

Nym/206/2223/13

12.5.92

THIS WEEK IN SOUTH AFRICA



NEWS HIGHLIGHTS FROM THE SOUTH AFRICAN MEDIA

May 12 - 18, 1992

POLITICAL UPDATE

IT'S ALL A MATTER OF GIVE AND TAKE

Negotiation, President F.W. de Klerk has observed, is a matter of give and take in which you have to take enough to justify what you have to give. The two man negotiating blocs - the De Klerk administration and the ANC - both feared that they have given too much and taken too little. They agreed that the constitution should be drawn up and adopted by a popularly elected national assembly (which would simultaneously serve as a legislature in the interregnum while it completes its constitution-making task). Thereafter three core differences separated the two sides: - division over the majority required for the constitution to be adopted - dispute over the role of a senate or upper House, and - conflict over the "time-frame" or the pace at which constitution-making should take place. In the end, 11th-hour offers, made after the scheduled start of Codesa's second-plenary session, brought the De Klerk administration and the ANC close to agreement: they agreed that the general acceptance level should be 70 percent, each thinking that it had made major sacrifices. But five percentage points separated them on the crucial issue of regional government: the De Klerk administration would not settle for less than 75 percent and

the ANC would not budge beyond 70 percent. The De Klerk administration wanted to ensure that the new constitution would guarantee strong and secure regional government and thus wanted to be in a position to veto ANC proposals which might threaten regional autonomy. As Foreign Minister Pik Botha made it clear, its anxieties were accentuated by its conviction that the ANC is motivated by a belief in centralized government and economic planning. Against that the ANC feared that Mr. de Klerk and his allies wanted to use regionalism as another bulwark against the will of the majority rather than a safeguard against tyranny. Excluding the dispute over the majority required for regional issues, the positions of the two sides were, indeed, close as Codesa began its plenary session. They had agreed that: - clauses relating to the proposed bill of rights needed a specially high majority and concurred that it should be 75 percent. They had agreed too that the general ceiling should be 70 percent, a compromise made by the De Klerk Administration lowering its target from 75 to 70 percent and the ANC having made a reciprocal gesture by increasing its offer from 66.6 to 70 percent. (STR0518)

make free and fair elections truly possible". "We share with each other the conviction that the continuing violence must come to an end, and we recommit ourselves, also within the framework of the peace accord, to attain that and to do that." Mr. Mandela, echoing Mr. F.W. de Klerk's views, urged delegates to commit themselves "in word and deed" to the speedy transformation of the country into a peaceful, stable, prosperous democracy. Both leaders also referred to the need to break political logjams and to speed up the negotiating process. (SAPA0516)

INTERIM BODY "NEXT MONTH"

The new impetus given to Codesa [Convention for a Democratic South Africa] could mean the appointment of a Transitional Executive Council (TEC) next month when Parliament is expected to pass legislation. The legislation, to be approved by Codesa, will empower President F.W. de Klerk to establish this body. The Government has draft legislation ready for amendment by Codesa and ratification by a third plenary session which will take place before the end of June. (SOW0518)

COMMENTS BY PRESIDENT F.W. DE KLERK AND MR. MANDELA

Mr. F.W. de Klerk told delegates: "We have made remarkable progress .. notwithstanding the one important setback (Working Group Two) which I do not want to underestimate." He said there was a commitment among all participants to "continue with the levelling of the (political) playing field ... we are jointly committed to the creation of an atmosphere and a situation on the ground which will

SOUTH AFRICA POISED TO BEGIN THE TRANSITION

South Africa is now poised to enter a three-stage transition to democracy, Phase One will see Codesa [Convention for a Democratic South Africa] draft an interim constitution. A number of important basic principles for both the interim (and indeed final) constitution have already been negotiated at Codesa. Chief among these are: - The interim constitution will provide for a

CONTENTS

Political Update	1
Economic Update	6
Social Update	7
Sources	8

400-450 member National Assembly and a Senate. - The assembly will be elected on the basis of proportional representation and universal adult suffrage. - Half the members will be elected on a national basis, the rest on a regional basis. The aim of this is to give smaller parties, which have strong regional presence but no real national profile, a chance. - The National Assembly and Senate will perform the legislative function at present carried out by the tricameral Parliament. - The interim constitution will provide for a multi-party cabinet and justiciable fundamental rights. - The National Assembly will negotiate a final constitution. - All decisions on a final constitution will have to be approved by a 70 percent majority in the assembly. The bill of rights will have to be approved by a 75 percent majority. Matters affecting regions will either have to be approved by a 75 percent majority (the National Party's proposal) or by 70 percent of all members as well as 70 percent of all regional representatives (the African National Congress's (ANC) proposal). - Codesa has also agreed to a set of fundamental principles to be included in both the interim and final constitutions. These include an independent judiciary, the holding of regular elections and a multi-party democracy. The parties have also agreed that Codesa will play a role in "levelling the playing fields." Specifically, it will appoint an independent body with powers to ensure that the principles are not contradicted in a final constitution. Codesa will also agree on the boundaries, powers, duties and functions of regional governments. Still to be decided is the composition and role of the proposed Senate. No time period has yet been stipulated in which Codesa will have to agree on an interim constitution. However, it has been agreed that within two months of the constitution being finalized it should be presented to the tricameral parliament for approval. Agreement on the interim constitution will usher in the second or preparatory stage of the transition to democracy - the period leading up to elections for an interim legislature. The government has already conceded that it cannot exercise sole power in governing the country

during this period. Among the most important points of agreement among the parties at Codesa: - A transitional executive council (TEC) comprising all participants in Codesa, will be formed and exist alongside the cabinet and the tricameral parliament. Its purpose will be to ensure the holding of free and fair elections and to deal with any stumbling blocks. - The TEC will have four subcouncils which will deal with matters relating to regional and local government, finance, law and order and defence. These councils will be able to propose legislation. - In addition, two independent commissions - handling elections and the media - will be set up. Their members will consist of non-partisan people of high standing. - The tricameral parliament will pass legislation to bring all these bodies into being. - Their decisions will have to be approved by an 80 percent majority if total consensus is not possible. - If the government proposes legislation outside of the sub-councils' defined areas of concern, which could affect the holding of free and fair elections, the sub-councils or the TEC will be able to block it. - When disagreements occur, they can be referred to an independent electoral commission, whose decision will be final. No exact time limit has been stipulated for the preparatory period, except for the proviso that there should be a maximum of two months between the start of the period and the interim constitution, providing for the election of the National Assembly and Senate being put to the tricameral parliament for approval. Although all parties in Parliament have committed themselves to supporting this legislation when it comes before parliament, no provision appears to have been made to prevent them dragging out this process. The preparatory period would end once the tricameral parliament has approved the interim constitution and elections for the National Assembly and Senate are held. This ushers in the third phase - the drawing up of a final constitution. The parties at Codesa have agreed that the convention should agree on mechanisms to ensure that the National Assembly completes the work of drafting and adopting the final constitution within a specified period. This would have to

be agreed to at the same time that Codesa finalizes the drafting of the interim constitution and before the beginning of the preparatory phase. (ST0517)

EDITORIAL COMMENT: THE NATAL MERCURY: "LESSONS OF CODESA 2"

If Codesa 2 [Convention for a Democratic South Africa] has taught us anything, it is that the new South Africa is not going to be brought about by the sound of trumpets and pomp and ceremony. Rather, it is going to be a slow and bumpy process. Equally clear from the severe difficulties that reduced the planned fanfare at the opening of Codesa 2 to a whimper is that however big the differences, the show has to go on. Perhaps it was best summed up by President F.W. de Klerk when he said: "We are all in the same ship. If it sinks we will all drown." Evidently it was the eleventh-hour intervention of Mr. F.W. de Klerk and Mr. Nelson Mandela which saved the day. From most accounts, they tried during their long talk into the night not to resolve the problems that eluded Codesa's Working Groups. Instead, they concentrated on the questions of how to move towards interim rule and a new constitution. And when they emerged, they were able to resurrect those signposts. They, too, have their differences, but it is the fact that they could entertain these without public recrimination that must have served as an example to their followers. While not quite conceding on the principles and the technicalities which their respective negotiating teams are fighting about - and except perhaps for some vague but nevertheless unfortunate threats about alternative actions - the essential message from both seemed to be that the only answer to failure was to try harder. Constitution-making is a delicate business - infinitely more so for a society as divided as ours. Checks against power abuse and balances between State authority and minority rights are vital ingredients if a new constitution is to enjoy the respect of all who have to live under it. Hopefully the difficulties at Codesa 2 will serve as a reminder to all that there are no shortcuts. (NM0518)

NO QUICK FIX AT CODESA: DELPOR

Government negotiators at Codesa [Convention for a Democratic South Africa] yesterday expressed doubt that the deadlock on constitutional matters could be resolved before the end of the parliamentary session, but had full confidence in an eventual agreement to everyone's satisfaction. The Deputy Minister of Constitutional Development and the government's chief negotiator at Codesa, Dr. Tertius Delport, said in Cape Town yesterday that the deadlock on the percentage agreement in a National Assembly was a minor issue. A lot of other work needed to be done. Another two issues which also wait for finality is the disagreement on the level of representation at which the Zulu King and other traditional leaders may enter the Codesa process, and the format by which it will accommodate newcomers such as the PAC [Pan Africanist Congress], Azapo [Azanian People's Organization] and the CP [Conservative Party], who may yet want to be admitted before the rules for the first elections are drawn up. (CIT0518)

DELEGATES DIVIDED OVER UNITARY, FEDERAL STATE

A deep-seated disagreement over whether South Africa should be a unitary or federal state colored much of the disagreement between the 19 delegations at Codesa II [Convention for a Democratic South Africa]. Support for a federal option coalesced around the South African government, two independent homelands and Inkatha. The ANC [African National Congress], backed by Patriotic Front forces represented at Codesa, interpreted government's stance as a dilution of the principle of majority rule. Government's insistence that a 75 % majority would be needed in a constitution-making body in matters dealing with regions was firmly opposed by the ANC. An ANC source said the organization was prepared to accept South Africa's current regional structure - including the homelands - during an interim phase of government. It wanted the constitution-making body, however, to

start afresh with the regional question in South Africa. (BD0518)

MANDELA: LAST MILE TO DEMOCRACY

ANC [African National Congress] leader Nelson Mandela said yesterday he hoped an interim government could be installed in South Africa within a month or two but "these are questions that are being addressed". Mr. Mandela came to Norway - celebrating its own Constitution Day yesterday - directly from constitutional talks with the government and 17 other groups aimed at a speedy transition to a multi-racial government. (CIT0518)

EDITORIAL COMMENT: THE CITIZEN: "LAST MILE"

Codesa [Convention for a Democratic South Africa] lives on, although its deadlock remains unresolved. The mere fact that both the government and the African National Congress (ANC) want the negotiations to continue was enough to save Codesa from collapse. The ANC could quite easily have brought Codesa to an end, but didn't. Whichever way one looks at it, Codesa is the vehicle for democratic change. Without it, there is no prospect of a settlement. The ANC thirsts for power, but there is only one way it can possibly achieve it - and that is through a Codesa-brokered agreement. However, it wants everything in place, on its own terms, as quickly as possible - by June, by January, in weeks and months, not longer. The Government does not agree with the ANC's one man, one vote majoritarian rule. It wants power sharing and it wants protection of minorities. But it, too, must rely on Codesa for a negotiated settlement. Rather belatedly, it has decided not to rush matters. It does not want to give in on issues that might weaken its own position in a future political set-up. More than that, it does not want a half-baked agreement. Still, it is not stalling on its promise of a new South Africa. It knows full well that if Codesa fails, it will be back to square one for everyone. At Codesa II at the weekend there was a big hiccup, but not a fatal seizure. Hence life goes on.

What State President F.W. de Klerk and ANC President, Nelson Mandela did at their dramatic meeting on Friday night was to agree to defuse the situation, using the power of their positions to bring about a renewed atmosphere of conciliation and hope. This they did with splendid effect. Mr. F.W. de Klerk said there was "a commitment by all parties to continue with the levelling of the (political) playing field. We are jointly committed to the creation of an atmosphere and a situation on the ground which will make free and fair elections truly possible". Mr. Mandela urged delegates to commit themselves by word and deed to the speedy transformation of the country into a peaceful, stable, prosperous democracy. Both spoke of the need to speed up the negotiating process, but Mr. F.W. de Klerk warned: "However much we may be in a hurry, what we do we must do well. A transitional or interim constitution cannot be a slapdash rickety affair." It is a comment which we accept with a heartfelt "Hear, hear" Mr. Mandela said it was urgently necessary to revive the negotiation process. "Our people are impatient for elections ... they long to choose a democratic assembly and to draft a new constitution". His setting out of principles which he challenged delegates to say they accepted met with enthusiasm from about half the delegates and silence from the other half. Some commentators suggest that Mr. Mandela was out to hijack Codesa; we rather think he was setting out the ANC's bottom line, in which case the arguments are going to come thick and fast in the days and months ahead. Meanwhile, Codesa's Management Committee, suitably broadened, will have the responsibility of resolving all outstanding matters of working groups. But the ANC's timetable has been upset. Since it is unlikely to have an interim government in place by the end of June, it will either have to accept delays or will take to the streets, which it has threatened to do - a dangerous tactic, since it could cause Codesa irreparable harm. Mr. Mandela told the Norwegians yesterday: "We are walking the last mile to democracy in our country. There is no way back." Let us hope that the last mile is not full of obstacles and

boobytraps. For at the end of that mile is the golden future that everyone hopes for - the new, peaceful, non-racial, democratic South Africa". (CIT0518)

INTERNATIONAL OBSERVERS FULL OF PRAISE

International observers at Codesa II [Convention for a Democratic South Africa] urged rapid movement to an interim government and reasserted their support for the Codesa process. In a joint statement issued by the U.N. [United Nations], the OAU [Organization of African Unity], the Non-Aligned Movement and the Commonwealth, the organizations said Codesa II "had demonstrated a commitment to the people of South Africa to build on the progress made thus far". The European Community later associated themselves with the statements. (BD0518)

CONSTITUTION WILL DOMINATE NEXT PHASE

Debate over the longevity of an interim constitution and the process for replacing it with a final constitution will be at the forefront of South Africa's new phase of negotiations which will follow Codesa II [Convention for a Democratic South Africa]. Codesa II instructed the management committee to convene another Codesa plenary session to adopt agreements "having regard to the scheduled adjournment of the current session of Parliament", which is scheduled to go into recess on June 26. By giving the management committee this hands-on responsibility, Codesa II in effect set up a permanent mini-Codesa. Codesa's management committee representing all 19 parties and administrations has been given the go-ahead to suspend and restructure the working groups to resolve all outstanding matters. It was understood that the committee would set up more technical committees which would be smaller and able to come to agreements much more swiftly. (BD0518)

NEGOTIATIONS UNDER PRESSURE

The failure of Codesa 2 [Convention for a Democratic South Africa] to draft a blueprint for transitional government has enormously increased the pressure on negotiators to reach agreement in time for Codesa 3 - which could take place as early as next month. The convention streamlined the negotiations by suspending the five working groups, and their task of preparing for interim government was heaped on to the high-powered 19-person management committee. Codesa 2 set no specific date for Codesa 3, but suggested it should take place before Parliament adjourns. (STR0518)

CODESA VISITORS

United Nations special envoy Chinmaya Gharekhan arrived in Johannesburg last night to attend Codesa II this week. Commonwealth secretary-general Emeka Anyaoku arrives tomorrow to observe and "assist in maintaining momentum in the transitional process". (BD/0513)

EGYPTIAN OBSERVER

For the first time in more than 30 years, Egypt sent an official envoy to South Africa yesterday. Saeed Rifaat, director of the foreign ministry's African department, is to observe Codesa II [Convention for a Democratic South Africa]. (BD/CIT0515)

PAC STILL FIRMLY REJECTS CODESA TALKS

The Pan Africanist Congress (PAC) yesterday said attempts aimed at forcing it to join Codesa [Convention for a Democratic South Africa] would not succeed. The PAC's director of information and publicity, Mr. Waters Toboti, said this after a three-day meeting of the 34-member national executive committee held in Johannesburg at the weekend. "We are not in speaking distance of Codesa. Those who have been trying

to force us into it are going to be disappointed." (SOW0518)

CODESA AGREES ON JOINT CONTROL OF SECURITY FORCES BY INTERIM GOVERNMENT

Codesa [Convention for a Democratic South Africa] delegates have agreed that all security forces should be placed under the joint control of an interim government and that the electronic media be regulated by an independent body. Codesa also said yesterday that Inkatha Freedom Party (IFP) had indicated it would now sign the convention's declaration of intent. (BD/CIT/BLD/CP/CT/NM/PAT/PN/RAP/SOW/STR/TVL/VW/WM0513)

NEW CONSENSUS ON ARMY

The Government and the ANC [African National Congress] have reached basic agreement on the composition and functions of a new defence force which would incorporate elements of the ANC's armed wing Umkhonto we Sizwe, other paramilitary units, the South African Defence Force and the TBVC armies. Defence Minister Roelf Meyer said yesterday that the ANC and the Government had made this progress in bilateral discussions. (STR/CIT/BD/BLD/CP/CT/NM/PAT/PN/RAP/SOW/TVL/VW/WM0514)

DEFENCE BUDGET LOW DUE TO PEACE OUTBREAK

South Africa's annual defence budget would be running at R17,5 billion and upwards by now - instead of the present R9,5 billion - if peace had not broken out in the region, Vice-Admiral Paul Murray, the South African Defence Force's (SADF) Chief of Staff, Finance, said this week at a briefing on the SADF's 1992/93 budget, to be debated in Parliament next week. The present R9,5 billion annual budget estimate was based on strategic guidelines given by the Cabinet to the SADF 18 months ago. These guidelines were : - An internal

political settlement by 1994. "That now looks like being earlier," Admiral Murray said. - No conventional attack on South Africa for the next 10 years. - The main threat area for the next five years would be internal. - The SADF must remain a credible deterrent force against potential threats from its neighbors. - The SADF should avoid combat on South African soil. If war were necessary, it should be fought on foreign soil, which would demand the ability to maintain long supply lines. - The key South African armaments industries should remain until 1994 because the arms boycott had forced South Africa to develop unique arms which could not be maintained and renewed from abroad. (STR/CIT/BD/BLD/CP/CT/NM/PAT/RAP/SOW/TVL/VW/WM0514)

PACT AIMED AT ENDING TRAIN VIOLENCE

Spoornet, the South African Rail Commuter Corporation (SARCC) and representatives of political organizations, trade unions, churches and civic organizations will sign an agreement today aimed at ending train violence in Johannesburg. This follows last week's Reef train boycott, described by African National Congress (ANC) PWV [Pretoria-Johannesburg Region] spokesman Ronnie Mamoepe as a "rolling success". "Spoornet has agreed it will make R500m available for the upgrading of security on trains and at stations," he said. (BD0512)

PAC LAYS DOWN THE LAW TO OAU DELEGATES

The PAC [Pan Africanist Congress] told the visiting OAU [Organization of African Unity] delegation yesterday not to think about investigating the activities of its military wing, the Azanian People's Army (APLA), or of the ANC's [African National Congress] Umkhonto we Sizwe. PAC national organizer Maxwell Nmadzivhanani told a news conference the PAC understood that the OAU was supportive of liberation movements. "At our meeting (yesterday), we made it clear that activities of liberation armies ... do not constitute public violence." (BD0512)

THERE WERE NO MISDEEDS - PRESIDENT F.W.DE KLERK

President F.W. de Klerk yesterday categorically denied that either he or any of his colleagues planned "any misdeeds, kidnaps or contraventions of the law" at State Security Council (SSC) meetings. The ANC [African National Congress] insisted yesterday that the published document demonstrated beyond dispute that "murderous activities ... are integral to the strategy of the National Party Government to destroy its political opponents by fair means or foul". ANC spokesman Gill Marcus also pointed out that "the man (General van der Westhuizen) who issued the instruction (to "remove the men from society permanently") was now head of Military Intelligence. "The ANC has said that the violence racking the country is orchestrated. The responsibility of the Government is to look inside itself and to find out how a man, who has issued these instructions, was promoted." (STR0514)

UNIT TO PROBE SAP

A separate unit to investigate charges against policemen would be established, Law and Order Minister Hernus Kriel said during his budget vote in Parliament yesterday. (BD/CIT/BLD/CP/CIT/NM/PAT/PN/RAP/SOW/STR/TVL/VW/WM0514)

MANDELA TURNS DOWN AWARD FROM TURKEY

ANC [African National Congress] president Nelson Mandela yesterday declined an award from the Turkish government because the country's (Turkey) leading anti-apartheid campaigner has been in and out of detention since the early 1980s. (BD/CIT/BLD/CP/CT/NM/PAT/PN/RAP/SOW/STR/TVL/VW/WM0513)

MANDELA "RUDE" SAY TURKISH NEWSPAPERS

Turkish newspapers have lambasted ANC [African National Congress] anti-apartheid leader Nelson Mandela for rejecting Turkey's peace award named after its national hero, Mustafa Kemal Ataturk. "Turkey

valued the struggle of this man ... and awarded him this Ataturk peace prize. (But) he has been rude enough to refuse it. (CIT/BD0515)

DATES SET FOR DE KLERK'S VISIT TO JAPAN

President F.W. de Klerk's office yesterday confirmed reports from Tokyo that he would pay an official visit to Japan from June 3 to 6. He was due to call on the Japanese emperor and hold talks with Prime Minister Kiichi Miyazawaki and business leaders. It is understood that his trip would include stops in Singapore and Russia, where he was scheduled to meet President Boris Yeltsin.

EXPLAIN CAMP DEATHS, ANC URGED

The Black Sash yesterday called on the ANC [African National Congress] to identify and act against members responsible for the killing of colleagues in ANC camps between 1976 and 1990. National President Jenny de Tolly and her predecessor Mary Burton said, they were responding to reports about an alleged ANC document which names 265 people who died in ANC camps in suicides, executions and shooting incidents. "Reports of executions and other deaths in ANC camps serve to underline this harsh reality. If the allegations are correct, the ANC cannot escape responsibility for the actions of its officers." Even if prisoners were convicted of espionage and treachery, they had to be treated in terms of the Geneva Convention, they added. (STR0514)

POLL WITHOUT WINNERS

If an election were held in South Africa today, no one would win. The African National Congress (ANC) would poll between 40 and 45 percent; the National Party (NP) about 25 percent and Inkatha around 10 percent. These are the findings of a survey of 2 000 respondents by the Human Sciences Research Council. The survey indicates that the ANC has consolidated its position among all but rural Zulu speakers, with about two thirds of black support.

The NP may gain up to five percent of black votes. Inkatha Freedom Party (IFP) has the support of 43 percent of rural Zulus and eight percent of city Zulus. (CIT/BD/BLD/CP/CT/NM/PAT/PN/RAP/SOW/STR/TVL/VW/WM0515)

COMORES URGES RETHINK ON SOUTH AFRICAN MISSION CLOSURE

The government of the Comores has urged South Africa to reconsider its decision to close its diplomatic mission in the Indian Ocean island state. Comores' Foreign Minister Said Hassane Said Hachim held talks in Cape Town yesterday with his South African counterpart Mr. Pik Botha. (CIT05013)

ECONOMIC UPDATE

TRADE LINKS WITH CHINA

The Northern Transvaal Chamber of Industries (NTCI) on Tuesday reached a co-operation agreement on trade links with the China Chamber of International Commerce (CCIC). A CCIC delegation headed by vice-chairman Song Fangcheng met the executive Director of the NTCI, Mr. John Toerien, to discuss mutual co-operation and trade possibilities between mainland China and South Africa. (SAPA0513)

TRADE TALKS OPEN IN LAGOS

South African businessmen seeking joint ventures and other trade deals opened talks in Nigeria yesterday after an ice-breaking visit by President F.W. de Klerk. The group, organized by the South African Foreign Trade Organization (Safto), has members from the banking, chemical, oil, agriculture, engineering, publishing and shipping sectors. (BD//CIT/BLD/CP/CT/NM/PAT/PN/RAP/SOW/STR/TVL/VW/WM0513)

GERMAN LABOR TEAM IN SOUTH AFRICA

A seven-member German parliamentary labor committee arrived

in South Africa yesterday to study developments in South Africa's labor and social affairs sector. A statement from the German embassy in Pretoria said the delegation, headed by its chairman Gunther Heyenn, represented the three major political parliamentary parties - the Christian Democratic Union, Social Democratic Party and the Free Democratic Party - as well as the smaller Party of Democratic Socialism. It will be meeting representatives from government, Parliament, Codesa [Convention for a Democratic South Africa] and Unions from across the political spectrum. SAPA [South African Press Association] reports that a 25-man trade mission from the Portuguese territory of Macau is visiting South Africa. It includes government and private sector representatives. (BD0512)

WORLD BANK POISED TO ENTER SOUTH AFRICA - AND FUNDING MAY TOTAL \$1bn

The World Bank was ready to move into South Africa, probably with more than \$1bn in funding, to begin full-scale operations as soon as it received an invitation from an interim government which had created a stable framework in which it could operate. Bank vice-president Timothy Thahane, interviewed in Johannesburg yesterday, was unwilling to state the amount of annual funding the bank was likely to earmark for South Africa, but indicated indirectly it was likely to be upward of \$1bn. (BD0515)

NEW YORK SANCTIONS COULD BE LIFTED WITHIN WEEKS

New York Mayor David Dinkins said yesterday that he was not going to lift the city's sanctions to South Africa yet, but indicated he might do so in "a matter of weeks". In a statement issued at City Hall, the mayor said sanctions would be lifted when "the prospects for the establishment of an interim government in South Africa appear to be very good". Mr. Nelson Mandela had asked New York City not to lift economic sanctions against South Africa until

Blacks had achieved political power there, the New York Times reported yesterday. (CIT/BD0515)

SOUTH AFRICA IN SANCTIONS TUG-OF-WAR AT BANK MEETING :

South Africa's first official delegation to a meeting of the African Development Bank argued against economic sanctions yesterday while the ANC [African National Congress] urged their retention. (BD/CIT/BLD/CP/CT/NM/PAT/PN/RAP/SOW/STR/TVL/VW/WM0513)

LIFTING OF SANCTIONS TIED TO NEGOTIATIONS

Commonwealth secretary - general Emeka Anyaoku said yesterday the lifting of Commonwealth trade and investment sanctions would largely depend on the success of Codesa II [Convention for a Democratic South Africa]. Anyaoku, in South Africa to meet political leaders and observe Codesa II, said he would report his findings to a committee of Commonwealth foreign ministers. (BD0515)

U.S. IN BID TO HELP BLACK ENTREPRENEURS

A Bill has been introduced in Congress to establish a \$240m fund to help black South Africans acquire or establish private businesses. (BD0513)

OUTPUT FALL KEEPS SOUTH AFRICA IN RECESSION

South Africa remains firmly in the grip of recession, with latest figures showing one of the largest quarterly declines in national output in more than two years of steady economic contraction. Central Statistical Service (CSS) figures showed national output, as measured by the inflation-adjusted change in GDP, declined 1,9% in the three months to March in seasonally adjusted terms from a decline of 0,6% in the fourth quarter of 1991, and growth of 0,5% in the third quarter. The CSS said the fall in GDP in the first quarter of this year was the largest quarterly decline

recorded since the three-month period to December 1989 when GDP fell 2,0%. (BD0515)

EDITORIAL COMMENT: BUSINESS DAY: "AFTER THE STALL"

A double-dip recession looked a racing certainty for the U.S. economy until interest rates were slashed to 30-year lows; it looked odds-on for the British economy until the Tories were surprisingly easily re-elected; now, finally, the only Western economy to enter a recognizable double-dip recession in the current global growth downturn is South Africa's. The GDP figures for the first quarter released yesterday complete the classic pattern of an economy that looked as though it was gaining altitude after weathering the worst of a recession, only to perform an almost aeronautical stall and plunge headlong once more into decline. In the case of the U.S. and U.K., whose economies also stalled as their recessions bottomed out, quick action on the flight decks preserved their respective rates of climb. Last December the U.S. cut interest rates to their lowest levels since the 1960s; retail sales and industrial production seem, at this stage, to have responded. In the U.K. the unexpected re-election of the Major government last month has apparently given the crew the extra confidence and strength needed to pull back the control column and stabilize the economy's flight path. In South Africa's case, however, neither emergency drill is available to the economy's commanders. Interest rates cannot be cut because of the need to preserve positive real rates of return while inflation is high, and confidence is in short supply pending a pick-up in the momentum of political reform and a reduction in levels of domestic civil unrest. However, barely perceptible in the gloom of the biggest quarterly fall in economic activity since the current recession began are pin-pricks of light. These suggest that the first quarter's slump will eventually unwind and that growth will resume in the second half of the year. Unlike the stutterings in the U.S. and U.K. recoveries, which were caused by broad-based weakness across many

sectors of their economies, the first quarter nosedive in the South African economy portrayed in yesterday's figures is narrowly focused. Agriculture is over-whelmingly responsible for the slump. Agriculture is suffering not from economic, political or social problems but from the one complication that no terrestrial policy change can remedy - drought. (BD0515)

DROUGHT AID PACKAGE

The Department of Agriculture has set aside R5 million in drought-aid for workers on farms, dispelling claims by Cosatu that they had been neglected. The Deputy Minister of Agriculture, Mr. Tobie Meyer said the Department of Health and National Population Development had also earmarked R20 million for poverty relief, plus a R10 million grant to "operation hunger". Another R130 million had also been given to the self-governing territories. (SAPA0512)

SOCIAL UPDATE

HEALTH CARE TO BE DECENTRALIZED

The creation of regional government with responsibility for health services in a circumscribed geographical area under a new constitution would form the foundation for the restructuring of health care in South Africa, Deputy National Health Minister Fanus Schoeman said last night. "A single authority will be responsible for the delivery of specific health services within the borders of each of these geographical areas," Schoeman said at a Medical Research Council function following the tabling of the council's report in Parliament yesterday. (BD0512)

DE LOOR-POLICY

All South Africans would eventually have at least a formal four room house, secure tenure, access to potable water, an energy source and refuse removal, the DE LOOR commission into housing proposed. The report, released in Cape Town on Wednesday, said its long-term vision

of a home for all should provide access to employment opportunities and community facilities. In the short-term the government would have to take responsibility to achieve the housing goal and progress and achievement be discussed regularly in Parliament. To achieve this within the shortest possible time, a sustainable and comprehensive housing delivery process should : - enable the Housing Sector to make the optimum contribution towards a properly functioning, non-racial, democratic society and economy - provide access to secure and affordable housing for all - protect consumer, investor and community interests sufficiently - promote home ownership - contribute to correcting the distorted spatial structure of South African cities. (SAPA0513)

HOUSING REPORT : SOUTH AFRICA NEEDS UNIFORM POLICY

A uniform, non-racial, market-orientated policy with maximum private sector participation and community involvement under the jurisdiction of a single National Housing Department forms the cornerstone of the De Loor Commission's proposals on a policy and strategy for housing in South Africa. The report says it is clear that government spending on housing should be increased from the present R1,6 billion for capital expenditure to about R3,5 billion and be sustained over the longer term. Some other important principles in the report are : - Savings from duplication elimination will mean additional taxation should be unnecessary; - Cuttings through red tape to achieve objectives quicker and at a lower cost by removing or amending many complicated and time-consuming regulations; - Creating a system of quick and effective land provision and advance planning; - Depoliticizing housing because progress is hindered by strife and disharmony. (CIT/BD/BLD/CP/CT/NM/PAT/PN/RAP/SOW/STR TVL/VW/WM0514)

20 000 HOUSES GIVEN TO RESIDENTS

Almost 20 000 township houses in the PWV [Pretoria-Johannesburg

Region] had been transferred free of charge to residents under either lease-hold or full ownership arrangements, a TPA [Transvaal Provincial Administration] spokesman said yesterday. The proposal stemmed from the Greater Soweto Accord signed by local civic and government authorities in September 1990. (BD0514)

ESKOM TO TAKE ON TOWNSHIP SUPPLIES

Eskom was negotiating with more than 100 black local authorities to either assist in the provision of electricity or take over supply rights and assets, a spokesman said yesterday. The negotiations form part of Eskom's electrification drive, which aims at supplying up to 170 000 houses a year for the next five years. (BD0514)

AIDS

By the year 2000, between 19 and 40 percent of South Africa's total health care budget will be spent on treating aids patients, at a cost of between R4 billion and R10 billion, the Medical Research Council (MRC) says. Their projections indicate that, by the turn of the century, there will be between 3,7 and 4,1 million HIV infected people in South Africa - between 255 000 and 259 000 people ill with aids - and between 197 000 and 203 000 deaths from aids. (SAPA/STR0512)

MINISTER TO HEAD TOURISM DELEGATION TO EAST

Dr. Org Marais, Minister of Administration and Tourism, will head a delegation of hoteliers, airline and civil aviation leaders to the Far East from May 14 to 24 to promote tourism and trade. Dr. Marais was invited by the Malaysian Minister of Transport to visit Kuala Lumpur and hold discussions of matters of mutual interest, and the establishment of air services and tourism between the two countries. (CIT/BD0512)

NEW TOURISM PACKAGE TO SPUR ECONOMY

Government has committed itself to sweeping deregulation of the tourism industry, including the repeal of five Acts and are vision of liquor laws and legislation restricting Sunday activities. The White Paper on tourism as tabled in Parliament yesterday and released to the public at the Indaba '92 conference in Durban by Tourism Minister Org Marais. The Industrial Development Corporation (IDC) is to make R600m available for investment in new game reserves and accommodation in a bid to promote eco-tourism in South Africa. (BD/CIT/BLD/CP/CT/NM/PAT/PM/RAP/SOW/STR/TVL/VW/WM0513)

EDUCATION CRISIS CAN'T WAIT FOR CODESA - EXPERT

The education crisis is too urgent and desperate for South Africa to await the development of a new constitution at Codesa [Convention for a Democratic South Africa]. So says human resource specialist Johan Swanepoel, sending a challenge to South Africa's politicians in the run-up to a major conference next week on education entitled Education Enrichment - a Time for Action. (SOW0518)

RAMSAMY TO ARGUE FOR LARGER OLYMPIC TEAM

Ramsamy, chairman of the National Olympic Committee of South Africa (Nocsa), told a Press conference yesterday he would go to the International Olympic Committee headquarters in Lausanne to discuss the size of the national squad with IOC officials. Ramsamy said Nocsa had trimmed the projected size of the South African squad to 125, "which we feel is realistic in the circumstances, although we would have liked to have sent more". Then the organizing committee had said the teams must be limited to 50 competitors and 18 officials because South Africa was a late-entry country. (CIT/BD/BLD/CP/CT/NM/PAT/PN/RAP/SOW/STR/TVL/VW/WM0514)

GREEK JOURNALISTS IN SOUTH AFRICA

A group of Greek journalists has arrived in South Africa on a fact-finding mission as well as to film a documentary on how Greece stashed about 200 million in gold in South Africa during World War II. (SAPA0513)

R300M TO UPGRADE HOSTELS

The condition of hostels was unacceptable and government was making R296,6m available in the 1992/93 financial year for their conversion and upgrading, Local Government and National Housing Minister Leon Wessels said yesterday. Government, with the provincial administrations, was also going to institute a mechanism to co-ordinate urbanization. (BD/SOW0515)

Note: The current exchange rate is US\$1.00 = R2.85

SOURCES

Sources from which this newsletter is compiled are:

Sowetan (SOW), Citizen (CIT), Business Day (BD), Star (STR), Natal Mercury (NM), Pretoria News (PN), Beeld (BLD), Sunday Times (ST), Sunday Star (SSTR), Argus (ARG), City Press (CP), South African Press Association (SAPA), Transvaaler (TVL), Sunday Tribune (STRIB), Cape Times (CT), Weekly Mail (WM).

Circulation Figures:

Business Day (BD) - 32,000
Beeld (BLD) - 62,000
Citizen (CIT) - 242,000
City Press (CP) - 128,000
Cape Times (CT) - 119,000
Natal Mercury (NM) - 62,000
Pretoria News (PN) - 42,000
Rapport (RAP) - 360,000
Sowetan (SOW) - 200,000
Sunday Times (ST) - 530,000
Transvaaler (TVL) - 42,000
Weekly Mail (WM) - 27,000

NB: This news summary reflects the wording and terminology of various newspapers. It does not reflect the views or choice of words of this Consulate General. Comments are welcome.