

APIARYT A

V 3

' G?L,? SNeau!gâ\200\230gos&m 59-

hamper black

development,bc

claims banker

Financial Reporter

LOOSE drafting of laws governing ownership of land in townships in the homelands is delaying the next stage of commercial development of blacks, particularly in Natal, according to a Durban banker. ;

Despite a new Government promulgation in October last year which, among other things, liberalised the definition of ownership of property in homeland townships, banks and building societies have been reluctant to make more loans to blacks, said Mr Wellington Mtshali, development manager with the Standard Bankâ\200\231s Natal head office in Durban.

â\200\234The wording of the relevant sections is sufficiently loose in its definitions of ownership to make the financial institutions very scared â\200\224 realistically scared â\200\224 of accepting property as security for loans,â\200\235 he said in an interview.

â\200\234For example, deed of grant holdings of land or buildings may be terminated at the whim of the township superintendent or manager. This definition, therefore, is not really ownership at all: it is having the land

MR MTSHALI
for use and enjoyment.â\200\235

With something like two million blacks living in about 30 homeland

townships in the Natal region, said Mr Mtshali, it was easy to see that this area of the country

was more discriminated

against than others by the new regulations.

â\200\234Of course people will say: â\200\230What about Soweto?â\200\235 The answer to that is quite simple: Soweto is part of South Africa, not a homeland, and the same laws of ownership that apply to other race groups in this country apply to Sowetans to a certain extent .

â\200\234And the other national states are not affected by this because they

are governed by their own laws.â\200\235

Banks and building societies were also put off by the complicated procedures that have to be followed to register bonds for township prop-

erties, said Mr Mtshali.

â\200\234For instance, where a property is the subject of a bond, it has to be evaluated and the evaluator must know the market. It cannot be said that this market is known at all â\200\224 at this stage anyway,â\200\235 he said.

In addition legal problems existed. Recognised procedures were followed where property was accepted as security for loans given to other race groups. There was one property register for property owned by other race groups in the Republic, but a variety of authorities presided over black land use.

â\200\234The black people are ripe to move on to the next stage of business development. We have gone from the simple

bartering stage to sophisticated forms of re-tailing.

â\200\234The potential and the labour reserves are there to develop manufacturing and trade. But, for this, easy access is needed to loans.â\200\235

|0_"20

AROUND THE WORLD

HIGHLIGHTS

from The Financial Times, London.

LONDON The recent near collapse of Johnson Matthey bankers here

was largely caused by the severe financial dif-

ficulties facing a little-known Liberian compa-

ny called El Saeed group which had run up large shipping debts.

This has been confirmed by sources close to the investigation set up by the Bank of England after the dramatic rescue at the beginning of this month.

The owner of El Saeed, Mr Mahmoud Sipra, also confirmed

that his group is making :

losses, although he in-

sists he is still trading and expects to return to profit once the shipping market recovers. .

Although El Saeed is not JMBâ\200\231s only troubled

borrower, it is under-

stood to be the single largest source of concern. The company is now being investigated by Price Waterhouse, the accountants appointed by the Bank of England to report on JMBâ\200\231s financial condition.

The size of El Saeedâ\200\231s debts has yet to be established.

*x Kk K

TOKYO: Japanâ\200\231s electronics industry contin-

ued to report strong
profits gains, with Fujit-
su, Mitsubishi Electric

and OKki Electric all

Tee M,Lym%

~ turning in bumper re-
turns for the six months
ended September, 1984.
The three companies
have increased sales by
an average of 28 percent

- for the half-year while
recurring profits have.

bounded ahead by 63
percent on average, with
Oki achieving the shar-
pest individual profits
gain â\200\224 up 78 percent to
7,6-billion yen.

Fujitsu boosted half-
year recurring profits to
54,1-billion yen with net
profits of Y27,2-billion,
up 42 percent sales rose
to Y580-billion, up 31 per
cent.

*x Kk Xk

WASHINGTON: World
terrorism is on the rise
and growing increasing-
ly bloody, with U.S. in-
stallations abroad the
No 1 target, the Ran
Corporation reported.

The report came hard
on the heels of a harsh
warning by Mr George
Shultz, the U.S. Secre-
tary of State in which he
called for public support
for a no-holds-barred
military approach to
combatting terrorists
along the line adopted
by Israel.

The Ran Corporation,
a California-based pri-
vate policy and research
organisation, said that
1983 had been the bloo-
diest year yet for world

terrorism, with 720

:

LaoSE LHWS //i~\202mĩ~\201e;e Kbĩ~\201u

-Ae VE LDPME/Vâ\200\230;' C i~\201

W{ gĩ~\201

â\200\230 /Vk%

deaths and 963 injuries,
despite the success of
some governments in
tightening security.

* *x %

LONDON: The British
Government and its fi-
nancial advisers appear
cautiously confident that
the sale of British Tele-

| com shares planned for

next month will raise
close to the Â£4-billion
target originally set for
the flotation.

This emerged after -
publication of the pre-
liminary â\200\234pathfmdrâ\200\235
prospectus for the issue,
which forecast a pre-tax
profit of at least Â£1,35-
billion for BT in the
year to March, up from
Â£990-million last year.

Pricing of the issue
will not be finally decid-

| ed until the middle of

next month, after fur-
ther soundings have
been taken among finan-
cial institutions in the
U.K. and overseas. But
the latest indications are
that the proceeds could
amount to at least Â£3,7-

billion.

rmed

as not

only morally Unacceptable
but logistically foolhardy.

few South Africans have

been as vigorous and outspo-

ken as the chief in his Opposi-

tion to apartheid. In this his

attitude has never changed

Depression

WHILE Britain and other
countries Prepare to
send food and medi-
cine to the starving people of

Ethiopia, that country's govern-

ment refuses to allow mil-

itary transporters to fly sup-

plies in, claiming on one hand

that the capitalists are using

the occasion to make propa-
ganda, and on the other that
the West is delaying aid in

order
from the time when,
private citizen, he re-
mained silent:

never be 3 N
pet. It might be
make use of his
influence and talents,

Cynicism

Marxist government.

Cynicism is only heightened
by reports from Moscow that

3 who are
threatened by the

is a case of not knowing
whether to laugh or cry.

*

the hope of bringing down the

Such
owing