Sats, and the tax and other subsidies currently enjoyed are already being phased out — at least in their present

South African Transport Services is to become a public company in the private sector on April 1 next year. DAVID ROBBINS examines the implications for the nation's transportation infrastructure of the privatisation of this massive State institution.

form.

But there are other ways of providing

support.

This is where the SA Commuter Corporation comes in. The railways will enter into contractual agreements with this corporation to provide the kind of commuter service which the corporation decides it wants - or can afford. In this way, the railways' commuter services will at least break even.

But how is this new Commuter Corporation to be financed? A substantial amount will undoubtedly come from the Department of Transport as part of "the State's admission that urban transport is its responsibility", as Mr Richard Thurgood, deputy regional manager for Sats in Natal, put it. Other sources of finance may well come from regional services councils and perhaps even in some way direct from the private sector. One thing is certain: the railways will not lose money on its commuter services. "If we can't cover our costs, we won't operate the service," said Mr Thurgood.

Such words raise worrying questions about the whole issue of privatising the railways. The philosophy of profitability or bust needs to be weighed against the background of the railways as a national asset, not to be abandoned at will

by profit-hungry managers.

Yet there is something solid and reassuring about a man like Mr Thurgood. Responding to one of the major criticisms of the railways privatisation package, that Sats could become a law unto itself, he said: "Of course we'll be responsible to someone other than ourselves. Certainly, we will no longer be

responsible to Parliament via the minister, but we will be responsible to our shareholders. There are two schools of thought regarding a national asset like the railways. The socialists say it belongs to the people and should therefore be (or remain) nationalised. The exponents of free enterprise say if it belongs to the people then allow them to own it by selling them shares. As is well-known, the State doesn't create wealth, it absorbs it. Only free enterprise can create the wealth which this country so sorely needs."

Mr Thurgood said that much had already been done to "commercialise" the railways. The operation had been broken into separate and manageable units, and the "corporate culture" within the organisation was changing.

"The old bureaucratic attitudes are going. The tendency now is to throw aside the regulations book and look more closely at problems with a view to solving them, especially those problems related to customer needs."

There can be no doubt that the railways has worked hard at its efficiency. The productivity of its workforce has improved by nearly 30% since 1982/83, and "the whole organisation has been turned inside out in our efforts to transform it into a profit-seeking organisation", said Mr Thurgood.

Managerial hierarchies have been streamlined, accounting systems overhauled, personnel schooled in the ways

of the private sector.

Asked about the railways' diminishing share of the transport market, Mr Thurgood conceded that there was room for concern, but added: "There is so much scope in transport that I believe there's room for everyone. The future may be in partnerships rather than in cut-throat competition. This doesn't mean we fear competition. We're becoming more competitive all the time. And let me add this: our competitors ain't seen nothing yet."

Innovations being installed or contemplated by the railways include:

• the introduction of mechanised sorting machines to facilitate an efficient overnight parcels service between Durban and the Witwatersrand;

• the possible introduction of "abba" trucks from Europe, which are designed to transport road trailers, and also of the U.S.-designed "road railers", road trailers which can easily be fitted with bogies so that, once the mechanical horse is disengaged, the road trailer can be attached to a train like a conventional truck:

• the appointment of 11 commodity specialists to promote the use of the railways in a given commodity grouping such as metals and minerals, agricultural products, and so on.

These are encouraging developments. But will privatisation be able to turn around the ailing fortunes of South Africa's railway system?

One man who should know is Mr Charlie Lewis, a director of the privatised Alfred County narrow-gauge railway between Port Shepstone and Harding, which Sats closed because it was unprofitable. "On a micro scale, our experience has proved that privatised railways can work - and work well. I have some reservations when looking at the detail, but my general impression is that privatisation will transform the railways at the national level. The privatistion of any State-run organisation will ultimately save South Africa billions and billions of rands."

The future of South Africa's railway system hangs in the balance. The problem is not with the laudable aim of profitability, but with how, in the recent past, the railways has gone about attempting to achieve this aim: the apparently muddled forward planning; the lack of perseverance in the face of competition and its own inefficiencies; the persistent raising of tariffs to counterbalance weak operating results; the limiting and even the destruction of services before thorough investigation into their unprofitability. If these methods and attitudes can change, the future holds promise; if they persist, large sections of the railway system could fall into disuse - at an inestimable cost to the nation in future decades.

### took us to sites'

By Jovial Rantao

DELMAS - Three of the 12 alleged ANC mem! bers, on trial here on treason charges, pointed out places to the police in June and July 1988 where the alleged crimes occurred or arms were hidden, the Supreme Court sitting in Delmas heard yes- Lieutenant Peter Senekal of the SAP Narcotics

treason, terrorism, murder and attempted mur- places to point out to the police, on July 8 1988. der. The charges followed a spate of bombings and shooting in Pretoria last year.

bery Squad in Pretoria told the court that on PHe then dug in the garden and took out a plastic-June 21 he was asked by a Captain Visser to wrapped object. We opened the object in Mr Pit-June 21 he was asked by a captain accompany an awaiting-trial prisoner who wantaccompany an awaiting-trial prisoner who wanthad been buried in the garden," he said.

building and was introduced to Mr Francis Pitse. Mr Pitse told me he had some places to show the police. I noticed that Mr Pitse had a gunshot wound on his left arm. When I asked him what had happened, he told me that he was shot, but not by police," Captain Kotze said.

He said Mr Pitse directed them to houses in Mariana, Kudu and Manaka streets in Atteridgeville. The house in Mariana Street is where three policemen were killed in April last year.

From there, Mr Pitse directed them to a place at the corner of Malan and Plein streets in Rustenburg. He then took them to the SA/Botswana border between Magobastad and Ramatlabama.

Division told the court he was also asked by the The 12 have pleaded not guilty to charges of Security Police to accompany Mr Pitse, who had

"Mr Pitse directed us to house No 20 in Laka Street, Atteridgeville. On arrival at the house. Captain Hendrik Kotze of the Murder and Rob- Mr Pitse showed us a place in front of the house. se's presence and found an old rusty R1 rifle that

Captain P J Delport told the court Mr Ernest Ramadite showed him some places at Saulsville railway station. He then directed him to spots in Atteridgeville and a place at the corner of Vermeulen and Andries streets, Pretoria. The hearing continues.

The accused are Mr Godfrey Mokube (41), Mr Pitsi (24), Mr Mathe (21), Mr Ramadite (24), Mr Johannes Maleka (25), Mr Peter Maluleka (34), Mr Phuti Mokgonyana (26), Mr Joseph Nkosi (39), Mr Reuben Khotsa (23), Mr Reginald Legodi (22), Mr Alfred Kgasi (25) and Mr Rodney Toka (25).

### Call for boycott of SA products

# Step up sanctions, urge union leaders

HARARE — Trade unionists from about 80 countries have agreed to exert pressure on their governments to ban new investments in South Africa and impose more rigorous economic sanctions on it.

The more than 600 delegates to the 24th World Congress of the Public Services International (PSI) said yesterday they would campaign for the convening of a United Nations conference aimed at obtaining commitments to an effective oil embargo on Pretoria.

In their resolutions, adopted after a morning of discussions on southern Africa, the trade unionists called for an end to South Africa's "ruthless" destabilisation of neighbouring states.

"The PSI notes indications that the apartheid regime may be prepared to enter into negotiations with organisations genuinely representative of the South African majority and welcomes these signs, while recognising that negotiations are not an end in themselves.

"The PSI, therefore, pledges to step up and maintain its antiapartheid campaigning until the true goal of a democratic, unitary state based on the principle of one person, one vote has been achieved," one of the resolutions stated.

### Police brutality

The congress called on PSI-affiliated unions, representing about 11 million people, to step up antiapartheid action, including helping in the organisation of consumer boycotts of South African products and giving support to independent SA trade unions.

The congress said the black majority continued to suffer under apartheid, with the situation being worsened by Pretoria's policy of privatising public facilities such as health and education.

"Apartheid is not only kept in

place by police brutality and hit squads, but through the structures of inequality which permeate South African society.

"The right to adequate health care, education and housing — in fact all the basic and necessary amenities — are denied to those who cannot pay, and those who cannot pay are the black majority who are the victims of apartheid, which discriminates socially, economically and politically," said the resolutions.

The unionists said there was growing unemployment in South Africa, while the Labour Relations Act did not cater for the interests of the majority of workers.

"Bearing in mind all the problems facing our brothers and sisters in South Africa, the PSI commits itself to assist, wherever possible — and in joint consultation with South African unions — in the process of unifying the trade union movement." It was with great regret that I learned of the weekend's occurrences at Soccer City, where Mr Sisulu perpetuated the ANC's call for violence. A week ago, if I met a strange black man in the street, I would say, "Hey, this guy is black but so what, we can be friends". Now I say: "This guy is quite possibly an ANC member and would rather see me stabbed to death."

Thank you very much Mr Sisulu. All this country needs right now is another dose of hatred and mistrust. I, like the majority-of white South Africans, have no qualms about black representation in government, or even a black leader of the future. But you are now setting the scene for negotiations by intimidation and ul-

### Don't set scene for negotiations by intimidation

timatums, instead of consolidation.

The effect on human relations in our country will be devasting. More polorisation will occur and the "laager" will re-appear. Have you tried the alternative?

Have you called on Mr F W de Klerk for a discussion? But then you couldn't trust them before, so why should you trust them now. I have no doubt that you have in your mind many lingering memories of injustices. And also that you have a battery of examples

to quote from, to justify your actions.

But only a blind man cannot see the degree of goodwill that has emerged in our country from white and black individuals, from the media, from industry, and believe it or not even from the Government.

Trample on the outreached hand and this will give you great support with your followers. After all, you are only a mounthpiece of their wishes, isn't it?

Yet you are also a leader, and as such you should do what is best



Mr Walter Sisulu should know better than to enter into power politics, says a reader.

for the country—black and white alike. And as a man of wisdom you should know better then to enter into a self-gratifying game of power politics.

If you teach your children how to kill and hate, they will do as you say, as they are only children. And the dream of reconciliation will be gone forever.

Cleveland. B Druif

# ANC, Government must find common vocabulary

Euphoria is in the air and it is a heady brew. Suddenly there are protest marches in the cities, long-standing political prisoners are released, a mass rally is attended by thousands of people, the ANC is heard and virtually unbans itself.

President de Klerk promises his version of change and negotiation. The ANC seeks its version of negotiation after certain qualifications have been met. These are exciting times, a watershed in the affairs of our country. But we are also on a tightrope and there is no safety net.

The Government talks reform but continues to exercise stringent control over the dissemination of information. It is releasing political prisoners but is it also creating new ones? It calls for negotiation but persists with ethnicity. It is unwilling to think beyond groups.

The ANC says it cannot consider the unilateral renunciation of violence, neither is negotiation on the basis of groups acceptable to it. Although there is some common ground the apparent gap between the National Party Government and the ANC is wide indeed.

Only a process of real communication can bridge it, but right now the two main protagonists appear to

By JOYCE HARRIS of The Black Sash

be talking past each other, with potentially disastrous results. For this the National Party must be held largely responsible.

For the past 41 years it has consistently and wilfully misused words for its own propaganda and indoctrinal purposes. One has only to look back upon the linkage of such words as "communism", "liberalism" and "humanism" with each other and with "sickly" to realise how meanings have been adulerated.

It is very difficult now to unscramble the egg and for such concepts as liberalism and humanism to come in from the cold.

Words reflect ideas which are the very currency of the process of negotiation, and the abuse of language has polluted ideas. The end result is that it is well-nigh impossible to be sure what the words presently being

bandied around such as negotiation, democracy, peace, change and reform really mean or what ideas they represent.

There is no way of being sure that when the Government and the ANC talk about negotiation or democracy or non-racialism they mean the same thing.

The present situation is very different from that of even a couple of months ago. President de Klerk has created an atmosphere of greater freedom. But this inevitably boosts expectations, and the danger is that they will rise well beyond the level at which Mr de Klerk and his Government are ready to fulfil them.

The ANC faces a similar danger. A song heard at the mass rally to the effect that when the ANC is in power everything will be all right will be exceedingly difficult to deliver should the ANC come to power.

Both sides have their problems. Both profess to open doors. But the language they use must be unequivocal and understood by all, with the same words meaning the same concepts to all. Words must be clearly defined. This is an essential first step towards finding each other, comprehending the problems and coming to grips with them.

If this is not done, if a common language cannot be found, if rising expectations are not acknowledged, if compromises are not sought and achieved, then this hopeful watershed can lead to a calamitous flood and not to the peaceful, non-racial and democratic future that suddenly seems to be within the bounds of possibility.

That this should be the case is in itself an immense achievement, given the unencouraging environment that has for so long prevailed.

Our country cannot afford to miss this opportunity, and failure to take advantage of it by all the people will be both disastrous and unforgivable.

### US Jews in no-win situation regarding SA issue — debate

By DAVID BRAUN, The Star Bureau

WASHINGTON — The issue of South Africa has placed American Jews in a no-win situation, it would appear from a recent debate between leaders of the community in the US.

The debate, organised by the Jewish Community Centre of the District of Columbia, featured Mr Geoffrey Norman, a South African Jew and the director of the Fund for a Free South Africa (the ANC's primary source of income from the US), and Mr Max Green, an American Jew and a political consultant.

The subject of the debate, which was televised, was: "American Jews and the African National Congress".

Mr Norman said he did not understand how American Jews could African National Party, which had sympathised with the Nazi Party in World War 2.

Mr Norman said the American Jewish community should also consider the sensitivities of the US black community.

He said he could not understand why Israel had military dealings with South Africa. Israel was out of step with the rest of the world, and its actions were extremely detrimental to Jewish relations with American blacks and to Jewish relations with South African blacks.

Mr Green responded by saying one needed to look at the associates of the ANC and speeches of its leaders to see what sort of organisation it was.

He cited numerous examples of

the ANC's association with the Soviet Union and east bloc nations, which were not sympathetic to Israel. He also said the ANC had been involved in training and meetings with the PLO.

Mr Green said it was an oversimplification to suggest, as Mr Norman had, that American Jews had only two choices — support for the ANC or the National Party. He said there were other liberal democratic forces in South Africa.

A member of the audience made the point that the American Jewish community was really in a lose-lose situation. If it did not support the right forces in South Africa it alienated the American black community. If it supported the ANC it would be going against Israel.

# Tokoza youngsters getting out of hand

SIR - As a parent and resident of Tokoza, I am very concerned about the situation in my township. In Tokoza we have the youth that has become dangerously self-destructive.

Dagga smoking and excessive alcohol intake have become part of the township's culture. It has become normal to find a large number of students suffering from hangovers.

Some students can be found in shebeens as early as six o'clock in the morning. We as parents are failing our children and maybe we are responsible for this state of affairs. We have left the

responsibility of the community in the hands of a small number of activists.

We are destroying our children's minds by condoning drug abuse. We destroy their health by inviting them to be marshals and guests of honour when we have stokvels and similar occasions.

It is a shame to see some of us using our children as bodyguards in our taverns. Our community has a very large and relatively successful business fraternity. It is a shame that a community that was built in 1958 has no community centres. All we can boast is the highest

number of shebeens on the East Rand.

Churches on the other hand, instead of working for the transformation of society, they seem to be interested in the money they get from their congregations, and preaching the gospel of doom.

With the kind of youth we have in Tokoza, one can imagine the kind of leadership we are going to have in South Africa.

Please, fellow Tokozans, let us build and not destroy the Nation.

MAFATSHE MOK-OENA

TOKOZA

である。 大学 · かかん

### COMMENT

### Attack on wea

HE African National Congress remains wedded, as we report elsewhere in this issue, to the idea that a post-apartheid government must seize control of the mines, the banks and the major corporations - what it calls "the commanding heights" of the economy. It proposes also to redistribute the land in ways which have not been specified.

The justification for these planned acts of theft is that wealth in South Africa is maldistributed as a result of apartheid (and, we would add, as a result of earlier policies of the Union, colonial and republican governments), and that an ANC government will have to redress the balance.

That apartheid created unacceptable disparities of wealth, and that the imbalance needs to be addressed, is indisputable, but to assign responsibility is no simple matter, and to talk of redistribution in terms of justice is clearly nonsense. For one thing, profits and dividends have in large measure gone to shareholders and owners in Britain and America, or to educate whites who subsequently emigrated, taking their subsidised skills with them. Conversely, the "exploited" workers (we use the left-wing jargon with deliberate irony) included immigrant whites, poor Afrikaners, many Malawians, and half the ablebodied men of Lesotho. To unscramble all these historical injustices, except on the racist grounds that wealth must be taken indiscriminately from whites and given to blacks, or on the socialist premise that the means of production must

be seized by the state, is not a proposal founded in morality, whatever its political motivations might be.

Hard as it may be to take the ANC's proposals seriously, let us suggest at least some of the consequences. Firstly, such a seizure of wealth cannot occur except by the Stalinist methods which the ANC claims no longer to admire, and many civil liberties will be sacrificed in the process. Those whom the new government proposed to strip of their possessions would make strenuous efforts to conceal their wealth, or to export it; and in the end, they would take what they could to those civilised countries where fleeing capitalists and managers are highly valued. The history of capital flight suggests that to prevent them would require turning the country into a police state; and where honest men failed to export wealth, criminals would succeed. The destruction of the South African economy might take longer to achieve than the destruction of Zambia's has taken, but the result would be the same.

That the ANC's threats are made in a pamphlet appealing to white liberals to join the struggle, presumably in good time to share in the goodies, is ironic, for the liberals have a far better way to eliminate great disparities of wealth. It is to stimulate economic growth, for which the very first requirement is security of property, and thus to create a myriad of new opportunities, other than theft, for the poor to join in exploiting the system.

BUSINESS DAY, Wednesday, November \$ 1989

### hangs on to failed tenets

THE ANC believes the only way to eliminate poverty in SA is to pursue economic policies which communist parties in eastern Europe are rejecting and the Labour Party, which brought large scale nationalisation to Britain, has abandoned.

In a document targeted at white South Africans now being circulated in SA, the ANC commits itself to "bringing the commanding heights of the economy under democratic

MIKE ROBERTSON

control".

Like much of the ANC's writings on economic issues the document is vague as to whether this means large scale nationalisation or state intervention in the economy through regulation.

However, whatever it envisages, ANC interventionism goes much further than that favoured by socialists in Western Europe who now believe the state's role in the economy should be restricted

to control of utilities and essential public services.

In the document the ANC says that under its rule the commanding heights of the economy will be brought under democratic control of the people of SA.

It lists as areas of the economy

which will be brought under state control the banks, mines and large corporations.

The ANC says that only by doing this will it be able to enforce the commitment in the Freedom Charter to provide all people with rights to education, employment and land.

In a document outlining its con stitutional guidelines for a new SA published last year, the ANC said the state would have the right to determine the general context of economic life.

It added that: "The private sector of the economy shall be obliged to co-operate with the state in realising the objectives of the Freedom Charter in promoting social well-being."

Comment: Page 10

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