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focus on the economy

Sowetan 16-08-93

The engine of any programme of reconstruction is the creation of a dynamic economy oriented to developing the human, productive and technological potential of the country, and meeting the needs of its people.

This concept of a people-driven economic transformation is at the core of our programme of reconstruction. The question that needs to be answered is: What vehicle will drive us from the moribund apartheid economy to the type of economy described above?

Cosatu's departure point is that workers ultimately have the most interest, and potentially the capacity, to ensure that our economy moves in this direction. The more our economy stagnates and shrinks, the more jobs are lost, the more workers and their families suffer.

Big business can invest in speculative ventures or move its capacity overseas, but workers have only one economy.

Therefore we need to accept that workers and their organisers are a fundamental part of the solution to our economic crisis and not the problem, as some in business and Government seem to think.

Secondly, we have to accept that the current growth path of the economy is a *cul de sac*. There is no future for an economy based on cheap labour, over-reliance on primary commodities (minerals and agriculture) and import of technology and know-how.

The most successful world economies have concentrated on developing their human resources, manufacturing industry, value-added production, and development of indigenous technology and research.

The problem until now has been management motivated largely by short-term profit, and driving their competition, where it exists, into the ground. The Government, for its part, has had no vision or strategy to address our structural economic crisis.

Strategic shift by unions

Unions have had to recognise that simply struggling for higher wages and better working conditions will not in itself resolve our economic problems: we have to make a strategic shift from resistance to transformation.

Business "solutions" to our economic crisis has been devastating for workers: mass retrenchments, extension of working hours and number of jobs performed by one worker, cutting real wages, sub-contracting, replacement of permanent with temporary workers and displacing workers with machines.

The result has been that the manufacturing sector, which should be the engine of growth of our economy, and generator of jobs, employs fewer workers today than it did in 1980.

In total contrast with the world economy,

Workers have the most interest in ensuring a dynamic economy to meet the needs of the people, says **Jay Naidoo**, secretary-general of Cosatu.



which trades increasingly in manufactured commodities, we trade in a declining share of manufactured commodities, and have had an increasing reliance on trade in primary commodities.

Between 1960 and 1989 the proportion of non-gold goods exported as raw materials increased from 40-46 percent. In the same period export of raw materials increased from 40-46 percent. In the same period export of final finished goods fell from 16 to 6 percent. Internally, our highly protected manufacturing industry concentrated on producing luxury commodities for the limited white market, a formula which soon exhausted its limits. The crisis caused in our mining industry through short-sighted exploitation of our resources has also led to massive job loss. Nearly 166 000 jobs have been lost in the mining industry alone with each mining job lost calculated to result in the loss of two other jobs.

Trade unions in crisis-riddled sectors such as mining, engineering, electronics, auto, clothing and textiles, have taken the initiative to convene industry-wide summits and task forces, involving business, labour and Government. Creative and exciting proposals have been made to restructure these industries. Many of the proposals, however, have not gone beyond the drawing board, largely because of the short-term approach of Government and the failure of business to accept trade unions as equal partners in formulating industrial strategy.

Nevertheless, proposals on restructuring have the potential to turn these sectors around, if all parties commit themselves to implementation. A new democratic government will be able to play a vital role in facilitating this by developing appropriate policies on trade and tariffs, research and technology, training and education, targeted assistance programmes for struggling sectors, and so on.

The creation of this environment will not succeed however if South African business persists in its authoritarian, top-down, unilateral style.

For industrial restructuring to succeed, we will need a radical change in business culture. This goes way beyond symbolic share ownership schemes and such like. Business will have to accept that the current definition of "managerial prerogative", which assumes that all important industrial decisions are made by employers alone, has actually become a barrier to economic

development.

For industrial restructuring to succeed, workers and trade unions will have to be part of decision-making at all levels. This includes decisions on investment, changes in production, technology, training and so on. Joint strategy implies full access to information, so that well-informed decisions can be made.

Further, there needs to be a reorientation of priorities, with training and human resources development, development of local technology, research and development, and investment in job creation taking top priority. This is the only way to unleash the productive potential of our people, which has been stifled for so long.

Stephane Garelli, author of the World Competitiveness Report, which compares the performance of different countries, identifies a key competitive advantage of the leading economies, including newly industrialised countries, as being their development of human resources. This is also the area where he puts South Africa at the bottom of the list.

Once an industrial framework is created to negotiate restructuring in each industry, such as tripartite restructuring committees, we will be able to develop a global, co-ordinated strategy to rescue our dying industries, particularly in the manufacturing and mining sectors.

Industrial restructuring cannot be devised at enterprise-level alone, although democratisation of enterprises is a key element of such restructuring. To be coherent, such restructuring will need to be planned at industry and national level and fit into an overall economic framework.

This requires appropriate institutions to ensure that the key players bind themselves to a programme.

Wages, grading, skills and training can be linked to job creation, technology policy, and other critical issues affecting the future of the industry. It is therefore extremely important that we take forward the agreement reached at the NEF to set up industry forums where no centralised bargaining structures currently exist and it is in the interests of both employers and workers that we do so if we are to arrest the stagnation and disintegration of our industries, and reorient them into a new growth path.

41 was forced to lie'

SOWETAN

16 / 08 / 93

By Mzimasi Ngudle

THE MAN who last week claimed police fermented and took part in violence in East Rand townships retracted his allegations before the Goldstone Commission yesterday and said he made the allegations under duress.

Mr Bongani Mbatha (22), who was captured by Phola Park residents after they suspected that he was a police spy and Inkatha Freedom Party (IFP) member, and paraded by the local ANC leadership on Saturday, told the commission he concocted his story after he was severely beaten by his abductors.

Witwatersrand police spokesman Brigadier Zirk Gous said Mbatha told the commission that all his allegations were untrue.

Sunday newspapers reported that a visibly terrified Mbatha admitted to reporters at a Press conference on Saturday that he was both a police spy and IFP member.

Mbatha had claimed that:

- police sometimes dropped off large supplies of weapons and ammunition at a Tokoza hostel;
- issued hostel dwellers with police uniforms;
- the IFP members infiltrated camps with police and attacked residents;
- the East Rand Internal Stability Unit (ISU) and IFP hostel dwellers wearing camouflage uniforms worked together and had been responsible for many deaths on the East Rand since July;
- IFP leader Chief Mangosuthu Buthelezi was aware of the arrangement and had even brought weapons with him to distribute to hostel dwellers during his recent tour of the East Rand last week; and

● the IFP had huge arms caches hidden in holes behind the hostel.

Gous said the Goldstone Commission, accompanied by police and ANC and IFP officials, yesterday investigated Mbatha's claims and found no weapons.

Prior to the investigation, Mbatha told the commission's investigators that he had been intimidated by his abductors to make the claims.

"Mbatha said there was nothing for him to point out because there were no arms caches at the hostel," Gous said.

"He told the investigators that he told lies because he was severely beaten."

Mbatha took commission investigators to a taxi rank where he said his abductors put him into a minibus taxi and took him to a room in Phola Park.

Blood stains

Investigators were shown blood stains on the walls of the room in which Mbatha claimed he was assaulted. Mbatha added his abductors had taken pictures of him there. Forensic tests would be conducted on the stains.

Gous said Mbatha would remain under the protection of the Goldstone Commission until his allegations of assault and earlier claims had been thoroughly investigated.

Meanwhile the IFP reportedly denied the allegations of arms caches and demanded that Mbatha be released into the care of his family and his abductors be arrested.

The ANC, embarrassed by the turn of events, yesterday said it would co-operate with the commission in its investigations.

The Daily Telegraph
London 18/8/93

South Africa drops mixed town council proposals

By Christopher Munnion
in Johannesburg

THE South African government, bowing to strong pressure from Right-wing groups, has scrapped plans to impose multiracial town councils on municipalities throughout the country by October.

Under the plans, the existing white councils and their counterparts in townships were to have been merged.

About 90 town councils currently governed by the Right-wing Conservative Party threatened to revolt against the plans.

Dr Tertius Delpert, Minister of Local Government, conceded that further negotiations were necessary. "We will be unable to pass the necessary legislation during next month's short session of parliament," he said.

Mr Pikkie Coetsee, the Conservative Party's local government spokesman, said Pretoria had realised finally that councils controlled by his party were "simply not prepared to hand over our towns to black rule".

The government had written off billions of rands in debts caused by black civic organisations refusing to allow black residents to pay for their municipal services. "Under this plan the government was trying to pass on these debts to white ratepayers," he said.

The decision to scrap the non-racial council plans has angered the African National Congress. "We just cannot allow ourselves to be blackmailed by people who threaten violence when faced with democracy," Mr Carl Niehaus, an ANC spokesman, said.

Meanwhile, the ANC has said it will co-operate with the Goldstone Commission inquiries into allegations made by an alleged police informer, Mr Bongani Mbatha, that police co-operated with the Inkatha Freedom Party in mounting attacks on township residents.

In evidence Mr Mbatha gave yesterday he claimed police had transported arms to hostels in the Thokoza township to be used by the Inkatha hostel dwellers in attacks in the area.

● A teenage boy will be formally charged today with the slaughter of 11 people in St James's Church in Cape Town last month, police said yesterday.

Four gunmen burst into the church during evening service on July 25 and sprayed automatic gunfire. More than 50 people were wounded.

Police have said that the 17-year-old, who may not be named, is a student member of the hardline Pan Africanist Congress. — AFP

Declare stand, Botha

Zambia Daily Mail

tells *16/9/77* ANC

JOHANNESBURG. - South Africa's ruling National Party kicked off its campaign for next year's historic all-race election on Saturday by challenging Nelson Mandela's ANC to make up its mind whether it wanted peace or war.

Foreign Minister P.W. Botha told the party's first formal campaign rally that the African National Congress should act against its militant youth leader Peter Mokaba following a controversial call to arms this week.

"Can't you make up your minds what you want in this country? Do you want war or do you want peace?" Botha said, in remarks addressed to the ANC.

He said it was not enough to let Mokaba, leader of the ANC's militant youth wing, continue making inflammatory statements and then retract them later. "We will not be intimidated. We are not going to lie down," he added.

Mokaba told black youths at a funeral to stop shooting into the air and "direct those bullets against (President F.W.) De Klerk."

He also called for the dismantling of migrant-worker hostels occupied by the rival Inkatha Freedom Party and said soldiers and police should be driven from the black townships.

Roelf Meyer, chief government negotiator at multi-party democracy talks dominated by his party and the ANC, told the National Party rally that the party would guarantee a democracy free from minority domination. "We want to be builders and we want to get rid of the breakers in our society. We want a democracy in which there will be no room for the Mokabas and the other breakers of this world," he said.

Police are already considering whether to bring charges against Mokaba for fanning racial tension by leading youths in the guerrilla chant "kill the boer, kill the farmer."

The ANC repudiated his latest remarks on Friday, but made no mention of distancing him.

Meyer said negotiators

were making steady progress towards the first all-race election currently scheduled for April 27, but he said key differences over the powers of regional governments remained to be settled.

Conservative Party leader Ferdi Hartzenberg told his white separatist movement at a conference he would try to force a postponement of the April election. "It cannot and must not take place within the present violence... we will deal with the violence and make sure there is peace in South Africa," he said.

Meanwhile, Mandela on Saturday embraced the first black woman to win the Miss South Africa title as a powerful force for peace.

Speaking to AFP after a brief meeting in his office here with Jacqui Mofokeng, a 21-year-old business student and model from Soweto, Mandela said he had used the meeting as opportunity to extend our congratulations to her.

"She is a young lady I will respect her and I will love her," he said.

The crowning of Mofokeng as Miss South Africa on August 7, provoked an angry response from many whites, who described her selection as tokenism and claimed the contest had been rigged.

Zulu Chief Mangosuthu Buthelezi's Inkatha Freedom Party, have ruled out an early return to multi-party democracy talks.

Inkatha chairman Frank

Mdlalose told state television after a day-long meeting of the policy-making central committee on Saturday that Inkatha would not end its boycott of the democracy talks until a court dispute over negotiation procedures had been resolved.

"Before that is worked out, we cannot even consider going back to the negotiating forum," he said.

- ZANA/Reuter.

16/1/11

16/1/77

Bahambe ekambuyaze bethi bayophazamisa umqhudlwano

LINDA NTSELE
ISIGEJANA sentsha yabalandeli be-African National Congress (ANC) eBophuthatswana siphume ekambuyaze ngesime ekamazama ukuphazamisa umncintiswano wokukhethwa kukanobuhle weSouth Africa ngempelasonto.

Kuthiwa lentsha ye-ANC ebizwakalisa ukungeneliswa ngokungamekwa kwabaMnyama ngokwanele kulomqhudlwano, ibithi awungabibikho.

Usihlalo wekomiti elihlela umqhudlwano kaMiss South Africa, uMnuz. Peter de Klerk, utshele ILANGA esegoli ukuthi imizama yokuphazamisa lomcimbi ayiphumelelanga.

UMnuz. de Klerk uthe lentsha ibikhala kakhulu ngokuthi ngesikhathi kuhlungelwa owamanqamu, abaNyama bebeyingcosana kuwona,

isho nokusho ukuthi bekwande izintokazi zabeLungu. Uthe okumthokozi sayo wukuthi bezikhona izikhulu ze-ANC ebezethamele lomqhudlwano, futhi zenelisekile ngemiphumela yamajaji.

Ebuzwa yiLANGA ukuthi abaNhlophe bamemukela kanjani uzime omusha waseSouth Africa uthe, ngokwakhe iningi labo likushaye ihlombi ukukhethwa kukaJacqui Mofokeng (21). Uthe okufanele kucacele umphakathi ukuthi lomqhudlwano awuhlangene nakancane nepolitiki.

UMnuz. de Klerk ukuphikisile ukuthi ukukhethwa kukaJacqui kungenxa yokusabela isimo sezombusazwe esiguquguqukayo kuleli. Uthe: "UJacqui ubefanele ukuhlwitha lesisicoco ngenxayekhono lakhe emkhakeni wokumodela. Uyiintokazi ezethembayo futhi ekhaliphile enazo zo-

nke izinto ezidingeka kumuntu ofanele ukuthwala isicoco sikaMiss South Africa."

Oyinhlobo yezimidlalo ku-ANC, uMnuz. Steve Tshwete, ukuvumile ukuthi inhlangano yakhe ibishaya phansi ngonyawo ingafuni ukuba lomqhudlwano wenziwe kulendawo. Uthe imbange la yokwenqatshwa kwawo ngamalungu enhlangano yakhe yingenxa yemibhikisho ekulendawo yokufuna inkululeko kwezombusazwe nguMongameli waseBophuthatswana, uMnuz. Lucas Mangope.

UMnuz. Tshwete uthe okubhule lomlilo ngumhlangano obekhona phakathi wekomiti le-ANC kulendawo nezikhulu ezihlela umncintiswano kaMiss South Africa. Uthe ngenxa yokuthi bese bewenze wonke amalungiselelo awo, kubelukhuni ukuba bashintshe indawo.

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IFP refuses to rejoin talks

Sowetha

16 - August - 93

THE Inkatha Freedom Party at the weekend said it was staying out of constitutional talks until crucial decisions taken by negotiators without its approval are set aside. The IFP has launched a court application to set aside decisions including the setting of the date for the first non-racial elections.

"As a condition of our returning to the negotiation process it must be ensured that the decisions to which we objected and which were taken without our participation are set aside," the IFP said in a resolution taken at a meeting of its central committee in Ulundi.

The IFP's decision-making body also called for the halting of the current negotiations, saying the talks could not guarantee freedom and democracy.

"We condemn and deplore the continuation of the negotiation process in spite of the absence of the IFP, and the disregard of the fundamental objections

of the IFP," it said.

It also said its objection to the use of the sufficient consensus principle in reaching agreements at the constitutional talks should be resolved before its negotiators take their seats at the talks.

"The process of negotiations as presently conceived and conducted cannot be salvaged, nor can true federalism, freedom and democracy for all be guaranteed in our country unless the present course of negotiations is arrested and reshaped to very different purposes and objectives."

The committee said these objectives were the establishment of a federal republic of South Africa under a final constitution and prior to the next elections. The IFP said the holding of the elections, which negotiators have set for April 27 next year, should only be held once a full and final constitution had been adopted. — Sapa.

Bloodshed 'keeps economy balanced on a knife-edge'

SA's longest recession on record was technically over but bloodshed and political anxieties remained serious obstacles on the road to recovery, analysts said at the weekend.

The Board of Executors' investment house portfolio manager Rob Lee said hopes for recovery and investment were poised on "a political knife-edge".

Much would depend on a successful transition to democracy. The April elections had to look free, fair and peaceful and the next government had to assure investors of sound economic management.

Analysts said investors remained concerned about the violence, which has escalated since the election date was set on July 3.

More than 9 000 people have been killed since government began to dismantle apartheid three years ago.

Official data on Thursday showed the economy had grown for the second quarter in succession by mid-year, statistically signalling an end to four years of recession.

The latest inflation figures suggest it might be possible to bring the rate below 10% in 1993 for the first calendar year since 1973.

World prices for gold, SA's chief export, have dipped below \$370 from nearly \$410 at the end of July, but remain well above \$329, the average for the first quarter.

But, despite seasonally adjusted annualised growth of 5.1% in the quarter to June, economic output in the first half of 1993 was still 2% down on the same period of 1992.

The second-quarter growth was largely the result of a recovery in farm output after last year's severe drought. Apart from agriculture and mining, the economy remains in the doldrums.

Most analysts expect no growth for the full year, saying the country should not expect much recovery driven by investment or consumption until after the elections.

"It's a bit premature to say we're out of recession," said Sanlam chief economist Johan Louw, noting that foreign economies whose health was vital to South African hopes of export-led recovery remained sluggish.

"On the political front, the situation is still very uncertain. As long as that remains so, investors and consumers will not be inclined to spend."

Finance Minister Derek Keys said last week there was a desperate need to create jobs and tackle inadequate investment in new productive capacity. There were 300 000 new job seekers every year but no new jobs had been created in more than a decade. "This, and nothing else, is our fundamental economic problem," he said. — Sapa-Reuter.

Rent boycott pact an error — Mayekiso

GAVIN DU VENAGE

THE agreement clinched last week to end the Soweto rent and services payment boycott was a mistake, SA National Civic Association (Sanco) president Moses Mayekiso said last week.

Although Sanco affiliates in Soweto were party to the deal, Mayekiso said the association would not support it. The agreement set a tariff of R45 per household a month, and involved the creation of a committee to oversee payments and deal with day-to-day problems that might arise in its implementation.

Mayekiso said Sanco would not interfere with the efforts to get residents to pay the tariff, but he doubted if they would work. The basic causes of the payments boycott had not been removed, he said.

These included the non-delivery of services, illegitimate local government structures and poor administration of black areas. Until firm steps towards a single tax base for each municipal area and a non-racial system had been taken, it would be difficult to convince people to pay.

Sanco wanted the introduction of joint local government administrations as soon as possible, Mayekiso said. Until this happened, boycotts would continue.

It would be difficult, for instance, to get people on the West Rand to begin paying, while those in East Rand townships kept up a boycott.

"What we should be concentrating on, instead of wasting resources, is the destruction of black and white local authorities, and replacing them with democratic structures," Mayekiso said.

COMMENT

Firebrands

IT serves no purpose to berate firebrands like the ANC's Peter Mokaba, who catch fire so easily when fanned by an emotional crowd, for their outrageous statements. It is the more mature leaders who should be searching their hearts about the violence threatening South Africa's future.

Mokaba might be the one who is stirring things up, but his words are given credence in the black community by the more measured accusations, particularly against government and the security forces, by his seniors.

Nelson Mandela does not say the army and police should be driven from the townships. But he loses no opportunity to blame them for the violence, thus obscuring the truth: that violence is largely the result of a power struggle between his own followers and those of Inkatha leader Mangosuthu Buthelezi, or the work of criminals. Facing the truth is more necessary than ever now that thoughts are turning to electioneering, and away from achieving reconciliation between people divided so long by apartheid.

Mandela the statesman is giving way to Mandela the election campaigner. He told Radio Zulu listeners last week that the police and South Africa's "white oppressors" were responsible for the violence, and that the carnage was the continuation of the old policy of white supremacy. Mokaba could hardly have asked for a better cue.

The expedient tactic now is to move away from the "third force"

allegation and target the security forces as the armed wing of an NP intent on crippling the ANC. Mandela told the estimated 5-million listeners there were differences between the ANC and Inkatha, but the primary cause of violence was the police. Quite without factual basis, he went on to say that various commissions, both local and international, had found that the police were mainly responsible for fomenting violence. In fact, the Goldstone commission found there was no evidence to support this claim.

Mandela knows as well as anyone that, for all their faults and criminal lapses, the security forces have prevented worse violence. Though they have been denied even common respect because of the campaign against them, many young policemen have died serving the community. Far from seeking to make their task easier, ANC leaders are making it more difficult.

The status and legitimacy of the security forces would improve under the control of new commanders and the supervision of a transitional executive council, just as the status of other authorities would be enhanced by democracy. But these same security forces, already manned by South Africans from all walks of life, will remain the bulwark of a new government for a long time to come. It would make sense for black leaders to move now to encourage the required transformation in the force itself, as well as in public perceptions of it.

Police 'spy' fails to show commission arms caches

ALLEGED police "spy" Bongani Mbatha failed to show Goldstone commission members the arms caches he earlier claimed were hidden near a Thokoza hostel, saying he had made the statements under duress.

However, he did show the commission the place where he claimed he was kidnapped by Phola Park residents.

Mbatha was due to go with the commission early yesterday morning to search for the arms caches referred to at a news conference on Saturday.

However, Brig Zach Gouws, who facilitated the commission's investigation of the incident, said yesterday Mbatha had "changed his statement completely" when the commission interviewed him prior to the planned search.

Mbatha was handed over

GAVIN DU VENAGE

to the commission on Saturday after two news conferences where he claimed to be a police spy.

A sweating Mbatha told reporters he knew of hidden arms caches at Thokoza hostel, allegedly provided by police to hostel dwellers for use against residents.

He was handed over to the commission, which took him to Thokoza early yesterday. Mbatha alleged he had been kidnapped from a Phola Park taxi rank.

He said he was interrogated and assaulted several times before being dragged before the Press.

Gouws said Mbatha had pointed out the places where he had been interrogated to the commission. Blood smears were removed for forensic tests.

He said a kidnapping docket had been opened.

Govt support for traditional leaders

PRETORIA — The powers and functions of traditional leaders would not diminish under a new dispensation, Regional and Land Affairs Minister Andre Fourie said at the weekend.

Speaking at the opening of the Lebowa legislative assembly, Fourie said government had acknowledged the important role of minority groups — such as traditional leaders — within the political and constitutional process.

As a result, decisions on the future role of traditional leaders would not be taken without cognisance of the historical background and traditions of the leaders' positions, he said.

Their dependence on the land would

ADRIAN HADLAND

also be respected. Fourie told the assembly that negotiations were under way with 16 tribes from Lebowa concerning the transfer of land formerly owned by the SA Development Trust.

While budgetary aid to the Lebowa government had been increased by 24% this year to R3.1bn, measures had been introduced to improve accountability and efficiency, he said.

At a meeting between President F W de Klerk and representatives of the Lebowa government earlier this month, it was agreed that an investigation would be conducted to find areas of real savings.

Peter Mokaba denies calling for racial war

TELLING blacks to "save bullets for De Klerk" and carry the struggle to white areas was not a call for racial war, but a symbolic appeal to people to defend themselves against state violence, ANC Youth League leader Peter Mokaba said last night.

Defending his speech at a Tembisa funeral last week, Mokaba said on the Newsline and Agenda television programmes that the media had distorted his speech, interpreting it as a call for violence.

"I am being demonised, like Chris Hani, so that I should be removed," Mokaba said.

What he had said had had nothing to do with violence, but was in line with the ANC's policy of backing the demands of the people. The call that "bullets be saved for De Klerk" did not imply that the President should be assassinated. It was not against De Klerk as a person.

"We call on people not to fight among themselves, but to prepare to defend themselves against De Klerk's forces who are

THEO RAWANA

killing innocent people," said Mokaba.

He had urged blacks to chase away security forces who were killing people in the townships, so that "resident" policemen, those who had homes in the townships, were enlisted to help the community.

Taking the struggle to white towns — an expression he also used at the funeral — was not a call for racial war, but a means of attracting the attention of democratically minded whites. "White parents must know what their sons are doing in the townships as security force members."

The struggle was the struggle against violence, and did not in itself mean violence, Mokaba said. In line with ANC policy, he was a peaceful man, but would act to follow up the demands of blacks.

Asked if he had any love for De Klerk, Mokaba said, "How can I love the head of a system I hate?"

● Comment: Page 8

Apartheid councils are delaying change — ANC

APARTHEID local authorities are frustrating attempts to transform local government into a nonracial entity, says ANC PWV local government head Mathole Motshekga.

Motshekga said at the weekend the crisis in local government would be speedily addressed if existing local councils dissolved themselves ahead of the establishment of nonracial interim structures.

In an interview, Motshekga said the financial crises in disadvantaged black areas would be addressed only when nonracial structures, which would disregard all boundaries of existing structures and result in single tax bases, were created.

The nonracial councils would have a 50-50 representation by statutory and non-statutory bodies, which would ensure that disadvantaged areas such as Soweto have equitable access to the tax base.

At present we have arrangements where white councils are to give 10% of revenue to black areas. The white councils must accept that there is no white revenue, what we have is

THEO RAWANA

common wealth.

"The unviability of the townships has come about because people have been denied access to that common wealth," Motshekga said.

The situation could not be rectified until these councils were dissolved, to be replaced by interim ones.

"In the interim, government should go on providing intergovernmental grants. They must release the money trapped in their coffers. The rent boycotts came as a means to force them to release this money."

Last week Transvaal MEC for local government Andre Cornelissen said white local authorities would not bear the costs of a future system of multiracial local authorities.

"I am concerned about persistent allegations and newspaper reports that white local authorities will have to increase their rates and taxes substantially to bear the costs of the new system of local government," Cornelissen said in a statement. "Neighbouring white local authorities cannot be expected to take over the debt obligations of black local authorities

unconditionally."

Cornelissen said local authorities would not wait for the outcome of constitutional negotiations to effect political stability at local level.

"We cannot wait for constitutional change before starting the process of obtaining white local authorities' positive commitment as regards their expertise, equipment and financial resources," he said.

However, stabilised sections of new local governments could not be expected to bear the brunt of the cost for rendering services to sectors of communities not making substantial contributions themselves.

An announcement would be made soon on loan debts owed to government institutions and bulk suppliers, Cornelissen said.

The CP said Cornelissen was misleading the public when he said white towns would not bear the costs. The party said in a statement Cornelissen should tell the white taxpayer about the R3.2bn in black bad debt Parliament had written off at its last sitting.

He should also say how much the TPA had written off.

Youth to be charged with church killings

A 17-year-old youth would be charged today with the murder of 11 people in St James's Church in Cape Town last month, western Cape deputy regional police commissioner Maj-Gen Nic Shyman said yesterday.

Police have said the youth is a member of the PAC's student wing. He was reportedly arrested in Crossroads, near Cape Town, in connection with the illegal possession of ammunition. Reports have also claimed that documents in his possession linked the PAC's military wing Apla to the bombing of a Claremont steakhouse last September.

Police said last night the youth, arrested 10 days ago under Section 29 of the Internal Security Act, was being detained under the Criminal Procedures Act.

BUSINESS DAY, MONDAY 16 AUGUST 1993

Buthelezi in Zambia

INKATHA Freedom Party leader Mangosuthu Buthelezi arrived in Lusaka, Zambia, yesterday for a four-day visit. Buthelezi was invited to Zambia by President Frederick Chiluba and the Zambian Union of Journalists.

Party 'might not return' to talks

Inkatha leaves little room for manoeuvre

THE Inkatha Freedom Party appeared to have left itself little room to return to negotiations after taking an inflexible stand at the weekend on its condition for returning to talks.

Senior negotiator Walter Felgate said yesterday the party would not return as long as there was any possibility of an election for a constitutional assembly.

Constitutional Development Deputy Minister Fanus Schoeman said Inkatha might not return at all if it adhered to this position because all the other parties had agreed to a two-phase process in which a constitutional assembly would be elected. He said this part of the process was not up for change.

"That was the compromise as far back as Codesa and we will go ahead with it, otherwise parties will go back to their original positions and we must go back to the very beginning, wiping out the three years of negotiations," he said.

Felgate said Inkatha had appealed to the negotiating council to "forgo its democratic right" by not opposing the court action, allowing the invalidation of the council's decisions to become a court order. The negotiating process for a constitution could then start again.

"If there is any sanity in this process and they are serious about not wanting to go ahead without us, the council will not oppose it. But if we lose the action we will not just return, we will use all the other democratic options open to us, which could include measures such as mass action."

At its weekend central committee meeting, Inkatha rejected any elected constitution-making body, the second draft consti-

BILLY PADDOCK

tution and said the negotiating process was based on incorrect premises.

Felgate said Inkatha would oppose an elected constitutional assembly and would not return as long as it was a possibility. "We know we will be able to mobilise at least half of the electorate as well as international support to put pressure on the process and prevent this happening."

He called on government and the ANC to try to adhere to the August 30 deadline for agreeing to draft legislation and wrapping up the constitution. "Let's see if they can enforce that constitution without us. Let's see how far they get," he said, adding that the only option was to renegotiate all the decisions Inkatha opposed.

Schoeman said it was obvious Inkatha was not interested in a negotiated settlement. Members' arguments were invalid and they did not seem to appreciate the need for compromise. "If all parties acted like them we would get nowhere."

Inkatha argued that it wanted a federal structure, but did not seem to understand that the second constitutional draft was a clear basis for a federal system. "Maybe they want confederalism," he said.

It was "rubbish" for Inkatha to argue that an elected constitutional assembly would be able to write a final constitution without constraint. There were already 27 constitutional principles that even the entire elected body could not change.

Felgate rejected suggestions that Inkatha was trying to get other Concerned South Africans Group members to leave the talks for an alternative negotiating forum.

Apartheid councils are delaying change — ANC

THEO RAWANA

APARTHEID local authorities are frustrating attempts to transform local government into a nonracial entity, says ANC PWV local government head Mathole Motshekga.

Motshekga said at the weekend the crisis in local government would be speedily addressed if existing local councils dissolved themselves ahead of the establishment of nonracial interim structures.

In an interview, Motshekga said the financial crises in disadvantaged black areas would be addressed only when nonracial structures, which would disregard all boundaries of existing structures and result in single tax bases, were created.

The nonracial councils would have a 50-50 representation by statutory and non-statutory bodies, which would ensure that disadvantaged areas such as Soweto have equitable access to the tax base.

"At present we have arrangements where white councils are to give 10% of revenue to black areas. The white councils must accept that there is no white revenue: what we have is

common wealth.

"The unviability of the townships has come about because people have been denied access to that common wealth," Motshekga said.

The situation could not be rectified until these councils were dissolved, to be replaced by interim ones.

"In the interim, government should go on providing intergovernmental grants. They must release the money trapped in their coffers. The rent boycotts came as a means to force them to release this money."

Last week Transvaal MEC for local government Andre Cornelissen said white local authorities would not bear the costs of a future system of multiracial local authorities.

"I am concerned about persistent allegations and newspaper reports that white local authorities will have to increase their rates and taxes substantially to bear the costs of the new system of local government," Cornelissen said in a statement. "Neighbouring white local authorities cannot be expected to take over the debt obligations of black local authorities

unconditionally."

Cornelissen said local authorities would not wait for the outcome of constitutional negotiations to effect political stability at local level.

"We cannot wait for constitutional change before starting the process of obtaining white local authorities' positive commitment as regards their expertise, equipment and financial resources," he said.

However, stabilised sections of new local governments could not be expected to bear the brunt of the cost for rendering services to sectors of communities not making substantial contributions themselves.

An announcement would be made soon on loan debts owed to government institutions and bulk suppliers, Cornelissen said.

The CP said Cornelissen was misleading the public when he said white towns would not bear the costs. The party said in a statement Cornelissen should tell the white taxpayer about the R32bn in black bad debt Parliament had written off at its last sitting.

He should also say how much the TPA had written off.