

# NAMIBIA - GENERAL ECONOMY

16 JAN. 1981

— 4 Dec. 1981

# Plans for mixed school in SWA

By ANDRE VILJOEN  
Mail Africa Bureau

WINDHOEK. — Plans for a proposed R5-million multiracial state school in Windhoek were being discussed at top level, a Windhoek daily newspaper, the Republikein, reported yesterday.

It says the school — the first of its kind in South West Africa — was conceived by Consolidated Diamond Mines (CDM), which planned to build and give it to the SWA central government.

The Windhoek resident director of CDM, Mr Doug Hoffe, yesterday confirmed the proposals for the open school were being discussed, but declined to comment further.

The school will accommodate 500 pupils and includes a hostel for 250. Both an academic and a technical matric syllabus will be offered, the report said.

A big open state school could

make a significant impact on education in Windhoek. Government schools in SWA are administered by second tier ethnic authorities, but provision is made for the establishment of central government-run open schools if there is a demand.

Despite SWA's smoothly functioning open hotels and residential areas, school apartheid is still a sensitive issue. In the November ethnic elections, most whites voted to keep their schools for whites only. Multi-racial marriages are acceptable in SWA, but there is still resistance to school sports across the colour line.

However, many blacks and some whites see open schools as the logical start towards normalising race relations. There are a few open private schools, but they are far too expensive for the masses. Only open state schools could change the face of education in SWA.

RDM 21/1/81  
6 months  
jail for a <sup>(22)</sup>  
'mocking'  
remark

'Mail' Africa Bureau

WINDHOEK. — A "mocking" remark to a white woman has landed a young unemployed Windhoek coloured man in jail for six months.

William Vaaltyn, 28, was convicted of crimen injuria after a Windhoek magistrate found he took a white woman by the arm and said: "Hallo, my poppie." (Hello my dolly).

Vaaltyn was fined R200 or six months jail. Windhoek's chief public prosecutor, Mr Tienie Steyn, confirmed yesterday that Vaaltyn had been jailed because he could not pay his fine.

In evidence Mrs Louise Aletta Botha said in the Windhoek magistrate's court this week that Vaaltyn walked up to her on Friday afternoon in a shopping arcade, took her arm and said: "Hallo, my poppie." He then rejoined a group of friends and they all laughed.

Mrs Botha said she felt humiliated.

The magistrate, Mr J. A. Greyling, warned that people convicted of insulting others to the amusement of their friends, could be sent to prison without the option of a fine.

# 'Afrikaans most important SWA language'

Agnes 23/1/81

221X

MOST people of South West Africa do not consider English to be the most important language in the country, a member of the Human Sciences Research Council said yesterday.

Dr K P Prinsloo, speaking at the congress of the SA Linguistic Association, told delegates that the majority of whites,

coloured people and Rehoboth-Basters regarded Afrikaans as the most important language in South West Africa.

Certain groups, including the Nama, Damaras, Bushmen, Kavango and Tswanas, saw Afrikaans as the most important language after their mother tongues, according to the

preliminary results of a language survey carried out by the research council.

Only 30 percent of the whites, coloured people and Rehoboths supported English as the most important language.

The Hereros, Kackolanders, Caprivians and Wambos saw English as

the second most important language after their mother tongues.

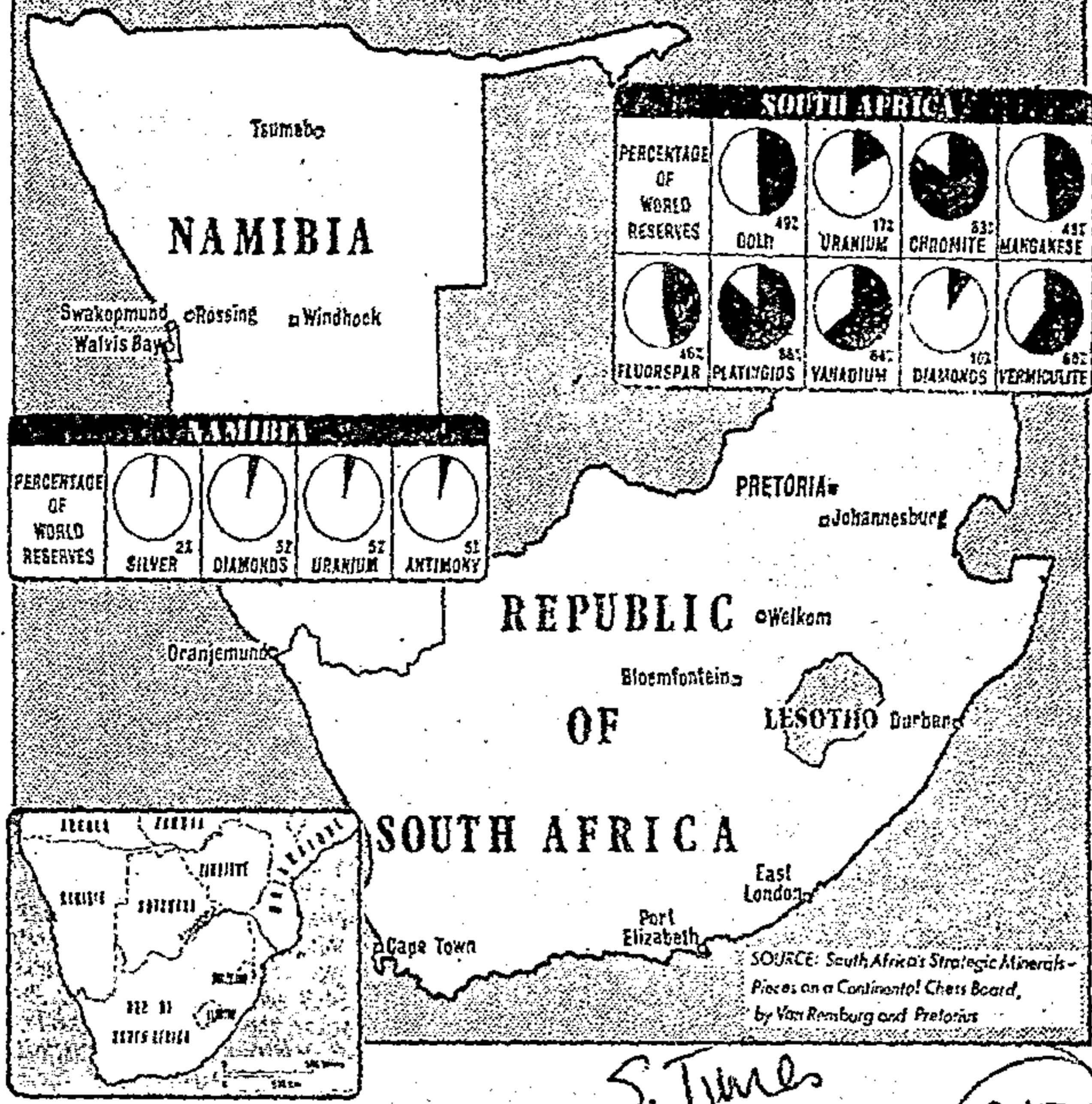
German, as a former colonial language, was listed by only nine percent of the whites as the major language.

Generally, most of the people who said Afrikaans was the foremost language were conversant in the tongue, said Dr Prinsloo.

However, many of the people who placed English first could not speak it at all. They thought that it was important because it is an international language.

A total of 31 languages and dialects are spoken by the one million people living in South West Africa.

# WEALTH: NAMIBIA vs S AFRICA



Mineral resources... how South Africa and Namibia compare

## The wealth of Namibia

Special Correspondent  
**NAMIBIA** cannot compare with South Africa's huge reserves of minerals, many of them of considerable strategic importance to the West.  
 The US Bureau of Mines calculates that South Africa has 73% of world reserves of platinum group metals, 68% chrome ore reserves, 48% gold, 37% manganese and 19% of vanadium.  
 Nonetheless, Namibia is

already the fourth-largest non-fuel mineral producer in Africa in spite of a lack of infrastructure in the huge and sparsely populated territory.  
 Diamonds have traditionally been Namibia's biggest money spinner: De Beers' Consolidated Diamond Mines is the biggest producer of gem diamonds in the world, and contributed 18% of the South African company's profits in 1979.  
 The major field of prospect-

ing is for uranium. Already, Britain's Rio Tinto-Zinc has the world's largest uranium mine at Rossing, producing 5 000 tons of uranium oxide a year, with contracts from both Britain and France.  
 General Mining and Gold Fields, the South African mining houses, have identified ore bodies at Langer Heinrich and Trekkopje respectively. Anglo American and France's Aquitaine group are both believed to have promising prospects.

None is prepared to commit itself to production before it knows the political future of the territory.  
 US mining companies also have interests in the territory. Tsumeb, which produces cadmium, copper, lead, silver and zinc, is controlled by Newmont Mining and Amax.  
 Nord Resources and EBCO Mining jointly own a tungsten mine at Krantzberg. Canada's Falconbridge controls the Oamites copper mine and West Germany's Metallgesellschaft owns SWA Lithium Mines, producing petalite.  
 Iscor mines lead and zinc at Rosh Pinah and tin at Uis.

The Provincial Institute  
 Architects' Prize  
 I the best student in :-  
 Sixth Year  
 P F Dunckley  
 Helen Gardner Travel Prize  
 or a student who has  
 satisfactorily completed  
 st, 2nd and 3rd major courses.  
 A Rappoport

FINE ART & ARCHITECTURE

ARCHITECT

# 'Hospital apartheid in SWA has caused a shortage of beds'

RDM 29/1/81  
221  
By ANDRE VILJOEN  
'Mail' Africa Bureau

WINDHOEK. — Hospital apartheid and chaotic administration are the reasons for the shortage of beds in the white State hospital complex in Windhoek, according to dissatisfied doctors.

Wards are being closed down and only 13,4% of beds in the well-equipped complex were available because of a critical shortage of white nurses. Black nurses could not be used because it was against administration policy.

One doctor said attempts were being made to convince authorities that the answer to the South West African hospital crisis was to unify the territory's 11 ethnic authorities into one efficient body.

Another doctor said only a full-scale inquiry into health services could sort out the muddle.

"We don't even know who to turn to because it is not clear who really runs the show. Is it the National Party administration for whites or is it the Democratic Turnhalle Alliance central government?"

Ethnic health services in SWA are a second-tier function while the central government's Department of Health is responsible for the provision and co-ordination of health services on a national level.

He said doctors were rationed an inadequate number of

beds in the Windhoek white hospital complex. Channels of communication, like hospital committees run by senior consultants, had disappeared and doctors were caught in a maze of political in-fighting.

It seemed one level of authority wanted the other to botch up the white hospital administration while the other level was happy to make a mess and blame it on changes like the use of black nurses in the white maternity ward.

Maintenance of exclusive white schools and hospitals, in the face of open hotels, residential areas and mixed marriages, were key election promises of the National Party which won the Second Tier white election in November.

Whatever the cause of the Windhoek hospitals crisis, it is the patients who suffer. A year ago 250 beds were in use. Now only 126 are available and there is no prospect of utilising the city's modern new 690-bed hospital which was built at a cost of R30-million.

A new 160-bed white hospital in Keetmanshoop is also empty because of a lack of white nurses.

The president of the Nurses' Association of SWA, Mrs Ellisbe-Bertha Ngavirua, said the two new empty hospitals were "political white elephants promised to voters without consideration of the people's needs".

She said use of black student and pupil nurses in white hospitals would help, but the real problem was a shortage of both black and white senior registered nurses.

Senior nurses should be recruited from South Africa on a non-racial basis, she said. She said post-basic nursing training in SWA would have to be stepped up.

A Windhoek doctor said an efficient re-allocation of senior posts, with a simultaneous improvement in nurses' pay and conditions of service, would go a long way to keeping wards open.

He said there were about 26 matrons at the combined black and white State hospital complex in Windhoek. Most of them were burdened with non-essential administrative work.

One of SWA's top nurses, a former chief matron of the Windhoek hospital complex, Mrs Anchen Parkhouse, was removed from her post, apparently for being "too liberal".

Health authorities have remained tight-lipped about the festering situation. The secretary for the SWA administration for whites, Mr Andre Mouton, said: "We will issue a Press statement when the time is ripe."

Frustrated doctors continue to voice their complaints to the Press, blaming the health authorities for a "total breakdown of health services".

Game to  
RDM  
be caught  
30/1/81  
in Namib  
221A  
rescue bid

WINDHOEK. — South West African nature conservation authorities plan to capture 2 000 animals in the Namib Desert Game Park to prevent them from dying because of the drought in the territory.

Late last year, a rescue operation was launched to capture and relocate the hundreds of mountain zebra and oryx, whose numbers were dwindling because of lack of grazing.

Mr Polla Swart, assistant director of Nature Conservation, said yesterday that although 345 mountain zebra and 590 oryx had been captured, the operation had not been as successful as expected.

"We started too late in the year," he said. "It was too hot and the animals were dispersed.

"Our main task this year is to move 1 000 mountain zebra, 500 oryx and 500 springbok from the Namib National Park."

Captured animals were moved to other reserves where water and grazing were more plentiful or sold. — Sapa.

# Swabank goes foreign

RDM  
24/1/81

221  
232

WINDHOEK — A 51% shareholding of Swabank has been transferred to an overseas financial consortium, the Bankers for Overseas Investment Company, according to reports here.

Swabank was previously the only truly domestically owned bank in Namibia.

The chairman of Swabank's new majority shareholders, Dr Gunther Schmitz-Linnartz, arrived in Windhoek on Thursday to settle the deal.

Dr Schmitz-Linnartz said that Dresdner Bank, a major

West German institution and a member of the consortium (le Societe Financiere pour les Pays d'Outremer) had initiated the takeover.

Critics of the deal said that Swabank had been "given away", but other financial commentators said that the deal had placed Swabank in the "orbit of one of the world's strongest banking consortiums".

The amount involved in the transfer of the shares has not been disclosed. — Sapa.



Pupils  
RWH 4/2/81  
may be  
forced  
into  
nursing

By ANDRE VILJOEN  
'Mail' Africa Bureau

WINDHOEK. — Compulsory nursing for matriculated white girls in South West Africa may be introduced to offset a serious shortage of white nursing staff in the territory.

This was said in Windhoek yesterday by Mr Eben van Zijl, acting MEC in charge of health services for the SWA administration for whites.

He said a feasibility study into compulsory nursing was under way. It would be introduced as a last resort.

Mr Van Zijl was replying to recent mounting Press criticism of the administration's handling of a beds' crisis in the white State hospital complex in Windhoek. Despite the removal of apartheid from certain areas of SWA life, its hospitals are still run by separate ethnic authorities.

Private doctors in Windhoek have said hospital apartheid and chaotic administration were behind the hospital problems.

A year ago, 250 beds were in use at the Windhoek State hospital. Since then wards have been closed and only 126 beds are available. Doctors say there is no prospect of utilising the new, empty R30-million white hospital in the city. A new 160-bed white hospital in Keetmanshoop is also empty because of a lack of nurses.

One of SWA's top nursing authorities said it would help if the white administration employed available black nurses. However, the president of the Nurses' Association of SWA, Mrs Ellisbe-Bertha Ngavirua, said the real need was for more black and white senior registered nurses.

Mr Van Zijl denied allegations by Windhoek doctors that they were allocated an inadequate number of hospital beds. He said no patients had been turned away because of a shortage of beds and there were always beds available for emergencies.

He said the administration was advertising nursing vacancies on a running basis.

Seven die  
of food poisoning  
22/11  
RDM 4/2/81

WINDHOEK. — Two women and five children died of food poisoning in north-eastern South West Africa after eating porridge garnished with veld-food (wild plants), Colonel J C Greyling, chief of the CID, said in Windhoek yesterday.

He said a Defence Force doctor was called to a Kavango village at the weekend, where he found the seven people in a comatose condition.

They were Mrs Shihama Kamaha, 35, Magdalena Mayenga, 12, Petrus Namutenya, 5, Mandaha Mbundu, 14, Cecelia Mbundu, 18, and Katrina Shiremo, 3.

The second woman has not been identified. — Sapa.

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Tuesday, February 10, 1981

KDM 10/2/81  
**Meat export revision** 221A

WINDHOEK. — A committee of experts has recommended that Namibia's controversial meat export permit system be revised so that all meat producers can benefit from it.

A commission of inquiry into alleged malpractice in the Namibian meat industry last year found that the system was irregular, indiscriminate and that it only benefited a section of the country's farmers.

In a 31-page report released in Windhoek, the committee recommends the establishment of a central marketing body and a freer marketing system.

The report will be submitted to a special congress of the SWA Meat Producers Association in March. — Sapa.

RDM 10/2/81  
221A

## 'Revise meat exports for the benefit of all'

WINDHOEK. — A select committee of experts has recommended that South West Africa's controversial meat export permit system be revised so all the territory's meat producers could benefit from it.

A commission of inquiry into alleged malpractice in the SWA meat industry last year found that the system was irregular, indiscriminate and that it only benefited a section of the terri-

tory's farmers.

In a 31-page report released in Windhoek yesterday, the select committee also recommended the establishment of a central marketing body and a freer marketing system for the territory.

The report will be submitted to a special congress of the SWA Meat Producers' Association in March for its consideration. — Sapa.

Corporation Medals  
For the best student in each  
of the 2nd, 3rd and final years.

Second Year (Bronze Medal)

Miss G C Littlewort

Third Year (Silver Medal)

Miss N C Davidson

Fourth Year (Gold Medal)

P M Salmon

T J Cumming

D P Weeks

J H Rens

B F McClelland

Professor George Menzies Prize  
Awarded on results of final  
examinations to the best male  
student in Land Surveying or  
Civil Engineering.

J H Rens

Sammy Sacks Memorial Prize  
Awarded to the student with the  
best classwork in Engineering  
Drawing.

student  
est average

KDM 19/2/81 (22)  
**Escapers A**  
**captured**  
WINDHOEK. — Four of the six  
white prisoners who escaped  
from the Keetmanshoop Prison  
while awaiting trial last Thurs-  
day have been recaptured, the  
Divisional CID chief for South  
West Africa, Colonel J C  
Greyling, said yesterday.  
The four men, who were de-  
scribed as dangerous, were re-  
arrested by police in Cape  
Town on Tuesday.  
Two of them, brothers Piet  
and Andrew Swanepoel, are  
charged with the murder of a  
man found in a shallow grave  
near Keetmanshoop last year.  
Another of the men, Mr Hen-  
drik van Wyk, is charged with  
the murder of a petrol pump  
attendant, while the fourth, Mr  
Johnny Botha, is charged with  
fraud. — Sapa.

CHEMICAL

# Fears of A/oms new SA 20/2/81 meat CRISIS



A R12.5-MILLION investment by a State-owned organisation has unleashed fears of a new meat crisis in South Africa.

The First National Development Corporation in South Africa has put up most of the capital for the building of a meat factory in Gobabis in South West Africa.

The expected opening of the factory in 1982 will require an additional 300 to 400 slaughter stock a day which will increase the annual required number of cattle by all factories in South West Africa.

The only way South West Africa can meet the demand is by ending the export of live animals to South Africa, the new head of the South West Africa Meat Control Board, Mr Horst Kreft, said in Windhoek yesterday.

## 90 PERCENT

At present 90 percent of the beef animals slaughtered at the Cape Town abattoir is imported from South West Africa.

A drastic reduction in the number of slaughter animals available at the Cape Town abattoir is likely to send beef prices soaring for years to come.

The SWA Meat Control Board has decided to export only carcasses and cuts to South Africa and to discontinue the supply of livestock to the Republic over the next two to three years.

South West Africa is the largest supplier of livestock to the country and 89 percent of its production is exported to South Africa.

The shortage of slaughter animals in the country must cause a substantial increase in the price of beef.

Angry meat officials have said the only alternative is the slow development of our own beef industry.

It will be a difficult transition but we cannot depend on South West Africa. What happens if they decide to stop supplying us altogether? the director of the Cape Town abattoir, Dr A J Louw, asked.

CHEMICAL

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Awarded on results of final examinations to the best male student in Land Surveying or Civil Engineering.

J H Rens

Sammy Sacks Memorial Prize

Awarded to the student with the best classwork in Engineering Drawing.

L Menegaldo

A E & C I Prize

For the first year student obtaining the highest average mark.

L Cragg

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G L Cragg

20/2/8  
 Farmers  
 fined for  
 illegal  
 hunting 221  
A

WINDHOEK. — Two South African farmers were fined by the Windhoek Regional Court a total of R6 200, or 1 350 days in jail, on charges of illegal hunting.

Appearing before Mr A Bouwer, Stephanus Haasbroek, of the farm Groeneboom, Thabazimbi, and Henry Teitge, of Brentwood Park, Benoni, originally pleaded not guilty to all charges, but then pleaded guilty to five of the 10 charges.

Haasbroek and Teitge were fined R900, or 200 days, for shooting an antelope in the Etosha Game Reserve in March-April 1978. Haasbroek was also fined R1 150, or 250 days, for shooting an elephant near Kamanjab in June-July 1978.

Haasbroek was fined R750, or 150 days, on this charge, of which R500 or 100 days was suspended for five years.

Teitge admitted shooting an elephant in Damaraland in March-April 1978, and was fined R1 000 or 250 days for hunting protected game.

Both men were fined R750, or 150 days, on another charge of hunting protected game. Of this, R500 or 100 days, was suspended for five years.

Mr Hermanus Janse van Rensburg, of Rustenburg, was acquitted on all charges. — Sapa.



# KARAKUL PELT PRICES PLUNGE

LONDON. — The South African and South West African pelt industry has been stunned by a sharp fall in the prices paid by international buyers for its products. 221

Prices fell by an average of 20 percent at the most recent auction of karakul held in London compared with prices at the previous auction in November.

The price of white pelts, which fortunately for producers account for only one percent of total production, plunged by 51 percent.

Part of the fall is due to exchange rate fluctuations, particularly the strength of the rand. But there has been a sharp drop in West German demand for karakul.

Although demand in Italy, France and Spain remains firm, the market in these countries for karakul pelts is small.

Karakul furs are slowly coming back into fashion in America, but the industry does not have the resources to mount a sustained or effective marketing campaign there.

Exports last year amounted to 4.8-million pelts. — Financial Times News Service.

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 B F McClelland

greater price sensitivity enable the large buyers to maintain low prices. It may thus be in the interests of the patient to set up a central marketing board to buy and distribute drugs as well as to disseminate information to doctors. But we must bear in mind the incentives that face the firm.

For if these are disturbed, the firms may cut their research efforts and reduce vital innovations. It appears, though, that it would be possible to leave the entire process, with the exception of marketing to doctors, in the hands of firms. They would merely produce and market for tender work. Profits would still be able to be earned, but the excessive expenditures on promotion could be curbed. ~~Such~~ Such expenditures are, in the main, ~~from~~ from

# SWA <sup>(221A)</sup> may <sup>24278</sup> introduce <sup>STAR</sup> tax for all

The Star's Africa News Service

WINDHOEK — Taxation of all races in SWA/Namibia is expected to be introduced by the territory's National Assembly in its first sitting this year, starting tomorrow.

A motion calling on the Administrator-General, Mr Danie Hough, to start an independent SWA police force by proclamation on April 1 could also be put forward in the coming session.

The concept of an independent police force follows the creation last year of the SWA Territory Force.

Income tax — currently applicable only to whites, coloureds, Basters and Nama-speaking people — will be extended to other inhabitants by an amendment to the Ordinance.

Other legislation the National Assembly is expected to discuss includes a change to the Mines, Works and Minerals Law to protect those prospectors who apply for exclusive rights to a claim.

names. If a prescription is name, the chemist is free to fill it with any of the drugs on the market with the same formulation of the active ingredient (i.e. a generic equivalent) while a prescription made out in terms of a brand name must be filled by that manufacturer's drug only.

The drug firm thus has ~~an~~ incentive to ensure that doctors specify its brand for this would allow it to charge a premium price. <sup>(1)</sup> ~~It is, however, a matter of some debate as to whether such a price differential can be justified in terms of patient welfare; however, a matter of some debate.~~ <sup>(2)</sup>

### (6.1) The Brand/Generic Debate:

Before an assessment of the problem can be made, the debate must be examined.

... /

(6.1.1) The Case for Generic name prescribing:  
Proponents of generic name prescribing stress the savings that could be generated as well as the simplification of prescription filling that would result.

~~The reason for~~ <sup>The</sup> reason for the dual price structure of branded (high priced) and generic (low priced) drugs is ascribed to the fact that larger firms are able to spend <sup>sufficient</sup> sums on promotion necessary to establish brand loyalty. Given the low price and high substitute elasticities in the market, the generic manufacturer must sell at a very much lower price to keep ~~his~~ his market share. Generic name prescribing would do away with such practices by the large firms and hence reduce drug prices.

The second main argument in favour of generic prescription is that the process of prescription filling would be simplified. Pharmacists, for example, would not have to carry such large stocks and varieties of drugs.

The brand names, of which there are over 2 800 in South Africa, are not merely a generic name plus a manufacturer's name, but entirely new ones which are "generally confusing and rarely descriptive". <sup>(3)</sup> Generic prescription would simplify the use of drug names.

### (6.1.2) The case for brand name prescribing:

Those in favour of brand names stress the problems of defining "equivalence" and the fact that brand names ensure quality.

In connection with the different therapeutic action of so-called equivalent drugs, the W.H.O. has stated, "Different formulations of the same drug may vary in their bioavailability to a clinically relevant extent; drugs from different sources should, therefore, be considered as distinct products." <sup>(4)</sup>  
The medical profession generally accepts this, but there is

... /

# tax in SWA

Argus Africa News Service

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The concept of an independent police force follows the creation last year of the SWA territory force.

It is understood that income tax — currently applicable only to whites, coloureds, Bastards and Nama-speaking people — will be extended to other inhabitants of the territory through an amendment to the ordinance.

The national assembly will also consider the Part Appropriation Act or 'mini budget,' and will debate an amendment to the exchequer and audit proclamation which makes provision for an Auditor-General in SWA.

Other legislation the National Assembly is expected to discuss includes a change to the mines, works and minerals law to protect those prospectors who apply for exclusive rights to a claim.

This will prevent 'claim jumpers' from pegging-off claims while the applications for exclusive rights are still pending.

CHEMICAL

## FACULTY OF ENGINEERING

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# R1,5-m facelift for

# Walvis Bay

Agulhas 27/2/87

221

WALVIS BAY harbour is to be given a R1,5-million facelift — a project which includes replacing the 25-year-old wooden jetty.

This was confirmed today by national harbour officials who said tenders were to be called shortly for the construction of a new 200 m long concrete jetty at Walvis Bay.

The jetty, which will replace the west coast port's dilapidated old wooden one, is designed to accom-

modate all harbour craft at the same time.

Walvis Bay, which is served by two big tugs, two smaller pilot tugs and a general purpose launch, at present experiences a fair amount of difficulty when it comes to finding berthing points for its harbour craft.

The harbour's old wooden jetty is only about 75 m long and cannot accommodate all tugs at the same time.

Port staff say the two big tugs — John X Merriman and A M Campbell — have to be tied up wherever a berth can be found.

National port officials said it is also planned to spend about R150 000 on improving the fire fighting facilities at the tanker berth at Walvis Bay and also on building a workshop adjacent to the harbour's syncrolift.

General shipping improvements on the South African coast also includes replacing the radio beacons with the lighthouses at Cape Agulhas, Cape St Francis, Cape Recife and on Dassen Island.

These improvements will cost about R150 000.



WALVIS BAY harbour tug A M Campbell — one of the west coast port's vessels that is soon to get a new 'home'.

## Fourth launch on way

THE last of four general purpose launches built in Durban for use in Cape Town harbour — the 12 m steel-hulled craft Troupant — is due to be delivered early next month.

The other three vessels, which cost about R200 000 each, were commissioned last year.

A spokesman for the harbour engineer's offices said the Troupant will make the trip from Durban as deck cargo on a Unicorn coaster and will undergo certain trials before being put into use.

The launch will be used as a diving tender, as well as for the inspection of quay fenders and towing of the grab dredger's hopper barge.

The Troupant is being brought into service as a replacement for the old wooden-hulled launch Iris which logged up 40 years service in Cape Town harbour before being pensioned off several months ago.

The naming of the launch was in keeping with the port authorities' practice of naming their small boats after birds.

The three already in service are called Kite, Houkapper and Koester.

# All groups will <sup>27/2/81</sup> pay tax <sup>(221)</sup>

WINDHOEK — All population groups in South West Africa will in future be subject to income tax in terms of a Bill passed in the National Assembly in Windhoek yesterday. The new Act becomes effective on Sunday.

In the past, only four of the territory's 11 population groups — the whites, Basters, coloureds and Namas — paid tax.

The chairman of the SWA Council of Ministers, Mr Dirk Mudge, who tabled the Bill — to be known as the Income Tax Amendment Act, 1981 — said revised income tax scales would be introduced at a later stage.

During the second reading debate on the Bill, Mr Mudge said the old tax system had caused a lot of discontent because not all population groups had been liable to taxation.

A member of the ruling Democratic Turnhalle Alliance, Mr Max Haraseb, said the blacks, who were particularly affected by the new legislation, wished to help contribute towards the territory's economy and thus welcomed the Act.

The Bill was also welcomed by Opposition members. — Sapa.

# Namibian mines fight costs

DOM 28/12/81

221  
A

WINDHOEK. — The mining industry of SWA/Namibia had suffered from the effects of a world recession and political uncertainty, said the president of the SWA/Namibia Chamber of Mines, Mr G R Parker, in Windhoek yesterday.

Delivering the chamber's second annual report, Mr Parker said 1980 had been marked by crises and disappointments both in SWA/Namibia and abroad.

"The mining industry of SWA/Namibia is export-orientated and is the first to feel the impact of world recession. The

industry is struggling to contain costs which are escalating at 20% to 25% a year."

World markets weakened considerably last year. Prices of copper, lead, silver, zinc, tin and uranium oxide fell, some from record levels reached in 1979 and early 1980.

There was little reason to expect a recovery in prices in the short term and 1981 was likely to be a difficult year, particularly for producers of base metals.

Mr Parker said: "The political future of SWA/Namibia remains unclear and as such is an

inhibiting factor in SWA/Namibia's development."

Uncertainty had contributed to a contraction in prospecting. He appealed to "those working towards a constitutional settlement" to include the principles necessary for a free market.

Mr Parker said the number of fatal accidents in the mining industry had risen by 16% from the record low rate of 0,45 in 1979 to 0,60 in 1980.

He called for increased action in the maintenance of safety standards, but said it was pleasing that the number of reportable accidents had de-

clined from 198 in 1979 to 130 in 1980.

Mr Parker warned of the possibility of industrial unrest because of worker reaction to the SWA/Namibian Government plan to introduce a personal tax for all races from March 1.

"The time set for the introduction and the planned method of operation have the chamber deeply concerned that industrial unrest could result, primarily because of the limited time allowed for communication of the changes to future taxpayers," he said. — Sapa.

obtaining the highest average  
For the first year student  
A E & C I Prize

CHEMICAL

L Mengaldo

Drawing.

best classwork in Engineering  
Awarded to the student with the  
Sammy Sacks Memorial Prize

J H Rens

Civil Engineering.  
student in Land Surveying or  
examinations to the best male  
Awarded on results of final  
Professor George Menzies Prize

B F McClelland

J H Rens

D P Weeks

T J Cumming

P M Salmon

Fourth Year (Gold Medal)

Miss N C Davidson

Third Year (Silver Medal)

Miss G C Littlewort

Second Year (Bronze Medal)

of the 2nd, 3rd and final years.  
For the best student in each  
Corporation Medals

FACULTY OF ENGINEERING

# Clampdown on pilchards expected

CT 11/3/81 221A

**SOUTH WEST AFRICAN** canned pilchards, once hailed as the world's cheapest protein and a staple found in most households, are unlikely to appear on anybody's menu this year.

The directors of the fishing company Lamberts Bay Holdings report in an interim statement to shareholders that they expect no production of canned fish at Walvis Bay this season.

They expect the authorities to clamp down on the pilchard catch.

They say the quotas for the 1981 South West African pelagic season have not been determined. But they expect no material changes, except for pilchards, which will probably be permitted only as a by-catch.

As a result, the industry will have to depend entirely on imported canned fish to meet the needs of the local market and to supply some of its traditional export markets.

#### SATISFACTORY

The South African pelagic fish quota this year is 380 000 tons. The season opened on January 1 and landings so far have been satisfactory, with catches above those of last year.

The demand for and prices of fish meal and oil on world markets remain firm. However, the industry's entire production of fish meal is being absorbed on local markets at prices below those overseas.

Local users are also taking all the fish body oil produced.

The 1980-81 quotas for rock lobster catches in South African waters were reduced by 15 percent. Catches to date have been down on last year.

Catches at Luderitz, where the quotas are unchanged, are marginally above last year's.

The United States market for rock lobster has remained steady while demand for frozen whole cooked rock lobster has improved.

**Cuts to find skills**

A new tax structure, apparently influenced by the supply side theory of economics, has been introduced in SWA/Namibia.

In terms of a draft Bill tabled in the National Assembly in Windhoek last week, due to become law in June, top marginal rates of personal tax are reduced from 50% to 39%, the tax threshold raised and most tax rates reduced 20% below those of SA. And where in the past only whites, coloureds, Bastards and Namas were taxable, the base has been widened to include all south-westerners.

At the heart of the supply side theory of economics now prevalent in Washington is the belief that lower tax rates can generate as much or more revenue than higher rates which discourage economic activity. Supply-siders generally believe that economic stagnation is caused not by inadequate demand, but by inefficiencies and disincentives in supply.

But unlike the latest US tax cuts, which were designed to transfer more productive resources from the government to the

private sector, the Windhoek package is aimed at alleviating an acute shortage of skilled labour. It is hoped that the new rates will attract skilled workers and managers from SA and check intense wage competition, one of the biggest components of the soaring consumer price index.

What is not clear at this stage, however, is whether the local Department of Finance intends to follow cuts in personal tax rates with a sweetener for corporate and mining taxpayers later on in the year. Sources on the territory's Tax Advisory Committee will neither confirm nor deny that the committee is studying such a move. The current rate of company tax is 40%, but diamond producers pay up to 56%.

Corporate and mining taxes make up nearly 90% of government tax revenue of about R250m, so unless government's spending requirement can be cut heavily from last year's R520m (46% of gdp in 1980) prospects of a company tax cut are remote at this stage.

Because of this, it seems unlikely that the personal tax cuts will reduce the tax burden on gdp to any extent beyond the partial elimination of fiscal drag on personal incomes. But with inflation running at close to 17% this is nonetheless a real advance. The trouble is, however, that skilled labour shortages are likely to persist until the Windhoek administration rearranges its spending priorities.

Last year, nearly 60% of government spending was devoted to political and administrative development and a mere 9% went on education and training. The official explanation for this was that education and training is a long-term investment, whereas, at this stage, political priorities (enhancing the local standing of ethnic leaders in the Council of Ministers) are far more important — should it be necessary to fight an election against Swapo in the next year or two.

Another reason why it seems improbable that corporate and mining tax rates will be cut is that, by the very nature of the SWA economy, with its almost total reliance on primary extractive activity and farming, there are clear limits to which fiscal stimulus can generate new economic activity. In this case, political constraints and international uncertainty are holding up the development of new mining prospects, while poor international commodity prices are inhibiting expansion of existing mines. Farmers, moreover, are suffering the worst drought in 30 years.

It has been estimated that the lower personal tax rates will cost the SWA/Namibian Treasury R8m in a full year, hardly sufficient to generate a wave of new demand (and local fixed investment to meet it). The view has been expressed that higher levels of disposable income will probably result in higher capital out-

flows to attractive — and safer — investment opportunities in the Republic. Windhoek officials say this will be a small price to pay if they achieve the objective of attracting more skilled labour to the territory.

The main elements of the new tax regime are that:

□ Whereas previously the tables catered for married persons with no children and with children from one to nine, the new tables deal only with married persons and married persons with children.

□ No tax is deductible from persons with less than the following annual incomes:

|                                 |                  |
|---------------------------------|------------------|
| Single person .....             | R3 000 (R250 pm) |
| Married persons .....           | R4 400 (R365 pm) |
| Married person with children .. | R6 600 (R550 pm) |

□ Up to February 28 1981 the tax rebates exempted the following persons from tax:

|                                |                  |
|--------------------------------|------------------|
| Single person .....            | R2 250 per annum |
| Married person .....           | R2 857 per annum |
| Married person one child ..... | R4 125 per annum |
| Two children .....             | R5 375 per annum |
| Three children .....           | R6 625 per annum |

□ Top marginal rates applicable are as follows (1981 in brackets):

|                                    |                               |
|------------------------------------|-------------------------------|
| Single person over                 | R32 200 — 39% (R29 000 — 50%) |
| Married person over                | R34 400 — 39% (R37 000 — 50%) |
| Married persons with children over | R36 600 — 39% (R37 000 — 50%) |

□ Married women and certain single persons will pay more.

At the same time, the draft Bill proposes to exempt from tax the interest that is received by non-residents on local registered stock and other securities (including Treasury bills), the current yield on some of which is 13.1%.

With the political risk of investing in SWA now clearly having receded for the medium term, this should be an attractive proposition for SA investors.

Unfortunately, the Bill does strike one sour note. It provides that tax paid by members of a "particular population group" be paid over to the revenue account of the ethnic authority concerned. This seems to ignore the principle that revenue collections should be indivisible and implies that the poor ethnic regions will get poorer and the rich ones richer. The SWA economy is too small and vulnerable to afford the luxury of ethnic fragmentation of funds collected, particularly now that the tax system has been de-racialised.

In defence, the territory's Tax Advisory committee points out that institutionalised ethnicity is a fact of life in SWA/Namibia and that the amounts of "ethnic" tax paid to the regional authorities will be small. They say central government revenue collections, including corporation and mining tax (which account for more than 90% of total tax revenue of about R250m), will be applied in the territory as a whole and not on a selective, ethnic basis.

|                       |                  |      |
|-----------------------|------------------|------|
| 8-11                  | 2%               | 100% |
| No. of bulls and oxen | (Table Eighteen) |      |
| M11                   | 38%              | 63%  |
| 1-5                   | 26%              | 38%  |
| 6-10                  | 16%              | 50%  |
| 11-15                 | 12%              | 50%  |
| 16-20                 | 6%               | 33%  |
| 20+                   | 2%               | 100% |

Percentage on total n.  
 estimate.  
 e of even  
 19  
 39%  
 33%  
 50%  
 50%  
 50%  
 50%  
 67%





# SWA may have its own TV service by June

RDM 221A  
14/3/81

WINDHOEK. — South West Africa's own television service will probably begin on June 1, it was announced yesterday.

In a joint statement issued in Windhoek and Johannesburg, the SABC and SWABC (South West African Broadcasting Corporation), Mr Piet Venter, chairman of the board of SWABC, said the territory's TV service would be instituted in terms of a decision by the SWA Ministers' Council.

The service's initial targets will be Windhoek and the Oshakati area in Owambo.

The SABC will be given a licence to broadcast programmes in SWA until the territory's independence changes

the situation.

The SWABC is convinced this is the only acceptable way in which a television service of high quality can be initiated in SWA.

Capital and running costs of the service will be carried by the SWABC — but with the understanding that the SABC will contribute to the cost of expanding the service to Walvis Bay, which is South African territory.

Direct programme link-ups between South Africa and SWA in future are not excluded, the statement said. The SWABC would broadcast the programmes on an agency basis.

The SABC programme for-

mat will be retained, but SWABC will be entitled, within reasonable limits, to revamp programmes to cater for the tastes of SWA viewers.

In this respect, the heterogeneous composition of the potential viewer public in SWA would be taken into consideration.

The SWABC also has a licence to inaugurate a television service, and as soon as possible will start its own input of programmes televised in the territory.

These would include programmes bought from SABC archives, others produced in co-operation with the SABC, foreign programmes bought by

SWABC, its own programmes, and others produced on behalf of SWABC.

The SWABC will, as soon as possible, start its own news and actuality input. Input by the SWABC will be identified clearly during telecasting.

SATV advertising material will not be seen in SWA — the SWABC will obtain its own advertising, the statement said.

TV licence fees in SWA will be established by the Administrator-General in consultation with the SWABC.

Pending delivery of technical equipment from abroad, the first transmissions will start on June 1, or as soon after that as possible. — Sapa.

# Total ban on pilchard fishing

2019/3/81  
22/4

'Mail' Africa Bureau

WINDHOEK.- A total ban on the catching of pilchards off the coast of South West Africa will be enforced during the 1981 fishing season.

This was announced yesterday by the Secretary for Economic Affairs in SWA, Mr Piet Kruger.

This is the first time a total ban on pilchard fishing has been enforced

Since the boom fishing days of 1975, the pilchard quota has dropped from 568 000 tons. Last year the quota sank to a mere 15 000 tons of which only 4 000 tons could be canned.

But while there was bad news as far as pilchards were concerned, no restrictions were placed on the catching of maasbanker and mackerel.

The total ban on pilchards is to try to allow the endangered species to replenish.

After an almost rockbottom fishing season last year fishermen this year were not expecting much better, and the pilchard ban does not come as a major surprise.

Fishermen expect to be able to make up for their losses on pilchards in the ability to catch maasbanker and mackerel freely.

A further concession granted to fishermen is that there will be no area restrictions during the 1981 season.

# Pilchard fishing banned off SWA

News 19/3/81 221A

A TOTAL ban on direct pilchard harvesting off the South West African coast has been announced.

The ban was one of several drastic quota cuts approved by the Administrator General, Mr Danie Hough, in an attempt to resurrect the ailing fishing industry.

The ban, announced on the eve of the opening of the season on Monday, will mean the closure of the last canning factory in Walvis Bay.

## ACCEPTED

But it was expected and has been generally well accepted by the industry.

The Assistant Director of Sea Fisheries in charge of South West Africa, Dr Louis Botha, said in Cape Town today that the industry had recognised its plight and had begun to cut back last year.

Of the 90 boats on the Walvis Bay register only 45 had fished last year.

He said the fish stocks, given favourable conditions, would revive sufficiently to allow small-scale harvesting within three years.

Pilchards had shown signs of revival last year when large numbers of small fish had been seen.

Because of this, Dr Botha said, the season had been closed early. This, in addition to the ban, would hopefully allow them to reach maturity and spawn.

A limited quantity of pilchard 'by-catches,' however, will be allowed. This means that small numbers of pilchards may be caught in the normal course of netting other fish.

Strict monitoring would be applied, according to the Secretary for Economic Affairs in SWA, Mr Piet Kruger. The closure of the last Walvis Bay cannery would prevent any direct pilchard catches.

## AGREED

The chairman of the SWA Fishermen's Association, Mr Ben van Vuuren, agreed with the ban, saying that only 283 tons of the 4 000 tons quota had been caught last year.

● The quota for anchovies has been fixed at 15 000 tons.

No limit has been set on maasbanker and mackerel catches. Lantern-fish and cobie catches will be restricted to 5 000 tons.

# Pilchard fishing

RPM 20/3/81

# banned

'Mail' Africa Bureau

WINDHOEK.- A total ban on the catching of pilchards off the coast of South West Africa will be enforced during the 1981 fishing season.

This was announced by the Secretary for Economic Affairs in SWA, Mr Piet Kruger.

Since the boom fishing days of 1975, the pilchard quota has dropped from 588 000 tons. Last year the quota sank to a mere 15 000 tons, of which only 4 000 tons could be canned.

The ban is to try to allow the species to replenish.

After an almost rockbottom season last year, fishermen this year were not expecting much better, and the pilchard ban does not come as a major surprise.

Fishermen expect to be able to make up for their losses on pilchards in the ability to catch maasbanker and makerel freely.

A further concession granted to fishermen is that there will be no area restrictions during the 1981 season.

**Background**

THE final act of the SWA/Namibia fisheries disaster is being played out in Walvis Bay. It was a disaster a lot of people saw coming — but nobody did anything about.

In 1970 there were eight busy canning factories processing hundreds of thousands of tons of fish. Then it was down to one and that was closed last week.

The skippers of the idle trawlers are bitter. So are 8 000 cannery workers who have been sent home jobless.

Scientists warned as early as 1968 that the region's fisheries were doomed unless the quotas were cut drastically. But commercial interests, backed by politicians, insisted they knew what they were doing.

They were warned by Dr Jan Lochner, a Port Elizabeth fish population dynamics expert, that although their catches were the biggest in the territory's history its mainstay, the pilchard, was on the verge of crashing.

He was laughed at, but Mr John Wiley (then United Party for Simonstown and now Nationalist) understood the scientist's calculations and tried in vain to halt the disaster through Parliament.

Here is how the count-down went:

1968: The biggest fish catch in SWA/Namibia's history — 1,5-million tons. The Minister of Economic Affairs, Mr Jan Haak, extended the season by two weeks. The eight fish canning companies were working flat out.

Dr Jan Lochner warned of an overkill. If quotas were reduced, he said, the annual catch could one day be maintained at 2,5-million tons, if quotas continued to be high the resources would collapse.

1969: The Government raised the quotas to 1,75-million tons. Only 1,22-million tons were caught.

1970: Quotas reduced again, but there were not

# Walvis Bay disaster

*Argus*  
23/3/81 (221A)

enough fish to fulfil the quota. Actual figures being released were now becoming confusing.

Lochner called for 'immediate' drastic cuts and again warned that overfishing was leading to the 'total destruction of the industry'.

1971: Headline: 'Fish catch drops to 646 600 tons — the lowest for many years.' A research programme was launched.

1972: Headline: 'SWA fishing in danger.'

Mr John Wiley, MP: 'The Government must take full responsibility... quotas are far in excess of the safety limit.'

The quota was set at

danger.' The blame was placed firmly on local operations although foreign trawlers were also engaged in overkill further out to sea.

The quota was now down to 475 000 but was not achieved.

1977: 'Operation Eureka,' to find new pilchard shoals, fails.

Only 400 000 tons of 940 000 ton quota are caught.

1978: 'The six months' long fishing season is halted after only 3½ months. Only six fish factories now operating. The catch down to 414 000 — nearly all anchovies.

The territory's income

## JAMES CLARKE tells how the bottom fell out of the SWA fishing industry — and 8 000 cannery workers lost their jobs.

995 000 tons. The catch fell to just over 500 000.

1973: The catch was 705 937 — well up on the year before. The anchovy catch was almost doubled and saved the canneries. What was happening was that the less nutritious anchovy was filling the gap left by the over-fished pilchard.

1974: The Government spent R5-million improving the Walvis Bay fishing harbour.

Over the next three years the quotas fluctuated but touched nearly a million tons. Nothing like that was caught and the pilchard was by now in a serious decline.

1976: Headline: 'SWA fish resource in great

from fishing, once nearly R100-million, was now down two-thirds.

1979: Headline: 'Bleak fishing season ahead.' The quota of 337 500 tons was not achieved. The pilchard resource was now all but exhausted.

Only two factories now survived.

1980: Headline: 'Walvis Bay staggers as nets come in empty.'

Pilchard quota down by 99,2 percent on 10 years before. The pilchard quota was set at 12 500 tons but the catch was less than half that. Even the anchovy quota was brought down to 180 000 and now the anchovy was in steep decline.

Dr Lochner told of the bitter feuding among

scientists, technical advisers and commercial fisheries that had led to his being ostracised and his advice ignored. He published his formula for recovery.

The Minister of Agriculture, Mr Schoeman: 'People have mutilated and raped the sea.'

1981: This year's quotas, set last week, are the lowest yet, and a total ban has been put on pilchards.

Last week, headline: 'Walvis "Doomed" as fish crisis worsens.'

The canneries had emerged into one plant (which is now closed) and a lot of equipment has been sold to Chile.

South Africa recently imported 1-million cans of pilchards — from Chile and Peru.

And the fishing industry is now studying Dr Lochner's theories.

22/9

# A delicate balance

FM 27/3/81

The precarious balance between prosperity and economic crisis, and the debilitating effect of political uncertainty, are reflected in the problems that beset the politicians and bureaucrats who are preparing SWA/Namibia's 1981-82 budget, to be introduced next month.

There are indications at this stage that the deficit before borrowing could exceed

1307

new projects or systems in an environment of unco-ordinated development. A certain amount of experience of seems necessary before people can be able to participate in its development. Edward Brett writes of Tanzania that the ideal organisational structure of the new units be in "This means that the level of consciousness of correspond to the requirements; but the complex methods." (6) chosen as groups being introduced in the dependent add corruption in the projects of products as a step other types are generally many cases than the p e. This

In some areas where people are involved in, or production done by other Blacks, they have gained to set up small co-ops. At Ketskamahock in t example, women who had left a sewing "home ind they did not like their conditions of employment set up a sewing co-operative and were confident earn more for their time through the co-op. O who had not been involved in the Home Industry the idea at all. After a leatherwork factory down, ex-workers and wives of ex-workers decidu g some leather goods co-operatively. (Be

last year's R187,4m by more than 50%. Informed government sources predict that estimates of expenditure may be pitched as high as R700m, an advance of 34% on last year, while expectations of revenue from existing sources at current rates of tax may barely exceed this year's estimate of R332,6m.

On the expenditure side, the central government has taken responsibility for security. Spending on police and the territorial defence force will bring heavy additional strain on government finances, despite assistance from SA. At the same time, transfers from the central government to ethnic authorities will probably reflect another healthy increase on last

year's R156m as the DTA government is seeking to expand and consolidate its influence over black and brown rank and file, especially in Ovamboland.

Outlook on the revenue side, on the other hand, has a decidedly thin aspect. Although gdp at current prices in the farm sector seems to be holding out well in terms of last year's R110m (largely due to improved meat prices), earnings from karakul pelts are unlikely to improve because of the West German recession, while the drought, the worst recorded since 1891, will depress meat earnings for the remainder of 1981. Assistance to farmers will have to be financed by government.

Tax revenue from the fishing sector will slow to a trickle due to the virtual commercial extinction of the inshore pelagic fishing resource.

Mining taxation, government's golden goose, shows no signs of picking up in the new financial year. Copper prices remain depressed and diamond sales may remain in the doldrums, at least until the next cyclical upswing in western economies. Rossing Uranium, currently producing at its published capacity of 5 200 tons a year of yellowcake, has still to write off another year's earnings to offset establishment costs before it will start paying tax (R100m a year on estimated earnings of R375m a year).

idea. the initiators had been interested in es- is a co-operative, but people of the area had

who is involved with 2 small sewing groups in Cape Town, writes the following: "The two groups different. Group 2 members have lived in urban than one generation, whereas Group 1 was not as Township environment. Group 2 was thus acquainted of time in cities", able to speak English, and able extent before starting the project. They were to work considerably faster than Group 1. Group more experience of an exploitative, competitive production, understood the advantages of a co-op as this had to be discussed at some length with

writes that in Tanzania some of the most success- ages are those where the people involved pre- as farm labourers on European sisal plantations. ven here have been that through their work on the tions, they see the economic aspects, in addition ones, more clearly, that they have an experience of ar, not because of the economic necessity in the ed, and that they are able to exercise better e of their joint experience of exploitation." (64)

he only people whom I met who said they believed riculture, were a group of men from white farms, people should pool their fields to work them in s It was through the Korporsias and big fields were strong. Furthermore, as Joki Stuurman s It mainly returned migrants who work hard on acts like creches and clinics and who see the thal in the homelands.

consciousness and aspirations resulting from lence of exploitation and/or more advanced methods of a crucial beginning in the development of a new

### 13. FACTORS INFLUENCING MEMBERS' COMMITMENT TO PROJECTS.

While small scale production groups seem by their nature, more likely to inspire participation and committed involvement, than bigger community projects, they too, face many problems. Benno Galgart writes "People who are conscious of being in a structural bind are likely to act collectively. The main problem, which their association meets is that of degree of solidarity. Solidarity is the willingness to sacrifice (that is, spend without readily foreseeable material remuneration) resources to the benefit of others." (58)

I include his diagram of variables which affect solidarity. He explains in the text that:

I. Those variables which help to make it obvious to the individual member that he cannot hope to obtain alone what he can, through association.

II. Variables which measure the propagation or spread of

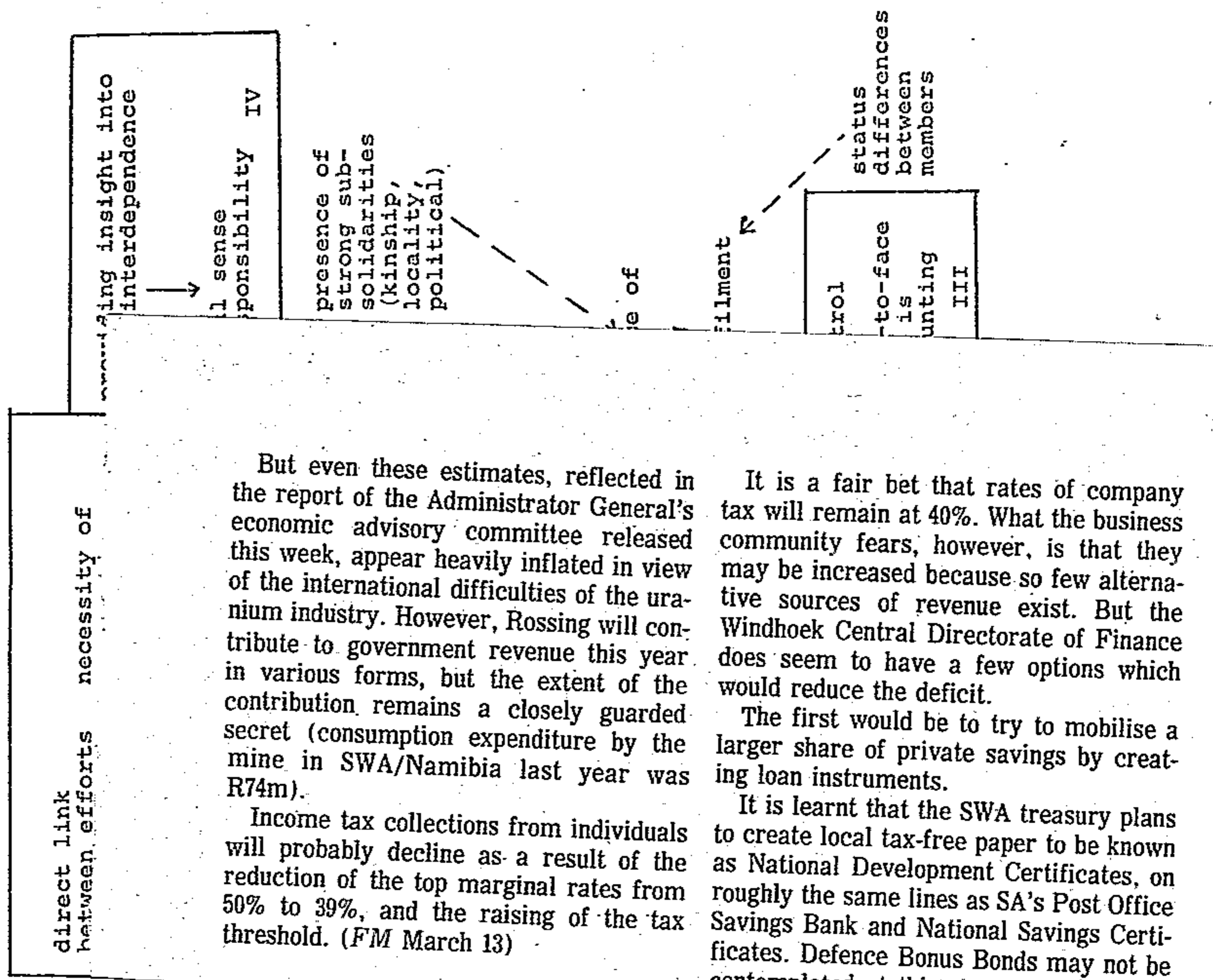
IV. solidarity, creating values. II deals with emotion and IV cognitive orientation.

III. Social control, i.e., the possibility that one has to assess and to raise the quality and quantity of work done by others.

(See diagram - Page 72)

I have already discussed the creating values (i.e. II and in the reserves under the pr

I. As regards No. I, it is projects run efficiently if they don't, members will lead officer who set up the 6 ver Keiskammahock (successful in being a focus for group acti gardens) (59), outlined a pat





# Solar power for phones

CT 31/3/81 Own Correspondent

221A

WINDHOEK. — Sunshine is being tapped to power SWA/Namibia's telephone transmission.

So far, two solar-power installations have been erected at microwave repeater stations south of Windhoek. Eventually, 60 units will save the territory more than R1 million in a decade.

With bright sun throughout the year SWA/Namibia is ideally suited for solar-energy transmission, the senior deputy director of the Posts and Telegraphs Directorate of Engineering, Mr Gerhard Ruck, said at the weekend.

He said the territory was pioneering solar-powered telephone communications in Southern Africa. South Africa was not far behind, with pilot installations in Namaqualand.

Mr Ruck said his department had been considering solar energy for five years. "At last it has become economically feasible, with a drop in

installation price due to mass production of units."

Solar installations were being set up where electricity was not available and the cost of powering repeater stations with diesel engines was too great, he said.

A number of installations were destined for remote areas of the restricted Sperrgebiet diamond-mining area in the Namib Desert.

Eventually, there would be six large installations, each with 60 to 70 solar panels and 54 smaller units with up to eight panels each.

The large installations, like the two already in operation, were about four by five metres in size and cost about R30 000 to erect. After installation there would be no added fuel costs and little maintenance cost.

He said it would cost R75 000 to power diesel engines. The 54 solar installations would help save more than R1,06 million by 1990.

FIGURE 5

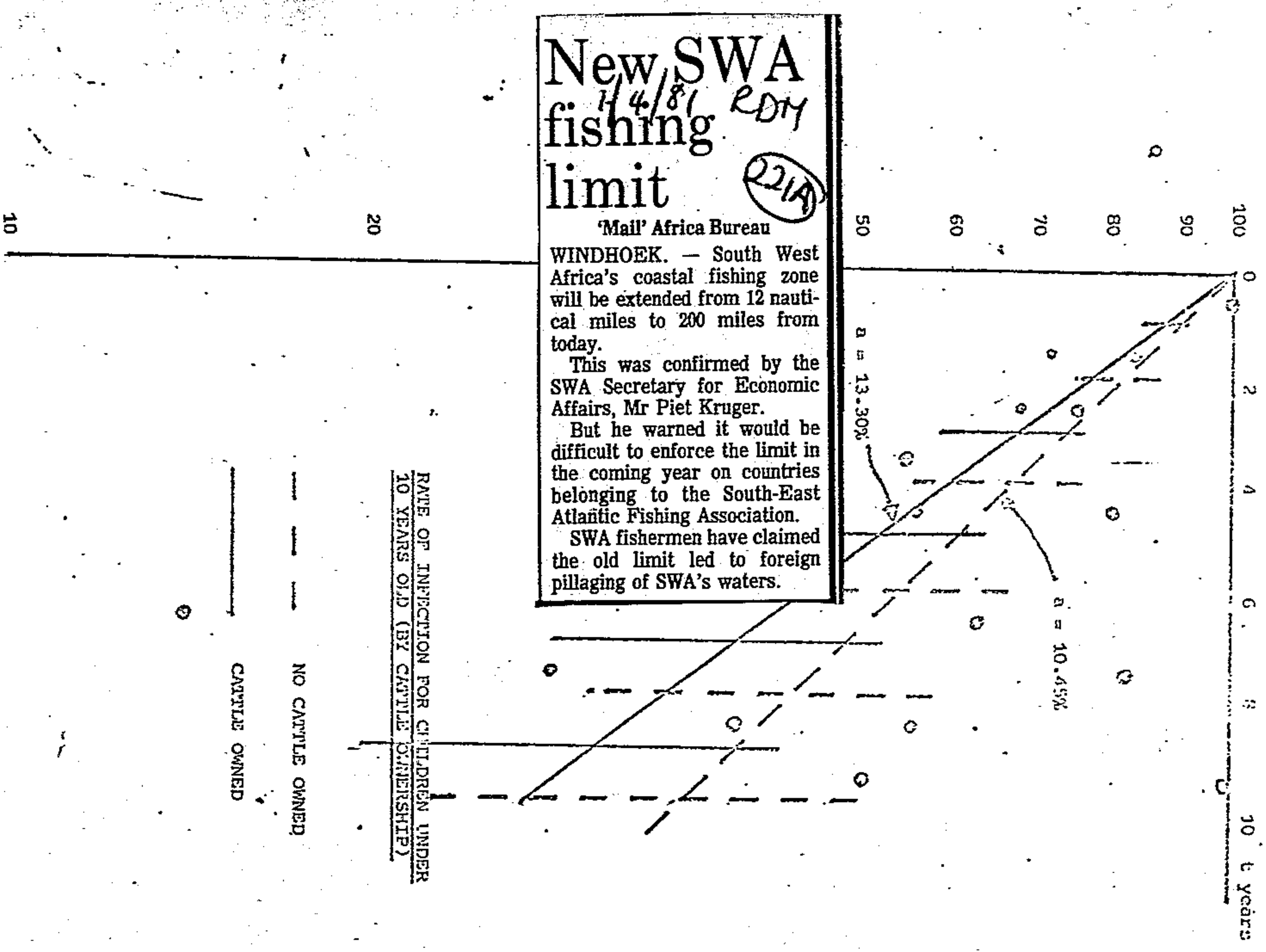
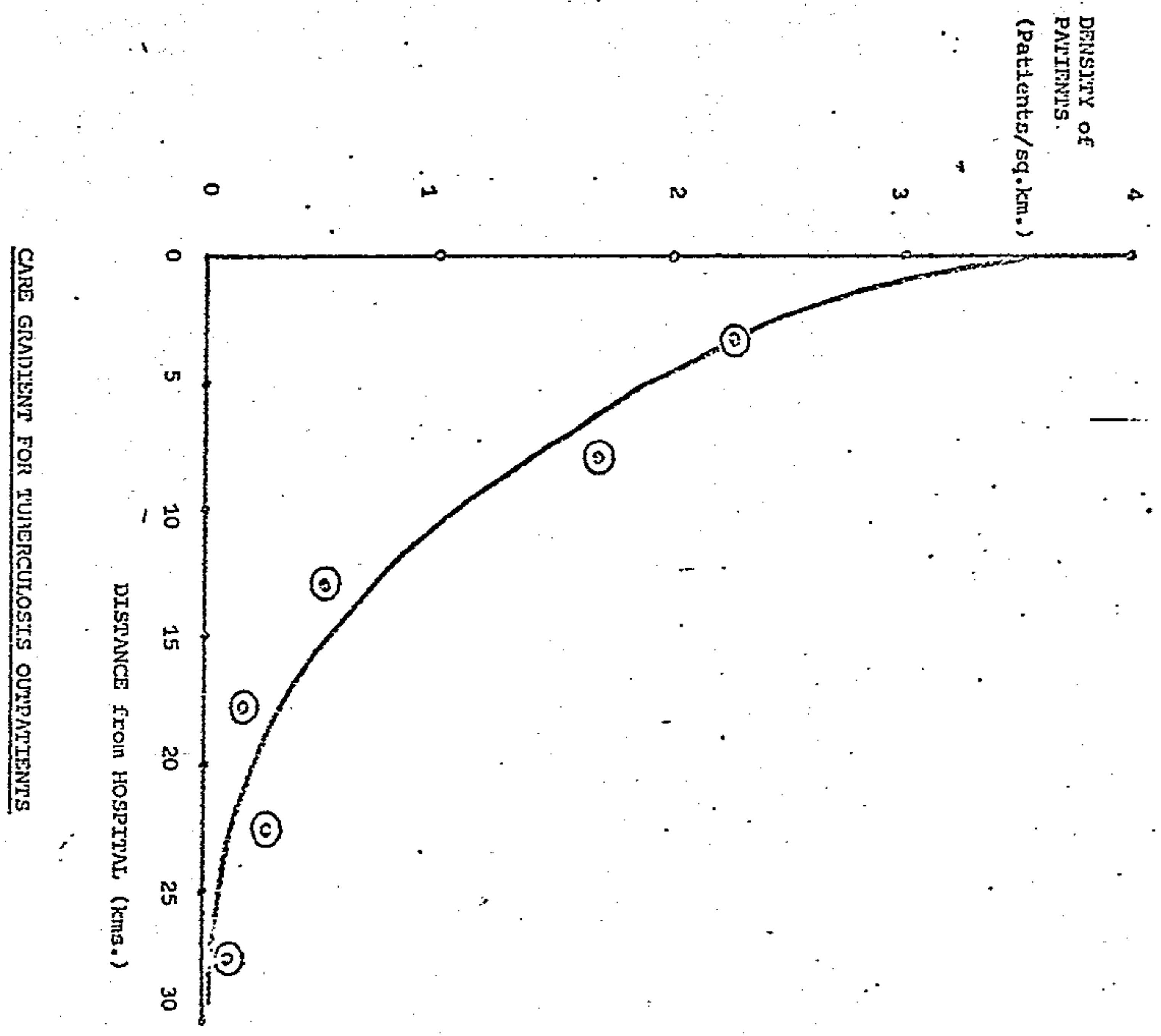


FIGURE 6



# Lamberts Bay chief denies over-fishing

Aug 1/4/81 (221A)

ALLEGATIONS that the local pelagic fishing industry had been guilty of indiscriminate, exploitive fishing off the West Coast have been hotly denied by Mr Abe Shapiro, managing director of Lamberts Bay Holdings and chairman of Sea Products (SWA).

He told the annual meeting of the Shareholders' Association in Cape Town that Walvis Bay had not become a ghost town, as the media had claimed, and that fishing had been going well since it was resumed on March 23.

The industry had obtained the same quotas of anchovies and maasbankers as last year and was not restricted on where it could fish.

Referring to the recent ban on pilchard fishing, he said: 'We are prepared to leave the pilchards alone if the foreigners are.'

The local industry was controlled by quotas, and time and geographical restrictions, whereas more than 100 foreign vessels were fishing off the West Coast with no restrictions to control them.

'They are the ones to blame for over-fishing the area — not us.'

Mr Shapiro was questioned about the sale by Lamberts Bay of 251 000 shares in Tiger Oats and was asked why this was necessary in the light of the large cash balances already on loan to Tiger Oats.

He refused to answer the question, saying an explanation would be given in the company's annual report to be published soon.

Vincent Leroux

and to COLON

Ave:

workers was R6,38 a week

100,00  
96,92  
91,54  
78,46  
48,46  
19,23

12,51  
10,01  
7,51  
7,50  
2,51  
0

Value of payment (R per week) Number of workers Cumulative %

Distribution of workers according to total payment in kind, weekly, R.

TABLE 17

to workers on which they grow their own vegetables.

and vegetables grown by the farmer and the value of land lent

family income) are firewood, housing (see p. 41 below) fruit

(and therefore also from estimates of total payment and total

Omissions from these estimates of total payment in kind

have been imputed where values are unknown.

litres of skim milk a week, valued at about 30c. No figures

'erratic' milk rations have been entered as average - 15,1

terms. In making these calculations, 'unlimited' and

'presents' and medical payments, translated into weekly

meat, milk, clothing, rations, grazing rights, Christmas

after trying the latter, in the hope of getting more relief from their symptoms.

The importance of the cost of treatment in deterring some blacks from seeking medical attention is not a factor which can be removed by insurance of the type available. Blacks as a rule do not carry insurance, nor would it be worthwhile since treatment is available for most at such a low cost. Even for those who would like to use private doctors the type of insurance available is unnecessarily costly for them as doctors' fees are lower. A very small

(221A)  
18/11/81

**SWA gets its own police**

By PETER KENNY  
Mail Africa Bureau

WINDHOEK. — South West Africa yesterday got its own police force with their own uniforms.

Until now the South African Police have operated as the resident force in the territory.

SWA's new force will come directly under the control of the Administrator-General, Mr Danie Hough, instead of the South African Minister of Police.

The commander of the force will be Major-General Dolf Gouws, who was promoted from brigadier yesterday.

Instead of SAP shoulder tabs, the new force will have tabs with the letters POL and light grey tunics and trousers instead of the current blue.

The new force will also have different ranks.

Officers with the present rank of lieutenant and captain shall in future be known as superintendent while majors and lieutenant-colonels will be known as chief superintendents.

broken glasses.

3.4 Perceived outcome of treatment

It is recognized that patients' estimate of the effectiveness of treatment is highly unreliable; they may judge a delayed recovery to be spontaneous when it is in fact due to treatment, or vice versa; they may have failed to take the full course of treatment and relapsed; they may not be able to tell whether the treatment has prevented them from getting worse; and many had chronic conditions like high blood pressure which can only be ameliorated and not cured. Only the patients' impressions could be gathered here.

122 different responses to illness were described. Of these, the outcome of 83 choices were known. In 22 cases (27%) no treatment was reported to have given permanent

relief, partial or total. In 22 cases (27%) the treatment was said to have been no help; and in two of these it was said to have made the patient worse (both were for chest complaints which gave heart trouble). In 59 cases (47%) the relief was only temporary. Those who had to return periodically for treatment of chronic conditions were included as the degree of recognition of the nature of the chronic condition varied, and the interviewer was unqualified to judge whether an ailment could be permanently cured or not. Some of those who reported no relief must have had incurable conditions or have failed to take treatment correctly. However there was a marked difference in the reported success of different types of facility. (See Table 2).

Table 2: Patients' Report of Treatment

| Choice of Facility | Nature of Relief:  |                    |                  | Total |
|--------------------|--------------------|--------------------|------------------|-------|
|                    | Permanent<br>no. % | Temporary<br>no. % | No help<br>no. % |       |
| Home/employer      | 4 (29)             | 7 (50)             | 3 (21)           | 14    |
| Dt. surgeon        | 3 (10)             | 17 (57)            | 10 (33)          | 30    |
| Other doctor       | 6 (32)             | 8 (44)             | 2 (25)           | 18    |
| Outside doctor     | 2                  | 2                  | 4                | 8     |
| Hospital           | 7 (54)             | 5 (38)             | 1 (8)            | 13    |
| Total              | 22 (27)            | 39 (47)            | 22 (27)          | 83    |

Hospital was clearly felt to be highly effective, though the conditions which were treated there would not have been comparable. Other Windhoek doctors - mainly the last two resident there - were clearly felt to have been more successful than the visiting district surgeon. The numbers for outside doctors are too small to compare, and as most patients visited them after getting unsatisfactory results from local doctors most of these consultations

CT 3/4/81  
221A

# Temporary ban on fishing off SWA coast

Own Correspondent

WINDHOEK. — All commercial fishing off the SWA/Namibia coast has been temporarily banned, SWA's Secretary for Economic Affairs, Mr Piet Kruger, said yesterday.

The ban follows confusion among fisherman and scientists after a large and unexplained intrusion of pilchard shoals along the coastline between Walvis Bay and Rocky Point this week.

Last month a total ban on pilchard fishing was placed but fisherman were allowed free rein in catching maasbanker and mackerel.

Fisherman were, however, confused this week with huge shoals of pilchards swimming into their nets.

The earlier ban on pilchard fishing only was enforced to allow the dwindling pelagic fish to replenish.

Until 1974 the pelagic fishing industry, consisting mainly of pilchards, made a major contribution to SWA's economy. But income from fisheries dwindled from hundreds of millions of rands to about R10-million last year.

In 1969 a mammoth 858 000 metric tons of pilchards were caught off the SWA coast. In 1975 there was a pilchard quota of 568 000 metric tons. Last year's quota was a mere 15 000 metric tons of which only 4 000 could be canned.

With this year's earlier total ban on pilchard hauls, Walvis Bay's canning industry remained at a standstill.

But with the find of the huge shoals of pilchards — estimated at between three and five years of age — fishermen were ecstatic, hoping the pilchard ban would be lifted.

Fishermen reported some intermixed shoals containing pilchards, anchovies and maasbanker. They also reported some pure pilchard shoals.

The secretary of the SWA Fishermen's Union, Mr Ben van Vuuren, said it was almost impossible for fishermen to avoid netting pilchards.

But Mr Kruger said yesterday a decision on the lifting of the total ban and on whether fishermen would be allowed to catch limited quantities of pilchards would only be announced next week.

Anxious fishermen, however, said they wanted an immediate decision and they felt the shoals might swim southwards into the nets of foreign trawlers south of SWA.

Mr Kruger said it would take some time for Walvis Bay to gear itself for canning pilchards. At the moment it was only prepared for crushing maasbanker and mackerel and making it into feed.

"I am not prepared to stick my neck out to destroy the efforts of the past two years," Mr Kruger said, in reply to fishermen's demands for an immediate lifting of the pilchard ban.

He said it was not worth sacrificing SWA's fishing industry for short term profit merely because the first rays of hope for the diminished fishing industry had been seen.

KDM 3/4/81 (221A)

# Race-bias out in SWAP

By PETER KENNY  
Mail Africa Bureau

WINDHOEK. — South West Africa's new police force will have no racial discrimination, the Divisional Commissioner of the new force, Major-General Dolf Gouws, said yesterday.

A man's colour would not stand in the way of his promotion in the SWAP.

SWA's new police force was introduced yesterday to take the place of South African Police in South West Africa.

"This latest development is part of the territory's independence process, and is in accordance with the wishes of the people," General Gouws said.

Until Tuesday the general was Divisional Commissioner of the SAP in SWA, and is one of its first members to accept a permanent position with the new SWA police.

The new force will be controlled directly by

the Administrator-General of SWA, Mr Danie Hough, instead of by the South African Minister of Police, as in the past.

In time the new force will also receive its own uniform. The names of certain ranks have been changed already.

The head of the force will be known as the Commissioner, with a rank of major-general. Immediately below him are the Deputy Commissioner and Assistant Commissioner, with equivalent ranks of brigadier and colonel.

General Gouws said members of SWAP would receive better salaries than their South African counterparts.

"We are not completely independent of the SAP in that a large number of policemen currently serving here still belong to that force," General Gouws said.

The SWAP would continue to seek co-operation and support from South Africa, but policemen would eventually be trained in SWA.

|      |              |              |                                 |
|------|--------------|--------------|---------------------------------|
| 8    | 'Employable' | 'Unemployed' | Area 11:<br>Coloured<br>African |
| 7,9  | 17 125       | 1 353        |                                 |
| 8,3  | 3 392        | 282          |                                 |
| 15,9 | 14 784       | 2 345        | Area 13:<br>Coloured<br>African |
| 9,3  | 23 637       | 2 197        |                                 |

TABLE 3.  
'UNEMPLOYED' MEN AS A PERCENTAGE OF 'EMPLOYABLE' MEN

If the 'not economically active' men, less those aged 0-14 and less than or equal to 65 (the last column in Table 2) are added to those officially unemployed, a figure of 'probably unemployed' men is reached. Expressed as percentages of total men in the area less those aged 0-14 and less than or equal to 65 (the 'employable' men) these figures are :

But it seems a little facile to assume that all the other women (those who are not invalids) are housewives from choice, particularly since many of them must fall into income categories where the incentive to combine running a house with a cash-earning job is strong; and it is not clear how the other men should be described, if they are not to be considered 'unemployed'.

Some of these people may be chronic invalids.

RDM 3/4/81

# SWA trawler fishing to be suspended

WINDHOEK.— Trawler fishing along the SWA/Namibian coast has been temporarily banned because of the "alarming" number of sardines being caught, the territory's Secretary of Economic Affairs, Mr Piet Kruger, confirmed in Windhoek.

Mr Kruger said he had requested fishing boats not to put to sea again until a scientific report on the numbers of sardines off the coast had been completed.

The catching of sardines was forbidden this year to conserve depleted resources and allow shoals to build up again. — Sapa.

care area — viz. self-help in the maintenance of health and the treatment of minor ailments at home. To draw another analogy — motor cars need regular checks and servicing, but due to the high cost of these many motorists have resorted to do-it-yourself servicing and undertake minor repairs themselves.

Talking of motor cars reminds one of a rhyme learned in high school —

What fools indeed we mortals are  
to lavish care upon a car;  
With ne'er a bit of time to see  
about our own machinery.

Whom will this service reach and by whom will it be given?

Firstly at whom will the service be aimed? The service is at everyone in the Kew Town, Bridgetown and Silvertown area — concern itself with the grandparents (so often responsible for grandchildren while the mother works or after the mother "disappeared"), parents in the community and their children (disabled and chronic sick will be catered for in that leaflets about their condition and how best to overcome or allay their specific disability will be distributed to them.

Secondly by whom will the service be rendered. The service will be rendered by Voluntary workers living in the community. The auxiliaries will be available to give advice and distribute health education literature at hours of their own choosing. They are not expected to give any treatment and would not be expected to wear a uniform.

An auxiliary is defined as a technical worker in a certain field with less than full professional qualifications. Single purpose auxiliaries have minimal education and are taught single or limited range of skills. General purpose auxiliaries are trained in a variety of skills. It is hoped that having covered some sort of curriculum that these auxiliaries may progress from single to general purpose auxiliaries.

The/...

The actual 10 auxiliaries recruited came from people associated with two community projects in the area. Five were connected with the Early Learning Centre and five with BABS (Build a Better Society). The background to these 2 organisations is as follows :

The Early Learning Centre was established as a research project to formulate a nursery school curriculum for the socially disadvantaged or deprived child. As part of its parent education programme it gave birth to the HELP (Home Early Learning Programme) scheme. As part of its social programme it gave rise to BABS, which matured rapidly and soon left the roost to fend for itself, due mainly to physical accommodation problems as well as to move itself into the heart of the community.

Walvis wants 'new economy'

RBY  
2/4/81  
22/4

WINDHOEK. — Far-reaching plans to give Walvis Bay a much-needed economic boost were discussed in Pretoria last week by the port's director, Mr D Vosloo, and Government officials.

The talks were held as a result of a call from the port's inhabitants for urgent action to save its declining economy. Further talks will be held in Pretoria this week.

Among measures discussed were plans to develop Walvis Bay — a South African enclave on the South West African coast — as a holiday resort, and make it a free port.

Much of the land surrounding the harbour belongs to the State. The possibility was discussed of making it available to private enterprise to develop hotels and beach huts.

Many holidaymakers come from South Africa.

A holiday resort developed round Walvis Bay would give a choice to tourists who preferred "South African" facilities. Those in nearby Swakopmund and the rest of SWA are open to all races.

At last week's meeting, the report said, it was also suggested that Walvis Bay should become a free port.

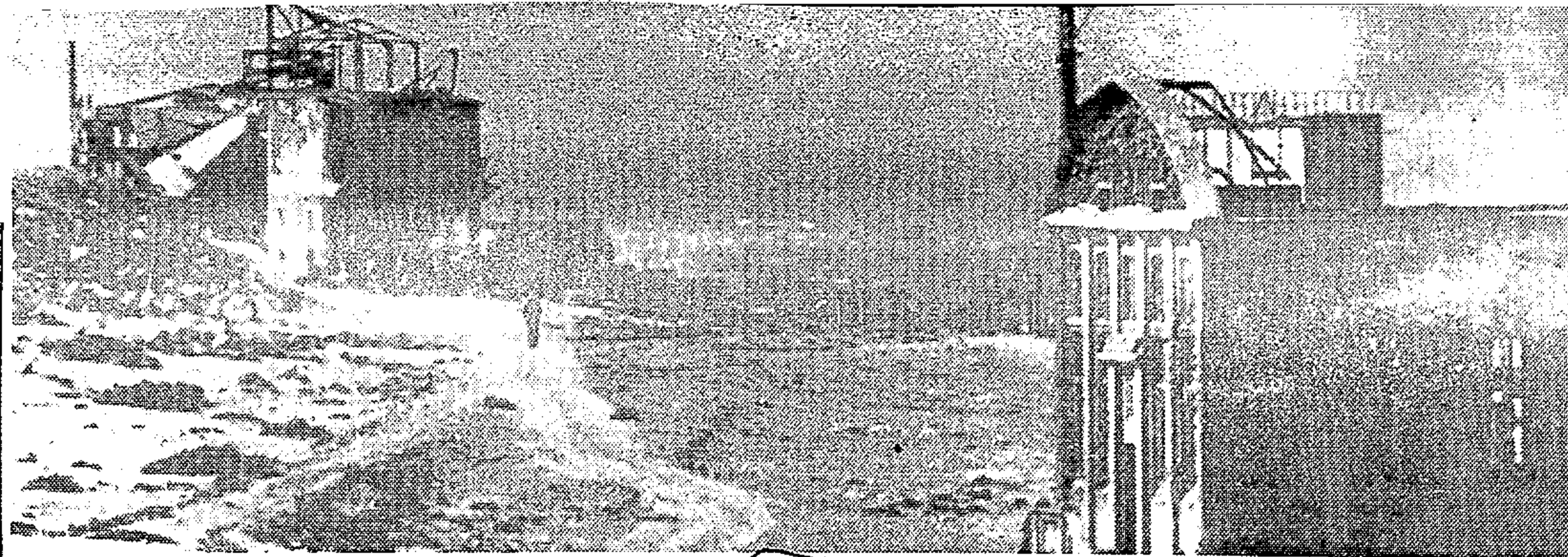
The report said an urgent investigation was planned into ways to avoid friction in a cosmopolitan Walvis Bay, which is surrounded by SWA, where there were "other norms". — Sapa.

These lady home visitors were given a lot of background lectures on child development, family planning and community health as part of their training for the HELP scheme. They have become auxiliaries in their private capacities and are well qualified educationally for these posts, as well as being well placed geographically.

Build a Better Society (BABS) and the Dr Abdurahman Day Hospital were both born in the latter half of 1972. BABS is described as an organisation which employs social workers to organise the community into self-help groups which are eventually left to function on their own. BABS undertook a full sociological diagnostic survey of the Kew Town housing scheme in 1972. Regional committees were established and each of these were represented on a central committee.

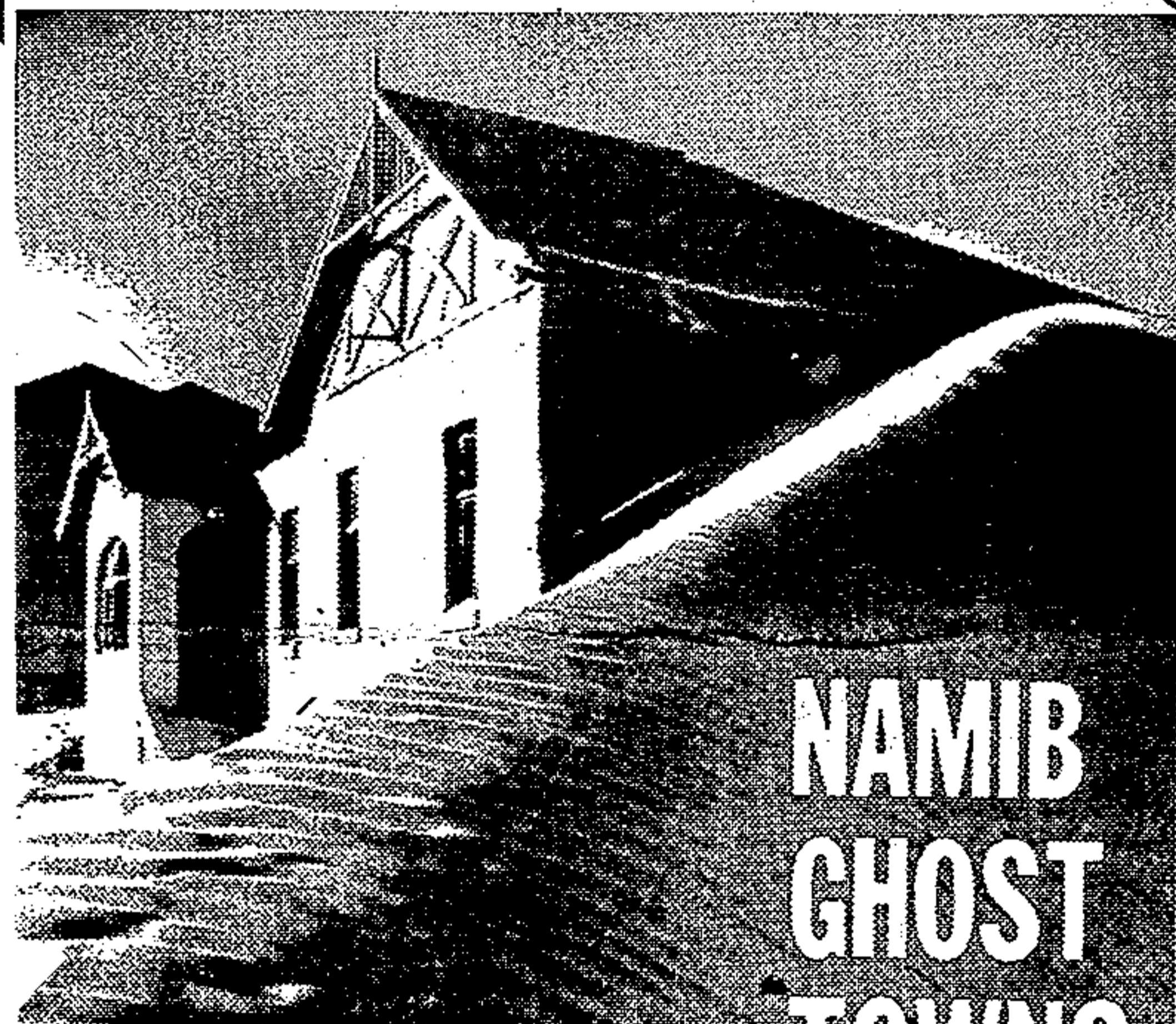
Each/...





The old diamond plant (left) and recreation hall at Elizabeth Bay

Story and pictures by ANDRE VILJOEN, 'Mail' Africa Bureau



# NAMIB GHOST TOWNS WILL REST IN PEACE

DIAMOND ghost towns are crumbling in the Namib Desert dunes where European opera stars once dazzled millionaire adventurers.

Now diamond giant CDM has undertaken to stop the decay at Kolmanskop, the biggest of the German diamond towns which mushroomed near Luderitz after the discovery of diamonds in the desert in 1908.

And the promise of prospecting in the vast, deserted Skeleton Coast sperrgebiet (restricted area) could also breathe new life in the form of renewed diamond mining at the important ghost towns of Elizabeth Bay and Bogenfels.

In its heyday, Kolmanskop, 12km from Luderitz, was the grandest and most riotous of the desert diamond towns. Reputedly it was livelier than Picadilly, with champagne and imported soda water baths being the order of the day during water shortages.

Some of the finest horses in Southern Africa raced on its track, and opera stars and orchestras from Europe entertained its high-living residents in a magnificent two-story complex known as the casino.

The town's success story started soon after a coloured labourer handed a shiny stone to German railway worker August Stauch. Stauch confirmed it was a diamond, resigned his job and staked claims in the desert. Soon the dunes were alive with fortune-hunters, some of whom strayed too far south and died of thirst amidst the enormous wealth.

By 1909 magnificent mansions had been built on the desert sand. Soon there were schools, hospitals — the hospital at Kolmanskop boasted the best X-ray equipment in Southern Africa — shops, theatres and hotels.

Between 1908 and 1914 about five-million carats of diamonds worth more than R17-million were mined in the desert. On moonlit nights lucky prospectors gathered cupfuls of glittering gems off the sand.

richer diamond deposits at the mouth of the Orange River all contributed to the collapse of the desert towns. Mining at Kolmanskop stopped in the early 1930s. The town survived another two decades as a supply and transport depot. The last resident left in 1951.

The ghost towns, some of which have disappeared completely, were left to the mercy of the sand-blasting gales and the corrosive, moist Atlantic air. The Skeleton Coast in the Luderitz area is one of the windiest coasts in the world. Fierce south-westers rage for seven months of the year.

Kolmanskop, which is the only one of the ghost towns open to tourists, is relatively well preserved. Others, like Elizabeth Bay in the sperrgebiet, are honeycombed shells which threaten to collapse at any moment.

CDM plans to complete its restoration of Kolmanskop in 1983, 75 years after the discovery of diamonds in the Namib and a century after the founding of Luderitz.

A unique feature of the project is its aim to preserve the town in a state of "arrested decay". The idea is to preserve the town's vital ghost town atmosphere, says CDM's Windhoek public relations director, Mr Clive Cowley.

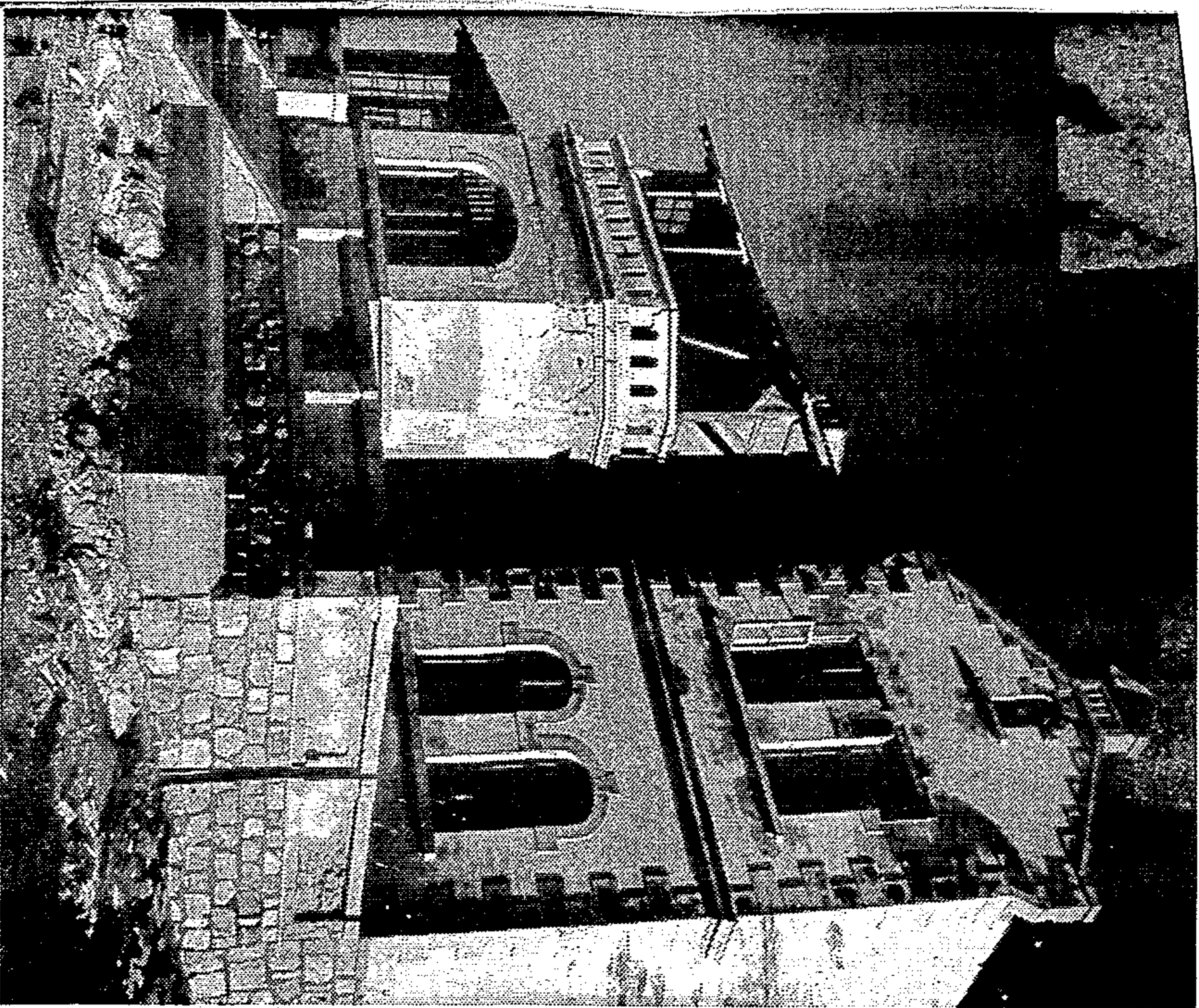
Sixteen of the original 79 buildings in the town have been earmarked for selective restoration. Window panes, doors and roof tiles are being replaced to afford some protection from the marauding elements and walls will be made "decay proof".

In one case an invading sand dune will be removed from within a house only to be replaced after the walls have been treated.

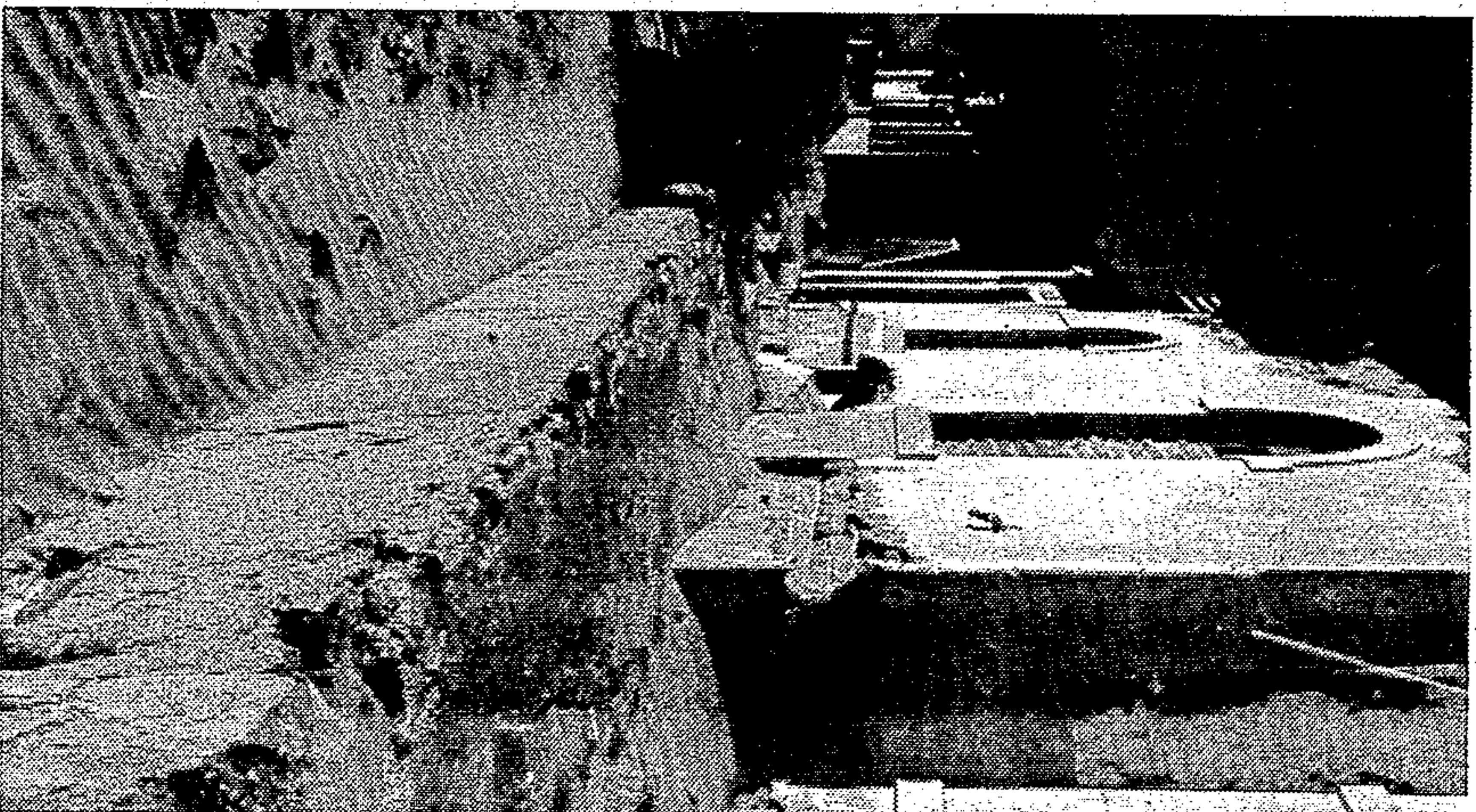
Sand breaks will be erected to prevent more destructive dune build-up in the town. Period furniture is being collected for display in the restored buildings and authentic machinery and equipment is being sought to supplement the museum display in the already refurbished general dealer's

store.

221A DM 9/4/81



Within a year of the discovery of diamonds in the desert this director's mansion was built in the sand. All building materials were imported from Germany.



Commercial row at Kolmanskop where a butcher, baker, general dealer and others once plied their trades.

# Mudge sharply rebukes SWA Nats over R54-million drought aid

# White Farmers' Protest

221A S. Tribune 12/4/81

**Tribune Africa News Service**

**WINDHOLEK:** A major political row has erupted in SWA/Namibia over a multi-million rand relief programme for white farmers struggling against "one of the ter-

riblest droughts in memory."

The announcement this week of a R54-million aid scheme only for white farmers in the territory sparked an open clash between the central government and the white ethnic representative authority, in which

the SWA/Namibian National Party has a majority.

The Administrator-General, Mr. Danie Hough, has been dragged into the slanging match in which Mr Dirk Mudge, chairman of the Council of Ministers, sharply rebuked the MEC in

charge of white agriculture, Mr Eben van Zijl, for announcing the plan without prior consultation with his council.

Mr Mudge's attitude was contained in a statement issued jointly by himself and the Administrator-General, in which

he announced moves to help all farmers in SWA/Namibia, not only the whites.

"If representative authorities, however, do decide to begin their own schemes, they are called upon, in case they expect funds from the central government, not to announce their schemes until the Ministers' Council has considered and approved their application for funds," said the statement, in a clear reference to Mr van Zijl's announcement.

The statement also said that as the white administration had not consulted the Ministers' Council, and that the council and the Administrator-General had not received application for the funds, it could be inferred that the white authority had made its own arrangements for the necessary funds.

Mr van Zijl disclaimed any political motives for making the plan known when approached for comment.

"I wish to say categorically that firstly I did not get in touch with the Ministers' Council and I can see no reason why I should have done, secondly I have had only

the best co-ordination with the Administrator-General on this matter and he could have informed them if he had wanted to, and thirdly that the inference that we intend to finance the scheme ourselves is not completely true," he said.

Meanwhile the

# Walvis Bay: The way ahead

2024 SA Industrial Week 14/4/81



THE revitalising of the line-fishing industry appears to be under way at Walvis Bay. A subsidiary of the Windhoek-based Ohlthaver & List group of companies, Nieswand Boatyard, is building a fleet of five line-fishing vessels. These craft, built from timber imported from the Ivory Coast, are designed to the now classic MFV lines.

The MFV (Motor Fishing Vessel) was a type developed by both England and Germany during World War Two as armed patrol boats, with a secondary fishing role. They are broad in the beam, fairly deep on draught and have flat transom sterns. They are powered by slow-revving high-torque diesel engines and are excellent sea-boats. Amid the uncertainty over Walvis Bay, the boatyard production line, where all five vessels are being built, is an encouraging sight.

Walvis Bay, however, is still very much a fishing port in terms of its usage by the foreign trawler fleets. Russian, Polish, Spanish, Korean, Rumanian, Greek, Israeli, Iraqi and Iranian flags are among those to be seen at the berths. Many vessels under foreign flags put in for repairs and overhaul. Seen in these terms, the port is a going concern in harbour dues and passing trade.

Another project on the boards at present is the setting up of a large cold store complex at Walvis, which would be used not only for exports

In the first part of this report Roy Allen outlined the problems facing the South African enclave of Walvis Bay. In this second and last instalment he suggests some solutions.

stern-tube re boring and alignment, the overhaul of diesel and steam turbines and marine auxiliary units, complicated "hull" surgery, scaling, rustproofing and repainting of complete ships, radar and radio repairs, and the many other supportive services necessary for shipping.

Companies like Gearings, under its overall-lead technical director Johan van Kuyk are versatile and dynamic entities in the Walvis Bay scheme of things, and its well-equipped workshop is able to perform tasks like the rebuilding of rudder pintles by welding and machining, can produce reduction gear-rings and can carry out all types of milling, routing and turning. It can also prepare non-ferrous castings.

Kraatz Welding and Nieswand Engineering are two other companies kept busy on the repair side, and speaking as a former marine engineer, and having checked out the repair facilities offered by these private concerns at

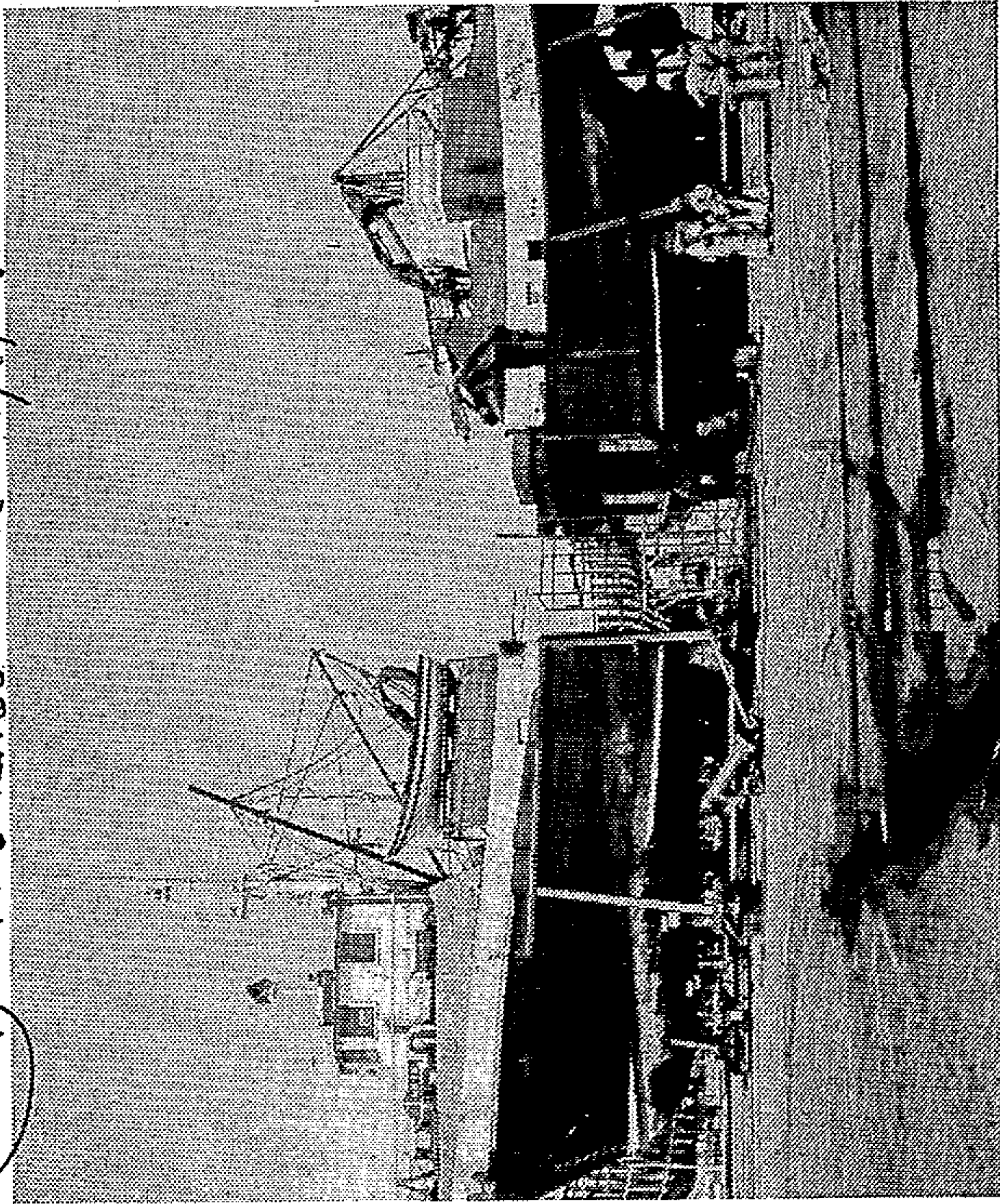
relevant authorities at the international level to award the port the "Repair Port" grading, after due investigation.

Gearings (Pvt) are already carrying out Lloyds-approved repair operations, and are also, incidentally certificated for the inspection and repair of the pod-carried Beaufort inflatable life-rafts.

Whilst the fishing situation is being sorted out, there is nothing to stop an all-out effort to obtain the "Repair Port" rating for Walvis Bay.

Here, I would say, would be the real starting point for a revival programme. But the Government and the private sector must at the same time go all out to make the port attractive to foreign visitors, both administratively and socially.

I'd recommend that some of our Reef-bound companies with possible marine or related interests set a course westwards to take a look at Walvis Bay — and speak with people like Lange, Dennewill



**Hull-lengthening by Gearings: A 6-metre section being built in. The company also undertakes beam widening and performs the necessary buoyancy and stability tests.**

Mattingh warned in the *Bulletin of the Africa In-*g the 1960s the increase in the urban African id been greater than the total white population also concerned at the fact that the time which it increase in the black population to equal the total

221A

SA industries week

14/11/81

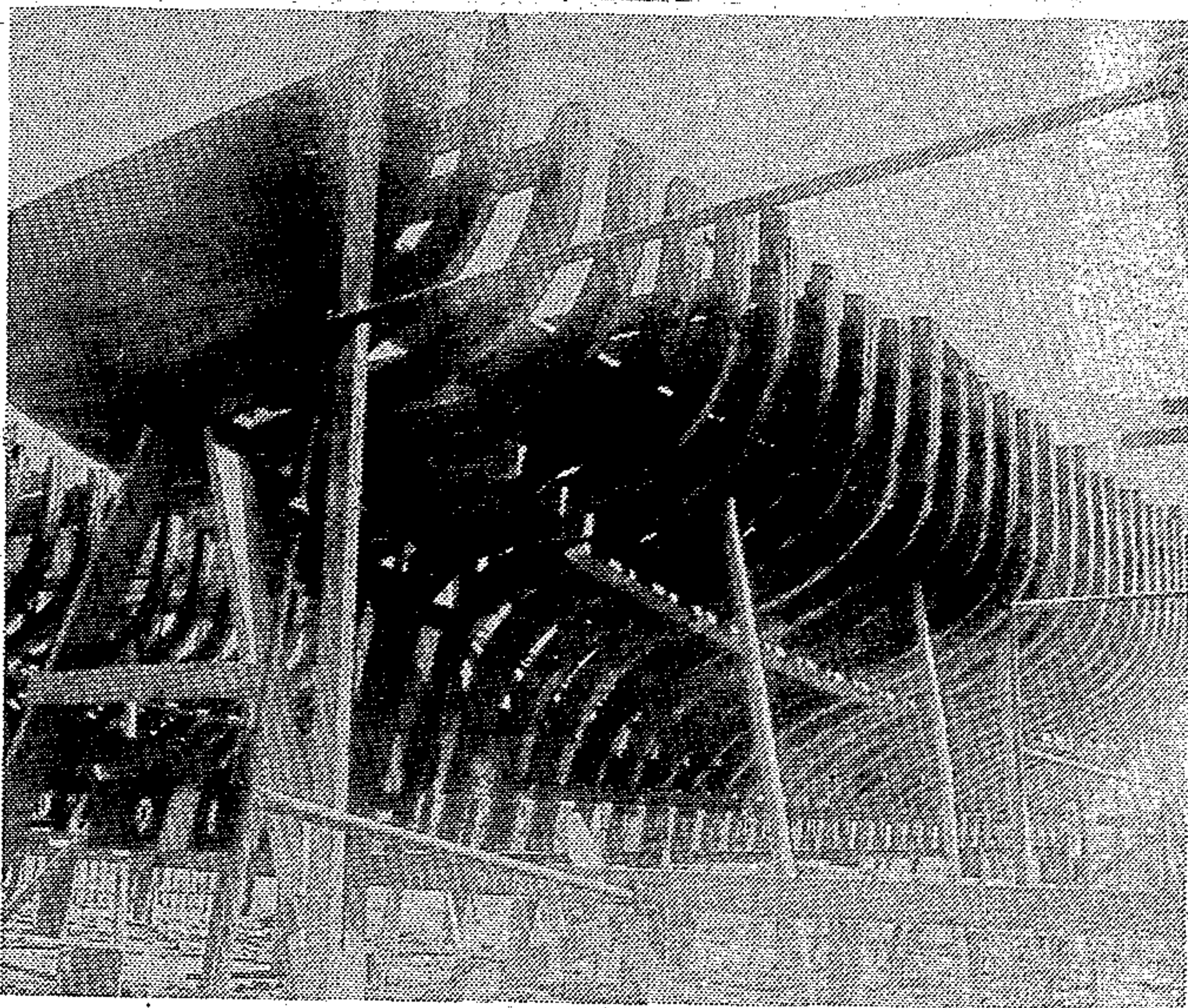
foreign fisheries for transit storage of fish, with accompanying packaging facilities.

The complex will be to EEC specifications, similar to the complex of Blue Continent in Cape Town, which company is believed to be involved in the Walvis Bay project.

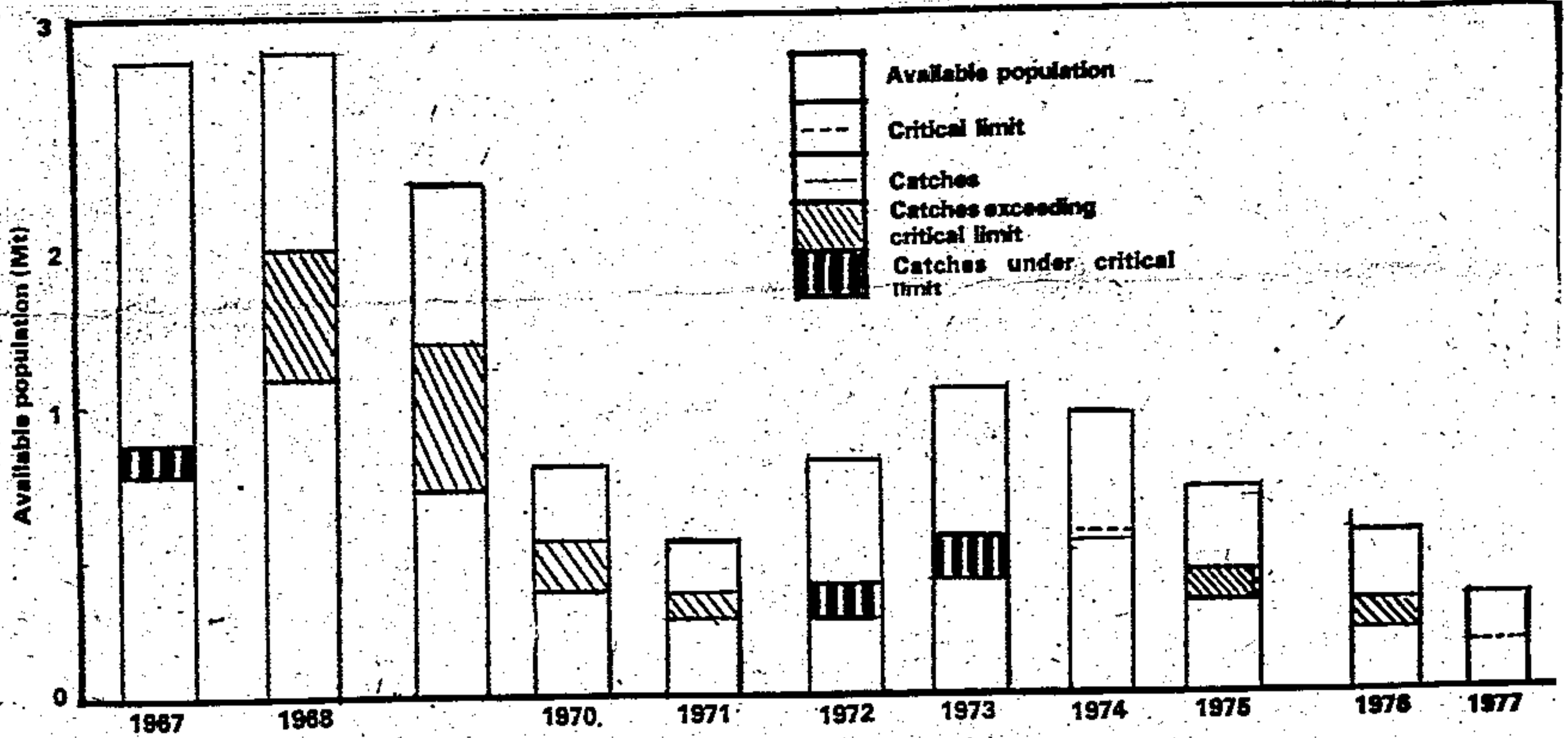
But perhaps the most attractive of all proposals is that the port will be officially designated a "Repair Port" by international shipping. It fully deserves this rating since it is able to offer a most comprehensive range of shipping repair and maintenance services with a competency and speed unmatched by many other ports, including some in Europe.

Repair costs here are said to be highly competitive.

Included in the range of repairs possible are undersea hull patching, underwater hull inspections and the removal and refitting of rudders by submerged teams, propeller refit and repairs,



A subsidiary of the Ohlthaver and Rist group, Nieswand, is currently building a fleet of wooden long-liners at Walvis.



Extent, critical limits and catches of the South West African pilchard population,



The silvery harvest of the sea — holds filled to full and overflowing — as it was before the resources collapsed.

## Study was not accepted

IN-FIGHTING among the bureaucrats, feuding among top scientists, ostracism, misleading information, and scoffing articles in a leading scientific journal all helped in the destruction of the fishing industry, says Dr Jan Lochner.

His claims of a major breakthrough in the study of the population dynamics of fish were dismissed by a coterie of government scientists and academics, in spite of the fact that his predictions proved true.

"My background is that of an electrical engineer, with experience on guided missile systems. I used an electrical analogy to model the rise and fall of fish populations. It was so revolutionary and contradicted so many theories held by the marine biologists and fish experts that they refused to accept it, even when the proof was staring them in the face," Dr Lochner said in an interview.

Using calculations based on his theory he was able to predict each year's catch in advance, to within one percent of accuracy.

"The only time I went wrong was when I was given the wrong figures by the Department of

Sea Fisheries. In an inquiry, fishermen gave evidence that they had been forced to dump fish at sea because they had gone over the quota. Others claimed that the fishing companies underpaid them by manipulating the weigh-in scales to show a lower figure. Whatever the reasons, I took more care with my sources after that."

His model also showed the critical limits for fishing and predicted that if these were exceeded the fish population would decline below a level where it would be impossible to harvest them scientifically. He gave 50 percent as the critical level in the case of pilchards and 100 percent (of the adult fish) for anchovies.

On this basis he forecast ahead of time the amount of fish available, the likely catch and the quota advisable to maintain the resource.

As a member of an early commission of inquiry into the fishing industry, he was first tolerated, then ignored and finally ostracized. He was forced to oppose the full vote of the commission and turn in a mi-

nority report which "got delayed a bit on the way" but finally caused a furore in Parliament.

In January last year he published his theory of fish population dynamics in the South African Journal of Science. It included a simple solution to the fish collapse — a shift of fishing activity from winter to summer in order to allow the young fish time to breed before harvesting.

In October, in the same journal, four government scientists and three University of Cape Town academics published their views in a 12-page rejection of Dr Lochner's theories.

"I stand by my work," Dr Lochner said.

"The important thing is that we now have a model which will enable the fishing fleets of the world to harvest the sea scientifically, so that the resource can give a predictable annual yield. This has never been the case before. Given proper management, I feel confident that the South West African fishing resource can be restored and could yield up to 2.5 million tonnes a year," Dr Lochner said.

tion dynamics, Dr Lochner adapted electrical theory to show how fish populations behaved and to predict annual catches.

### Collapse

His work was so accurate that he was able to predict fish catches to within one percent. He also showed that a fish population reduced below a critical level would collapse. Based on these findings, he recommended severe cutbacks in fishing quotas.

But his theories were bad news to fishing concessionaires who had invested heavily in factory ships, canning factories and other plant. Their representatives carried most weight in the Fisheries Advisory Board and blocked his recommendations.

"Up until then I was pretty innocent, I didn't know what was going on," he told me in an interview this week. Then a friend warned him that attempts were being made to discredit his theories.

"There are profits of more than R10m a year being made, do you think you can talk louder than that?" he was asked.

Appointed as a member of a commission of inquiry into the fishing industry in the late sixties he found himself a lone voice calling for caution. Driven to desperation by non-co-operation, he flew to Pretoria to talk to the Minister, Mr Jan Haak.

That was the year after the biggest fish catch in the country's history — 1,5m tonnes — was recorded. The Minister had

on factory ships and other equipment and could not be expected to agree that the fish were threatened.

Dr Lochner went back to work, carried out in his own time and at his own expense. As he put it: "There were no all-expenses paid trips around the world, not even a train ticket to the harbour. I was on my own and I was made to understand that."

Then came a setback, his predictions for the catch for the following year were off the mark by about 20 percent. It seemed as if his theories were flawed. Officials congratulated each other on ignoring such an obviously untrustworthy source.

A check showed that the error could only be in the figures supplied — and these came from the Department of Sea Fisheries.

Strong pressure "and a bit of help from friends" soon obtained the correct catch figures. They matched his calculations, again to within one percent. An official apologized for the "oversight".

"I took good care to organize my own sources after that," he told me.

The factory ships continued to haul out an incredible 600 000 tonnes annually in addition to what the entire fishing fleet was harvesting. Dr Lochner decided to bypass the Cabinet and go straight to the top. A letter to the Prime Minister, then Mr Vorster, resulted in withdrawal of the ships, a new Minister of Industries and a promise to reduce catches.

shipping journal found an overseas expert who contradicted my theories. Suddenly the quotas went up again, one of the factory ships returned to the fishing area and we were back to square one," said Dr Lochner.

Mr Wiley accused the Minister of giving incorrect figures on the industry. Mr Vorster called for a Select Committee of Inquiry. Dr Lochner and Mr Du Plessis gave evidence on the disparity of figures.

### Confusion

"In the end it seemed there was some confusion about the interpretation of the Afrikaans term for territorial waters and waters of the territory (SWA/Namibia) and that's why the figures differed," said Dr Lochner. Everybody agreed to accept there had been a "mistake".

Quotas were drastically reduced — and the Department of Sea Fisheries suddenly found itself unable to come up with the statistics required by Dr Lochner to calculate the next year's quota. He was ignored by the Advisory Board and the Department of Sea Fisheries but continued to watch from the sidelines.

"My unofficial sources were still dependable and in 1975 I noticed that catches had risen above the critical level. I approached the new minister (Mr Chris Heunis) and warned him, pointing out that I had no official statistics to go on.

Mr Heunis called in the secretary and the head of the division

he went back to Pretoria for another audience with Mr Heunis, only to be told that the minister had no choice but to accept the advice of his officials.

### Full report

Back in his Port Elizabeth laboratory, Dr Lochner hammered out a full report, stripped of all the niceties, which warned in blunt terms that the department had to cut the quota or lose the whole industry. The report, and an implication that it might circulate elsewhere, had some effect. Quotas fell to 250 000 but this was still too high.

Events were now happening quickly. Mr Heunis and the director of Sea Fisheries flew to Walvis Bay for an on the spot check. The quotas were slashed to 200 000 tonnes.

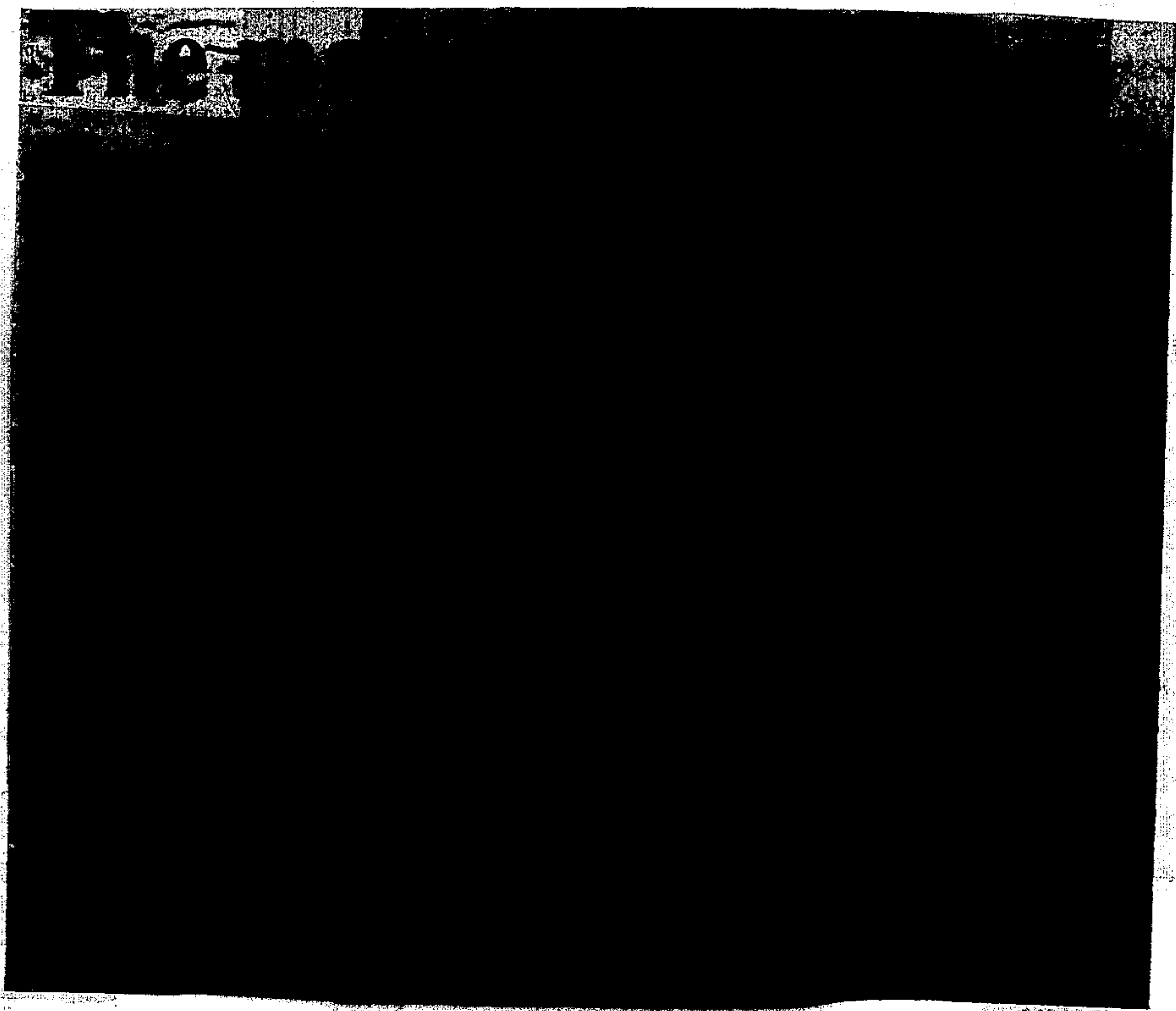
"Unfortunately, it was already too late," said Dr Lochner.

Unbelievably, the fishing interests refused to give up. They sent a deputation to Pretoria and confronted the minister in his office.

"He sent them packing," said Dr Lochner, recalling the incident with a smile.

But his predictions of catastrophe were already reality. The pilchards disappeared.

"After wiping out the pilchards they started on the anchovies. The situation is repeating itself. If the same greedy methods are used it will be the end of the fishing industry in any real commercial sense," Dr Lochner said.







The heyday of the pilchard fleet in Walvis Bay — dozens of boats ride at anchor after discharging full holds.

# Where all the fish have gone

222A CT 15/4/81

**NEPOTISM and greed** — jobs for "buddies and pals" and avareicious fishing concessionaires — finally wrecked the SWA/Namibian fishing industry, leaving 8 000 out of work in Walvis Bay, alone and robbing the underprivileged of a source of cheap protein.

Marine deserts now exist along the South and West African coastlines where once huge schools of pilchards, anchovies, hake and other fish teemed the seas in quantities at times so great that trawlers couldn't cope.

But the fishing companies hurried more men and ships in to help with the plunder, succeeding in overfishing even the liberal quotas allotted. When caught out, skippers dumped their cargoes leaving 20km-long

banks of dead fish floating on the sea.

In the end the shoals were depleted below their ability to reproduce and the fish disappeared, possibly forever in the case of pilchards.

Today, seven months after publication of the report of a commission of inquiry into the industry, there is a thundering silence from officialdom while most of its 120 recommendations remain where they started — on paper.

That is the current state of play in an industry which was once the world's eighth largest, feeding not only the nation's workers but also bringing in much-needed foreign currency.

Now the money flows out to pay for pilchards canned in Chile, while at home the can-



**BOB MOLLOY**  
Science Reporter

looks at the horrifying result of a decade and a half of governmental indifference and private greed on the SWA/Namibian fishing industry.

ning factories stand idle and the empty trawlers are mothballed three deep in their home ports.

Canners have stripped their factories of machinery and moved equipment, capital and knowhow abroad to start again elsewhere. Walvis Bay, and

other fishing ports, were left to rot.

The writing was on the wall for years — put in the form of a bluntly worded warning by a fish populations expert as long ago as 1968 — but the government listened only to its Fisheries Advisory Council and did

little or nothing to halt the wholesale plunder of the seas.

The council, entrusted with the job of guiding the Institute of Sea Fisheries and the Department of Trade and Industries under which it falls, was dominated with people who had vested interests in the fishing industry. This situation allowed the overfishing by "buddies and pals", according to NP candidate Mr John Wiley.

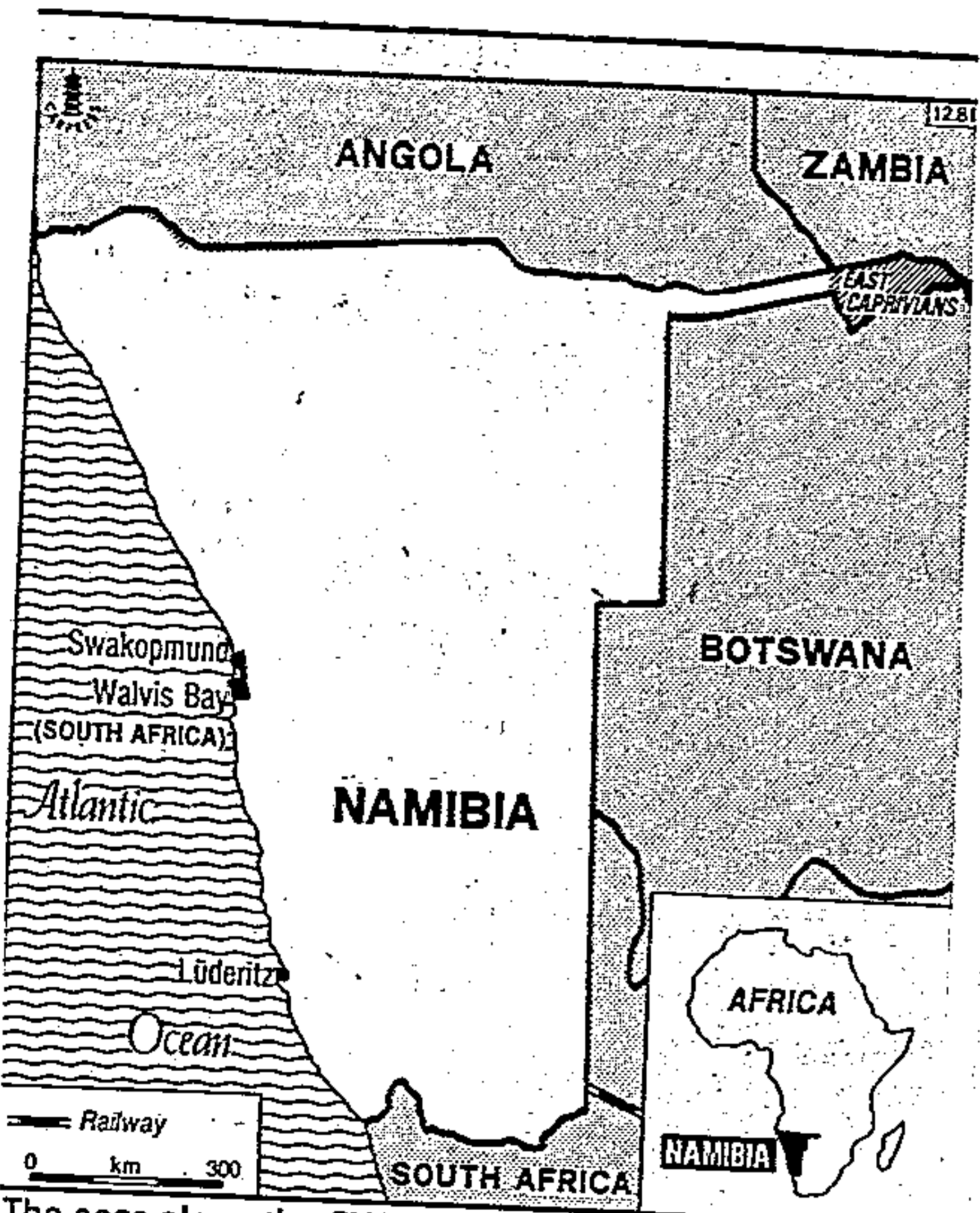
Council members laughed off warnings of a collapse and pointed to the biggest catches in the industry's history as evidence that the boom would go on forever.

Here is the horrifying result of a decade and a half of government indifference and private greed:

- Pilchards, once worth

R100 million a year, close to extinction as a commercial resource.

- Anchovies, a resource with a potential yield of 2.5 million tonnes a year, near collapse off the SWA/Namibia coast.
- Maasbanker, an important pelagic fish, down to zero since 1976.
- Hake, once a 1 million-tonnes a year industry, now badly depleted.
- "74", useless as a commercial resource.
- Red Steenbras, no longer dependable as a steady money earner.
- Shad, down by more than 90 percent, now protected in Natal but not in the Cape.
- Crayfish, wiped out in some areas and much depleted in others.



The seas along the SWA/Namibian coast, now a desert, once teemed with schools of pilchards and anchovies.

# Warnings not heeded as quotas change

THE countdown to the fishing disaster began in the mid-Sixties. This is how it went:

● 1968: A million-and-a-half tonnes caught in the greatest catch of the industry's history. Dr Jan Lochner warns that overkill is imminent and calls for a reduction in quotas.

● 1969: Quotas raised to 1,75-million tonnes. Only 1,22-million tonnes are caught.

● 1970: Quotas reduced to 565 000 tonnes but barely enough fish caught to fill even the reduced quotas. Catch figures contradictory. Dr Lochner calls for immediate and drastic cuts.

● 1971: Fish catch falls to 365 000 tonnes — the lowest in years. The Department of Sea Fisheries launches a research programme.

## Uproar

● 1972: Quota set at 250 000 tonnes. Catches fail to match. First news headlines of danger for the fishing industry. Uproar in Parliament as government is accused of allowing overfishing.

● 1973: Catches still poor.

● 1974: Smiles all round as catch rises to 705 000 tonnes. Anchovy catch doubles. Dr Lochner warns that the figures are misleading, the fish populations are fluctuating just before collapse and the less nutritious anchovy is filling the gap left by the over-fished pilchard. R5-million spent by the government on improving the Walvis Bay fishing harbour. Quotas raised again.

● 1975: Industry fails to fill quota.

● 1976: Quota drops to 475 000

tonnes but not met by catches. Headlines warn that fishing resources are in "great danger".

● 1977: Quota set at 940 000 tonnes. Only 400 000 tonnes caught. Operation Eureka, to find new pilchard shoals, launched with great fanfare. Complete failure.

## Season shortened

● 1978: The six-month fishing season cut to three-and-a-half months. Only six fish factories now operating in Walvis Bay. Catch down to 414 000 tonnes, almost all anchovies. SWA/Namibia's income from fishing, once R100-million a year, now less than R34-million.

● 1979: Quota of 337 500 tonnes not achieved. Pilchards almost exhausted. Only two factories still operating.

● 1980: Pilchard quota set at 12 500 tonnes but catch less than half that. Anchovy quota down to 180 000 tonnes. Headlines scream: "Walvis Bay staggers as nets come in empty". Dr Lochner publishes his formula for recovery. Four government scientists and three academics from the University of Cape Town jump into print to contradict his findings.

● 1981: South African fishing interests announce R6-million joint investment in Chilean fishing. Two-million cans of pilchards imported from Chile. Fishing zone off SWA/Namibia extended to 320km because of "serious depletion of fish resources". All 16 member states of the international commission for South-East Atlantic fisheries allowed to fish the zone.

# Vital source of cheap protein lost

LOSS of fishing resources off the SWA/Namibian coast means more than simply a fall in profits for the shareholders, it also represents loss of a vital source of cheap protein for the lower socio-economic groups throughout the territory and the Republic.

The latest figures released in the CSIR journal "Scientiae" by Mr J P H Wessels, director of the Fishing Industry Research Institute, indicate that at its height the industry supplied about 39 percent of the animal protein needs and 10 percent of the total protein needs of the country.

## Instant foods

The white fish or trawler industry, with an annual turnover of R150 m to R160 m, markets fresh and frozen, salted and dried fish as well as instant foods such as fish sticks, ready-to-serve products and white fish meal.

The pelagic fishing industry, in which the pilchard and an-

chovy sources figured largely, provided canned fish for human and animal consumption, fish oil for margarine, and fish meal.

During the industry's heyday, pilchards were the largest single source of protein acceptable to many families in the lower socio-economic group.

## Popularity

Ironically, the work of the institute also contributed greatly not only to the pilchard's local popularity but also to its international reputation in the form of South African canned pilchards. Today, imported pilchards are cheaper than the local product by some 25 to 30 percent.

A further irony is that sardines, once imported as a luxury, now sell at prices which are beginning to look competitive. According to a spokesman for a major supermarket chain, sales of imported sardines have risen sharply since the loss of the pilchard resources.

# Come are the days of fat cheques



## QUOTE

Boat owners have been digging into their reserves for about 24 months now and those reserves are running out.

— ARTHUR MAYS

WALVIS Bay fishermen — devastated by a wrecked Namibian fishing industry — are searching for a solution to their financial problems.

The town's harbour area is quiet these days. Quaysides are cluttered with fishing vessels — some apparently abandoned, others staffed by a handful of gum-looking fishermen.

In the town itself abandoned factory buildings line the sandy roads of the industrial area.

Five years ago Walvis Bay was thriving. The industry was the world's eighth largest and carried more than 80 percent of Walvis Bay's economy.

Fishermen were guaranteed a fat cheque with shoals of pilchards, anchovies, hake and other fish teeming in the seas off the stark coastline.

For Walvis Bay fishermen . . .

# STIMOST

S. Inhwe

24/5/81

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**but they live in hope that**

# Bay



**Hendrik Constable — waiting to go out**

422

24/5/81

# The shoals will be back in three years



**Women** clean fish in a Walvis Bay processing factory — but all the factories geared to handle massive pelagic catches have closed

## QUOTE

There have been a lot of current changes this season and I think it indicates a return to the old fishing patterns along the coasts. The catches recently also indicate this.

**ARTHUR MAYS**

## QUOTE

After wiping out pilchards they started on the anchovies. The situation is repeating itself and if the same greedy methods are used it will be the end of the fishing industry.

**DR JAN LOCHNER**

18/5/82

221A

There have been a lot of current changes this season and I think it indicates a return to the old patterns along this coast. The catches here have been a

fish, local companies have been forced to turn pilchard by-catches — allowed in limited quantities into fish meat. A tragic waste of profit and Mr Mays said: "I live here with my

big catches have been recorded in recent years. Fisherman Hendrik Constable explained the dilemma of many waiting to sail from Walvis Bay when he said: "I live here with my

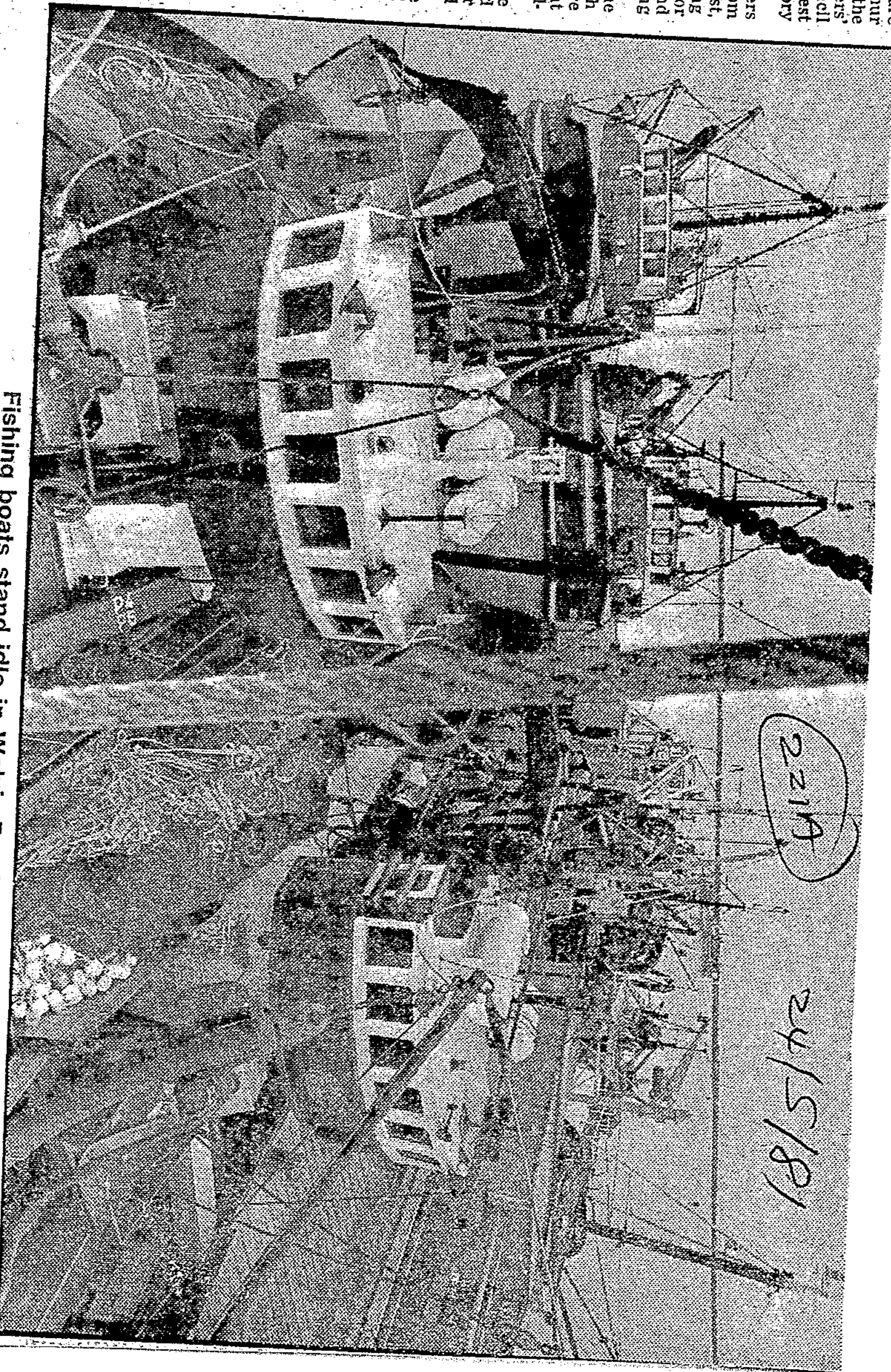
greed, 'jobs for buddies,' and misleading quota figures are some of the culprits according to reports filtering out of Walvis. But perhaps the most authoritative comment on

dangerously depleted and could be wiped out. It appears the Government placed more faith in their Advisory Board in Namibia, and the next year quotas were raised to a total 1.75 million tons. Only 1.2 million tons were

After wiping out the pilchards, they started on the anchovies. The situation is repeating itself and if the same greedy methods are used it will be the end of the fishing industry," Dr Lochner said.

# Report: Chris Whitfield Pictures: John Woodroof

## Fishing boats stand idle in Walvis Bay harbour



221A

24/5/82

"At the moment we are in a bad way," said Arthur Mays, chairman of the White Fish Boatowners' Association and council member of the South West African Fishing Advisory Board. "Private boat owners made a good profit from fishing here in the past, but they've been digging into their reserves for about 24 months now and those reserves are running out," he said.

At the height of the pilchard boom eight fish processing factories were opened — aimed mainly at the highly profitable pilchard market.

Now not one of these factories is operating and many can production and failed packaging — have folded. Some estimates put the number of unemployed since the boom years in the late sixties and early seventies as high as 8000. At least 2500 Owambo labourers left the town to return to Owanboland after work became too scarce.

Direct fishing for pilchards was banned this year after dwindling catches indicated a danger of the whole species being wiped out. The pilchard stocks are constantly being checked out by the Advisory Board.

Now Mr Mays claims there is a glimmer of hope for the fishing industry.

"For the last 31 years we have cut quotas for catching pilchards drastically and now we see a good stock recovery.

Some areas are being

"There have also been a lot of current changes this season and I think it indicates a return to the old fishing patterns along this coast. The catches here recently also indicate this," claimed Mr Mays.

"We regularly send boats out to get sample catches and monitor these very closely," said Mr Mays.

"I feel Walvis is really on the way to recovery and in three years it will be flourishing again."

If Mr Mays is correct, a new set of problems will emerge for the beleaguered, seamy little South African town set on the edge of the barren Namibian landscape.

The problem is what to do with the fish? With no canneries equipped to package the

fish, local companies have been forced to turn pilchard by-catches — allowed in limited quantities — into fish meat. "A tragic waste of profit and quality catches," Mr Mays said, pointing to sacks of fish meal waiting to be taken by rail from the fishing company he manages.

Others in the area are pinning their hopes on diversification: at least one of the larger fishing boats has been re-equipped to handle trawling for fish deeper than the previously kept fishermen busy.

Some have shifted their emphasis of their operations geographically.

Most of the now closed factories have moved their machinery to Chile, where

big catches have been recorded in recent years. Fisherman Hendrik Constable explained the dilemma of many waiting to sail from Walvis Bay when he said: "I live here with my family and this is the only work I know. The boat is too small to convert to deep sea trawling so we just have to hope."

The fishermen are optimistic though, several reporting sightings of large shoals of pilchards and eager to get out to sea.

Mr Constable said during the boom years every member of an average-sized fishing boat could get R2 000 for a month's work.

Now they often go home with less than R200.

Where does the blame for this lie? Nepotism,

greed, "jobs for buddies," and misleading quota figures are some of the culprits according to reports filtering out of Walvis.

But perhaps the most authoritative comment on the wrecking of the industry must come from Dr Jan Lochner, formerly head of the Oceanographic Research Institute at the University of Port Elizabeth.

For more than 12 years Dr Lochner warned the Government of impending disaster at Walvis Bay. He was ignored.

In 1968 1.5-million tons of pelagic fish were caught off South West Africa in the greatest catch of the industry's history. Dr Lochner warned that the fish reserves were being

dangerously depleted and could be wiped out.

It appears the Government placed more faith in their Advisory Board in Namibia, and the next year quotas were raised to a total 1.75 million tons. Only 1.2 million tons were caught.

By 1970 the quotas had been cut to 565 000 tons, and fishermen were struggling to reach even these reduced figures.

Over the next few years the catch fluctuated. Dr Lochner repeatedly warned of over-fishing.

In 1974 the catch rose dramatically to 705 000 tons. Dr Lochner warned that the figure was misleading because the fish populations were fluctuating just before collapse and the less nutritious anchovy was filling the gap left by the over-fished pilchard.

In the following years, the position again returned to reduced quotas and eventually reduced fishing seasons were introduced.

In 1978 the industry, once worth R100-million a year, was attracting only R34-million.

Now pilchard fishing is banned, and Dr Lochner's theories, so often pooched by "experts," linked to the industry, have been proved correct.

Now he warns that the anchovies will be next to go.

"After wiping out the pilchards, they started on the anchovies. The situation is repeating itself and if the same greedy methods are used it will be the end of the fishing industry," Dr Lochner said.

Others in the area blame private industry, where they claim falsified catches were reported and upset the calculations required for the quota system.

National Party MP John Wiley has charged in Parliament that over-fishing resulted as a result of "jobs for buddies and pals", when the Advisory Board was dominated by people with vested interests in the fishing industry.

Darker rumblings of deception and corruption have been heard, but whatever happens it appears a financial boost from the South African Government is all that can keep Walvis Bay on a stable financial keel.

"We are several thousand rand in debt to the South African Government," Mayor Nico Retief said. "We have asked them to write off this debt and from there we can try to build up again," he added.

"The future of Walvis is in South African hands... there is nothing the municipality can do about it now," Mr Retief said.

24/5/81

221A



# Fish meal output falls short

Algas 22/5/81  
22/5

THE fishing industry's production of fish meal would not meet full domestic requirements this year and supplementary quantities may have to be imported, Mr Robert Silverman, chairman of SWA Fishing Industries, says.

He says in the company's annual report the maximum selling price of fish meal on the local market is still controlled.

'Notwithstanding an application for a realistic increase in the permissible price, approval was given for a figure not even in keeping with the rate of inflation, let alone taking into consideration the high cost of production prevailing in South West Africa?'

A disquieting feature off the SWA coast is the continued presence of a large number of foreign vessels which do not fully support the conservation measures adopted by the industry and the authorities.

RDM 2015/81 (221A)

# Warning of R43m SWA deficit

WINDHOEK. — The chairman of the executive of the white administration of South West Africa, Mr A H du Plessis, warned members of the assembly in Windhoek yesterday that a large deficit could be expected for the financial year 1980/81.

Mr Du Plessis said estimates of revenue and expenditure showed an expected deficit of R43,3-million out of a total budget of R175,4-million.

Mr Du Plessis suggested the deficit could be recovered by

temporary suspension of an agricultural resettlement programme, liquidation of movable assets and a 7% saving on remaining expenditure.

Turning to the transfer of functions between the first and second tiers of government completed in 1980, Mr Du Plessis said the present budget was not precisely comparable with previous budgets.

As a result of the re-organisation of responsibilities of the two levels of government, sources of income for the white

administration now consisted of income tax revenues and contributions from the central revenue fund.

Mr Du Plessis criticised a central government decision to reduce the contribution to the white administration from the fund in proportion to the size of the revenue of second tier administrations.

He said this meant that the more productive a population group was, and the more income tax they produced, the less their contribution was from the fund. — Sapa

Southern Africa.

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RD 17 18/5/81

# Fishing quotas

22/4

WINDHOEK. — A new fishing quota has been announced for Namibia by the Administrator-General.

The quota determines that catches of pelagic fish will begin on Monday and the quota for the rest of the season will be 150 000 tons, bringing the total for the season to 195 000 tons.

Sardines will be treated as an incidental catch and considered part of the total quota. The quota will be subject to changes as the fishing pattern changes.

The authorities have appealed to the industry to keep catches of sardines to a minimum and to concentrate on anchovies.

As a large percentage of the sardine catch will consist of immature fish, no canning will be allowed. The area north of Palgrave Point will be closed to all fishing. — Reuter.

# Karakul report likely to suggest new techniques

RDM 9/5/81

221A

WINDHOEK. — The report of an international study of all aspects of the karakul industry would be released in July, the chairman of the SWA Karakul Producers' Association, Mr G J C (Johnny) Kirsten, told a Press conference in Windhoek yesterday.

The study will deal with production in South Africa and SWA, and distribution and retailing in world markets.

Two representatives of the American group of management and marketing consultants doing the study are in Windhoek at present.

They will visit Upington on Tuesday to investigate karakul production in the Northern Cape.

Mr Kirsten said the report would be submitted to the International Karakul Secretariat, the South African Karakul Board, and the SWA Karakul Board.

Speaking in his private capacity, Mr Kirsten anticipated that "as a result of the investigation, doubt could be cast on established practices and views in the industry".

He outlined three critical areas in the karakul industry that would be the central issues of the investigation and subsequent negotiations among producers, agents, and the industry's governing bodies.

"We have wearability (hair-retention) problems, problems with pattern-retention . . . and

the goddess of fashion has turned against us."

Because of these problems, he said, the market prices of karakul pelts had dropped drastically in the past year. At a recent auction farmers received up to 50% less for their furs than last year.

Mr Kirsten suggested the introduction of a floor price for karakul skins.

He suggested that a possible solution to the present over-supply of pelts would be to use a stricter quality standard in supplying them to the market.

He indicated that a newly-constituted karakul board should introduce sorting standards classifying total produc-

tion into "fur quality" and a so-far unnamed "sub-standard" (leather quality).

A new karakul board should have full control to determine the standard of skin before it was classified as fur.

"The sorting system should be adapted to changing conditions in the market," said Mr Kirsten.

Skins not classified as fur should be bought and processed by the board in such a way that they would be clearly distinguishable from fur.

At the same time, a marketing campaign would have to be instituted to promote the new "quality image" of karakul pelts. — Sapa.

RDY 1/5/81  
**Rossing  
profit  
£21m**

By NEIL BEHRMANN

LONDON. — Rio Tinto-Zinc's Rossing uranium mine in South West Africa achieved dramatic growth last year.

The annual report shows that net taxed profits rose from £12 600 000 in 1979 to £21 100 000 in 1980.

The mine produced 5 250 short tons of uranium against 4 980 tons in 1979.

The chairman of RTZ, Sir Anthony Tuke, says in the annual report that Rossing declared its first dividend seven years after its first large expenditure on construction.

"This profit level was achieved through a marked improvement in efficiency in all parts of the operation resulting in a substantial increase in the production of uranium oxide".

Net profits of RTZ rose by only £5 600 000 to £155 400 000 because metal prices of this major UK-based mining group fell during the year.

Had it not been for the Rossing improvement, profits would have declined. RTZ has a 46.5% interest in Rossing and Gencor is another big shareholder.

Profits at RTZ's Zimbabwe operations also improved because of the high gold price last year.

By the end of the year a decision will be taken on whether to open a large platinum mine in Zimbabwe.

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**Malaria claims 15 lives, says newspaper** 224

WINDHOEK. — An outbreak of malaria in eastern South West Africa had claimed at least 15 lives in the past fortnight, a newspaper report said yesterday.

Die Suidwester, quoting church sources at Gobabis, reported about 50 people were being treated at various places along the eastern border.

Health officials in Windhoek could not confirm the report. Die Suidwester said everything possible was being done to stop the epidemic from spreading. Areas already affected by the outbreak included Gobabis, Otjinene and Summerdown. — Sapa.

PLEASE CIRCLE ITEMS REQUIRED

PLEASE CIRCLE ITEMS REQUIRED

INFLUENZA EPIDEMIC OF 1918.

In the 34 centuries of its existence, serious epidemics have been no stranger to Cape Town. In 1713 smallpox killed nearly 1/4 of its small population in six weeks<sup>1</sup> and 42 years later, the disease returned to claim over 2000 victims<sup>2</sup>. In the nineteenth century further smallpox epidemics occurred, that of 1881 being the most virulent, carrying off over 1000 Capetonians.<sup>3</sup> In the first year of the present century bubonic plague was introduced from India - 735 cases resulted in 357 deaths<sup>4</sup>.

Alongside the Spanish Influenza Epidemic of 1918, however, all these

RDM 29/4/81  
R55m plan  
to aid  
SWA beef  
farmers

WINDHOEK. - The SWA/Namibian Council of Ministers yesterday announced a R55-million scheme to aid the territory's drought-stricken farmers.

The chairman of the council, Mr Dirk Mudge, said the scheme aimed to save at least 50% of cattle from death after the worst drought in decades.

He said the council wanted to get as many cattle as possible to meat factories before their condition became too poor for slaughter.

He also announced that a 200km game fence would be built along the Botswana border to protect grazing and prevent the spread of diseases such as foot-and-mouth.

More than R8-million would be spent on measures of permanent benefit, which include extending waterpipe lines and digging new boreholes.

Of the money approved for the scheme, R20-million would go to the white second-tier authority which had requested this sum for its own aid programme.

population at Windhoek to have been 100,000 in 1918, over 20 million died.<sup>5</sup>

Cape Town, in the latter part of 1918, was booming. As a major port and transit station, four years of war had seen it prosper. Its population had grown by leaps and bounds since its incorporation of other Peninsula municipalities in 1913, and in 1918 it was jam-packed with people of all races, crammed into inadequate and insanitary houses in

its slums (especially Districts 6 and 7 and the old city) and its African locations at Ndabeni and the Docks. In fact, at a mass meeting on the overcrowding problem in September 1917, Canon Lavis had ominously predicted :

There are two ways by which the present state of affairs can be altered. One is an epidemic and the other was to carry out a wise scheme of Municipal housing."<sup>6</sup>

War had also swelled the military population of the Peninsula and to the usual military camps at the Castle, Fort Craig, Wynberg and Simonstown, there was added a S.A. Native Labour Corps camp at Rosebank.

In the last week of September 1918 cases of epidemic influenza were officially reported among the Nigerian troops in transit from Mesopotamia at Fort Craig and at Rosebank among the S.A.N.L.C. recently-returned from Europe via Sierra Leone (where Spanish 'Flu was raging virulently). These cases were sent to military hospitals where, very soon, medical staff were going down with it.<sup>7</sup> So too were many African stevedores at the Docks.<sup>8</sup> On 30 September, the Cape Times noted : "The influenza epidemic which has made its appearance in the Peninsula shows no sign of abating".<sup>9</sup>

In the following days, Spanish 'Flu began to spread ever more widely, growing in intensity. Chemists did a roaring trade in "remedies" like quinine, aspirin and cinnamon tablets and were soon permitted by the Magistrate to stay open at all hours to cope with the heavy demand.<sup>10</sup>

The number of people off work grew steadily, disrupting business, public services and transport, while in the press the cancellation

POM 16/4/81 Q21A

## Call for rise in PO salaries

WINDHOEK. — Drastic action on salaries was needed to ease a Post Office manpower shortage comparable to that in education, a statement issued by the 46th congress of the Post and Telegraph Association said in Windhoek yesterday.

The statement said the congress had unanimously decided

that although members valued the recent average salary rise of 12,5%, salaries still needed "urgent attention".

The congress called for the phasing out of the shortfall in salaries of about 30% which had built up since the Government's anti-inflation manifesto was initiated in 1975. — Sapa.

TABLE 1  
STEPS TAKEN BY A SAMPLE OF AFRICAN HOUSEHOLDS IN CONNECTION WITH 237 REPORTED ILLNESSES WITHIN THE HOUSEHOLDS DURING THE PREVIOUS TWELVE MONTHS, DURBAN 1972  
(Only illnesses where definite steps were taken are cited)

| TAKEN/PERSON CONSULTED                         | NO. OF TIMES A STEP WAS REPORTED | %            |
|--|----------------------------------|--------------|
| Hospital                                       | 145                              | 25,6         |
| Clinic   | 100                              | 17,7         |
| an African Doctor                              | 73                               | 12,9         |
| a White Doctor                                 | 66                               | 11,7         |
| an <i>Iryanga</i> <sup>2</sup> (medicine man)  | 51                               | 9,0          |
| to a Prayer Group for                          | 31                               | 5,5          |
| an Indian Doctor                               | 28                               | 4,9          |
| <i>Mathe</i> Shop <sup>3</sup>                 | 18                               | 3,2          |
| Pharmacy ("Chemist Shop")                      | 13                               | 2,3          |
| a Goat   | 10                               | 1,8          |
| an <i>Isangoma</i> (i.e. Diviner) <sup>4</sup> | 8                                | 1,4          |
| <i>Iyamazane</i> <sup>5</sup>                  | 7                                | 1,2          |
| Faith Healer                                   | 5                                | 0,9          |
| Patent Medicine Counter of                     | 5                                | 0,9          |
| <i>Nzambi</i> <sup>6</sup>                     | 1                                | 0,2          |
| Sacrifice (other than a goat)                  | 1                                | 0,2          |
| Other  | 4                                | 0,7          |
| <b>TOTAL No. STEPS TAKEN</b>                   | <b>566</b>                       | <b>100,1</b> |

TABLE 2  
STEPS TAKEN BY A SAMPLE OF INDIAN HOUSEHOLDS IN CONNECTION WITH 125 REPORTED ILLNESSES WITHIN THE HOUSEHOLDS DURING THE PREVIOUS TWELVE MONTHS, DURBAN 1972

(Only illnesses where definite steps were taken are listed)

| STEP TAKEN/PERSON CONSULTED               | NO. OF TIMES A STEP WAS REPORTED | %           |
|---|----------------------------------|-------------|
| Consulted an Indian Doctor                | 99                               | 39,8        |
| Visited a Hospital                        | 57                               | 22,9        |
| Visited a Temple                          | 18                               | 7,2         |
| Consulted a White Doctor                  | 12                               | 4,8         |
| Petitioned <i>Badsha Pir</i> <sup>7</sup> | 10                               | 4,0         |
| Undertook Acts of Penance                 | 10                               | 4,0         |
| Visited a Christian Priest                | 9                                | 3,6         |
| Visited a <i>Gurri</i> <sup>8</sup>       | 6                                | 2,4         |
| Visited a Faith Healer                    | 6                                | 2,4         |
| Consulted a Hindu Priest                  | 6                                | 2,4         |
| Killed a Goat                             | 5                                | 2,0         |
| Visited a Chemist Shop                    | 4                                | 1,6         |
| Visited a Clinic                          | 3                                | 1,2         |
| Appealed to a Prayer Group                | 1                                | 0,4         |
| Visited a <i>Mathe</i> Shop               | 1                                | 0,4         |
| Offered a Sacrifice Other than a Goat     | 1                                | 0,4         |
| Other                                     | 1                                | 0,4         |
| <b>TOTAL No. STEPS TAKEN</b>              | <b>249</b>                       | <b>99,9</b> |

Both amongst Africans and Indians the findings suggest an overwhelming use of western-type medical agencies.

My own feeling is that amongst Africans traditional African 'medical practitioners' such as an *iryanga* and an *isangoma* were probably consulted more frequently than was reported. I believe that likewise traditional practices such as sacrificing a goat, or using traditional 'strengthening' medicines probably occurred more frequently than was



Group B hospitals - specialist, non-teaching - have a more limited drug schedule. Group C hospitals - non-specialist and non-teaching, have a smaller schedule. Woodstock and Somerset West fall in Group B, as do the Day Hospitals since they treat many patients referred from specialist hospitals. Chronic cases especially require monthly prescriptions of expensive drugs for diseases such as diabetes, heart disease, hypertension and arthritis. There are also restrictions within each hospital - at the Day Hospitals, each patient may only receive three different drugs although concessions are made. At Groote Schuur, in an effort to limit drug wastage, patients are only given one month's supply at a time although they may only have a consultation every three months.

## SWA is to get mixed school

'Mail' Africa Bureau

WINDHOEK. - A multi-racial State school - the first of its kind in South West Africa - will be built in Windhoek.

Past critics of the SWA education system have said open schools were a necessary starting point towards normalising race relations.

The decision to build the high school was announced this week in a joint statement by the chairman of the SWA Council of Ministers, Mr Dirk Mudge, the resident director of CDM (Pty) Ltd, Mr Doug Hoffe, and the SWA director of National Education, Mr Alex de Jager.

CDM is donating R5 000 000 for the construction of the school, which will accommodate 500 pupils, including about 300 boarders. It will be co-educational with parallel instruction in English and Afrikaans.

The first Standard 5 and Standard 6 pupils should be admitted in temporary premises in January.

PER PATIENT COSTS - GUYULETU AND HEIDEVELD DAY HOSPITALS  
January 1977 - October 1977 (in rands)

|                 | GUYULETU (excluding laboratory) |             | HEIDEVELD |             |
|-----------------|---------------------------------|-------------|-----------|-------------|
|                 | Total                           | per patient | Total     | per patient |
| Provisions      | 450                             | 0,01        | 1417      | 0,01        |
| Cleaning        | 1962                            | 0,02        | 3567      | 0,04        |
| Pharmaceuticals | 87919                           | 0,99        | 107231    | 1,04        |
| Surgical        | 11114                           | 0,13        | 20548     | 0,20        |
| Radiological    | 7109                            | 0,08        | 12106     | 0,12        |
|                 | 108554                          | 1,23        | 144869    | 1,41        |

Table (4.3b)

Caseload at Guyuletu and Heideveld Day Hospitals (1977)

|                                  | GUYULETU | HEIDEVELD |
|----------------------------------|----------|-----------|
| Common epidiosid illness         | 458      | 458       |
| Emergency cases                  | 38       | 0,58      |
| Long-term or progressive illness | 308      | 428       |
| No medication - only advice      | 38       | 2,58      |
| Hospital 'after care'            | 208      | 108       |

(Source: DHO Annual Report 1977)

The hypothesis is that not only is the cost per attendance lower at the Day Hospitals than at a hospital outpatients department, but also that the existence of the Day Hospitals allows inpatients to be discharged earlier because of the complete domiciliary care provided by the Day Hospitals, so that the average cost per inpatient stay is reduced. The average cost per inpatient day is shown in Table 4.4.

The cost differences between teaching hospitals - Groote Schuur and Red Cross Memorial Childrens Hospital, and non-teaching hospitals, Victoria Hospital in Wynberg and Woodstock Hospital are clearly visible. The deficiencies of the inpatient cost statistics are pointed out in the appendix.

The relative average costs per outpatient attendance between the Day Hospitals and other outpatients departments are shown in Table 4.5, although the ad hoc nature of the estimation should be clearly noted. The average cost at the Day Hospitals is much lower than at any other hospital.

The reason for the tripling in Day Hospital costs is that originally most patients were suffering from simple acute conditions, but over the years, there has been an increased referral of patients from hospitals with longterm ailments.

For publications obtainable from the Centre for Intergroup Studies, c/o University of Cape Town, Rondebosch, Republic of South Africa, 7700

Name and Address: .....

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# Charges face meat firms

WINDHOEK. - About 3000 charges for contraventions of meat control regulations would be brought against meat broking firms and private individuals in Windhoek, the South West Africa Attorney-General, Mr Don Brunette, said yesterday.  
The charges follow police investigations by Johannesburg Commercial Branch officers and a Commission of Inquiry into meat marketing in the territory.  
Mr Brunette said the 3000 charges would be brought against four broking firms and five individuals for various offences under meat marketing regulations.  
His office was also considering a number of fraud charges. He said only the most serious offenders were being prosecuted as it would be impossible to investigate all the minor malpractices reported by the commission. - Sapa.

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PLEASE CIRCLE ITEMS REQUIRED

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- (6) Draw up a schedul buy or sell in ear the government hav have to buy over i stabilization of t

WINDHOEK — About 9 000 people in Kaokoland, in north-western SWA/Namibia, were facing starvation, the chairman of the Herero Executive Committee told the South West African Broadcasting Corporation yesterday.

The SWABC reported that Mr Pjamuaha estimated that about 30 000 cattle in the area had died.

An extensive feeding scheme had been started by the Herero administration, and food worth R13 000 had been made available to people in Kaokoland.

Most of SWA/Namibia is in the grip of the worst drought for decades and nearly R90-million in State aid had been provided for farmers.

A Windhoek morning newspaper has launched an appeal to feed starving people in Damaraland, one of the worst hit areas, where many children have died of malnutrition. — Sapa.

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# SWA meat probe: land fraud alleged

Star  
16/6/67  
221A

The Star's Africa  
News Service

WINDHOEK — Sum-  
monses are soon to be  
served on four SWA/Nam-  
ibian part-time farmers  
after a police investiga-  
tion into irregularities in  
the territory's meat indus-  
try.

It is alleged the farmers  
exaggerated the sizes of  
land on which their cattle  
were grazing to boost  
their beef marketing quo-  
tas.

The same police probe,  
conducted by Captain Jo-  
han Kriek of the Commer-  
cial Branch, Johannes-  
burg, led recently to the  
summonsing of four top  
livestock brokers in  
SWA/Namibia.

The brokers were of-  
fered admission of guilt  
fines of R30 on each of a  
total of 3 089 allegations.  
If they elect not to pay  
these fines, they must ap-  
pear before a Windhoek  
magistrate on July 23.

The allegations against  
them concern the market-

ing of cattle in South  
Africa without valid per-  
mits.

Windhoek's senior  
public prosecutor, Mr M T  
Steyn, has not yet been  
informed by the brokers  
of what they intend to do.  
It is understood some are  
seeking legal advice.

Mr Steyn said today the  
four summonses to be ser-  
ved on the part-time  
farmers rounded off the  
findings of the police in-  
vestigation. No further  
prosecutions were expect-  
ed at this stage.

He said they had  
been given the option of  
paying R75 admission of  
guilt fines on each count.  
The meat control regula-  
tions, in terms of which  
they were summonsed,  
stipulated a maximum  
fine of R100 (or six  
months).

A commission of in-  
quiry into SWA/Namibia's  
meat industry said in its  
report, which prompted  
the police probe, that the  
registration of some farms  
with the local meat board  
had been duplicated.

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# CDM budgets R27m this year for SWA prospecting

Own Correspondent

JOHANNESBURG. — De Beers Consolidated Mines, through its wholly-owned subsidiary CDM (Pty), is spending R27-million on prospecting throughout South West Africa this year compared with a total of R51-million spent over the past three years.

CDM's resident director in Windhoek Mr Douglas Hoffe, in a recent address to the Namibian Chamber of Commerce and Industries, said the tempo and scope of CDM's prospecting activities reached record levels.

The London Mining Journal notes that CDM is the world's largest individual producer of gem diamonds, with output of 1 600 000 carats in 1980, of which 98% were gem quality.

While CDM's current mining lease expires only in 2021, present reserves of alluvial stones along the coastal strip north of Oranjemund have an expected life of ten to 15 years.

Mr Hoffe said exploration activities included a major search for further diamond

reserves in the area south of the present workings and along the Orange River, as well as northwards along the Atlantic coast in Diamond Areas Nos 1 and 2.

Outside the diamond areas, CDM Prospecting (Pty) is conducting a diamond survey of the whole country north of the Tropic of Capricorn, which bisects SWA about 100km south of Windhoek.

In the coastal waters, CDM's marine division has three vessels operating at an annual cost of R4 600 000, engaged in reconnaissance prospecting.

Elsewhere in SWA, says the Journal, CDM, together with Anglo American Corporation, is searching for base metals and other minerals, over an area of about 28 000km, including the eastern part of Diamond Area No 1.

CDM is also conducting a five-year geological and economic mineral survey, which was initiated in 1977, at a total cost of R5-million. The survey covers 100 000km<sup>2</sup> in lesser-known parts of the country, including the remote Kaokoveld in the north-west, which is thought to contain significant iron ore deposits.

These areas have been considered prime prospecting regions because of the nature of the surface geology and the expense involved — as results come to hand they are being placed on open

file by CDM at the regional office of the Geological Survey Department in Windhoek.

A major discovery already made as a result of the CDM survey is the location of a coal deposit near Aranos in the south-east, between the Nossob River and the border with Botswana — CDM has acquired a concession area covering 9 000km<sup>2</sup>.

Although much drilling work remains to be done to ascertain whether the deposit will be economically viable, it is already known that the coal, present in two-metre-wide seams at an average depth of 300m, is of power station quality.

It is believed that exploitation of the deposit could transform SWA's prospects for industrial development.

At the moment no coal is mined in SWA and all its power needs are provided by coal and oil imported from South Africa, and the limited amount of power available from the Ruacana Falls station on the Kunene River.

To meet the demand for power, particularly from the mining industry, a link to the SA grid at Aggeneys is now under construction.

The journal says CDM is the biggest taxpayer in SWA, accounting for about 40% of the direct taxation in 1980, although the Rio Tinto's Rossing uranium mine will soon become another top payer, as a large proportion of its development costs have been paid off.

CDM is the biggest source of income for De Beers, accounting for 17% of taxed profit last year, while contributing about 11% of group output.

In spite of political uncertainties existing mining operations are generally expanding investment in plant and equipment. Gross domestic fixed investment in the mining sector rose by 114% to R118-million in 1980, reversing the previous year's declining trend.

However, growth in mining's GDP contribution was sluggish, reflecting weak prices for most of the base metals exported from SWA. Mining's contribution to GDP increased by 8% to R627-million last year, about 52% of the total GDP of R1 200-million.

De Beers chairman Mr Harry Oppenheimer told shareholders at the annual meeting in Kimberley last month that the company had decided to put into effect plans to reduce diamond production in view of the depressed state of the diamond industry.

Mr Oppenheimer said the weakness in demand for diamonds at the cutting centres had intensified, with sales at a low level, and De Beers was accumulating stocks.

In his annual report in April the chairman confirmed that the Central Selling Organisation was substantially reducing its rough diamond offerings to the market.

# Economy

Star  
reviving

18/6/81

— Mudge

221A

WINDHOEK

High levels of investment in mining, manufacturing, and electricity were preparing SWA/Namibia for an economic revival, Mr Dirk Mudge, chairman of the Ministers' Council said yesterday.

In his budget speech in the National Assembly, Mr Mudge said investment levels had increased by nearly 30 percent in 1980, which meant production capacity was being created for the future.

Activities in the construction sector represented investments in the future and were a reflection of confidence. The sector's contribution to the gross domestic product had increased by 10.4 percent to R38.2-million.

## CONTRIBUTION

The contribution of manufacturing to the GDP had increased by 8.2 percent during 1980, despite low fish catches.

"But for the 1982 financial year the outlook is not as rosy," Mr Mudge warned.

"For the present it seems that low prices for exports will continue and a modest recovery cannot be expected before the end of the year." — Sapa.

# Huge foreign fleets netting R250m fish harvest off SWA

CT 4/7/81 221A

By PAUL DOLD  
Financial Editor

**INTENSIVE** fishing by foreign fleets is being observed off the SWA/Namibian coast, an Ovenstone director, Mr John Newman, told the annual meeting in Cape Town yesterday.

Mr Newman, who is one of the country's leading fishing industry authorities, said that fleets from more than eight countries are active in the area.

"In January alone there were some 164 foreign vessels operating off South West Africa."

South West African fishing groups are most concerned with the current situation. An industry source told me this week that the foreign fleets were probably netting an annual catch worth R250m — R300m a year.

The fleets are, on the whole, operating beyond the 25km fishing zone ruled out of bounds to foreigners by the 14-nation International Convention for South East Atlantic Fisheries.

However, some fleets are said to be slipping into the 25km area under cover of darkness. Estimates on the degree of poaching seems to vary from group to group with the chairman of one large company taking the view that the new Iceseaf agreement is working well with most countries co-operating while others say there is tremendous poaching.

Fishing groups are worried about the activities of mid-water foreign trawlers. If these trawlers enter shallow waters they catch everything with their 60mm mesh hake nets and their speed further decreases the mesh size. The area is being actively patrolled by representatives of Iceseaf.

Industry sources say Eastern European vessels — not the Russians — are the worst offenders. Some of the vessels are large, ranging up to 5 000 tons, and have combined freezing and other processing operations.



Mr Andrew Ovenstone

A settlement of the SWA issue would allow for a far wider limit of around 200km. This area would then have to be actively policed.

The poaching is taking place at a time when the local fishing industry has agreed to limit pilchard catches to protect the resource.

In addition, the industry has closed more than half of the traditional fishing grounds. There has also been

excellent co-operation between government, scientists and the industry.

This has already had a beneficial effect and Ovenstone chairman, Mr Andrew Ovenstone, told the agm that limited canning may be resumed next year, or the following year.

His statement backed up those of Kaap Kunene chairman, Mr A P Du Preez, who said recently he believed the resource was recovering and a resumption of canning was likely. Large shoals of mature pilchards have been sighted in South West African waters.

The previous decline in the stock was due to a combination of over fishing, climatic conditions and poor spawning. This led to the vast canning industry at Walvis Bay closing down and several plants were shipped to Chile where joint fishing and canning operations have been launched with Chilean interests.

At its peak the SWA industry canned output was worth around R100m a year.

1  
 'Cautious'  
 No 16/7/81  
 interest  
 (2214)  
 in SWA

WINDHOEK — Foreign interest in investing in SWA/Namibia was showing signs of livening up, the Secretary of Finance, Dr Johan Jones, said in Windhoek yesterday.

Nevertheless, investors were still cautious because of political uncertainty.

Foreigners were primarily interested in mining which offered the most lucrative opportunities but some were also attracted to agriculture by the relatively low land prices.

Dr Jones said economic conditions in the territory in the final analysis would be determined by the nature of the ultimate political solution.

INVESTED

There could either be a government that would adopt a nationalisation programme, or one that encouraged free enterprise.

South Africa had invested about R3 000-million in South West Africa since 1920, Dr Jones said.

If South Africa had not put so much money into the territory, the standard of living and growth potential would have been considerably lower today.

South Africa had concentrated especially on developing a road network.

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 The Committee of the Western

P C Key

in any year of study.  
 For the best all-round student  
 Bell-John Prize

PLANNING  
 REGIONAL  
 URBAN &

(Continued)  
 SURVEYING  
 QUANTITY



# The Westward Dream

By Alan Dunn  
The Star's Africa News Service

**WINDHOEK —** Moves are being made privately in Windhoek and in European capitals to promote a trans-Kalahari railway that would open a new southern African trade outlet and bring enormous benefits to Botswana and SWA/Namibia.

This has emerged following a recent statement by Botswana's Minister of Finance, Mr Peter Mmusi, who raised the possibility of the railway to Walvis Bay at last becoming a reality within the next few years.

The idea of a railway linking the central part of southern Africa to the west coast is more than 50 years old. But it is gathering momentum as the world energy crisis worsens and the search for alternative fuel sources becomes more urgent.

But politics remains the major stumbling block in developing this scheme. No government is actively pushing for the trans-Kalahari line because of the continuing dispute over SWA/Namibia's status.

The export potential of Botswana's extensive coal deposits is giving new impetus to moves to overcome the political obstacles in the way of building a railway westwards to SWA/Namibia to link up with the line to Walvis Bay. Alan Dunn, of The Star's Africa News Service, reports.

Feasibility studies which have been undertaken since 1925, have become more optimistic in recent years in the light of Botswana's coal wealth, particularly in the Morupule fields in the country's south-east region.

The coal's export potential could encourage the opening of a line from Palapye to Gobabis, a railhead on the existing line to Walvis Bay.

seen dealing with an interim government in SWA/Namibia. SWA/Namibia's private sector has for years shown great enthusiasm for the idea, predicting tremendous benefits for southern Africa.

Mr Des Mathews, owner of a SWA/Namibia mining concern who has pursued the plan for 26 years, is trying to give it fresh impetus.

Mr Mathews, managing director of Trust and Mining, is due soon to lead a delegation of overseas business interests for talks with authorities in Gabon.

"The railroad is simply inevitable," he said in an interview. "It is just a matter of when. But it is a political hot potato. That is why the governments have been so reticent."

Botswana, as a member of the so-called frontline states, cannot afford to be

ment secretary in the Office of the Botswana President, said recently: "Coal is the future of Botswana."

The leader of the interim government in SWA/Namibia, Mr Dirk Mudge, said last week in comments to Mr Mmusi's road was a "very interesting" idea.

It is not a scheme one could merely reject. It would mean negotiations between us and Botswana. No such talks have taken place so far," Mr Mudge said.

Mr Mathews said the businessmen he planned to take to Botswana would probably try first to secure coal purchasing contracts. Some sort of pack-

age deal, including the provision of capital for the project, might follow. Contained in such a deal would be a guarantee of coal supplies — between 10 and 20-million tons a year at least, he said.

A feasibility study conducted in 1979 by the Johannesburg based firm, R. F. Loxton, Hunting and Associates, indicated that 10-million tons would have to be exported annually to make the line viable.

The plan could dovetail with a new partnership between Shell Coal Botswana and the Botswana government, to export vast amounts of coal.

Shell has been granted a mining lease for the Mmanabula area, but still faces the problem of moving the coal out of landlocked Botswana, which is estimated to have at least 20 000-million tons of coal reserves.

The Richards Bay link in South Africa is considered to be working close to full capacity, and the link to Matola port in Mozambique is seen as both inadequate at present.

A large scale tapping of Botswana's coal reserves currently only mined for limited domestic use, would promise unprecendented economic progress for the country, according to Mr Mathews.

Botswana could become a real power in Africa through the trans-Kalahari scheme," he says. It would also boost the vulnerable SWA/Namibia-

plan economy, significantly reducing the acute unemployment problem.

"The route would also supply Zimbabwe and Zambia with better import-export lines," says Mr Mathews.

Loxton Hunting has calculated that the construction of a railway line from the Botswana border to Gobabis, and improvements to the existing Gobabis-Walvis Bay link, would cost nearly R300-million.

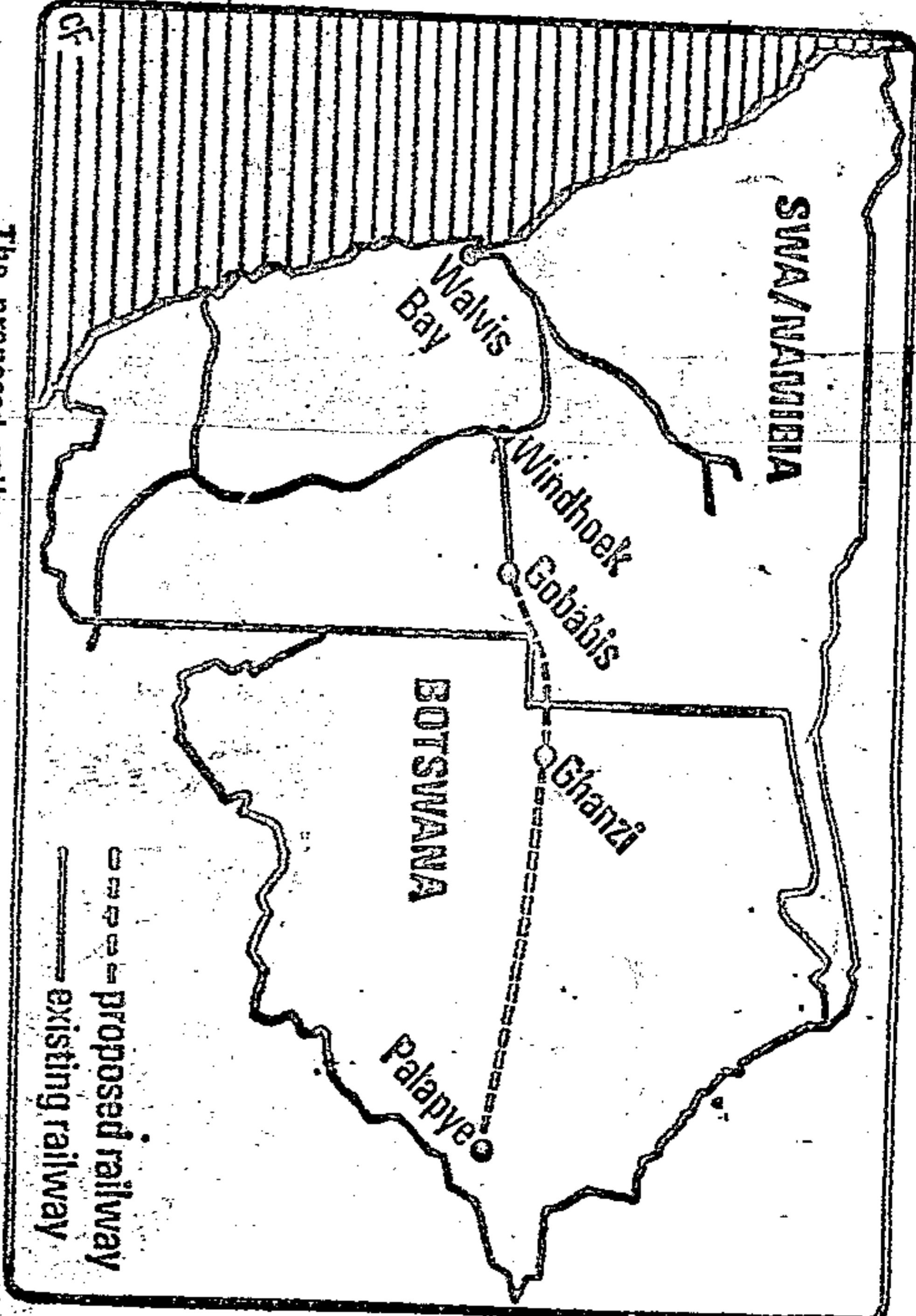
It would create hundreds of jobs. A new ore terminal at Walvis Bay, costing about R90-million would also reduce the port's dependence on the ailing fishing industry.

about 850 km of track would have to be laid in Botswana, costing about R300-million (including workshops and rolling stock). A further R400-million would be needed to achieve production at a coal mine in Botswana.

The improvements to SWA/Namibia's track, bringing the envisaged link to a total length of 1 400 km, would entail the flattening and straightening of the Gobabis-Walvis Bay connection to accommo-

date long and cumbersome coal trains. "Studies on the railroad have long since reached the stage of determining various gradients en route," said Mr Mathews. "The plans are all there, the scheme is complete. Interested parties could virtually go out to tender now," he said.

The railway would take at least five years to build. The question is whether political hurdles could be overcome while SWA/Namibia was still some way from independent.



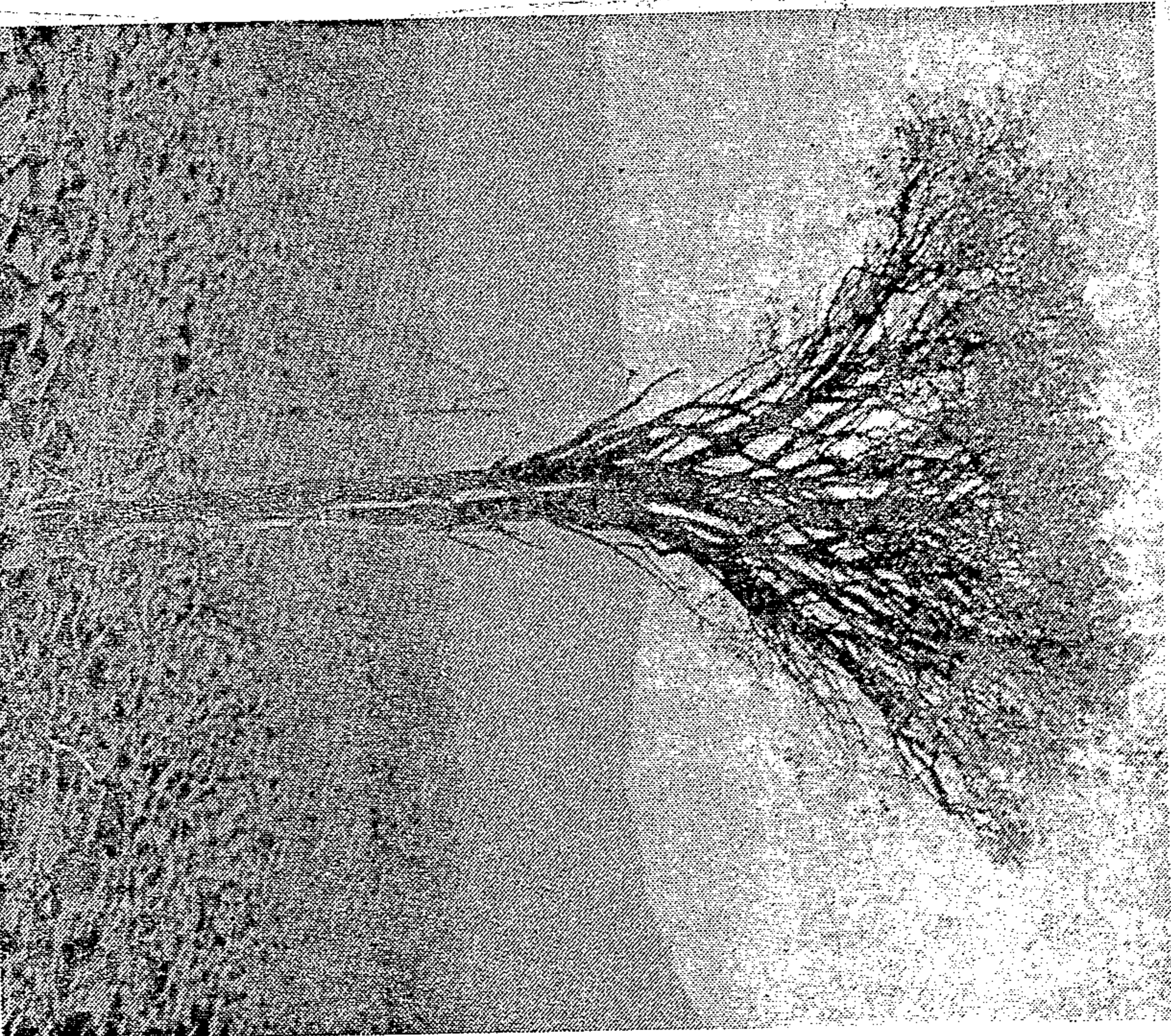
The proposed railway route is shown in the map above.

# Drought

SWA/Namibian farmers struggling in the grip of a crippling drought may have to accept the R54-million in State aid that has been set aside for them. But in the critical regions money just isn't going to help. Peter Honey of The Star's Service reports.

SPW 23/7/81

Africa News 221A



The arid wastes of northern Damaraland, forbidding at the best of times, have become crucibles of torment for farmers and animals alike. This landscape is typical of northern Damaraland and Kaokoland where the drought has hit hardest.

**MAKELANI** (Northern Damaraland, SWA/Namibia) — In a dry riverbed, 100 metres from the road, we found the first carcass, a zebra — striped skin stretched like hard canvas across its bones.

Further on there were more, littering the valley like battlefield remnants. Most were zebra, but there was also an elephant calf and several kudu and oryx grinding bonily at the high crests of the Groolberg.

narrow course broadened on to an expanse of bush and stones, newly spanned wire and posts barred the way. Behind this goats browsed and a few sheep looked for grazing in the sand.

"Damned fences," muttered Carlo (our guide), and ranned the four-wheel-drive truck into reverse.

"As the farmers move further north, so do the fences. But this is no farmland. This is a paradise for wild animals. What can farmers do here?"

metres from the Skeleton Coast, where the dust road from Kamanjab to Torra Bay dips and turns through some of the most forbidding landscape in SWA/Namibia.

My companion was Carlo Welti de Bruges, a 55-year-old Swiss whose lifestyle is like that of a super dropout. For the past 16 months he has lived in the wilderness, managing a safari hunting camp for a Windhoek-based company. The company holds a hunting concession in northern Damaraland and



Mr Peter Freeman, a farmer in central Damaraland, has lost nearly 90 percent of his cattle through drought.

of Nature Conservation prevent poaching in the region. This is Carlo's job, and he asks no salary or benefits but only food, accommodation, transport and what he calls "the pleasure of living here."

The Makelani safari camp is a cluster of tents beside a desert spring which is bordered by towering Makelani palms. In the mornings and evenings game drink at the waterhole barely a stone's throw from the camp. At night the roar of lions can be heard. It is a harsh, rocky

at the best of times. But now, with the territory gripped by a drought which seasoned farmers reckon is the worst this century, this northern western corner of SWA/Namibia is becoming a dust bowl.

Mopane trees, acacia and thorn scrub cast silhouettes against the barren sand, or over rust-coloured stones packed so densely in places that one cannot walk on the ground. In the middle of this rises the Groolberg, a natural out-off point for the Damara farmland to

ly 10 000 square kilometres of wasteland stretching as far north as Sesfontein on the Damaraland - Kaokoland border, virtually free of human habitation.

For thousands of years zebra, oryx, kudu, giraffe, elephant and rhinoceros have fed on the slopes or in the valleys. Now one has to wait for them at shrinking waterholes or at the few natural springs trickling through the rocks.

proof fence stretching 260 kilometres from the Elisha game park in the east to the desert wastes of the Skeleton Coast in the west. The three-metre-high fence, with a smaller stock fence running parallel, was completed early last year in a desperate bid by veterinary authorities to prevent the southward spread of stock diseases from Kaokoland.

Necessary as it is, the fence has proved a death-trap for wild animals seeking water and grazing to the south and east. Carcasses lie strewn throughout its length. The

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Zebra have been the main victims of drought, but other game such as elephant, giraffe, oryx and kudu have died in valleys such as this. Unable to migrate from their mountain haven, they soon exhaust the meagre grazing and starve to death beside desert springs.

trapped between the parallel barriers — they were too weak to escape.

From December to March this year, Carlo and his staff of three Damara labourers burned the carcasses of nearly 700 wild animals — 372 zebra, 137 kudu, 127 oryx, 32 springbok, six elephants, three giraffe, a rhinoceros and a baboon — all of which had starved to death in a gorge less than a kilometre from the fence.

We drove to the spot, about 50 kilometres north-east of Makelani. Heaps of ash and seared bone dotted the gorge.

Giant palms grew in profusion, and clear spring water ran from between some rocks. It made the river bed lush with shin-high green grass.

Apart from a few giraffe and a small herd of oryx, the only animals we could see were dead.

"It looks lush now," he said, "but in January and February, the grass had been eaten down to beyond the reach of the zebra's teeth, so they died."

The game had collected there because their passage had been blocked by the veterinary fence.

"Yes the drought is a big factor in the game dying, but it is definitely not the only one."

For him the greatest threat is the expansion of farmland. It has squeezed out the animals from their natural habitat and prevented them from migrating to less devastated pastures, he says.

"That, the fence and the drought are the three factors, and if the rain does not fall in December we will have a catastrophe, he adds.

# The worst in memory: people, animals starve

23/7/81 (224)

**KHORIXAS** — Famine stalks the north-western reaches of SWA/Namibia where at least four children have died and thousands of cattle have perished.

In Damaraland alone the cattle count has dropped from nearly 60 000 to an estimated 10 000. Most have been sold, but nearly as many have starved to death.

And the situation is worse in Kaokoland to the north. Here the Herero and Himba people are abandoning their kraals for a handful of settlements unable to cope with the influx.

## Hospitals

The pressure is also beginning to tell in central Damaraland where several homesteaders have already moved to the town of Khorixas, capital of the region.

The town boasts the only full-scale hospital in Damaraland.

At least four children have died here of malnutrition, and several others are receiving treatment. But the medical superintendent, Dr Gert Burger, says the situation is still far from critical.

"At this stage the greatest threat comes from children's diseases. An under-nourished child is more susceptible to measles or other more common ailments, and could die if not treated in time," he says.

Nearly all the victims so far have come from neglected homes. One of these is little Priscilla Hendricks who, at 17 months, weighs only 4.6 kilograms — little more than a new-born baby.

Priscilla has been saved in time, but Dr Burger believes there will be more like her, or in worse condition, if rain again fails to fall in the coming rain season from December to February.

"I think nearly all the people will leave their farms if we don't get rain before February next year. And then we will face other problems associated with social overcrowding," he says.

## Crisis

If the human predicament has not yet reached crisis proportions, the livestock position has.

I found one Damara farmer, Mr Peter Freeman, supervising the transfer of his entire cattle herd to one of the feed lots. He has only 25 of his original herd of 200 left.

"The others have all died — every one of them — just bones on the ground," he said.

Mr Freeman believes he is one of the luckier ones, though: "at least I still have the nucleus for breeding when the drought breaks. It is not as bad as Kaokoland."

## Aggravated

The Kaokoland situation has been aggravated by the Herero people's unwillingness to sell their cattle. Cattle are traditionally for them a sign of wealth, but drought has wiped out at least 90 percent of the total estimated at more than 111 000.

Reports have been received that in some of the more remote regions of Kaokoland, up to 60 cattle carcasses have been removed from the banks of waterholes. Some de-



Sister Engelhartine Gomes with 17-month Priscilla Hendricks, who weighs little more than the average new-born baby. Priscilla is one of several children being treated for severe malnutrition at the Khorixas Hospital in central Damaraland, where at least four children have died this year as a result of the drought in the region.

composing carcasses were immersed in the water which people were using.

In Damaraland the Department of Agriculture is engaged in clearing up operations — burning the carcasses of dead animals so as to prevent the spread of stock diseases. One official estimates that more than 600 carcasses have been destroyed.

North-east of the Damaraland border is the district of Outjo, farmed by whites. Here the drought is not as devastating as in Damaraland itself.

A farmer from the Kammanjab district, Jan du Plessis (28), has trans-

ported about 300 cattle to the Grootfontein district where he has hired a pack train.

## No comparison

"We have never experienced a drought like this," Plessis says, "not even the great drought of 1933. I can't compare with it: the situation is what the old people would call a disaster."

"But if it is as bad as this now, what will it be like if we don't get rain in the coming season? Many of us will have to pack it in — do you think subsidies not not?"

# Crisis in SWA health services, claim doctors

RDM  
25/7/81  
224

WINDHOEK. — Leading medical authorities in Windhoek claim the territory's health services are at crisis point because of fragmentation on ethnic lines.

Official figures reveal a serious shortage of doctors and nurses, a high incidence of certain diseases, and a high infant mortality rate, particularly among blacks.

Doctors claim that patients have been refused treatment because of staff shortages and that standards have deteriorated alarmingly.

Dr Kenneth Abrahams, a doctor and political analyst, said there were 152 practising doctors in the territory, a ratio of 1,8 doctors to 10 000 patients.

There are 16 dentists in the territory, 10 of whom are based in Windhoek.

The president of the South West African branch of the South African Medical Association, Mr W E Birkenstock, said that, without Defence Force doctors, the situation would be serious.

The administration for whites, which is responsible for white health services, needs 170 nurses for its hospitals throughout the territory.

Four of the eight wards in the existing 220-bed hospital for whites in Windhoek have been closed and the hospital is short of 92 nurses.

The administration has been criticised for building a new R22,6-million clinical wing with 600 beds while it does not have the staff to run the existing hospital.

A new R22-million hospital with 160 beds has also been built in Keetmanshoop to replace the existing 32-bed hospital, which is short of five nurses.

Mr Eben van Zijl, MEC in charge of health services for the white administration, issued a statement in Windhoek answering criticism of the handling of health affairs.

He said that at no stage had patients been turned away because of a shortage of beds.

In 1980 the occupation of beds had been "only 69,89%, which is reasonable," Mr van Zijl said. — Sapa.

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(Continued)

# Johannesburg man accused of fraud

By ALAN DUNN  
Tribune Africa News Service

WINDHOEK: An alleged R12-m swindle involving a Namibian diamond mining company and a prominent Johannesburg businessman is to be investigated by a Supreme Court-appointed commission of inquiry here.

The Court this week empowered the commission to summon several South African and foreign businessmen, lawyers, accountants, and a bank representative, to give evidence in an attempt to unravel the "highly complex trade dealings" of the Namibia Diamond Mining Company (Pty) Limited.

The Attorney-General of Namibia, Mr Donald Brunette, and his Transvaal counterpart, Mr J. E. Nothing, have arranged to have a policeman, an officer of the Commercial Branch in Johannesburg, present at the inquiry.

In papers before the Supreme Court, Windhoek, this week, it is alleged that Johannesburg businessman, Mr George Christodoulou, cheated overseas investors in the diamond company by siphoning millions of rand into his own account.

These claims, made to Mr Justice Jan Strydom, emerged at an urgent application brought by Windhoek liquidator, Dr Otto Herrigel, who sought to have the commission of inquiry appointed urgently.

Dr Herrigel was appointed to wind up the company's affairs following a successful Supreme Court application here last week for the liquidation of Namibia Diamond Mining. A provisional order was issued.

According to papers before the court, the people due to be called before the commission of inquiry held by a well-known Johannesburg advocate, Mr Charles Rosenthal SC, include:

- Mr Christodoulou and his wife, Shirley;
- Former Johannesburg lawyer, Mr Martin Shaban, who was "intimately connected with the affairs of the company" and was later employed full-time by Mr Christodoulou;

- Mrs Carole Shaban, former wife of Mr Shaban, "who has full knowledge of the affairs of Shaban";
- Mr Christo Wiese, a businessman;
- Mr Barry Alleson — "he is an auditor of Durban who was the first auditor to the company and who prepared what appears to be a patently false balance sheet of the company dated September 27, 1977, purporting to say that some R3-m had been spent by Mr Christodoulou and Mr Nicolas Szykarski in regard to costs of modelling with DRIVE DRIVER Manual BMDP (selected chapter UNIVAC flowchart IBM flowchart Template SYN Quick Reference CTS Programmer Reference CTS Programmer Reference Introduction to CTS CTS Summary Hardware/Software Summary Chapter 1 Statjob Crosstab2 Manual

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# R12-MING MINING SWINDLE ALLEGED

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exploitation." The affidavit noted that Mr Szyrkarski, a former major shareholder in the company, had denied this;

- The relevant partner of the firm Hersowitz, Poplak and Jos Set, which took over from Mr. Allesen as auditors;

- Mr Otto Redinger — "he was an initial founder of Kwazulu Mines and similarly will be able to advise to a large extent of the affairs of the company."

- Mr Pat Thompson, a former De Beers employee with a particular knowledge of diamonds, who is Mr Christodoulou's "right-hand man".

Dr Herrigel noted that Mr Christodoulou's "prime accusers" in the affair, Mr George Osserman and Mr Paul Garfinkel, described in documents as two American tax lawyers, also faced serious allegations in the United States.

He drew the Court's attention to a grand jury indictment of the two men and others, concerning their "alleged criminal tax shelter activities."

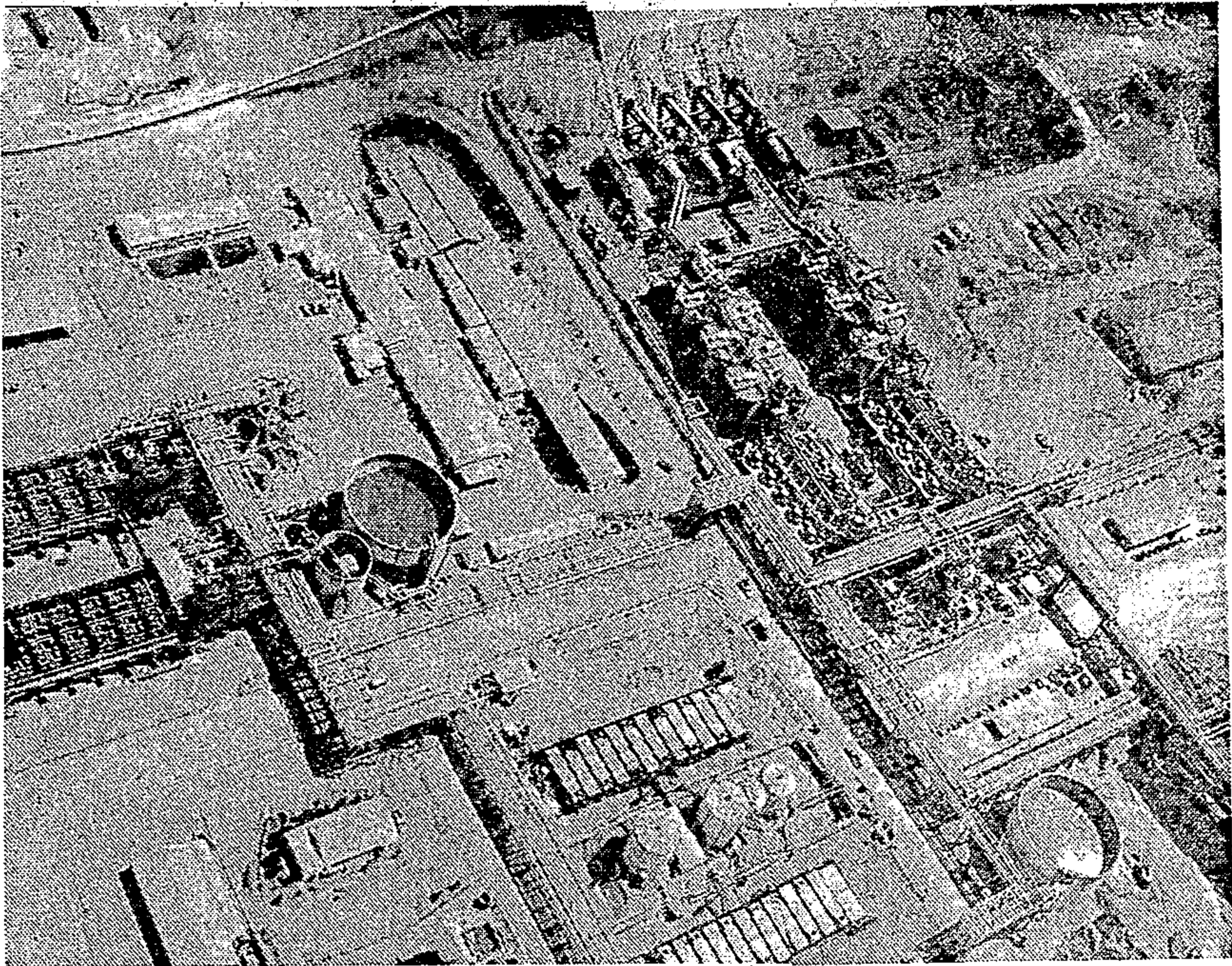
Johannesburg attorney, Mr Allan Levin, confirmed and corroborated Dr Herrigel's allegations.

Mr Nicolas Szyrkarski, a businessman of Marseilles, France, said in an affidavit he started Namibia Diamond Mining Company in 1977, but had disposed of his 50 percent share of the company in June, 1978.

"I investigated the matter in January, 1981, and found out that the company had been milked, that there was a probability of misappropriation, and that there was a warrant for my questioning concerning fraudulent documents concerning this company at the Durban Commercial Branch."

Mr Szyrkarski, who at one stage lived in Durban, said Namibia Diamond Mining Company had acquired all shares of Kwazulu Mines (Pty) Ltd, which then held 13 prospecting grants in Namibia.

# A RADIO-ACTIVE



Aerial view of the metallurgical plant.

Star  
5/8/81

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## Rossing—SWA's most controversial mine

Rossing Uranium Limited, a vast, man-made crater in the Namib desert is the largest uranium mine in the world, employing more than 3 000 people in a regimented system of near-military discipline.

The question is whether this mine, which produces about one sixth of the Western world's uranium oxide, is not also a radio-active time-bomb with a 20-year fuse.

Internationally, Rossing is perhaps the most controversial organisation in SWA/Namibia after South Africa's presence in the territory.

According to the United Nations, Rossing's existence is illegal because its British parent company, Rio Tinto-Zinc Corporation Limited, is dealing with an administration stripped of its mandate.

Anti-apartheid groups and Swapo accuse the multi-national company of maintaining inhuman working conditions; of making no attempt to protect the workers from radio-active dust; of exploiting the territory's mineral reserves with negligible benefit to the population and of enforcing the apartheid system.

Rossing, of course, rejects these allegations. General manager Mr Gordon Freeman concedes that his company is "a child of apartheid" but

Rossing is perhaps the most controversial organisation in SWA/Namibia. The question is: Is it perhaps a radio-active time bomb with a 20-year fuse. PETER HONEY of The Star's Africa News Service reports.

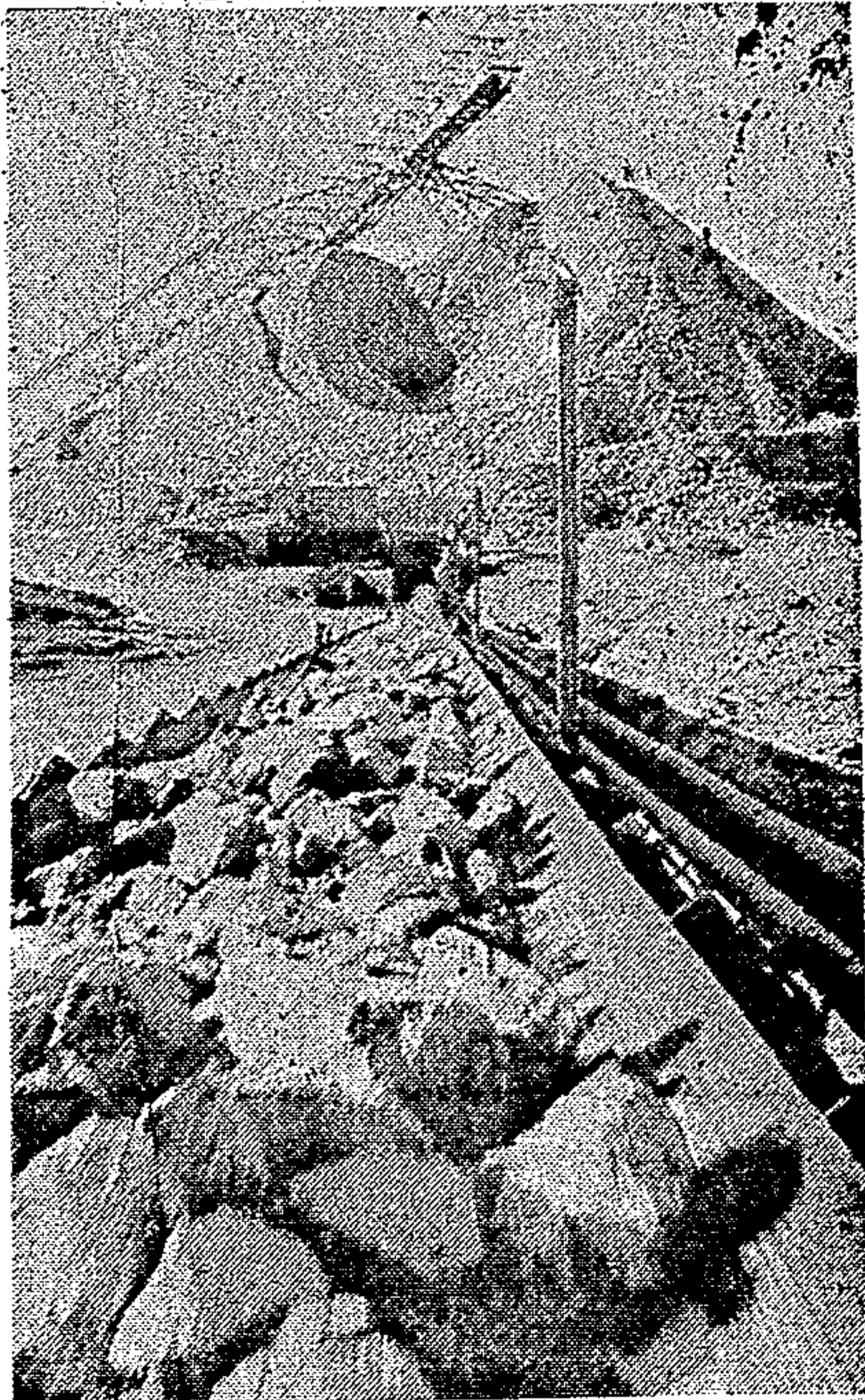
claims that labour policy revisions in the last three years have converted the system into "a non-racial company committed to building bridges across racial barriers."

After an intensive two-day tour of the mine, I am convinced that the accusations by pressure groups are largely exaggerated, or at least outdated. There are, however, several questions which the company's executives could not answer satisfactorily.

The most crucial of these is what Rossing is going to do about its radio-active pit and a huge waste dam of toxic and radio-active "tailings" (which is already seeping towards the nearby Khan river) when the operation closes down about 20 years from now.

Assistant general manager Mr Mike Brett says research is in progress to decide what to do about the trailings dam.

Mr Brett maintains the seepage at present is of



Coarse ore being withdrawn from the 80 000 live ton stockpile and being conveyed to the secondary crushers.

better quality than the river water itself, and that game drink from it regularly.

Why the seepage should be safe to drink is not explained. It is known, however, that an oryx

times to warn against radiation exposure.

In addition, urine tests and lung X-rays are carried out regularly, and each employee undergoes a medical test annually to check against radio-active



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which penetrated the game-proof fence around the dam and swam through the water, died soon afterwards, in spite of efforts to save it by Rossing staff.

A further point of concern is that there is no clause in the Rossing contract which commits it to a post-operational safety programme.

The company, in turn, points to its current safety programme as a guarantee of its commitment to solving the problem. Mr Brett says that because the radio-active elements are generally contained in dense rock, the effects of strong gamma rays in the pit are negligible. It is only once the uranium has been extracted that it becomes a serious health hazard — and then only if swallowed or breathed in.

Stringent safety measures are maintained at all levels of production: in the pit truck and scoop drivers sit in air-conditioned cabins to protect them from heat, noise and dust, with its accompanying threat of radium contamination. Water is sprayed continuously on roads and areas of operation to keep down dust.

Workers wear ear muffs, gloves and respirators in certain areas to protect them from noise and the ingestion of radio-active dust.

In the final production plant — where the uranium oxide is machine-fed into steel drums — workers are required to change and shower before clocking off. Radiation badges are worn at all

contamination.

Staff have often been found with radio-active particles in their lungs or urine. They are immediately given a full medical test and transferred to a less hazardous division of the mine.

These cases have invariably resulted from negligence, says the mine's medical superintendent, Dr Wotan Swiegers. No one, he says, has yet been found to have a radiation count anywhere near the threshold for concern.

"I can emphatically say that this is a clean and safe programme — why else would I be here if it were not true," he says.

Because of the highly mechanised nature of the operation, the method of extracting the uranium from the ore and the nearby location of the "labour town" of Arandis, Rossing uses vast quantities of water.

More than 26 000 cubic metres of water are piped daily from the Kuiseb river to the south and the Omaruru Delta in the north by the Department of Water Affairs, and research on the water table of the subterranean Kuiseb indicates that the level has dropped noticeably in recent years.

Mr Freeman says his company is "very interested" in the system of desalination. With the mine situated only about 70 kilometres from the coastal town of Swakopmund, the desalination of seawater might seem more feasible than pumping fresh water 160 kilometres

● Continued on Page 15

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problems if we maintained it."

And they got it: in December 1978 the black workers struck over the discriminatory wage structure, living conditions, health hazards and the management's refusal to allow the establishment of a representative trade union.

The action came at a particularly critical time in Rossing's development — the highly abrasive ore body and the fact that uranium had never before been mined from granite — meant that the processing plant had to be redesigned, and the company could not meet its overseas supply contracts on schedule.

Labour dissatisfaction brought a complete revision of the structure of employment.

In the last three years Rossing claims to have wiped out its old discriminatory system and replaced it with a system of personnel grading based entirely on aptitude and training.

There are now 13 grades ranging from unskilled workers, earning a minimum of R230 a month, to divisional foremen earning about five times that or more.

Grades one to five live in Arandis, grades six and seven live in Tamariskia and grades eight and above live in Vineta.

The effect, however, is basically the same.

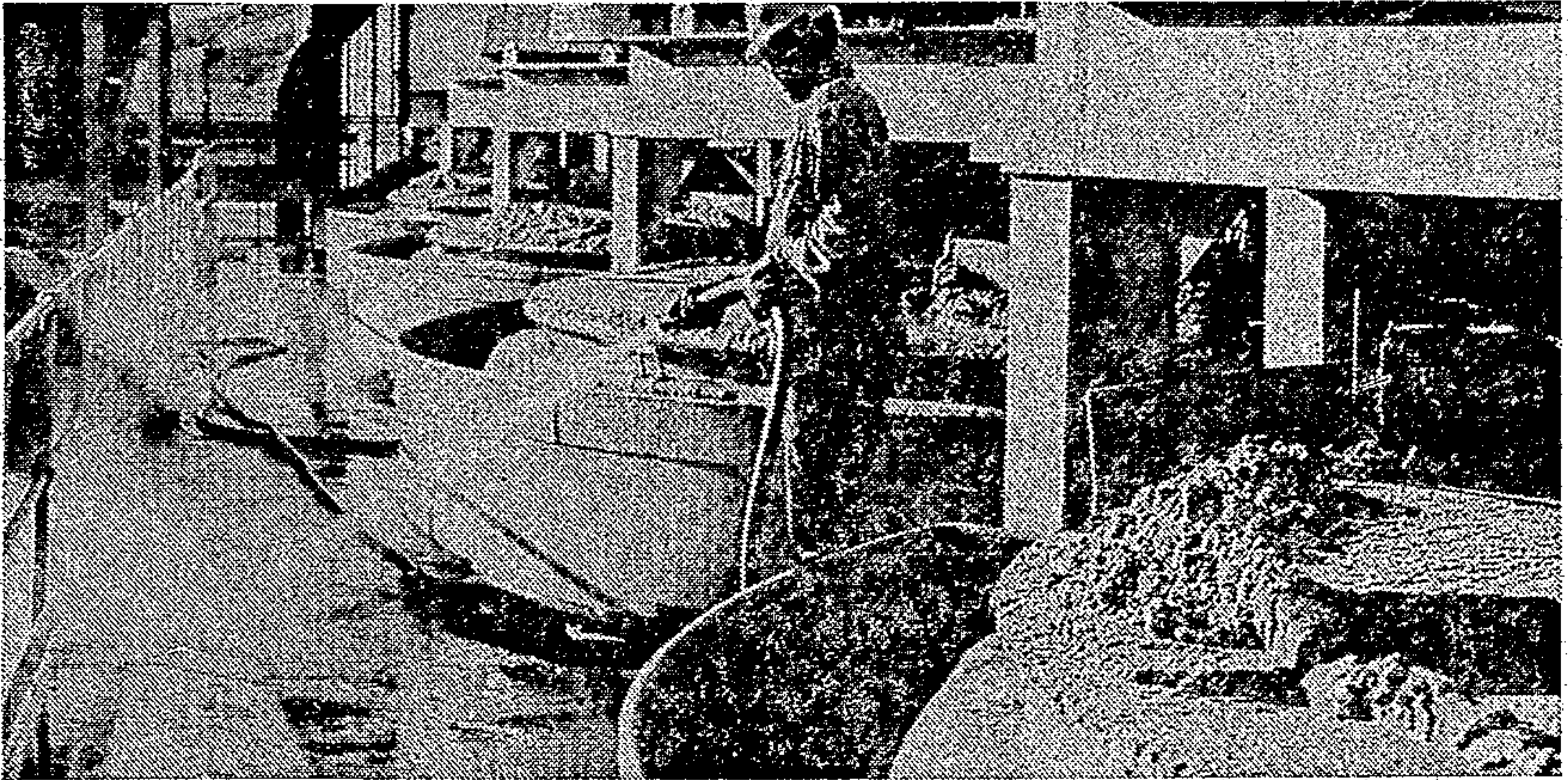
Is the grading system not perhaps discrimination in disguise?

Mr Trethewey says:

"One should remember that we have been growing out of a historical situation for the past three years, and the degree to which we are no longer a racially based company is dependent on the rate at which things change around us.

About 4500 black people live in Arandis, a

# TIME BOMB?



Early morning housekeeping on the rotoscope section.

● Continued from Page 14.

from the Kuiseb.

According to Mr Freeman, however, the cost would be prohibitive at this stage — between R2 and R3 a cubic metre.

It is unlikely that Rossing would be prepared to involve itself in vast capital expenditure purely for the sake of conservation, if it was not forced to do so out of necessity.

Rossing's labour policy has perhaps been the area of most concern for the company's critics, who accuse it of underpaying black and coloured workers and of keeping them apart from the white staff in separate townships — Arandis, about 12 kilometres from the mine, and Tamariskia near Swakopmund.

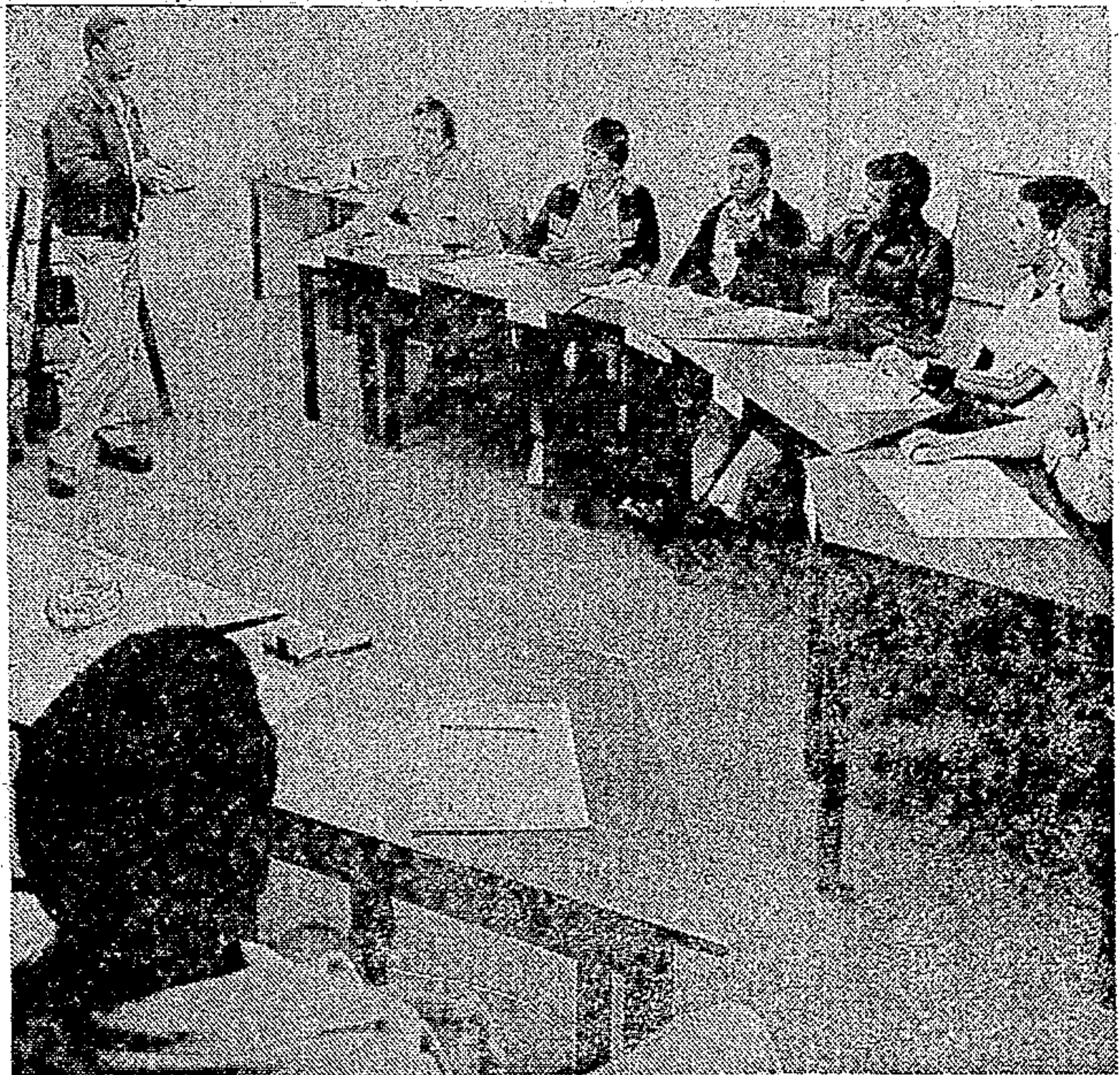
Rossing began to take shape in 1974, and started production in 1976. At this time all black staff were housed in Arandis and contractors' "locations," which had all been built for the mine. Coloured workers were accommodated in Tamariskia, and white staff in the Swakopmund suburb of Vineta.

In addition, whites were paid monthly and the others weekly; whites got a month's leave, blacks and coloureds three weeks; whites had permanent health and accident insurance, other races had no protection; blacks had to wait a year for admission to the pension fund while whites were immediately admitted.

The only apparent advantage which black workers had was that their medical aid was free while whites had to contribute monthly.

"There was no way we could try to justify that system," says Mr Norman Trethewey, industrial relations superintendent.

"There was discrimination in the system. We were asking for labour



Nick Losper giving a lecture to supervisors.

town created by Rossing for its black employees. It has 820 houses and more are being built — the aim being to eventually accommodate between 8 500 and 9 000 people there.

Because of the company's original policy of retaining family units, Arandis is nothing like the mine compounds found on the Reef.

Three and four-bedroomed houses line sandy streets. Electricity is supplied for cooking and lighting only — bath water is heated through a solar panel on every roof.

There are extensive sports facilities, two schools built by Rossing for administration by the Damaraland Administration, as well as a hospital.

In effect Arandis has become the largest town in Damaraland.

Housing rents are R5 a month for the older houses and R7,50 a month for the later units.

Rossing has its own system of labour representation, which stops short of trade unionism.

Two unions have tried to make inroads into Rossing — the SWA Mineworkers' Union last year, and the National Union of Namibian Workers in 1979.

Neither was successful, and Rossing has been accused of using the security police to detain labour agitators, thereby depressing the formation of a union.

Mr Trethewey denies this, claiming that the present system of "works committees" representing the five divisions of the mining operation, and a

sixth, representing the residents, is working satisfactorily.

Representatives of the caucus from these committees meet with management four times a year as the "Rossing council."

"The workers seem satisfied with the arrangement," Mr Trethewey says. "It is there to complement the trade union system, not to prevent it. And if they want a union they are quite entitled to go ahead and establish one. But it must be a strong union and representative, otherwise we are not prepared to have it."

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● Part 2 of this article appears on Page 19 tomorrow.

# The new industrial giant

The amount of uranium oxide produced at the Rössing mine in western SWA/Namibia each day is equivalent, in energy terms, to the daily production of crude oil in the Persian Gulf, says the company's deputy chairman, Mr Craig Gibson.

Each 200-litre drum of the dark-green powder is the energy equivalent of 23 000 barrels of crude oil, and Rössing produces roughly 15 000 drums a year.

Where the drums are sent, or how they are delivered, in terms of South Africa's Atomic Energy Act, even though these and other details have been widely published abroad.

With an annual capacity production of about 5 000 tons of uranium, Rössing is emerging as the territory's new industrial giant.

Its gross profit last year amounted to more than R98-million, double that of the previous year and 14 times that of 1978.

Rössing injected R96-million into the SWA/Namibian cash economy in 1980. R40-million in salaries and the rest through services and supplies.

This can be compared with the R95-million contributed in the same sector by the De Beers subsidiary, CDM (Pty) Limited, last year. While CDM is still the largest of the two companies, after 60 years in the territory its diamond operation is on a slow slide, and Rössing

take a couple of years yet, says Mr Gibson.

He points out that the international uranium market is weak at present, but he expects a resurgence of demand in the next three or four years.

Rössing is effectively controlled by the British Rio-Tinto Zinc Corporation (41.35 percent shareholding). A Canadian member of the RTZ Group, Rio Algom, holds 10 percent, South Africa's Industrial Development Corporation 13.47 percent, Minotome of France 10 percent (half of which is held by Total), Uran Geselschaft 5 percent and General Mining 2.3 percent. The balance of about 18 percent is held by unlisted shareholders.

The mine itself is an industrial phenomenon: the largest single producer of uranium in the world. This means that about 60-million tons of earth and rock have to be crushed, recrushed, milled and processed on a 24-hour basis each year. Because of the nature of the deposit, it is mined through the open-cast system — a huge pit, which will eventually be 5 sq km in area and about 300 m deep. Current estimates put the mine's life span at about 20 years, unless increased prices make further mining viable.

The system is less labour intensive than that used on the South African gold mines. With little more than 3 000 employees, Rössing employs less than half the labour force of the average gold mine. But Rössing is far more than a big hole in the Namib Desert.

## The second in a two-part series on the Rössing uranium mine in SWA/Namibia. By Peter Honey of The Star's Africa News Service.

*Handwritten signature and initials: Peter Honey, 22/10*

In an attempt to wipe out the stigma of racial discrimination which it acquired in the late 1970s, Rössing has developed a code of conduct and discipline which makes it — in its isolation and aura of secrecy — a world apart.

The company claims its labour structure is now completely non-racial, and that job advancement is entirely dependent on aptitude, training and educational qualification.

In addition, Rössing spends between R3-million and R4-million annually on training. Staff are encouraged to take correspondence courses, technical certificates and to develop their safety-consciousness. About 1 600 employees are fully trained or are being trained at any one time.

The company has also sent some of its staff abroad for education, while in SWA/Namibia it

self, it finances the Rössing Foundation — a job training college for the general population.

In spite of its professed policy of non-racialism, however, very few blacks or coloureds occupy top positions in the company hierarchy. Rössing claims this is because the ratio of qualified blacks to whites is still very high in the territory.

Mr Norman Trethewey, Rössing's industrial relations supervisor, has outlined the company's system of discipline. He tells of an incident where a black male employee put his hand on the arm of a white woman employee, and said: "I love you."

The woman and her supervisor complained and the man was reprimanded, with the warning that he would be sacked if it happened again.

This action was taken, says Mr Trethewey, not

because the two staffers were different colours, but to avoid offence against the woman.

Asked whether this did not indicate company interference in private, inter-personal relations, he replied:

"We are treading a dangerous tightrope where we could intrude into the private lives of employees. But we try to be circumspect."

There were other examples of Rössing's internal "policing." For example, employees are sometimes fined for company offences: If someone damages a company vehicle through negligence, he is required to donate money to charity. If someone is found drunk on duty he is suspended without pay for a week or two.

"We are not quite sure if suspension is legal, but the authorities in Windhoek did not seem too concerned," Mr Trethewey says.

The company says it wants to replace racial barriers with a competency grading system, where salaries are set through 13 grades.

Staff turnover is about 25 percent a year, and most of the staff live in

Arandis — a labour town situated 12 km from the mine.

Built exclusively for Rössing staff and their families, Arandis is entirely dependent on the mine for its existence, and could become a ghost town unless the company can develop secondary industries within the community itself.

It has a new hospital, two schools built by Rössing for administration by the Damaraland administration and extensive sports facilities.

Rössing has now embarked on a programme to develop small industries such as needlework and clothes production. It hopes to extend this to other fields so that when the mine does close, the people of Arandis will have a means of employment.

Rössing recently opened an exploration division, and is in search of viable mineral deposits.

"At this stage we have not found anything, but we know there are many other minerals waiting to be uncovered in SWA/Namibia," Mr Gibson said.

over as the number one industry in SWA/Namibia. But Rössing has yet to pay a cent in company tax, in terms of an agreement, the company must first recoup its R350-million capital investment through net profit, and this is likely to

# SWA war will hit plans for more jobs'

By PETER KENNY

WINDHOEK. — As long as the simmering bushwar in South West Africa lasts it is doubtful whether any concerted steps to create employment could succeed.

This was said by Professor Wolfgang Thomas, Professor of Economics at the University of Transkei, who was speaking at a symposium on community problems in Windhoek's black townships of Katutura and Khomasdal.

Prof Thomas was deported from South Africa five years ago after publishing a controversial economic report on South West Africa saying the territory could be economically independent.

## Uncertainty

Since taking up his post two years ago at the University of Transkei he has been allowed to travel through South Africa to South West Africa.

Uncertainty about the country's political future meant investment in the mining sector would probably remain stagnant for some time.

Mining was the only sector of the SWA economy with a potential for large-scale capital intensive projects.

## Impediment

"For the stimulation of rural development in the relatively more fertile northern areas — in Owambo, Kavanga and Kaprivi — the simmering war along the border is a decisive impediment.

"In fact as long as the war lasts it is doubtful that any concerted employment-creating steps can succeed.

"The spread of hostilities from the Owambo region to Kavanga and Kaokoveld, seems to have further aggravated the situation," Prof Thomas said.

He said there was an estimated unemployment rate of 18% of the potential workforce which was "at a critical level".

# Ethnic division is a major factor in SWA's health crisis

Ev Post 10/8/81  
22/A

By Brian Jones  
in Windhoek

SWA/Namibia's health services are in a state of crisis, and it is all due to fragmentation on ethnic lines, according to the views held by some leading medical personnel in Windhoek.

Official figures reveal a serious shortage of doctors and nurses, a high incidence of certain diseases, and a high infant mortality rate particularly among blacks.

Doctors claim that patients have been refused treatment because of staff shortages, and that standards have deteriorated alarmingly.

Dr Kenneth Abrahams, a medical doctor and political analyst, said there were 152 practising doctors in the territory.

This was a ratio of 1,8 doctors for 10 000 patients, while in Israel and Sweden, which had the best ratios, the figure was one doctor for 700 patients.

There are 16 dentists in the entire territory, 10 of whom are based in Windhoek.

The president of the SWA/Namibian branch of the South African Medical Association, Mr W E Birkenstock, said that without Defence Force doctors the situation would be serious.

There was a particular shortage of specialists, and SWA/Namibia had to rely on visiting physicians, neurologists, and other specialist staff.

Earlier this year Dr Birkenstock pointed to the conflict between doctors, and officials and politicians who administer the health services.

In his president's speech at the annual general meeting of the Medical Association, he said: "We have had problems with the administrative body over the years, but this thing has slowly become more noticeable, until we find ourselves this year at crisis point."

"The gap is widening between our standards and the standards of higher institutions

and the world at large. We have visiting doctors who gasp when they see the conditions, standards, and facilities with which we work."

The administration for whites, which is responsible for white health services, is short of 170 nurses for its hospitals throughout the territory.

Half the eight wards in the existing 220-bed hospital for whites in Windhoek have been closed, and the hospital is short of 92 nurses.

To run the hospital at full capacity 249 nurses are required but at present there are 157.

The administration has been criticised for building a new R22,6 million clinical wing with 600 beds while it does not have the staff to run the existing hospital.

A new R22-million hospital with 160 beds has also been built in Keetmanshoop to replace the existing 32-bed hospital, which is short of five nurses.

Mr Eben van Zijl, MEC in charge of health services for the white administration, issued a statement in Windhoek answering criticism of the administration's handling of health affairs.

He said that "at no stage have patients had to be turned away as a result of a shortage of beds."

In 1980 the occupation of beds had been "only 69,89%, which is reasonable."

Answering allegations that there were only enough nurses

to serve 126 of the 220 beds in the existing Windhoek Hospital, Mr Van Zijl said this number was "not unrealistic" in terms of a "full economic use of beds."

It was recently announced that 17 black and coloured nurses were being employed at the state hospital for whites to help alleviate the staff shortages.

Dr J A Oosthuizen, secretary of the Department of Health and Welfare, said a large degree of decentralisation was necessary because of the size of the country and distance between major centres.

Decisions could be made far quicker by the regional health services than if problems had to be referred to Windhoek. Letters between Windhoek and Oshakati in the north took about 11 days, he said.

Dr Oosthuizen said he doubted whether the "so-called fragmentation" was costing more money than would a centralised system.

Quoting from his own statistics, Dr Abrahams said that although official figures suggested that six of every 1 000 blacks suffered from tuberculosis, a more realistic figure would be 18-24 in 1 000.

Surveys in the Kavango and among the Bushmen indicated that the incidence of TB was as high as 25%, while among whites in SWA/Namibia it was virtually non-existent.

About 10% of the population in the Kavango had venereal disease, about 4% of the blacks in Swakopmund, and 5% in Windhoek, Dr Abrahams said.

Infant mortality among coloureds and blacks was startling.

Among coloured babies, 145 of every 1 000 died before the age of one year, and 163 black babies in 1 000 died. The figure for whites was 21,6 in 1 000.

Under the division of functions in the territory between central government and the second tier (ethnic) authorities, each population group may operate its own health services.

In practice only the whites, Damaras, Owambos, Kavangos, and Caprivians have the infrastructure to run their own services.

The Department of National Health and Welfare is responsible for Coloured, Nama, Herero, Bushman, Baster, and Tswana health care, but as it also lacks the necessary infrastructure these services are run on an agency basis by the white administration.

This situation has led to allegations that resources are needlessly duplicated, and that a better service could be provided by a single health structure open to all.

Mrs Annchen Parkhouse, a former matron at Windhoek's white state hospital, believes the health services are "hopelessly fragmented"

"With such a system this means fragmentation of money resources, and expertise.

"There should be a national policy for all preventive and promotional health services" she said.

This is also the view of Dr Ben Africa, the member of the territory's Ministers' Council responsible for health affairs.

He has called for the ethnic authorities to leave the health services to central government.

"I believe a patient should not be referred to a hospital on the basis of skin colour, despite the division of functions.

"The medical profession should not be drawn into racial issues," he said.

Dr Birkenstock said duplication of resources would be inevitable if each health service of the 11 ethnic groups wanted to operate at the highest standard.

"If each one tried to develop anything sophisticated, this would require duplication. In my opinion the separate services are quite temporary, and no one will be able to carry on for long in the present situation" he said.

Dr Abrahams believes the ethnic division of the health services has brought "confusion" and leads to nothing being achieved.

"It is impracticable in a centre such as Windhoek where most ethnic groups are represented, to have 11 hospitals. At present all the blacks are lumped together in one very overcrowded hospital, while the white hospital is only 50% occupied.

# Faction fight ends in work stayaway

The Star's Africa  
News Service

WINDHOEK — Faction fighting in the black township of Otjiwarongo in northern SWA/Namibia ended yesterday with a mass stayaway from work by many of the Ovambo workers.

Today, however, they were back at work and police reported that conditions had returned to normal in the township.

Police yesterday used teargas to disperse a large crowd of Ovambos who had gathered to retaliate against attacks at the

weekend by Damara residents. After scattering, the men refused to go to work for fear of further reprisals.

"It was not really a strike on their part, but more a stayaway out of fear," a senior police spokesman said.

"I think many of them stayed at home also because they were encouraged to do so by the relatively large number of unemployed people in the township."

The fighting erupted on Friday after a Damara woman had been stabbed to death.

not be hit by the section as it was then worded. The 1959 amend-  
ments were intended inter alia to bring such transactions within  
the net of the section and based on the decision in Smith's case  
(supra) the amendment has achieved this result.

# Workers go back after stay-away

By PETER KENNY

WINDHOEK. — About 500 Owambo workers who stayed away from work in the northern farming town of Otjiwarongo on Monday, after violent clashes with Damara residents in Oruetoeweni township at the weekend, returned to work yesterday.

Riot police had on Monday dispersed them with teargas and a rubber baton charge after the men stood outside the municipal compound refusing to go to work.

After the teargas attack and the baton charge, a spokesman for the Roman Catholic mission at Oruetoeweni said, about 50 Owambo workers sought refuge in the mission.

## Bloody clashes

The spokesmen said the Owambos had told him they were not striking but were afraid to go to work after the weekend's bloody clashes which left at least four people dead and an unknown number wounded.

Police were unable to say exactly how many people had died in the inter-tribal clashes but one Windhoek newspaper reported yesterday that nine people had died so far.

The fighting is believed to

have been sparked off following the stabbing of a Damara woman, Mrs Barcella Haoses, on Friday night.

Three bloody clashes followed as crowds ran amok with clubs, knives and bows and arrows.

The district commissioner of the SWA police at Otjiwarongo, Chief Superintendent W P Meuwesen, said the reason for the stay-away by the workers was unknown.



# The largest uranium mine in the world answers its critics

By Brian Jones  
in Windhoek

22/1A  
EV Post  
12/18/81

EVER since the splitting of the atom and the advent of the nuclear age, uranium has acquired a mystique which turned into a scare after Hiroshima and Nagasaki.

Last week the management of the largest uranium mine in the world took a party of news correspondents on a tour of Rössing mine to view operations where the heaviest natural-occurring element is taken from the earth near Swakopmund in western SWA/Namibia.

Situated in geologically the world's oldest desert — the Namib — Rössing has been the subject of severe criticism since production began five years ago.

Politicians of all shades, ecologists and conservationists have sniped at Rössing.

The danger of radiation, pollution and Rössing's water consumption in a land ravaged by drought are major topics of conversation at Swakopmund.

Overseas critics, notably Swapo, have demanded that the company, which forms part of the multinational Rio Tinto group, should withdraw from the territory.

A foreign newspaper even called the mine and its surroundings "The land of sterile women."

Senior company spokesmen last week denied the accusations and went to extensive lengths to spell out Rössing's policies and attitudes to pollution, health and industrial and race relations.

"There is a certain mystique attached to uranium and after the atom bomb, people became scared of it," the mine's general manager, Mr Gordon Freeman, said.

Regular tests detected no radio-active fallout or acidic pollution of uranium oxide.

The danger of radiation affecting the desert ecology was negligible, the assistant general manager of the mine, Mr Mike Brett, said.

The mineral ore dug from the earth goes through several processes before it is finally turned into a black powder, uranium oxide, ready for export.

Water from the final product area, where the greatest potential danger arises for workers, is pumped into the "tailings" waste dam.

The water contains nuclear material and radio-active material and acid used in the washing process.

Stringent precautionary measures and regular checks showed that no dangerous material was leaving the dam, said Mr Brett.

Water that seeped into the soil below the dam was of a better quality than the underground water in a nearby river bed.

SWA/Namibia is currently plagued by one of the worst

droughts in decades and authorities are appealing daily to the territory's inhabitants to save water.

Rössing mine, surrounded by one of the world's most arid deserts, uses about 26 000m<sup>3</sup> of water daily to produce raw material for the world's nuclear power plants.

"We are a large user of water in the territory and accept that we have a responsibility to conserve water," Mr Brett said.

The mine was conducting research to recover seepage and stepping up the use of recycled water.

It was difficult to assess whether drops in the underground water tables further inland were owing to Rössing's water consumption or to the drought, Mr Brett said.

"Rössing is an easy scapegoat," he added.

Questioned about health hazards to workers, Mr Freeman said radiation levels at the mine were low and workers were given regular medical check-ups.

In the final, potentially most dangerous, processing area additional measures were applied to prevent the build-up of radiation.

Film badges were worn on outer clothing to warn against over-exposure. — Sapa

ROM 22/8/81

SWA census (2014)

WINDHOEK. — South West Africa's population was expected to have grown to one million from the 750 000 counted during the last census in 1970, the chief supervisor of this year's national census, Mr Hans Koll, said in Windhoek yesterday.

He said there were problems with collecting population figures in remote areas for the new census, which begins on Monday.

It was hoped, however, that collecting the data in the 29 census districts would take two weeks. — Sapa.

# R40m for Namibia

By HAROLD FRIDJHON

UNION Acceptances and Volkskas Merchant Bank have placed a R40-million loan on behalf of the South West Africa/Namibia Administration.

The terms: loan No 10, at an interest rate of 13,5% for 18 years.

This is the first single-issue long-term loan for some time. Most other issues have tried to tempt investors with a short and a long.

The rate is reasonable to both borrower and lenders, bearing in mind that it is SA Government guaranteed and that it ranks as a prescribed investment which makes the rate even more acceptable.

A point which is a compliment to the underwriters is that the day that the documents were issued was the day when the Angolan incursion hit the headlines and both banks managed in spite of this to achieve the favourable outcome.

*demarcation*

# Police in SWA now under new command

WINDHOEK. — The Commissioner of the South West Africa Police force, Major-General Dolf Gouws, officially assumed command of all police units in the territory at a special police parade in Windhoek yesterday.

The handing-over ceremony was attended by the Administrator-General of SWA, Mr Danie Hough, and Lieutenant-General F L C Engels, who represented the Commissioner of South African Police.

The proceedings were opened by the SWA Police chaplain, Chief Superintendent E D Botha, and an inspection parade.

The change of command was recorded when General Engels handed a scroll listing the names of all policemen in SWA to Mr Hough, who turned to Gen Gouws and said: "I charge you to take command of the South West African force and to maintain law and order."

Gen Gouws saluted and accepted the scroll.

At noon, the South African Police band struck up the South African anthem, and the SAP flag was lowered for the last time in the territory.

At the introductory bars of "Das Suedvester Lied," a rich red flag, bearing the badge of the new SWA Police force was unfurled.

The ceremony ended with a march past of police platoons.

Gen Gouws is now in command of the SWA Police force, as well as all units of the SAP, including seconded officers, who remain in the territory.

In a brief address, Gen Gouws paid tribute to the old SWA Police force, established in the territory in 1920, and absorbed by the SAP in 1939. — Sapa.

# Swapo gets OK for Paris office

Mail Correspondent

PARIS. — A snap decision by the French government permitting the African National Congress (ANC) and Swapo to open offices in Paris next month is undoubtedly linked with the official visit tomorrow of President Julius Nyerere of Tanzania.

It is his first visit to Paris since 1969, when he had talks with former President Charles de Gaulle.

The French move favouring Swapo was not unexpected, but Swapo sources in Paris said the announcement on Saturday by the French Foreign Ministry took them by surprise.

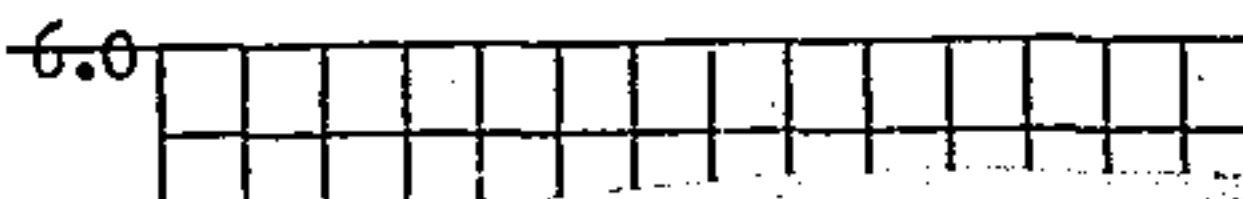
The French have stressed that the ANC and Swapo offices did not mean France's recognition of the two movements.

There is also a report that France's next move will be to ask South Africa to prune its diplomatic staff, and several French diplomats in South Africa will be withdrawn.

President Francois Mitterrand will meet five African presidents later this month.

CHART FOR AVERAGES

| Sample No. | Average ( $\bar{y}$ ) | Range (w) |
|------------|-----------------------|-----------|
|------------|-----------------------|-----------|



# US drilling for oil in Etosha?

Argus Africa News Service **221A** series of test boreholes along the northern perimeter of the Etosha Game Park. *Argus 16/9/81*

WINDHOEK. — A major American oil prospecting company is negotiating with South West African authorities for oil drilling rights in the northern Ovambo and Etosha regions.

Administrator-General of SWA.

Should the plan be approved, the drilling project could cost about R60-million, say sources.

Mineral prospecting in the Etosha Park is prohibited except for strategic resources such as oil and uranium. It has been pointed out that the relatively small scale of oil boring operations pose far less of a threat to the ecology than full-scale coal mining, as proposed in the Kruger National Park.

The search for oil in the Etosha region is by no means new. Etosha Petroleum, controlled by a Dr Rosenblatt in New York, drilled several test wells near the Otjivalunda pan a few kilometres north of the park in the late 1960s.

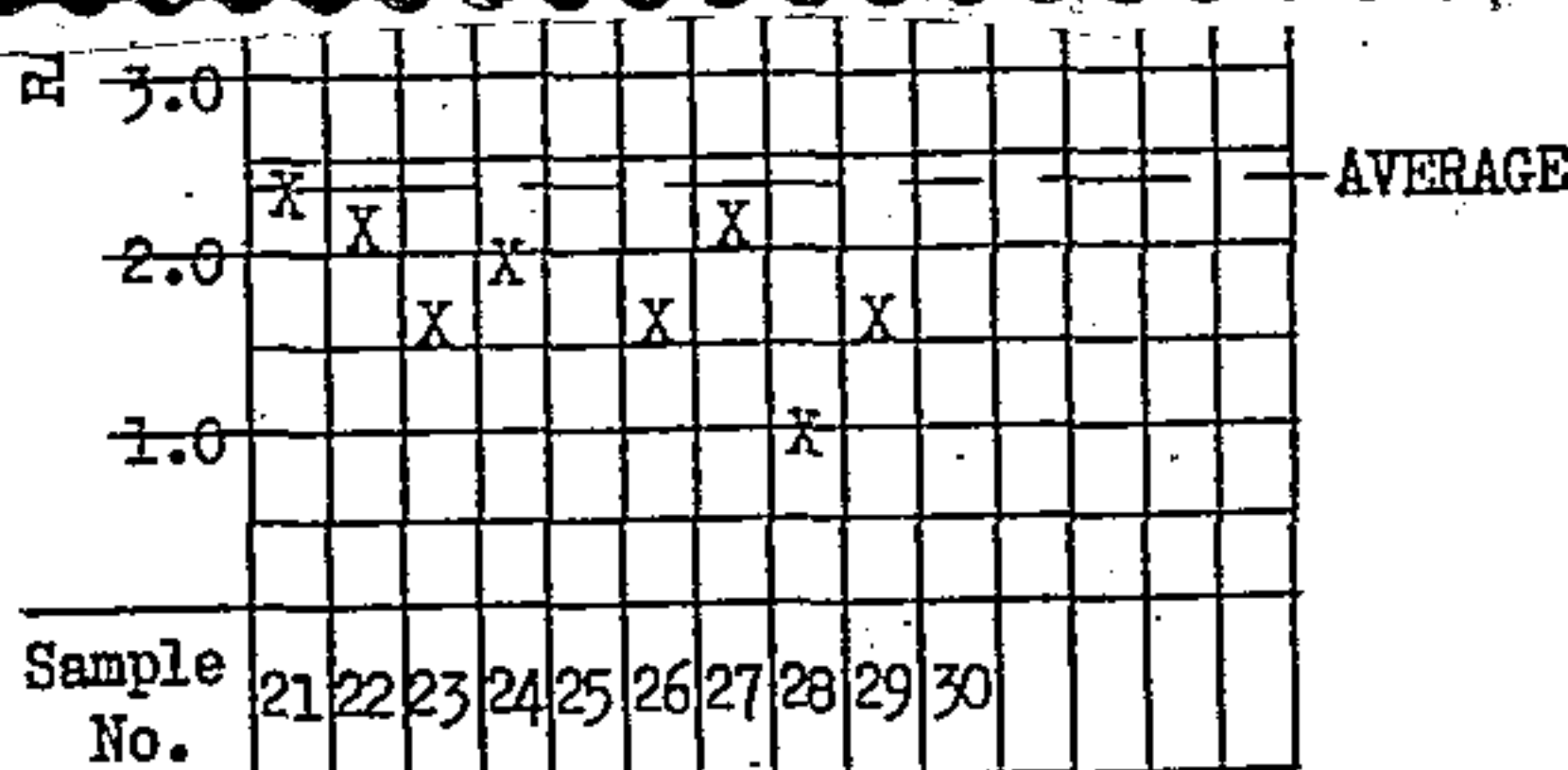
The results did not appear promising at the time — the boreholes apparently descended only about 2 500 metres. A geological source says

Superior intends drilling to about 6 500 metres.

Etosha Petroleum's concession expires in 1985.

Asked why, if earlier results had not been promising, a major oil company should consider re-drilling the area, the geologist said: 'Put it this way, we would like to take a closer look.'

The secretary for economic affairs, Mr Piet Kruger, this week confirmed negotiations were underway, but said the matter was at a delicate stage.



'LOOKING AT THE PLOTTED POINTS AS A WHOLE'

Looking at the 10 averages as a whole, it is quite clear that the average level of the process has changed.

### 10.7.4 PROCESS CAPABILITY

The average range provides a means of estimating the process capability. In the above example the average range of samples of size 4 was  $\bar{w} = 2,39$ . Now, in the long run for samples of size 4,  $\bar{w} = 2,06\sigma$  (Table B). So, the standard deviation of the process is estimated as:

$$\sigma = \frac{2,39}{2,06} = 1,15$$

Consequently, since almost all items lie within 3 standard deviations from the average, the process should be able to meet a tolerance of  $\pm 3,45$  — provided it could be set perfectly in the middle of the specification.

# SWA smuggled ivory under control

Star 24/9/87  
221A

By Peter Honey  
The Star's Africa  
News Service

WINDHOEK — Unwieldy legislation had until late last year turned SWA/Namibia into the international clearing house for contraband ivory and rhi-

noceros horn, says the SWA Agricultural Union in its annual report.

This had led to international repercussions, says the report, and the territory was accused by the International Union for the Conservation of Nature of destroying its

elephant and rhinoceros populations.

Until the introduction of new legislation in August last year controls on ivory possession and marketing had been inadequate and law enforcement ineffective.

The report carries a statement by the Department of Agriculture and Nature Conservation, which says:

"The result was that hundreds of tons of ivory and rhinoceros horns from countries outside the South West borders streamed into the territory."

The new legislation placed more effective control on the possession, marketing and transporting of elephant and rhinoceros products.

The report also notes an escalation in the elephant population in the white farming area of Tsumeb, causing greater problems for farmers.

This is attributed to the expansion of the Ovambo population into the southeastern sectors of Ovambo where elephants have traditionally roamed and an increase in military activity.

A natural increase in the elephant population, combined with the threat to its habitat had forced it further south in search of grazing in the Tsumeb farming area.

# Now the housing crisis spreads to Windhoek too

KD 25/9/81  
221A

HOME-SEEKERS breaking down and crying in the offices of Windhoek letting agents have become a not uncommon scene in South West Africa's capital city.

Exorbitant rents, endless waiting lists and overcrowded flats are some of the other symptoms of the city's severe housing shortage.

"We not only have a continual stream of inquiries and long waiting lists," says letting agent Mr Gunther Horsthemke. "We also have more and more women bursting into tears in our offices desperately pleading for rented accommodation."

The real crunch is expected once the independence process picks up momentum. A total of 7 500 United Nations personnel are scheduled to converge mainly on Windhoek, together with a huge contingent of news correspondents, overseas observers and other camp followers.

Since 1976, records of the Windhoek municipality show a steady decline in housing and apartment block construction. The situation has been exacerbated

by multi-national and mining companies, the defence establishment and a growing Government apparatus which entered the property market to buy up existing housing for employees.

"We cannot keep or attract employees unless we offer them housing bonds or subsidies," a senior Government official said.

Building contractors, real estate agents and economists generally agree on the causes for Windhoek's plight.

Political uncertainty over the territory's future since 1977 has caused a steady private capital flight to South Africa and overseas, primarily Germany.

As a result, banks and lending institutions are starved for funds. Building costs, substantially higher than in South Africa because most materials are imported, have rocketed and a recent announcement that cement deliveries to the territory will be rationed will put a further crimp on private construction.

Government, municipalities, semi-state corporations, the defence force, multi-national com-

panies and even some foreign countries looking for embassy premises in the event of independence, have all entered the housing market and squeezed out the small homebuyer.

At the same time the removal of laws restricting the different population groups to exclusive residential areas has caused a move from crowded coloured townships into central Windhoek.

A monthly rental of R610 for a two-bedroomed duplex flat, while considered high even for Windhoek, raises fewer eyebrows today than it would have a year ago.

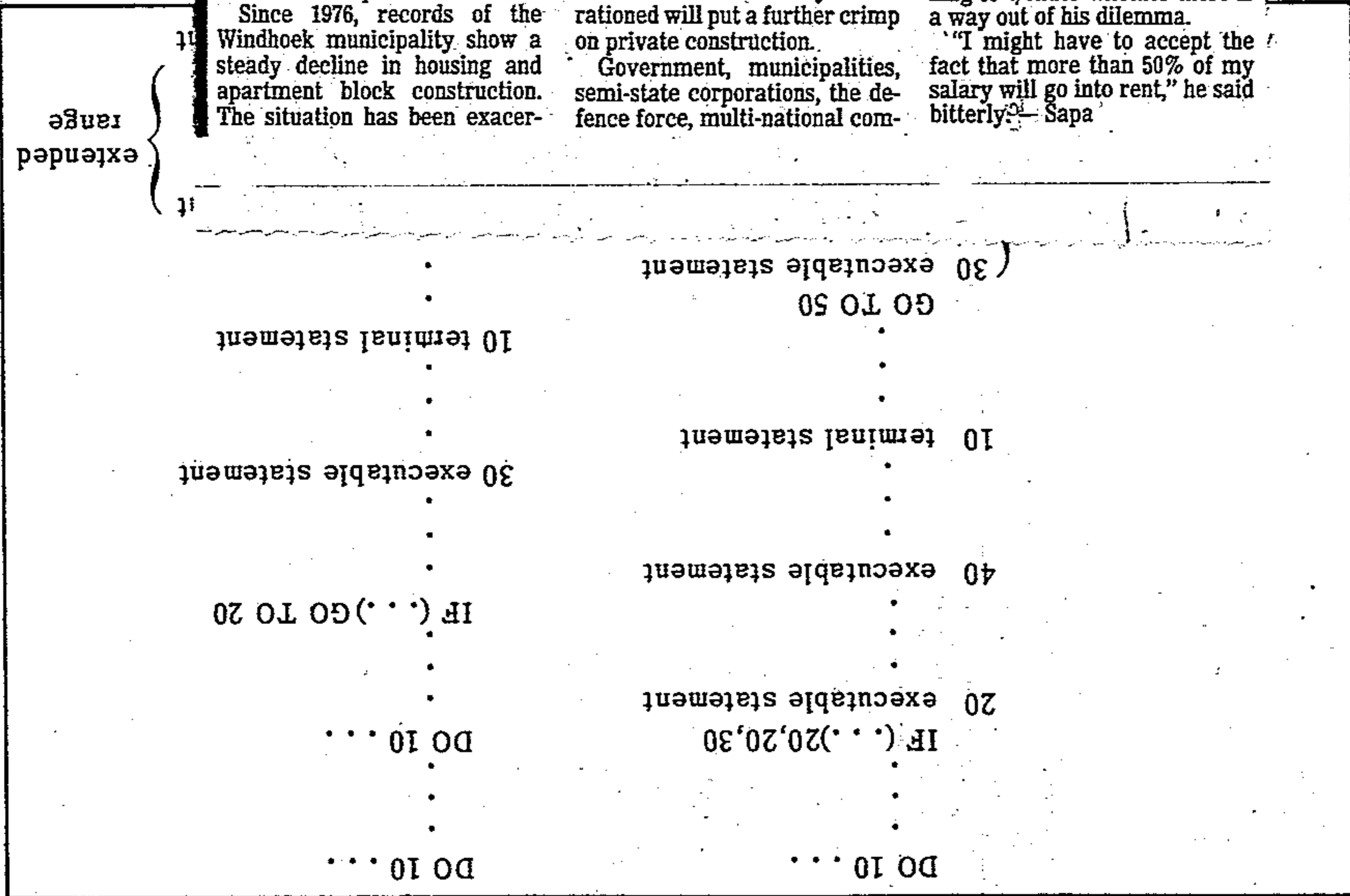
"I'm moving out - I refuse to pay so much for what is basically a fancy flat," said an irate tenant a month ago when he received notice that his rent was going to increase by 50%.

Still without alternate accommodation, the tenant is beginning to wonder whether there is a way out of his dilemma.

"I might have to accept the fact that more than 50% of my salary will go into rent," he said bitterly. - Sapa

DO

extended range



Examples of extended ranges are:

- This set of executable statements contains a control statement that could return control back to the DO range.
- The range contains a GO TO, or arithmetic IF, or a logical IF containing either of these two statements, that can pass control out of the range to another set of executable statements.
- A DO range can have an extended range if it is a nonnested DO or the innermost nest of a completely nested and both of the following conditions are true:



Walvis Bay: benefits for establishment of  
industries  
23/7/81  
221A  
3. Mr. S. S. VAN DER MERWE asked  
the Minister of Industries, Commerce and  
Tourism:†

- (1) Whether any benefits in respect of the establishment of industries have been granted to Walvis Bay; if so, what is the nature thereof;
- (2) whether he has received any objections to the granting of such benefits to Walvis Bay; if so, (a) what was the nature of the objections and (b) what bodies or persons raised objections?

†The MINISTER OF INDUSTRIES,  
COMMERCE AND TOURISM:

- (1) Yes. Normal decentralization assistance to industrialists as well as non-manufacturing concerns on basis of the schedule for Atlantis for projects up to R3 million, in respect of employment of both Coloureds and Blacks, namely:
  - (i) Financial assistance through the Industrial Development Corporation at subsidized rates of interest.
  - (ii) Income tax concessions.
  - (iii) Railage-rebate on merit (30 per

SEPTEMBER 1981

514

cent in some instances and 10 per cent on a temporary basis in one particular instance).

(iv) Tender price preferences.

- (2) No. On the contrary, strong representations for assistance to stimulate the economy in the area, have been received.

# 20 won't stand and be counted

221A RDM 30/9/81

Mail Correspondent

**WINDHOEK.** — At least 20 people in the Mariental district have been prosecuted, and at least 14 jailed, for refusing to fill in 1981 South West Africa census forms.

The people, all of whom belong to the Nama ethnic group, live in the bone dry Hoachanas area.

Because at least 14 of them were unable to pay R300 fines for refusing flatly to fill in the forms, they have gone to jail for six months.

SWA's last census was made in 1970 when the territory was found to have a population of 761 542.

The new count began last month.

All of the convicted to date live in the remote rural area of Hoachanas, which some National Party of South West Africa supporters say is a Swapo nest.

## 'Going well'

But the chief census enumerator, Mr Hans Koll, said the census was going "pretty well".

"So far our only problem area has been Hoachanas," Mr Koll said.

"Every time the census numerators went to the Hoachanas area and asked the people to fill in their forms they were shouted down with political slogans," Mr Koll said.

"When we said one of the reasons, for example, was so that people who might want to manufacture or sell shoes would have to know how many people there were in an area before they did so, the next time my enumerators visited them the community asked where their shoes were," Mr Koll said.

This year's census forms reveal that the territory of 823 144km<sup>2</sup> has 12 population groups and at least 70 tribes in it.

Although whites — be they Afrikaans, German, English or Portuguese-speaking — are classified as white and by their language each black ethnic group has its own tribal group listed, the Nama ethnic group has tribes with such colourful names as the Afrikaners, the Whites Boys, the Black Boys, the Great Dead (Groot Doden) and the Black Slaves.

Swapo claims that there are 1,5-million people in Namibia and that the authorities under-count in Owambo.

|                 |                 |
|-----------------|-----------------|
| 4,00            |                 |
| G.O. TIO, 2,0   |                 |
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| 3,00            |                 |
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| 2,00            |                 |
| G.O. TIO, 2,0   |                 |
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| 1,00            |                 |
| G.O. TIO, 2,0   |                 |
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| 1,00            |                 |
| G.O. TIO, (1,1) |                 |
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| 2,0             | $K_1 = K_1 + 1$ |
| G.O. TIO, 1,0   |                 |
|                 |                 |
| $K_1 = 0$       |                 |
|                 |                 |
|                 |                 |

OCK  
ERNAL  
OSED

(3) The following example shows how the computed GO TO statement can be used to create a closed internal block (a group of statements that cannot be entered by normal sequential execution, but must be called for execution by control statements).

# Swapo aims to own big mine

95 221A  
KDT 22:10 81  
By PETER KENNY

**WINDHOEK.** — If Swapo comes to power in an independent South West Africa, it will nationalise the giant Rossing uranium mine in the Namib desert.

This was reported in the mouthpiece of the Democratic Turnhalle Alliance, Die Republikein, after a telephone interview with Swapo's permanent representative to the United Nations, Mr Theo-Ben Gurirab.

Swapo was in possession of a list of companies, businessmen and institutions which they said were operating "illegally" in SWA, the report said. These would be dealt with when Swapo came to power.

## Rio Tinto

This came after a warning to New York from Nigeria that the West was responsible for South Africa's becoming a part of the "nuclear race" because of its involvement with Rossing.

The report also coincided with speculation from South Africa on new hopes for enriched fuel for South Africa's first nuclear power plant at Koeberg.

Rossing mine is the biggest uranium mine in the world and the largest producer. Lying 70km east of the SWA holiday resort town of Swakopmund, Rossing is controlled by the multinational mining giant, Rio Tinto Corporation.

On a number of occasions in the past, Swapo leaders have said their aim is to have government control of natural resources, including mining. But they said they would allow other private enterprise to operate.

# Tax law a boost for South West

ARGUS  
4/12/81  
221A

Argus Africa News Service

WINDHOEK. — New income tax legislation aimed at stimulating growth and investment in South West Africa has been tabled in the territory's National Assembly.

Hefty tax deductions and exemptions contained in the Bill are seen as an effort to encourage both political and economic confidence in South West Africa.

The Council of Ministers' chairman, Mr Dirk Mudge, told the Assembly that all income of married couples in the territory would be assessed separately. Married women were, in terms of the Bill, to receive further benefits in addition to separate taxation introduced earlier this year.

The separate taxation will be extended from the woman's salary to her whole income.

The new tax scales for both married and single people are considerably

lower with a maximum of 39c in the rand replacing the present 50c maximum.

The system of tax rebates has been entirely replaced in the new legislation by a scale of income abatements, thus eliminating the previous disadvantage where the portion of non-taxable income became smaller as income increased.

The new system of abatements involves the introduction of fixed maximum non-taxable sums — they are R4400 for a married person, R2200 for single people, R2200 for children and a further R1000 for the new owner of a house or sectional title flat.

The Bill also envisages the writing off of the full costs of machinery, equipment and other articles purchased for businesses, in the year in which they were bought, rather than writing amounts off in the lifetime of the article.

Businesses can also write off 20 percent of the

erection costs of buildings they occupy in the years in which those buildings are taken into use. The rest can be written off at a rate of four percent over 20 years.

'This should give the building trade an injection and encourage potential investors to act immediately,' Mr Mudge said, noting that it would also increase employment.

Mr Mudge said South West Africa was a more attractive proposition for investors, from the tax point of view, than any of the territory's neighbouring states.

He introduced the Bill to consolidate the company and private income tax systems, which have so far been governed by separate legislation.

He said the legislation, incorporating recent amendments to the present tax laws, had become a necessity, especially since all population groups had become liable to tax earlier this year.

# New deal for SWA

An Income Tax Bill has been introduced into the South West African National Assembly which, according to Dirk Mudge (Chairman of the Minister's Council) will provide attractive incentives for foreign investors.

The main implications of the new legislation are tax rates for individuals about 25% lower across the board than for their SA counterparts, separate tax for married women and a most generous system of writing off the cost of assets purchased for business purposes.

At a recent interview, given in Windhoek, Leon Lombard and Larry Kritzing, members of the Standing Committee for Taxation Policy, explained the most important features of the new tax system. They cited Mudge as saying, in the course of his Budget speech (in June 1981), that his government "has committed itself to a system of free enterprise, private ownership, a free choice of careers and remuneration according to merit."

The SWA government "will not be induced by temporary problems into taking measures of a socialistic nature," although it will, as far as possible, give assistance wherever people are in need as a result of circumstances beyond their control. The government sees as its main function "the creation of the right climate in which a free economic system can thrive, instead of accepting direct responsibility for the creation of employment opportunities and growth."

The objectives to be achieved by a sound fiscal policy are the following:

- The stimulation of economic growth;
- The establishment of new undertakings;
- The creation of employment opportunities;
- The encouragement of private home ownership;
- The promotion of education and training; and
- Attracting additional skilled manpower to SWA, as well as retaining the existing pool.

A maximum marginal rate of tax of 30% will apply to individuals, compared with the 50% previously in force. The effect of the change in the progressive income tax scale is that taxpayers will pay around 25% less tax than their SA counterparts at most income levels. At some income levels, though, the tax reduction will be a little higher.

## Combined return

And married women's income (provided it is independently derived and not obtained through their husbands) will be taxed separately. But married couples will still have to submit a combined return and receive one assessment.

There will be an abatement (in addition to

those already in force) of R1 000/year in respect of housing. It will be available to any taxpayer who, during the year of assessment, was the owner-occupier of a residential apartment (under the Sectional Titles Act, 1971) or of a house within the area of control of a local authority. The concession does not apply to persons occupying company-owned houses or flats.

A married couple with children in a position to benefit from the concession will only pay tax if their combined taxable income exceeds R7 600.

There has also been a radical concession for business assets. Expenditure incurred during the year of assessment in respect of "machinery, implements, utensils and arti-



SWA's Mudge ... committed to free enterprise

cles used by the taxpayer for the purposes of his trade" will be allowed in full as a deduction from gross income.

Ships, aircraft, trucks, taxis and cars used in the hire business are included. But cars not used primarily as taxis or for hire are excluded, although the previous depreciation provisions will remain in force.

And the income tax value of any of these classes of assets already on the books of a taxpayer will also be allowed as a deduction as though incurred in the current year of assessment.

The new system of writing off business assets in the year of purchase will replace the existing system of initial, investment and other allowances, including those applicable to geographic areas, types of business activity and training expenditures.

"In future the free enterprise system will determine without tax preference which areas of business are the most beneficial."

There will be a new system of depreciating buildings used by the taxpayer for the purposes of his trade — 20% of the cost of erection in the year in which they are brought into use and 4% a year thereafter.

Buildings already in existence at the date of coming into force of this provision will qualify for a 4% annual allowance until they are 20 years old. So there will be a graduated scale of depreciation allowance for existing buildings, extinguishing entirely for those 20 years old or more.

Previously only hotels and buildings used for purposes of manufacture qualified for any allowances. Under the new system, factory buildings, office buildings and residential buildings will all qualify provided they are used for purposes of trade. So the concession should assist the builder of flats for rental and thereby help to alleviate the "acute housing shortage" in the territory.

## Assessment years

The concessions to individuals will be applicable for the year of assessment ending February 28 1982. In the case of companies, the provisions will take effect for any year of assessment ending after February 28 1982.

There is also a concession affecting assessment procedures. A return will no longer be required from persons who do not earn more than R200/year from dividends and interest and whose aggregate income (including dividends and interest) does not exceed R3 000/year.

The deduction in respect of dividends has been fixed at 33.3% for all amounts and the sliding scale has been abolished. Although this simplification could mean that individuals of modest means living on dividends might pay more tax than previously, the effect will be very small.

In the FM's opinion, these are highly commendable changes. If a tax system alone could entice investment to the territory, then future economic trends should be very favourably influenced. There are the examples of major tax concessions in countries like the Republic of Ireland to go by.

But the success of the Irelands of this world in attracting foreign investment was not based only on a favourable tax regime. There were also factors like political stability and the availability of a large pool of technically skilled labour to consider.

Common sense dictates to all prospective investors in SWA/Namibia a prudent policy of awaiting a securely-based political future. In hoping for such a resolution of the present deadlock they are, after all, only joining a large group of parties around the world already impatient for a settlement.

NAMIBIA - GENERAL - ECONOMY

1982

JAN. - DEC.

Sunday Tribune

\* 221A 3  
3/1/82

# Mines help SWA in crisis

Tribune Africa  
News Service

WINDHOEK: Mining and other private companies in SWA/Namibia have been called in to help the authorities cope with a power crisis following a freak accident that blacked out the territory's main power station.

The Van Eck Power Station outside Windhoek was put out of action on Friday when a mechanical shovel crashed into a structure carrying the conveyor belts that feed coal into the station's furnaces.

Technicians of the SWA Water and Electricity Corporation (SWAWEKO) have been joined in a round-the-clock repair job on the conveyor belts by riggers from the copper mine at Tsumeb and technicians from the uranium mine at Rossing.

Mr Polla Brand, managing director of SWAWEK said parts of the territory would be affected by power cuts for the next seven or eight days.

Meanwhile, power is being fed into the territory-wide grid from generators at the Rossing mine and other private enterprises, augmenting supplies from the Ruacana hydro-electric station.

# Now SWA faces water crisis

22/1/82

CDM  
4/1/82

Mail Reporter

WINDHOEK. — South West Africa's power supply crisis, which started on New Year's day, could lead to an urban water supply shortage in the already drought-stricken territory.

Southwesters were greeted with the bad news for the beginning of 1982 that the territory faces a national power crisis for the next two weeks, or maybe even longer.

The general manager of the SWA Water and Electricity Corporation, Mr Polla Brand, said the problem was caused by damage to a coal conveyer belt at the Van Eck power station outside Windhoek.

He said riggers from the Tsumeb copper mine in northern SWA and two huge cranes from the giant Rossing Uranium Mine in the Namib Desert had been sent to Windhoek to assist in repairs at the power station.

## Crash

According to informed sources, a fire started in an area where old coal had been allowed to lie for too long and in the rush to get the coal out a front-end loader crashed into one of the vital supporting struts on the coal conveyer belt.

Power has been cut off in the whole of the territory for at least half of each day since the beginning of this year and the situation could deteriorate.

The latest crisis facing SWA is a water shortage because of the difficulty of pumping water from dams to urban centres with no electrical power.

For some time the territory has been subjected to water restrictions and is in the grips of its worst drought this century.

Thousands of head of game and livestock have died and unless rain comes soon SWA could face a national catastrophe this year.

## Critical

A large meat factory at Okhandja, 70 km north of Windhoek, is flying in two generators from Johannesburg to keep its factory going during the critical power shortage.

The meat factory has big customers such as the Defence Force and the giant CDM diamond mine at Oranjemund, near the border with the Cape Province.

Many supermarkets which rely upon refrigeration of their stocks during the boiling summer months could lose hundreds of thousands of rands.

The last time SWA faced intermittent power cuts was in November when saboteurs blew up an electrical pylon south of Ruacana on the Angolan border.

The power station at Walvis Bay and the old Windhoek power station are being used to supplement the power supply in the territory.

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# SWA crisis ends as 221A full power is restored

*Star 5/1/82*

The Star's  
Africa News Service  
WINDHOEK — SWA/  
Namibia's four-day  
power crisis ended  
today when full power  
was restored to rural  
areas and mines.

By late last night  
one of the two coal  
conveyor belts at  
Windhoek's Van Eck  
power station was back  
in operation and three  
of the four boiler fur-  
naces were working.

The conveyor system  
collapsed on New  
Year's Day after a  
front-end loader carry-  
ing smouldering coal  
from a spontaneous  
fire in the supply bun-  
ker struck a support  
structure of both pri-

mary and secondary  
conveyor belts.

The accident plunged  
the territory into one  
of its worst power  
crisis, cutting off about  
90 percent of SWA/  
Namibia's electricity.

The managing direc-  
tor of the SWA Water  
and Electricity Corpo-  
ration, Mr Polla Brand,  
said today he believed  
poor construction of  
the conveyor support  
system was the real  
reason for the accident.

"It was a freak ac-  
cident, but the struc-  
ture was so weak that I  
am convinced it would  
eventually have collap-  
sed. It was built about  
10 years ago and, well,  
nothing gets better

with age," he said.

No one was being  
blamed for the ac-  
cident and there would  
be no formal investiga-  
tion into its cause, he  
added.

"We have already  
strengthened the struc-  
ture and we expect to  
spend at least another  
week on completing  
the restoration of the  
conveyor system," Mr  
Brand said.

Power was restored  
to municipalities yes-  
terday, and in Wind-  
hoek there have been  
no power cuts since  
early yesterday.

Supermarkets and  
businesses affected by  
the crisis are now back  
to normal.

what looked to be a truly smashing opening drive, and Gertjie, a figment of

# Farmers urged to supply SWA first

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WINDHOEK. — Cattle farmers in South West Africa were urged yesterday to supply livestock to meat-processing factories within the territory before exporting cattle to South Africa.

A statement issued in Windhoek by the Ministers' Council said the council and the Meat Board of Control were concerned over the supply of carcasses to factories during the next few years.

Drops in input could harm the factories' economic viability.

No consideration was being given at present to barring exports of livestock to South Africa, "but farmers are requested in the interests of the meat industry to support the meat factories".

The council would assess the situation periodically before implementing a decision by a congress of the Meat Producers' Union that meat-processing factories be fully supplied before allowing cattle to be marketed in South Africa, the statement said. — Sapa.

ROM 5/11/82

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Prof 221A

# Prof attacks fishing policy

Staff Reporter

THE former head of the Oceanographic Research Institute at the University of Port Elizabeth, Professor Jan Lochner, yesterday attacked the government for refusing to do something about the collapse of the fishing industry off the SWA/Namibian coast.

"The reasons for the destruction of the fishing industry have been proved over and over again, yet the government still refuses to accept it. Till they do, the industry will never be brought under control and it will never be rebuilt."

Addressing local fishermen at Hermanus on the lack of control over fishing resources and the damage caused over the past 10 years, Professor Lochner said the situation was so bad that once-thriving Walvis Bay was "pretty-well bankrupt".

Last year's pilchard catch was less than one percent of the haul in 1968.

Professor Lochner said one of the measures needed was a change of the fishing season. Last year 95 percent of the anchovy catch was "immature". This meant that fish were not being allowed to reproduce.

## Off board

Professor Lochner, whose criticism angered the SWA/Namibian fishing industry for years, was forced off the territory's Fisheries Advisory Board late last year.

Appointed as a member of a commission of inquiry into the industry in the late sixties, he found himself a lone voice calling for caution.

Factors aiding the industry's destruction were in-fighting among the bureaucrats, feuding among top scientists and misleading information, he said.

# Dry SWA nears disaster

Star 221A  
13/1/82

By Hannes Fergusson, Farming Correspondent  
Drought conditions in South West Africa have reached disaster level.

According to the South West African Agricultural Union most of the territory's cattle country has had little rain for four years. The veld is parched and has very little grass.

Last year farmers marketed most of their stock in Cape Town and Johannesburg. Only breeding animals were kept on the farms, fed on maize bought with State loans.

The Secretary of Outjo Regional Agricultural

Union, Mr M T Alberts, says about 40 percent of farmers will have to leave the territory if the 1982 rainy season does not bring relief.

Commandant C H Rothman, OC Outjo Commando, says security will be impossible if the farmers are not kept on their farms.

The MEC in charge of agriculture, Mr Jannie de Wet, and the chairman of the South West African Agricultural Union, Mr Hans van der Walt, have started a series of meetings with farmers to encourage them to stay.

# SWA has 221A rosy power prospects

**WINDHOEK.** — Potential power supplies in South West Africa would be more than four times the current demand once the territory's national power grid had been connected to Escom lines from South Africa.

This was said by Mr Polla Brand, the general manager of the SWA Water and Electricity Supply Commission in Windhoek yesterday.

The link-up between SWAWEC and Escom was expected to be completed by the end of the year, Mr Brand told a Press conference.

Total cost of the project was estimated at R70-million. From South Africa the high-voltage connecting line had been completed as far as

Aggeneis in the north-western Cape; in SWA the power pylons had already been built southwards as far as Martintal.

Mr Brand said that once the Ruacana hydro-electric plant on the Cunene River came into full operation, the territory should at times have more electricity than it needed.

The excess power would be directed and sold to South Africa through the high-tension wires connecting the SWAWEC grid with the Escom system.

"Ruacana is not generating to its full capacity at the moment, because we cannot control the flow of water," Mr Brand said. The hydro-electric station had a capacity of 240 megawatts but was delivering well below half the potential wattage.

The Cunene River was perennial and the flow of electricity from Ruacana was fairly constant. The turbines at the station were out of commission for a period of only 14 days last year.

## Reinforced

Mr Brand said the coal conveyor belt system at the Van Eck power station outside Windhoek was being reinforced after the collapse of the structure which plunged SWA into an unprecedented power crisis at the beginning of the new year.

The blackout was caused by an accident when workers at the power station removed smouldering coal which had ignited spontaneously in containers supplying the conveyor belt system that in turn fed the furnaces.

A front-end loader hit one of the steel struts, which collapsed and brought down the conveyor system.

Mr Brand said the steel pillars provided inadequate support.

Additional columns were now being built. — Sapa.

By PETER HONEY

**DROUGHT-STRICKEN** Namibia will become "just an empty shell" if good rains do not fall within the next two months, the head of the territory's agricultural union has warned.

Hundreds of farmers — many too old for other work — will have to quit their farms and the small towns will become ghost towns, says Mr Hans van der Walt.

His grim warning came after he had made a four-day tour of stock-farming regions with the white executive committee's member for agriculture, Mr Jannie de Wet.

The farmers will have to slaughter nearly one million cattle and sheep this year if the drought is not broken Mr van der Walt said.

The move is part of a drastic new drought relief scheme proposed by Namibia's white administration and the Namibian Agricultural Union, as the territory simmers midway through its rainy season without any significant downpour.

"The drought has gone beyond crisis proportions — it is already a catastrophe," says the president of the union, Mr Hans van der Walt.

"I am not exaggerating. If we do not get rain — and I mean good rain — within the next two months we will become just an empty shell.

"It will lead to the end of a country. And neither politics, the United Nations, war nor communism will have been the cause — only the drought," he says.

Mr van der Walt was speaking on his return from a four-day tour of Namibia's major stock farming regions, with the white executive committee member for agriculture, Mr Jannie de Wet.

In terms of the new scheme about 400 000 cattle will have to be slaughtered after March if no significant rain has fallen by then.

A similar number of karakul sheep will be slaughtered after April if the drought remains critical.

The vast majority of these animals will come from the traditionally white farming areas of Outjo, Otjiwarongo, Omaruru and Karibib in the north and west cattle regions. The sheep will come from

**NAMIBIA**

**WILL**

**BECOME**

**'JUST**

**AN**

**EMPTY**

**'SHELL'**

the southern regions of Karasburg, Keetmanshoop and Mal-tahohe.

These areas are not as badly hit by drought as the north western territories of Kaokoland and Damaraland, and the central regions of Rehoboth and Namaland, where few animals remain.

For the last 10 months white farmers in the central and northern regions of Namibia have been spending between R20

and R50 a month on feed for each of their cattle.

Sheep farmers have spent R35 for feed for each animal annually since 1978 in some regions.

"The conclusion is that if they get no rain by the end of March, the entire western area of the cattle farming region will have to stop feeding their animals because they will not be able to afford it," Mr van der Walt says.

The comparatively drought-free region

near Gobabis in the east of the territory is already overstocked with animals receiving emergency grazing.

"We have no option but to slaughter. It is the only way the farmers will be able to get back some money. The problem is that there is no one to buy the meat.

"South Africa is well supplied, and we cannot compete on the overseas market.

"Hundreds, and maybe thousands, of farmers will have to quit. And because most

of them are about 50 years old and have no other working experience, where will they get jobs in the towns?" Mr Van der Walt asks.

Namibia's largest employment sector is agriculture, and already the effects of increased unemployment are being experienced as farmers lay off workers.

While no official figures are available, Mr van de Walt estimates that about 1 000 of the territory's 6 000 economically active far-

ming population has already quite farming.

"Many of those left because of the political uncertainty, leaving mainly those determined to make a go of it.

"But I am afraid that if the drought situation remains unchanged we will see many hundreds more giving up their farms," he says.

Because most farmers are past middle age it is difficult for them to find work in towns where they have little or no experience in the urban labour market.

Mr van der Walt says the "finality of the drought effects" in some of the regions struck him forcibly during his tour.

"Farmers are moving out daily. If it continues many of the small towns which are entirely dependent on the farming communities will become ghost town," he says.

Without relief from the drought, the existence of the territory's unique karakul sheep breed is threatened.

"Cattle we can buy

# DROUGHT DISASTER



Victim of the waterless waste... a kudu carcass rots under the blazing sky

221A  
Sunday  
Tribune  
17/1/82

221A

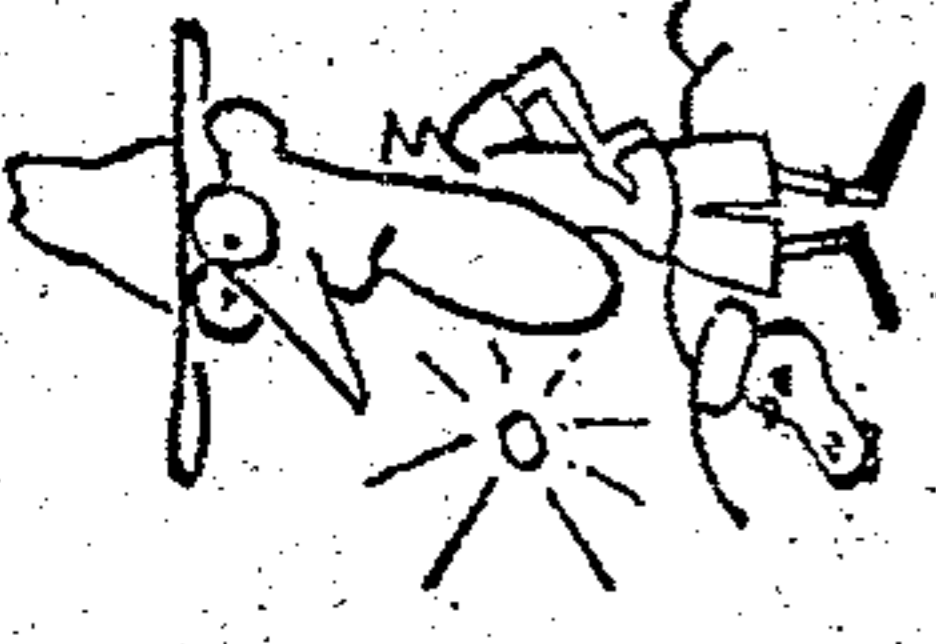
17/1/82

from South Africa once the drought has broken but there is nowhere you can get karakul. They were bred for this climate, and other breeds such as dorper or merino, would not survive.

"We used to have 4.4 million karakul. This is now down to a nucleus of 1.4 million. It would cost about R50 million to feed this many sheep this year alone," he says.

In addition, income from karakul pelts has dropped 47 percent between 1980 and the current market. Conversely, feed costs have risen 500 percent, according to Mr van der Walt.

# Long drought could wipe out a country



MAYBE SWAPO  
WILL DRY UP  
NOW

By Peter Honey  
The Star's Africa  
News Service

W A N D H O E K

Drought-stricken SWA/Namibia will be "just an empty shell" if good rains do not fall within the next two months, the head of the territory's agricultural union has warned.

Hundreds of farmers many too old for other work — will have to quit their farms and the small towns will become ghost towns, says Mr Hans van der Walt, the Agricultural Union president.

## WARNING

His grim warning came after he had made a four-day tour of the territory's stock-farming regions with the white executive committee's member for agriculture, Mr Jan Meade Wet.

The farmers will have to slaughter one million cattle and sheep this year if the drought is not broken, Mr van der Walt said in an interview.

The move is part of a drastic new drought relief scheme proposed by SWA/Namibia's white administration and the SWA Agricultural Union, as the ter-

SWA/Namibia is heading for a catastrophe brought about "neither by politics, the UN, war or communism — but by the lack of rain" warns the territory's Agricultural Union.

ritory simmers midway through its rain season without any significant downpour.

"The drought has gone beyond crisis proportions — it is already a catastrophe," says Mr van der Walt.

"I am not exaggerating. If we do not get rain — and I mean good rain — within the next two months South-West will become just an empty shell.

## CONCLUSION

For the last 10 months white farmers in the central and northern regions of SWA/Namibia have been spending between R20 and R50 a month on feed for each of their cattle. Sheep farmers have spent R35 for feed for each animal annually since 1978 in some regions.

"The conclusion is that if they get no rain by the end of March, the entire western area of the cattle farming region will have to stop feeding their animals because they will be unable to afford it," Mr van der Walt says.

The comparatively

drought free region near Gobabis in the east of the territory is already overstocked with animals receiving emergency grazing.

"We have no option but to slaughter. It is the only way the farmers will be able to get back some money. The only problem is that there is no one to buy the meat.

"South Africa is well supplied, and we cannot compete on the overseas market.

"Hundreds, and maybe thousands of farmers will have to quit, and because most of them are about 50 years old and have no other working experience, where will they get jobs in the towns?" Mr van der Walt points out.

SWA / Namibia's largest employment sector is agriculture, and increased unemployment are being experienced, as farmers lay off workers.

While no official figures are available, Mr van der Walt estimates that about 1 000 of the territory's 6 000

economically active farming population has already quit farming.

"Many of those left because of the political uncertainty, leaving mainly those determined to make a go of it.

"But I am afraid that if the drought situation remains unchanged we will see many hundreds more giving up their farms."

Mr van der Walt says the "finality" of the drought effects in some of the regions struck him forcibly during his tour.

"Farmers are moving out daily, and if it continues many of the small towns which are entirely dependent on the farming communities will become ghost towns."

## THREATENED

Without relief from the drought, the existence of the territory's unique karakul sheep breed is threatened.

"Cattle we can buy from South Africa once the drought has broken, but there is nowhere you can get karakul. They were bred for this climate, and other breeds such as dorper or merino, would not survive.

"We used to have 4.4-million karakul in South-West. This is now down to a nucleus of 1.4-million, and it would cost about R50-million to feed this many sheep this year alone," he says.

In addition, income

from karakul pelts has dropped 47 percent between 1980 and the current market. Conversely feed costs have risen 50 percent, according to Mr van der Walt.

## DISCUSSIONS

According to the proposed new drought relief scheme, SWA/Namibia's farmers would be required to register the size of their farms, number of animals and carrying capacities of land, and they will be given cash at the beginning of February to see them through until the end of March.

"We are also about to start discussions with the other (black) administrations in the territory, to advise them of what new measures to undertake, because each region has its own particular needs.

"I have been most impressed by the spirit of optimism among all the farmers we met. I only hope their enthusiasm is rewarded with good rains," Mr van der Walt added.



## People need any food, says chief

The Star's Africa  
News Service

WINDHOEK — Drought had killed three people and about 75 percent of the cattle in Kaokoland, the Herero leader, Chief Kuaima Riruako, revealed today.

He said the hospital at Opuwa, administrative centre of the northwestern region, was filled with malnutrition victims in a drought which was "out of hand."

The Ministers' Council is to hold an emergency meeting in Windhoek to discuss aid for Kaokoland's 20 000 inhabitants. The local Red Cross has also launched an appeal for food and money

to assist them.

"Any form of help will be welcome," Chief Riruako said. "My people need food, any kind of food. There is in any case no livestock left there," he added.

The second-tier Herero administration had done all it could to help, but worsening conditions had necessitated direct central government intervention. In some parts of Kaokoland it had not rained for eight years, he said.

Opuwa was overcrowded by people looking for food and supplies at the town's shops did not last a day.

**WINDHOEK.** — South West Africa's killer drought is reaching catastrophic proportions in Kaokoland where at least three people are reported to have died of starvation and three quarters of the livestock population has been decimated.

The situation is so desperate the Herero Legislative Assembly is to ask the central government, under the control of the Minister's Council, for help in feeding the 20 000 people in the north-western area.

Chief Kuaima Riruako, a member of the Minister's Council and vice-chairman of the Democratic Turnhalle Alliance, said yesterday: "Visitors to Kaokoland are met with a ghastly sight of carcasses of goats and other livestock littering the sides of roads."

Chief Riruako said the hospital at the capital of Kaokoland, Opuwo, was packed with malnutrition cases.

He described the situation in the area as "out of hand".

Some parts of the area have received no rain for eight years.

Commercial and subsistence agriculture have virtually collapsed and there is serious overcrowding in Opuwo.

### Donations

Mr Riruako said three quarters of Kaokoland's cattle had died, well water was scarce and there were no goats in the western parts of the area.

The head of the Red Cross in SWA, Mrs Ruth Kiwi, has urged the public to send money or food donations to help alleviate the plight of the people in Kaokoland.

SWA is facing what many consider the worst drought this century.

Unless there are rains by March, political and agricultural leaders have forecast, there will be a national catastrophe and the country will become a wasteland.

The head of the SWA Agricultural Union, Mr Hansie van der Walt, has warned that SWA's drought has gone beyond crisis proportion and is already a catastrophe.

### Slaughtered

Other areas badly hit by the drought are Damaraland and most of the western half of the country.

If no rain has fallen by March, 400 000 cattle will have to be slaughtered according to Mr Van Der Walt.

And if the drought continues a similar number of karakul sheep will have to be slaughtered after April.

Karakul and cattle are the most important contributors to SWA's agricultural industry.

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Areas relatively untouched by the drought such as Gobabis, near the Botswana boarder, are being overstocked with animals seeking emergency grazing.

A major problem — if the mass slaughter has to take place — will be finding a market: South Africa is well supplied with beef and it would be difficult for SWA to compete on the overseas market.

"Hundreds, or maybe thousands of farmers will have to quit their land if it does not rain," said Mr Van Der Walt, disconsolately, after a tour of the country recently.

**AS  
DES ON**

# Thousands starving in SWA drought

CAPE TIMES 20/1/82 221A

From PETER KENNY

**WINDHOEK.** — The killer drought is reaching catastrophic proportions in Kaokoland where at least three people are reported to have died of starvation and three-quarters of the livestock population has perished.

The situation is so desperate the Herero Legislative Assembly is to ask the central government under the control of the Ministers' Council for help in the north western area to feed its 20 000 people.

Chief Kuaima Riruako, a member of the Ministers'

Council and vice-chairman of the Democratic Turnhalle Alliance, said yesterday: "Visitors to Koakoland are met with a ghastly sight of carcasses of goats and other livestock littering the sides of roads."

Most of the people living in the rugged Kaoko veld are Himba tribesmen.

Mr Riruako said the hospital at the capital of Kaokoland, Opuwo, was packed full of patients suffering from malnutrition. He described the situation in the area as "out of hand".

Some parts have received

no rain for eight years. Commercial and subsistent agriculture has virtually collapsed and there is serious overcrowding in Opuwo.

Mr Riruako said three-quarters of the cattle had died in Koakoland, well water was extremely scarce and there were no goats in the western parts of the area.

SWA is facing what is considered by many to be the worst drought this century and unless there are rains by March political and agricultural leaders have forecasted there will be a national ca-

lastrophy and the country will become a wasteland.

The head of the SWA Agricultural Union, Mr Hansie van der Walt, has warned that the drought has gone beyond a crisis and is already a catastrophe.

Other areas badly hit by the drought are Damaraland and most of the western half of the country.

If no rain has fallen by March 400 000 cattle will have to be slaughtered, Mr Van der Walt said.

And if the drought continues a similar number of kara-

kul sheep will have to be slaughtered after April. Karakul and cattle are the most important contributors to SWA/Namibia's agricultural industry.

Areas relatively untouched by the drought, such as Gobabis near the Botswana border, are being overstocked with animals seeking emergency grazing.

A major problem if the mass slaughter has to take place is to find a market as South Africa is well supplied with beef and it would be difficult for SWA/Namibia to compete on the overseas

market.

"Hundreds, or maybe thousands, of farmers will have to quit their land if it does not rain," said Mr Van der Walt after a tour of the country.

Although there are no official figures available it is estimated that about 1 000 of SWA/Namibia's active farming population have already quit.

More and more of the ailing economy is being devoted to drought relief and many are saying the country has no political future if the drought continues.

# SWA set to fight farmers exodus

221A  
Star  
2/1/82

The Star's Africa News Service

WINDHOEK — SWA/Namibia's Council of Ministers has launched a national strategy to prevent many of the territory's farmers leaving their lands in the worst drought in 50 years.

The council will also examine a report by the Department of Water Affairs on the legal and scientific aspects of the controversial practice of "cloud milking."

This was announced yesterday by council member Mr Hans von Hase who revealed that Windhoek had only enough water for another year if it cut its usual consumption by half.

He said the council would meet representatives of the territory's second-tier authorities, which are responsible for agriculture, at a conference next week.

The aim was to market as many animals as soon as possible to retain and save the nucleus herds and to plan finances for these measures.

"We are in danger of a great exodus of farmers," Mr von Hase said.

Farms in the western parts of SWA/Namibia were carrying about 33 percent of their normal livestock, but the position was not yet "absolutely desperate" because nucleus herds still existed.

Mr von Hase said the territory had only 40

percent of its customary rainfall last summer. Grootfontein had so far had 88 mm this summer, Outjo 15 mm, Windhoek 0,3 mm and Keetmanshoop 4 mm.

Noting the "disastrous" conditions in Damaraland and Karakoland, he said the territory's farmers marketed 500 000 cattle last year, half of them to South Africa's open market. "The financial position of farmers is not bad because of good prices and cash income.

"But the future is not rosy for beef farmers when one considers rebuilding their herds," Mr von Hase said.

Karakul farmers had been hit even harder; production had dropped by 33 percent and prices by 28 percent last year.

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# Namibia turns on Angola's tap

221A S. Tribune  
ALAN DUNN 24/1/82

reports from Windhoek  
of the Tribune Africa News  
Service

NAMIBIAN authorities are pumping millions of cubic metres of water from the Calueque scheme in Angola to relieve drought-stricken Ovambo.

The territory's Department of Water Affairs is drawing water from the Cunene under an agreement made with the Angolan Government before the MPLA came to power.

This emerged at a Press conference this week addressed by the member of the SWA/Namibian Council of Ministers in charge of water affairs, Hans Jurgen von Hase.

Officials revived the Calueque water source, which is now supplying half the Ovambo population, late last year by using installations and a water route that have been dormant for years.

Mr von Hase refused to say whether or not the scheme was being tapped with Angolan permission.

"But it is an old agreement between Angola and us that we can take water at that point," he said.

In spite of the international Cunene project deal, however, water from the Calueque scheme did not run to Ovambo after Angola's civil war. An alternative scheme, supplying only 10 percent of Calueque's potential, was built in the late seventies from the "hippo pool" in the Cunene River below Ruacana Falls.

Mr von Hase said the water from Calueque had solved "big problems" in Ovambo. "We supply half the population through that state scheme and the flow is so strong that we can fill all pans, dams and

A security forces spokesman said a drop in the number of guerilla incidents in the last nine months was partly attributable to the drought.

"We are also beginning to see the effects of Swapo's losses; roughly 1400 have died each year for the last two years."

The dry conditions in Ovambo favoured security forces engaged in counter-insurgency operations for several reasons:

- Food and water were not readily available to insurgents, who either had to carry their supplies or were restricted to areas where people supported them.

- Swapo's infiltration routes were limited to riverbeds or waterpoints, reducing the search areas.

- Insurgents no longer had the cover of dense foliage in which to operate and the dry ground made it easier for security forces to track.

- The intense heat cut the guerrilla's daily radius and caused fatigue. They had to discard equipment and weapons to escape the fresh trackers pursuing them who were deployed by helicopter in a "leap-frog" system.

About 15 Swapo insurgents had committed suicide in the last three months. Medical officers said the violent and irrational behaviour displayed by these men indicated symptoms of extreme heat fatigue.

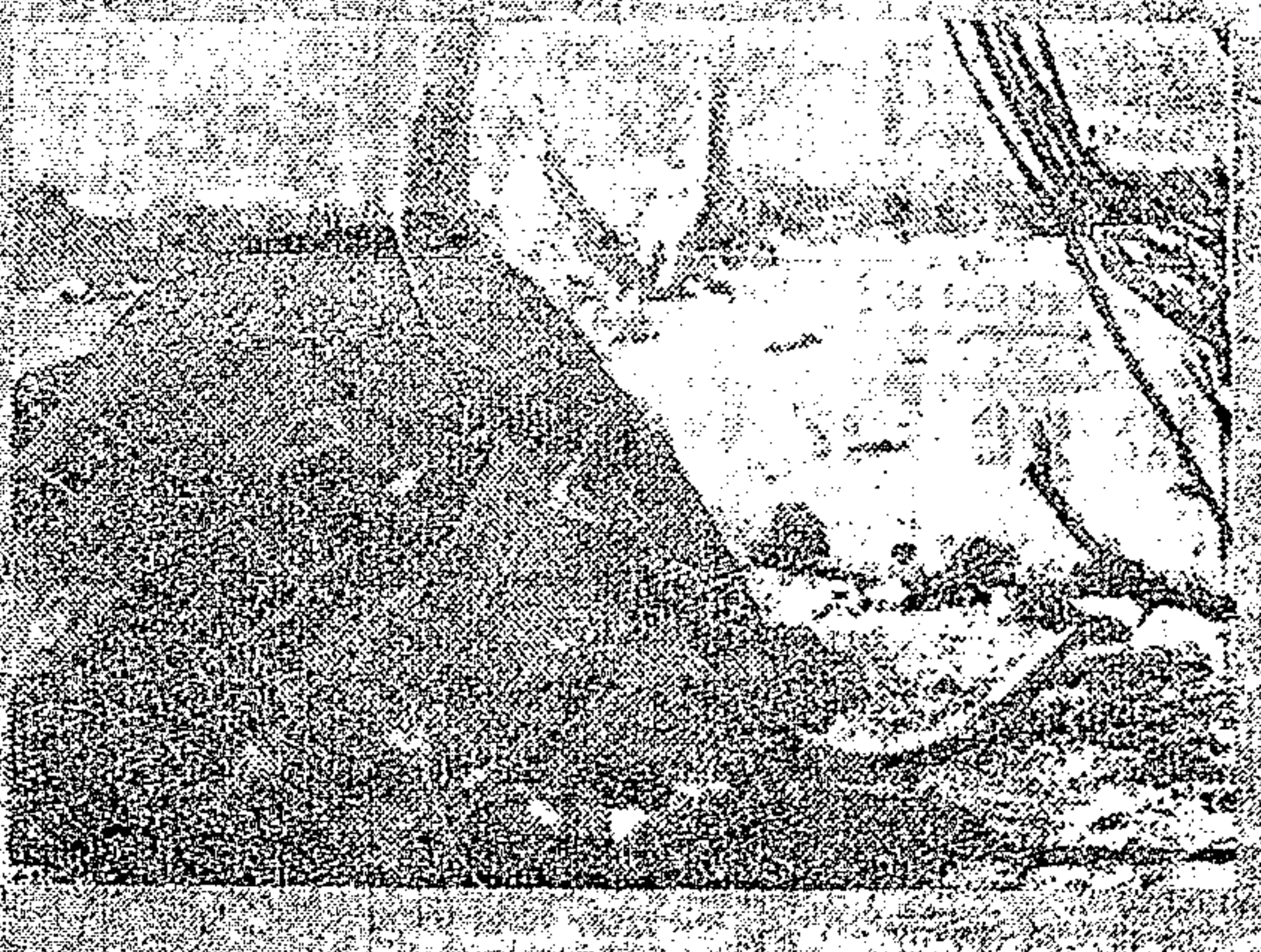
The drought also had disadvantages for security forces:

- Troops on operations had to be supplied with water regularly and, where there was no water points, this was

...but thirst  
drives  
many to  
end of road



Farmer Musamo... Nothing as bad as this



full."

The Olushandja Dam is north-west Ovambo, which had a capacity of about 40 million cubic metres, already had four million cubic metres of water pumped into it.

"As soon as it reaches eight million, which will happen soon, it becomes high enough to pump to the southern (Ovambo) canals."

The drought on the Namibia-Angola border has had a marked effect on the bush war in Ovambo.

caused loss of surprise and consumed helicopter-hours.

• Hot sand and rocks affected the paws of tracker dogs, which had to be replaced hours sooner than under normal conditions.

The spokesman said security forces were ready at any time to switch to wet-weather tactics. Rain helped Swapo by providing water and dense foliage and by washing out their tracks. Poor weather affected air operations and the air transport of troops.

By PETER HONEY, Tribune Africa News Service

FAMINE and war have driven thousands of people from rural Kaokoland to shelter in the only notable town in the 50 000 square kilometre region — Opuwo, meaning, literally, "the end of the road".

They live in patchwork hovels of cardboard, sacking and sticks — often as many as six in a beehive hut little larger than a doghouse.

They are the Ovahimba and Herero people of Namibia's most north-western region which has been devastated by drought. Some parts have not seen rain in six years.

Opuwo, the capital of Kaokoland, had a population of 400 three years ago. Now 4 000 are crammed into the rambling, dusty collection of littered streets, houses and shacks.

The influx of war and drought refugees has meant that there are about eight squatters to every resident townsman.

Opuwo is little more than a military, police and administrative centre with a population of about 50 whites. There are about 100 brick houses. Dotted among these buildings are the squatter shanties and wooden huts built by Angolan refugees who have moved in since the civil war there.

But Opuwo also has a hospital with 132 beds and four military doctors serving a population of about 15 000 in an area nearly twice the size of Lesotho.

In spite of the drought, which killed 40 000 cattle last year, few people have been admitted to the hospital for malnutrition.

"We have 80 patients and only one, a child of 18 months, is being treated for gastro-enteritis brought on by malnutrition," a military doctor said this week.

"It is perhaps surprising that the incidence of malnutrition is so low.

"I can ascribe this to one factor — that nearly all babies are breast-fed until the age of two," he said.

Opuwo hospital has not had any deaths directly attributable to starvation, although some adults have died from diseases contracted because their resistance was low.

However, as Kaokoland is undoubtedly the region in Namibia least penetrated by Western civilisation, one of the doctors conceded that many rural Ovahimbas probably would not seek help in Opuwo if they were starving.

The head of the Herero administration said 75 percent of the population was dependant on Government feeding schemes.

"The administration distributes 16 tons of mellemeal to the rural

population each month. Then there are supplies of fat, sugar and the like," Mr Tinus Smit said.

If the situation regarding the human population is good, it is certain that the cattle population is steadily dying out.

Flying over the thorn scrub and mopane bush between Opuwo and the southernmost region of Otjokovares, one cannot see so much as a stub of grass in the baking red soil.

The unique Kaokoland elephants are there, with apparently nothing to eat, but there is no sign of cattle — the mainstay of the Herero and Ovahimba societies.

Kraals stand deserted, the bleached grey stick huts barren as skeletons. Then you are in the district of the Otjokovares.

More than 400 people live here, in settlements seething in the heat and stench of rotting carcasses.

Most of the cattle are owned by Jonas Musaso, who began farming in the district shortly before the drought of 1962. —

"This drought cannot be compared with anything before. My father and mother cannot remember a drought as bad as this," Mr Musaso said.

The only market for Kaokoland cattle is the meat processing factory at Oshakati. Because of veterinary regulations preventing the spread of foot-and-mouth disease and lung sickness, no cattle may be exported south of a fence running across southern Kaokoland.

"The zebras used to live here and our traditional water and grazing lands were south of the fence. Now we are where the zebras used to be and they are where the water is," Mr Musaso complains.

But the wild animals are suffering in the drought as well. Each side of the "great white road" running northwards to the Angolan border lie the carcasses of zebra, kudu and oryx — trapped behind a low stock fence which, in their weakness, they are unable to jump.

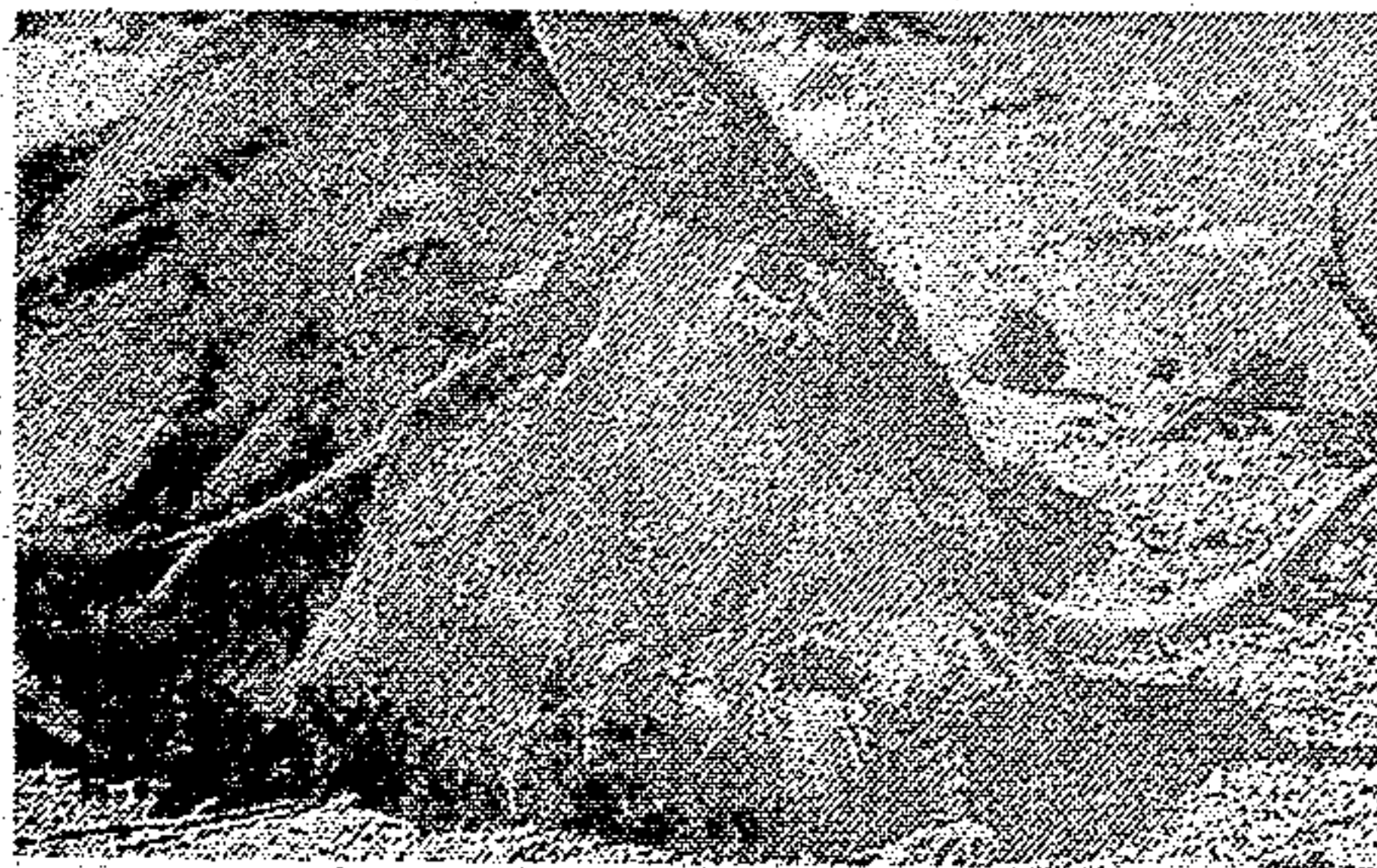
A senior member of Otjokovares' community, Langman Muzuma, says the feeding must stop.

"What does it help to keep feeding the cattle if they are going to die? The Government should rather slaughter all the cattle, or let them die so that we can prepare for the war which is going to come," Mr Muzuma says.

# Opuwo end of road

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26/1/82



The face of death . . . about 40 000 cattle died last year in Kaokoland.

# for Kaokoland's victims

The Star's Africa  
News Service

**OPUWO** — Famine and war have driven thousands of people from rural Kaokoland to the only notable town in the 50 000 sq km region Opuwo, meaning literally "the end of the road".

They live in patchwork hovels of cardboard, sacking and sticks, often as many as six in a beehive hut little larger than a dog kennel.

They are the Ovahimba and Herero people of SWA / Namibia's north-westernmost region which has been devastated by drought. Some parts have not had rain in six years. Opuwo, capital of Kaokoland, had a population of about 400 people three years ago. Now 4 000 are crammed into the rambling, dusty collection of littered streets, houses and shacks.

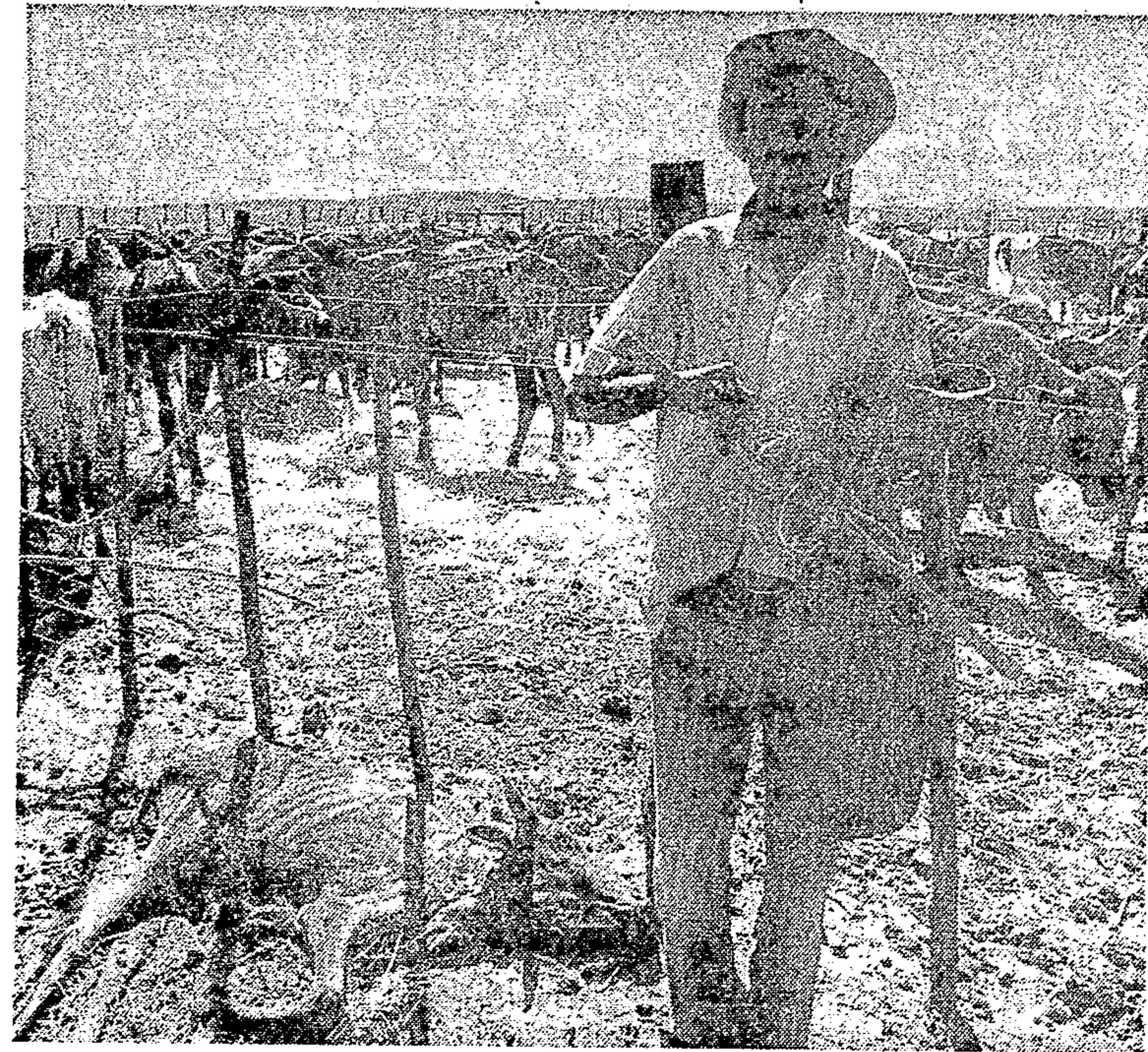
More people are moving in each month.

Opuwo is little more than a military, police and administrative centre with a population of about 50 whites and about 100 brick houses. Dotted among these buildings are the squatter shanties and wooden huts built by Angolan refugees from the civil war in that country.

## FEEDING

But Opuwo also has a hospital — 132 beds and four military doctors serving a population of about 15 000 in an area nearly twice the size of Lesotho.

In spite of the drought, which official sources say killed 40 000 cattle last year alone, few people have been admitted to the hospital suffer-



ing from malnutrition.

The hospital has had no deaths directly attributable to starvation, although some adults have died from diseases contracted because their resistance was low.

According to the head of the Herero administration, Mr Tinus Smit, 75 percent of the population in Kaokoland is dependant on Government feeding schemes.

"The administration distributes 16 tons of mealie meal to the rural population each month, and there are also supplies of fat, sugar and the like," Mr Smit said.

Mr-Jonas Musaso is the co-owner of these cattle in a feed lot. Without good rains they will all go the way of the dead calf beside him.

Reports had been received of people dying of starvation, "but these reports are always at least two weeks old, by which time it is too late to investigate them."

The cattle population is steadily dying out.

## CARCASSES

Flying over the thorn scrub and mopane bush between Opuwo and the southernmost region of Otjokovares, one cannot see so much as a stub of grass.

Kraals stand deserted.

The unique, Kaokoland elephants are there with apparently nothing to eat. But there is no sign of cattle, the mainstay of the Herero and Ovahimbi societies.

At the Otjokovares community school are 70 children between the ages of five and 18. Some of them have never seen rain. They are not yet in danger of starvation, thanks to Government rations.

But less than 50 m away the carcasses of

cattle lie strewn like discarded sacks around a feed lot.

Farmer Mr Jonas Musaso said through an interpreter: "This drought cannot be compared with anything which came before. Even my father cannot remember a drought as bad as this."

Wild animals are suffering in the drought as well. On each side of the "Great White Road" which runs north to the Angolan border lie the carcasses of zebra, kudu and oryx—trapped behind a low stock fence which in their weakness they are unable to jump.



# Wasteland threat in SWA's long drought

From PETER KENNY  
WINDHOEK. — South West Africa/Namibia's worst drought in living memory is threatening to turn the turbulent territory into a wasteland.

Thousands of head of stock and game have been felled by the killer drought and in Kaokoland in the north-west the authorities have had reports from people in outlying areas of people dying.

The head of the SWA/Namibia agricultural union, Mr Hansie van der Walt, has warned that the drought has gone beyond



crisis proportions and is already a catastrophe.

A member of the Ministers' Council, Chief Kuaima Riruako, says there are areas in Kaokoland in the north-west where no rain has fallen for eight years.

And the Red Cross representative in SWA/Namibia, Mrs Ruth Kiwi, has urged the public to send gifts of food or money to help alleviate the plight of people in Kaokoland.

The country's perennial political wrangle — which always seems to have reached a crucial point — almost seems to have come to a standstill and the magic word everyone is uttering desperately is "rain".

Nature-conservation officials report that even hardy game such as gemsbok, springbok and zebras, which can usually survive in the Namib-Naukluft Park or the Etosha National Park, have been beaten by the evasive tufts of sparse vegetation.

Such desert-hardened creatures as ostriches have perished.

Goats and sheep which have gained the reputation of being able almost to survive on rocks are seen lying limply on the bone-dry earth of the north.

The worst-hit areas are the north-western part of the territory in Damara-land and Kaokoland where the drought is meting out merciless punishment to human beings, livestock and game alike.

In the primitive Kaokoveld — almost untouched by Western civilization — the people are being driven to towns as squatters because of the drought and the bush war.

Our correspondent visited Kaokoland this week to find farms belonging to Herero ranchers

strewn with the rotting carcasses of cattle which had not made it to watering points. The watering holes have long since dried.

About 20 km north of the Kaokoland border at Werda lies the once relatively prosperous cattle farming area of Otjokavare where the local schoolteacher, Mr Josef Muhewa, 29, said not a drop of rain had fallen for three years and some of his pupils had never seen rain.

This did not deter his skinny pupils from singing the hymn The Lord is My Shepherd which ends with the lines about "lush green hills".

A senior citizen of the area, Mr Langman Muzuma, who did not know his age, said this drought was the worst he had seen and appeared worse than anything his parents or grandparents had ever talked about.

"We have lost thousands of cattle. Look about you, it is not necessary for me

to stop guerillas penetrating southwards.

They said their parents had told them that when there had been droughts they had been able to move their stock south where they could find water. Their people had obviously not been convinced that there was no water left south of the "red line".

"What is the use of having a fence like that to stop terrorists when we are in desperate straits like this?" Mr Muzuma shouted, with nodding approval from a crowd of men standing around him.

Another elderly rancher, Mr Jonas Musasa, said he owned 500 cattle last year.

"Look what is left," he said pointing to some scrawny beasts in a a stockade. There were about 85.

The vet in charge of the vast Kaokoveld, Dr Vanti Burger, a national serviceman, said the cattle population in the area had dropped from 110 000 to



An emaciated cow walks over the dried-out bed of a dam.

to show you. We look to Mr Mudge and Chief Riruako to pull us out of this mess," the embittered old man remarked.

He was referring to the chairman of the SWA/Namibia's Ministers' Council, Mr Dirk Mudge, and the Herero Chief Kuaima Riruako.

Mr Muzuma ferociously attacked the "red line" — a fence running across the northern borders of SWA/Namibia.

The two-tier fence, one of which is game-proof, was erected for health purposes to control the movement of stock and game from south to north.

In recent years the "red line" has acted as a convenient obstacle to marauding insurgents from Ovambo and Kaokoland into the former "white areas".

But a number of residents at Otjokavare believed the fence was there

60 000 last year. It was probably considerably lower now.

"Virtually all the game in this area has been decimated," he said.

Flying into Kaokoland we did, however, see a herd of the rare Namib desert elephants which can survive in vast stretches of desert.

In the front-line military centre of Opuwo shanties made of sticks and cardboard have sprouted up all over the hillside interspersed with the concrete government-built houses.

The head of the Herero administration for Kaokoland, Mr Thinus Smit, said the population of Opuwo — once a neat village — had mushroomed in two years from 500 to 4 000.

"It is not only the drought but the intimidation and the the terrorists they are fleeing from. But there is nothing for them

to do here."

Most of the flimsily built shanties of the people fleeing drought and war are not much bigger than dog kennels.

An army officer remarked: "The only people getting rich here are the bottlestore owner and the prostitutes." He said even conservative soldiers from verkrampte areas in the Transvaal were attracted to the hauntingly beautiful Himba women.

Last week Chief Riruako heard of at least three people who had died of starvation in Kaokoland.

But Mr Smit said these could not be confirmed.

"Since June last year many reports of people dying from malnutrition have been received. But we do not investigate them because they are often reported a long time after the death.

"People die of old age or illness, but we do not know if it is malnutrition. I have definitely seen places where children could have died of it. Everyone is hungry."

Mr Smith said there had not been a health inspector in remote Kaokoland for two years.

Doctors at the hospital in Opuwo had only one child patient suffering from malnutrition.

The four doctors serving Kaokoland are all South African national servicemen.

According to one of the military doctors, only seven of the 237 people admitted in the past three months had been admitted as actual malnutrition cases.

One of the doctors' problems was that they had no growth charts for the children of Kaokoland and were using American charts which were not meant for children in a drought-stricken African country.



Political and agricultural leaders alike have warned — Unless it rains by March the whole land faces a catastrophe with more farmers being forced off the land and bankruptcy in many areas.

The world mineral recession has already hit SWA/Namibia's economy.

And in a country which depends on mining and agriculture to survive economically, that is bad news.

# Anti-SA propaganda circulated by UN agency as facts

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Weekend Post Reporter  
BLATANT anti-South African propaganda, in which Swapo spokesmen make outrageous claims about conditions in SWA/Namibia, are being circulated worldwide by the United Nations as factual information.

The latest "bulletin for the news media" produced by the United Nations Educational, Scientific and Cultural Organisation (Unesco) is a special issue on Namibia. It is sent to newspapers all over the world, and reproduction of its articles and pictures is free.

While some of the reports on the history and economy of the territory are basically accurate, others are heavily biased in favour of Swapo and paint the South African authorities as brutal racists.

The major item in the bulletin is titled, *Namibia: a struggle against racism and for a nation*, and is based entirely on interviews with two leading Swapo officials. Among the claims they make are:

- South Africa has ignored the most fundamental needs of the population — at least, those of the black majority. The white part of the population is well provided for.

- There is not a school or hospital in Namibia built by the South Africans. What was built was built by the churches.

- If you are black, a white doctor will not bring

himself to touch you. He will just ask you what is wrong and then prescribe some tablets.

- Because there are so few cars in rural areas, a sick person may have to be put on a bicycle and taken in this way by somebody to some other place from which he can be transported to a hospital hundreds of kilometres from his home.

When he gets to the hospital, he will join the others who have no place to sleep except outside the hospital. During the day, these sick people have to stand about in the heat.

(Late last year a heart operation was successfully performed on a civilian by army doctors in the 700-bed hospital at the Owambo border town of Oshakati.)

- South Africa has failed to dislodge the Swapo forces, which subject some 40 South African military bases to attacks by day and by night.

- Although there are transit bases for supplies and reinforcements, the main Swapo forces are in Namibia.

In a *Portrait of a Swapo militant*, about the national secretary of Swapo, Axel Johannes, chilling accounts are given of the torture he is said to have undergone in detention under the Terrorism Act.

Physical torture, according to the writer, Derk Kinnane, is calculated to

stop just short of death. He says that Mr Johannes's body "bears visible traces of repeated maltreatment, but his spirit seems to have emerged unscathed from the ordeal".

The report goes into great detail about the treatment Mr Johannes is said to have suffered, including electric shocks, gagging, strangulation, being stabbed with large pins, being assaulted and having to lick his own blood off the floor.

It is also claimed that women prisoners are regularly raped — sometimes by as many as 10 men at a time.

The reports — unchallenged in any way — are illustrated by pictures of Swapo officials, poor-looking blacks (including a group next to a burnt-out hut said to be in a village destroyed by South African forces) and Swapo troops and personnel.

In marked contrast to the Unesco document is an article in the latest issue of *South African Digest*, a weekly Government publication sent overseas, reflecting local newspaper reports and comment.

It is headlined, *Swapo: coldblooded murderers by their own admission*, and is reprinted from the Defence Force publication, *Paratus*.

The article says that any pretence by Swapo that it is fighting a "war of liberation" on behalf of the peo-

ple of SWA/Namibia has been shattered by documents captured during Operation Protea.

"For the documents, notebooks kept by terrorists, prove that Swapo is not fighting for the people but is, in fact, waging war against them — to force the local population into submission through acts of sheer terrorism, selective murdering or wanton killing, depending on the effect desired."

The article refers to the "cold-blooded plans of the Kremlin-backed terrorists" who are "totally unconcerned about whom they kill and maim".

As evidence to support these claims, it quotes extracts from the notebooks of Swapo leaders, disclosing plans for murdering "puppets", "collaborators" and other marked men in Owambo.

In one case, says the report, desperate efforts were made to stop the authorities from providing water by road tanker to local families suffering the effects of drought. In another incident reported in the notebooks, a store was attacked, a woman killed, a bystander shot and booty "captured for the cause".

The *Paratus* editor comments: "One cannot help feeling, reading the account, that the incident would be branded murder and looting in a normal society."

'I WOULDN'T SELL THE RIGHTS FOR 2-MILLION

# POET OUTLWITS



MR CHARLES ZANDBERG

w/c ARGUS 30/1/82 221A

# SWA MINING GIANT

**WINDHOEK.** — A poet has snapped up the prospecting rights to one of the world's richest uranium fields from under the nose of a major South African mining house and says he would not sell for 'one or two million.'

The new owner of the prospecting rights to 70 000 ha of uranium-rich desert surrounding the Rossing uranium mine, near Swakomund, is 34-year-old Mr Charles Zandberg, a swarthy, bearded man, whose Bohemian lifestyle makes him one of Windhoek's more colourful characters.

Mr Zandberg's windfall came when he chanced on a renewal notice of Rio Tinto South Africa's prospecting rights in the SWA/Namibia mining commissioner's office eight months ago.

He applied for the rights and was granted them on the grounds that Rio Tinto had not carried out the required development of the area.

Immediately the full weight of Rio Tinto's parent company, the giant Rio Tinto Corporation in England, was thrown into an appeal for the return of the rights. This was rejected.

Now Mr Zandberg holds the rights to the land on which Rossing's airfield, and even its security gate, are situated.

'This has brought new hope for the small man involved in mining in this country,' Mr Zandberg said.

### Finance

'If there were doubts that the Ministers' Council could stand up to pressure from the big mining companies, this has shown otherwise. They acted strictly according to the law.'

But owning an extensive uranium field is not without its financial commitment and Mr Zandberg is expected by law to spend R48 000 a year working the property or he, too, could lose his right to the ground.

Argus Africa News Service

'The money is no problem. I own a drill and plan to get to work right away,' he said.

And to support his claim he produced a lawyer's letter guaranteeing him loans of up to R500 000.

'If someone came to me now and offered me one or two million for the rights, I wouldn't sell.'

'But if he offered me that money for exploration of the property, I would be in like a shot,' he said.

'I love South West Africa. I want to stay here. So I will not sell so that it can once again fall into the hands of people who feel nothing for the land.'

Although only an amateur mineralogist, Mr Zandberg has been involved in mining in SWA/Namibia for more than 10 years.

He is directly and indirectly involved in eight mining ventures in the territory.

# SOLDIERING ON AGAINST RED TAPE

S. Tumbane 3/1/82  
TRIBUNE REPORTER

103  
221A

AN OLD soldier, badly injured in the leg in the last war, takes his four-year battle against red tape to Cape Town this week to get R149 000 he claims he is owed by the South African and Transkei governments.

What amounts to almost his last-ditch stand is designed to coincide with the new session of Parliament.

Major Arnold Brinton, 65, who has spent the past few years in Zimbabwe but has just left there to settle in Durban, wants compensation from the two governments who, he claims, independently gave him the go-ahead for agro-industrial projects in Namibia and Transkei.

He is an agricultural engineer.

Major Brinton's armoury is a formidable wad of meticulously kept documents and correspondence collected over the years. These are backed by various political and legal opinions he has received that his claims are well-founded.

The South African-born major, who began his war career as an artillery instructor with the South African forces but was seconded to the Royal Artillery, became involved in the planning of a sugar planting project in the Tsumeb area of Namibia between 1975 and 1977.

At the time this came



Man with a R149 000 mission, Major Arnold Brinton

under the Ministry of Water Affairs.

But, Major Brinton, told the Tribune this week, the plan turned sour.

"There was a cover-up to protect officials. There was lack of efficiency, of liaison, and gross negligence."

Meanwhile, he sank a lot of his own cash into the project.

"The Government gave me the green light to go ahead with the whole thing but there were official irregu-

larities all along the line."

The outcome is that Major Brinton is seeking a settlement of R85 000 from the Government — for his professional advice, consultancy fees and other work.

He tried to get an out-of-court settlement and even approached ministers, MPs and wrote a letter to the Prime Minister.

He will present a letter to Fanie Botha, Minister of Manpower, Utilization and Leader of the House.

Major Brinton's other task in Cape Town will be to renew his bid to get 65 000 from the Transkei Government after being involved with them — with the backing of an Australian concern — to start a major orange-growing scheme.

This scheme also fell through, he said, and in 1979 lawyers said he had a substantial claim against Transkei.

Major Brinton said he was realistic and would temper the amount of his claims to the success of his negotiations — but he still has a R100 000 twinkle in his eyes.

A SHAGGY prospector-speculator from Windhoek, Charles Zandberg, has left multinational mining giants in Namibia red-faced by snatching up one of the biggest uranium claims in the land.

The granting to Mr Zandberg of prospecting rights on 69 000ha of land surrounding the world's biggest uranium mine, Rössing, in the Namib Desert, was confirmed this week by the SWA Ministers' Council.

The burly prospector is also a poet, who recently published a book of Afrikaans verse.

The 35-year-old Windhoek man has been dabbling in mine prospecting claims for 15 years, coming close to poverty on occasions by staking the wrong claims.

He obtained rights to his latest claim from a giant multinational mining concern, whose local holding company was unable to meet the legal provisions to renew the grant.

An elated Mr Zandberg said: "I've got plans, but I'll talk about them later."

He could not say how much money would be needed to exploit the claim, which is near Swakopmund, but ac-

maintained some mining rights in the area. But the prospecting rights have gone to Mr Zandberg who often frequents Windhoek's coffee shops and night spots.

But the giant mining houses, caught unawares by the shrewd prospector, were tight-lipped this week.

Rössing issued a terse statement: "Rössing Uranium Limited does not hold prospecting rights in the vicinity of Rössing mine, nor has it relinquished or lost any."

"Rössing does hold rights as part of its continuing exploration programme in SWA/Namibia which are distant from the uranium mine."

Mr Stiglingh said mining companies never commented on exploration nor did they speak to the Press about it.

Speculation about what Mr Zandberg would do with his find was rife in Windhoek yesterday.

The divorced speculator is on a small holding he has near Okahandja with a friend this weekend.

# Shaggy prospector is in line to make big SWA killing

By PETER KENNY Windhoek

cording to the mining commissioner's office in Windhoek, it could be anything between R60 000 and R200 000.

The commissioner's office confirmed that the claim had previously been in the name of G P Louw Ltd, which is a wholly owned subsidiary of Rio Tinto South Africa.

This was confirmed by a director of Rio Tinto, Mr Fred Stiglingh, yesterday.

Rio Tinto South Africa is in turn owned by the Rio Tinto Zinc Corporation (London) which in turn controls Rössing Uranium, the company which operates the largest uranium mine in the world, in the Namib Desert.

In the territory there are other bigger prospecting rights for diamond areas, but this is the biggest in the uranium area.

Some geologists believe the ore under Mr Zandberg's care is rich in minerals.

Rössing has mining rights on 209ha and G P Louw has



CHARLES ZANDBERG... beat Giants to rights

# are they?

# Uranium in them

21/1/82  
S. Times  
221A

South West Africa's worst drought in living memory is threatening to turn the turbulent territory into a wasteland.

Thousands of head of stock and game have died and in Kaokoland in the north-west the authorities have had reports from outlying areas of people dying. The head of the SWA Agricultural Union, Mr Hansie van der Walt, has warned that the drought has gone beyond crisis proportions and is now a catastrophe.

A member of the Ministers' Council, Chief Kuaima Riruako, says there are areas in Kaokoland where no rain has fallen for eight years.

And the Red Cross representative in SWA, Mrs Ruth Kiwi, has urged the public to send donations of food or money to help alleviate the plight of people in Kaokoland.

SWA's perennial political wrangle — always nearing a "crucial point" — seems almost to have come to a standstill and the word everyone is uttering desperately is "rain".

Nature conservation officials report that hardy game such as gemsbok, springbok and zebras, which can normally survive in the Namib Desert's Namib-Naukluft Park or the Etosha National Park, can no longer do so. Such desert-hardened creatures as ostriches have perished.

Goats and sheep, which have gained the reputation of being almost able to survive on rocks, can be seen lying limply on the bone dry earth of the north.

The worst hit areas are the north-western part of the territory in Damara-land and Kaokoland where the drought is punishing human-beings, livestock and game alike.

These scorched northern areas are stripped of grass and grazing and the soil is like fine powder. In Damara-land the leaves on the trees are glazed on eerie silvery-white by the

# South West Africa decimated

## by worst drought ever

12/11/82  
D. Riruako  
1/2/82

a number of residents at Ojokavare said they believed the fence was there merely to stop guerrillas penetrating southwards.

"They said their parents had told them that when there had been droughts they had been able to move their stock south where they could find water. These people had obviously not been convinced that there was no water left south of the "red line".

"What is the use of having a fence like that to stop terrorists when we are in desperate straits like this?" Mr Muzuma shouted, with nodding approval from a crowd of men standing around him.

Another elderly rancher, Mr Jonas Musasa, said he had owned 500 cattle last year. "Look what is left," he said, pointing to some scrawny beasts in a kraal. There were about 85.

The vet in charge of the whole of the vast Kaokoveld, Dr Vanti Burger, a national service-man, said the cattle population in the area had dropped from 110 000 to 60 000 last year. It was probably considerably lower now. "Virtually all the game in this area has been decimated," he said.

Flying into Kaokoland we did, however, see a herd of the rare Namib



by Peter Kenny, Windhoek

Desert elephants, which can survive in vast stretches of desert.

In the frontline military centre of Opuwo, shanties made of sticks and cardboard have sprouted all over the hillside, interspersed with the concrete government-built houses.

The head of the Herero administration for Kaokoland, Mr Thinus Smit, said the population of Opuwo — once a neat village — had mushroomed in two years from 500 to 4 000.

"It is not only the drought, but the intimidation and the terrorists they are fleeing from. But there is nothing for them to do here."

Most of the flimsy shanties of the people fleeing drought and war, are not much bigger than dog kennels. The destitute people have nothing to do and some of them periodically

trek back with donkey packs to their home areas.

An army officer remarked: "The only people getting rich here are the prostitutes — who are increasing." He said even conservative soldiers from verkramp areas in the Transvaal were attracted to the hauntingly beautiful Himba women.

"Since June last year many reports of people dying from malnutrition have been received, but we do not investigate them because they are often reported a long time after the death.

"People die of old age or illness, but we do not know if it is malnutrition. I have definitely seen places where children could have died of it. Everyone is hungry."

Mr Smit said there had not been a health inspector in remote Kaokoland for two years.

Doctors at the hospital in Opuwo said they had only one child patient suffering from malnutrition. The four doctors serving Kaokoland are all South African national servicemen.

According to one of the military doctors only seven of the 237 people admitted in the past three months had been admitted as actual malnutrition cases.

A problem for the doctors is that they have no growth charts for the children of Kaokoland and are using American charts which are not meant for children in a drought-stricken African country.

Political and agricultural leaders alike have warned: unless it rains by March, the whole land faces a catastrophe with more farmers being forced off the land and bankruptcy in many areas.

The world mineral recession has already hit SWA's economy very hard. And in a country which depend on mining and agriculture to survive economically, the present situation spells disaster.



From a herd of 500, all that is left is a scrawny few beasts in the kraal.

only substance that abounds — dust.

In the primitive Kaokoveld — almost untouched by western civilisation — the people are being driven to towns as squatters because of the drought and the deadly bush war.

On a visit to Kaokoland last week I found farms belonging to Herero ranchers strewn with the rotting carcasses of cattle which had not made it to watering points. The watering holes have long since dried.

About 20 km north of the Kaokoland border at Werda is the once relatively prosperous cattle farming area of Ojokavare where the local school teacher, Mr Josef Muhewa, 29, said not a drop of rain had fallen for three years and some of his pupils had never seen rain.

This did not deter his skinny pupils from singing the psalm. The Lord Is My Shepherd, with its line about green pastures.

A senior citizen of the area, Mr Langman Muzuma, who did not know his age, said this drought was

the worst he had seen and appeared worse than anything his parents or grandparents had ever talked about.

"We have lost thousands of cattle. Look about you. It is not necessary for me to show you. We look to Mr Mudge and Chief Riruako to pull us out of this mess," the embittered old man remarked.

He was referring to the chairman of the SWA Ministers' Council, Mr Dirk Mudge, and another Minister, Chief Kuaima Riruako, who is a Herero chief.

Mr Muzuma ferociously attacked the "red line" — a fence running across the northern borders of SWA, separating former homelands from the white areas.

The two-tier fence, one of which is game proof, was erected for health purposes to control the movement of stock and game from south to north.

In recent years the "red line" has acted as a convenient obstacle to marauding insurgents from Owanbo and Kaokoland into the former "white areas". But

GENERAL NEWS

# Politics has ended Namibia oil search

221A  
Star 9/2/82

South Africa and international exploration companies are no longer searching for oil and gas in the promising area along the Namibian coast because of the territory's "present political uncertainty."

Dr Frans Quass, former managing director of Soekor, the State oil and gas exploration corporation, said this last night in a talk to the Pretoria branch of the South African Association for

the Advancement of Science.

The current political climate in Namibia before an expected settlement "discouraged exploration activities," he said.

About a decade ago the Chevron exploration company drilled into what was later reported a "massive" gas field off the Orange River mouth.

The corporation's offshoot, Swakor, coordinated the oil and gas search along the

coast of Namibia, but was now an inactive company, though it could be revived if necessary after a political settlement in Namibia.

Dr Quass also called for the building of a new Sasol every five or 10 years until 2000, because in the not too distant future South Africa might be unable, for political reasons, to import oil.

He felt confident that South Africa could become self-sufficient in fuel.

There seems to be a gap  
between what he thinks  
about & what he writes  
down or even between what  
he thinks he has written  
& what he actually has  
written & published.

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Rain at  
last for  
221A  
thirsty  
SWA 10/11  
9/2/87

By PETER KENNY

**WINDHOEK** — Widespread rain in the past few days has brought some relief from the worst drought in living memory in South West Africa.

Windhoek has had three showers on consecutive days. And in bone-dry Khorixas, capital of Damaraland, where thousands of cattle and game have perished, 51mm of rain fell by the weekend.

Weather experts say a lot more rain will have to fall throughout the territory before the land can begin recovering from the pounding it has taken.

Showers have been reported in some parts of Kakoland, the other worst hit area, but some places have had no rain for eight years.

In the drought such hardy game as gemsbok, springbok and zebra have perished and even desert-hardened ostriches have died.

Goats and sheep, which have the reputation of being almost able to survive on rocks, can be seen lying limply on the dry earth of Damaraland and Kakoland.

The head of the SWA Agricultural Union, Mr Hansie van der Walt, warned last month that the drought had gone beyond crisis proportion and was already a catastrophe.

But the country-wide rain has brought relief and leaves on trees which had been glazed to an eerie silvery-white by the dust have been washed green.



(1) Premiums Treated as Business Expense

01, Jan 1: Insurance Expense 300  
 Bank 300  
 being payment of premium

Dec 31: Income Statement 300  
 Insurance Expense 300  
 being closing entry

Years 02 and 03 - same as 01

04, Jan 1: Insurance Expense 300  
 Bank 300

Jan 2: Debtor (Insurance Company) 24 000  
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(2) Premiums Treated as

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29/2/82 (221A) 5/8

## Volkas sells Namibia banks

By Pieter de Vos Volkas Group has sold control of its fully owned subsidiary Volkas SWA-Namibia to 23 local residents, it was announced in Pretoria last night. Volkas will sell 74.9 percent of its interest in the Namibia banking group with its Walvis Bay branch included in the deal.

An interest of 51 percent will be transferred on April 1 with a further 23.9 percent to be transferred on April 1 next year.

The banking group will acquire a new name, likely to be made public before April 1. Headquarters will be in Windhoek and Mr Piet Botha has been appointed managing director. No personnel changes are foreseen.

The bank will have two branches in South Africa. Sapa reports that the Gold Fields group announced in Johannesburg yesterday that all operations at the Berg Aukas mine near Grootfontein in Namibia will cease at the end of this month.

In a statement Gold Fields said operations had been suspended in 1978 because of losses, due principally to the decline in the price of zinc.

A reclamation operation using a Wealz kiln had not proved feasible.

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# SWA: Parties support idea of world fund

CRPK TIMES 26/2/82

221A

From PETER KENNY

**WINDHOEK** — Parties in SWA/Namibia were yesterday asked their opinions on a possible international development fund for SWA/Namibia.

This emerged from the high-level talks taking place between the Prime Minister, Mr P W Botha, the Foreign Minister, Mr Pik Botha, the head of the Defence Force, General Constand Viljoen, the head of the Army, Lieut-General Jannie Geldenhuys, the Director-General of Foreign Affairs, Dr Brand Fourie, and SWA/Namibian parties.

Yesterday's talks dealt mainly with phase two of the present Western initiative for an internationally-acceptable solution for SWA/Namibia.

Phase two concerns the deployment of United Nations forces during an election and the finer points of supervision of such an election leading to independence.

### Pleased

All the groups except for the Namibia National Front — consisting of the South West Africa National Union, the Namibia Independence Party, the Mbanderu Council and the Damara Council — appeared pleased with the talks.

The Prime Minister said during a brief interlude that the talks were "friendly and positive".

But the NNF, which issued a strongly-worded memorandum to the Prime Minister, described their session as "stormy".

The leader of the National Party, Mr Kosie Pretorius, said his party knew where it stood and would make its final decision known when the present Western initiative had fully unfurled.

One of the NNF representatives, Mrs Oillie Abrahams, secretary-general of the Namibia Independence Party, said the Foreign Minister, Mr Pik Botha, had said South Africa's financial aid to SWA/Namibia was crippling and he wanted to know the party's views on an internationally-supervised development fund.

The idea was first suggested by the NIP.

The chairman of the Federal Party, Mr John Kirkpatrick, also confirmed the discussion on such a fund. He said the party had been asked whether it felt the international community should "help foot the bill" for the development of an independent Namibia.

"We replied that we would be grateful for any financial aid," Mr Kirkpatrick said.

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Walvis Bay: electric power supply  
Q. Col. 3268 10/3/82  
\*2. Mr. S. S. VAN DER MERWE asked  
the Minister of Mineral and Energy Affairs:†

- (1) What body is responsible for the supply of electric power to Walvis Bay;
- (2) whether the electric power supply to Walvis Bay has been interrupted since 1 January 1982; if so, (a) how many times and (b)(i) for how long and (ii) why, in each case?

†The MINISTER OF INDUSTRIES,  
COMMERCE AND TOURISM (for the  
Minister of Mineral and Energy Affairs):

- (1) The South-West Africa Water and Electricity Corporation (Pty.) Ltd. (SWAWEK).
- (2) Yes.
  - (a) Sixteen times.
  - (b) (i) The times are reflected in the following list which is tabled herewith:

327

WEDNESDAY, 10 MARCH 1982

From 23h00 on 2 January to 04h00 on 3 January.  
From 06h00 to 09h00 on 3 January.  
From 12h00 to 15h00 on 3 January.  
From 18h00 to 21h00 on 3 January.  
From 23h00 on 3 January to 04h00 on 4 January.  
From 06h00 to 09h00 on 4 January.  
From 20h25 on 1 February to 00h25 on 2 February.  
From 14h38 to 16h20 on 5 February.  
From 06h41 to 17h05 on 10 February.  
From 19h26 to 20h32 on 10 February.  
From 08h03 to 08h31 on 11 February.  
From 10h46 to 10h56 on 15 February 1982.

- (ii) The power interruptions during January were the result of load shedding by SWAWEK because the coal conveyer system at the Van Eck Power Station in Windhoek broke down. The power failure on 1 February was caused by the explosion, presumably as a result of lightning, of an auxiliary transformer at Omaruru.

The power breakdown on 5 February was caused by lightning. the two power failures on 10 February occurred when the main coupling transformer at Omaruru broke down. The short power failures on 11 and 15 February were caused by a Temporary shortage of power.

# Bank Windhoek

22/19

Mall Africa Bureau

11/3/82  
Namibian controlling company with a total equity of R2 300 000 equally distributed among 23 shareholders.

WINDHOEK. — Bank Windhoek will be the name of Volkskas in Namibia from April 1.

The Namibian directors are Mr Johnny Hamman, chairman, Mr York von Schutz, Mr Andries Pretorius, Mr J C Brand, Mr K W R List and Mr V J Verster

A total of 51% of Volkskas SWA is to be taken by Namibian businessmen.

Directors representing Volkskas SA are Mr P J F Venter, Mr P McLaghlin, Mr D P S van Huyssteen and Mr H D de Villiers.

The names of the 10 directors for Bank Windhoek have been announced.

Six were appointed by the majority shareholder, a Na-

221A Rooibank water supply scheme  
Hansard Q. 601.458 24/3/82

\*7. Mr. S. S. VAN DER MERWE asked  
the Minister of Environment Affairs:†

- (1) What progress has been made in considering the request that the Walvis Bay Municipality should have a greater say in the operation of the Rooibank water supply scheme;
- (2) whether he will make a statement on the matter?

†The MINISTER OF ENVIRONMENT AFFAIRS:

- (1) The Department of Environment Affairs is presently drafting an agreement which makes provision for a greater say by the Walvis Bay Municipality in the operation of the Rooibank water supply scheme.
- (2) No.

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3/3/82  
Walvis Bay/Windhoek: passenger train  
service  
221A Hausand Q.61.535-536  
448. Mr. S. S. VAN DER MERWE asked  
the Minister of Transport Affairs:†  
What was the average percentage of  
seats taken on the passenger train service  
between Walvis Bay and Windhoek dur-

31 MARCH 1982

536

ing the period 1 July to 31 December  
1981?

The MINISTER OF TRANSPORT AF-  
FAIRS:

23%.

221A) Hayward Q. Col. 545  
Walvis Bay: establishment of industries

449. Mr. S. S. VAN DER MERWE asked  
the Minister of Industries, Commerce and  
Tourism:†

Whether any industrialists have applied  
to the Industrial Development Corpor-  
ation for financial assistance at subsidized  
rates of interest in respect of the establish-  
ment of industries in Walvis Bay since this  
benefit was introduced last year; if so,  
how many?

The MINISTER OF INDUSTRIES,  
COMMERCE AND TOURISM:

Yes. Five.

## SWA/NAMIBIA

### On the reefs

Fm 9/4/82

221A

Next month's Namibia budget is going to be unpalatably tough. Its political consequences could place heavy additional strain on Dirk Mudge's frayed DTA administration.

It is by now clear that the final out-turn of the 1981/82 revenue estimates is not going to look anything like the projections made 12 months ago. Government spending seems to have got out of hand, especially that of the second-tier bantustan authorities.

The plain truth is that the "interim" administration's revenue base seems to have fallen away altogether.

The 1981/82 revenue estimates provide for tax collections of R125m from mining companies, all but R1m of it from Consolidated Diamond Mines (CDM). A senior CDM executive told the FM this week this figure is clearly "way out."

Mining industry sources reckon actual payments to the Windhoek Exchequer could be 20%-30% less. While CDM's prospects for 1982/83 remain cheerless, it seems likely that mining revenue will be boosted moderately with Rossing uranium finally coming into the tax net. At the same time, copper mining companies could weigh in with marginally bigger tax contributions.

Fishing and agriculture, the two remaining pillars of the economy, remain in the doldrums. While a fair amount of rain has fallen in the northern ranchlands, beef exports are unlikely to pick up because farmers will need to rebuild breeding stocks and because the SA Meat Board has cut back sharply on Namibia. To keep export meat processing plants going beef is being imported from Ireland.

In the south, Karakul ranchers are going

to the wall. The drought persists and an emergency relief grant of R30,5m has been announced to supplement last year's hand-out of R54m.

Tax revenue from individuals and non-mining companies will barely exceed R30m in the year just ended. Scope to finance part of the huge anticipated deficit from higher taxes is limited. Nevertheless Mudge will probably hoist company tax from 40% to 45%-50% and perhaps do likewise with top marginal rates for individual taxpayers. The latter was reduced to 39% last year in a kind of "supply-side" exercise aimed at attracting skilled workers to the territory — and hanging onto those living in Namibia.

Raising taxes at a time of high inflation and anticipated zero growth will probably add momentum to the white "chicken run." Figures released in Windhoek this week show that the white population has dropped 26% to 71 530 from 90 658 in 1970. For the first time the Ovambo people now make up more than 50% of the population. They number 505 000 out of 1m people.

With his revenue base in tatters, Mudge is going to have to do a Horwood and slash government spending to the bone. The obvious step will be to cut back on transfers to the 10 second-tier regional authorities. There were reports in Windhoek this week that the Damara bantustan authority at Xhorixas had already spent its 1983 allocation, and in a recent session of the national assembly bitter criticism was made of the opulent lifestyles of bantustan leaders and their top bureaucrats.

Possibly as a result of this, financial transfers to regional authorities are now made on a monthly basis (instead of a lump sum) and all second-tier borrowing (from the commercial banks) has to be approved by the Department of Finance in Windhoek.

In 1981/82 government spending constituted more than 60% of 1981 gdp of R1 300m. Spending cuts will obviously exacerbate the appalling unemployment situation. Reduced transfers to the bantustans will annoy DTA ethnic leaders and generate terrific tensions in the hapless alliance.



221A Star 20/4/82

Section A

# Namibia building industry reels

The Star's Africa News Service

**WINDHOEK** — Consternation exists in Namibia's building industry following the Central Government decision to halt all future building plans until further notice.

At last one major Windhoek-based construction company is known to have laid off about 300 workers in anticipation of a building slump.

### QUALIFIED

Senior members of building consultancy firms are already preparing to lay off qualified draughtsmen and quantity surveyors should the work stoppage continue for a few months.

"The picture does not look good," said a consulting engineer.

### PERSISTED

Rumours have persisted for weeks that Central Government funds were rapidly drying up. The first notification of how serious the situation was came recently when contractors had gathered for a site inspection at Windhoek's JG Strijdom Airport, where a potential R1-million tender for extension work was on offer.

A government official arrived and told the contractors that the tender had been withdrawn as there was no money available.

A spokesman for the Department of Civic Affairs and Manpower said that the building cut-back had not yet been officially sanctioned by the ministers' council, but all private building consultants — architects, engineers and quantity surveyors — had been notified.

### BUDGET DUE

He declined to elaborate other than to say the situation would be more clear after the ministers' council chairman, Mr Dirk Mudge, had delivered the territory's budget next month.

"It's the uncertainty which is causing the most concern in the industry," said one architect.

"The bigger operators don't know how

long the stoppage will last, so they don't know whether or not to start laying off staff."

Observers point to the slump in Namibia's revenue earnings and the low gold price as major factors in the building cut-back.

### ROCKBOTTOM

In past years the territory could usually count on annual tax revenue from diamonds of about R200-million. On current exchange rates, however, they are likely to be less than R75-million.

At the same time uranium, copper, karkul and beef prices are near rockbottom.

South Africa's annual cash injection is also expected to be radically reduced.

Examiner's Initials:  
Voorletters van Eksaminator:

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## NOTICE TO CANDIDATES

### WAARSKUWING

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6. Pages must not be extracted from this book.

1. Eksamenantwoorde mag net aan één kant van die papier geskryf word. Kladderwerk mag op die agterkant van 'n bladsy gedoen word, maar die eksaminator sal vir eksamenoeleindes alleen in aanmerking neem wat op die voorkant geskryf is.
2. Kandidate word herinner om hulle name op alle los blaai wat 'n antwoord op 'n eksamenvraag versamel, te skryf.
3. Geen kandidaat mag boeke of aantekeninge van watter aard ookal by hom in die eksamenkamer hê nie tensy die Registrateur deur skriftelike kennisgewing las gegee het om bepaalde boeke mee te bring.
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5. Geen eksamenskrifte deur die Universiteit verskaf, mag uit die eksamenkamer weggenem word nie.
6. Geen bladsye mag uit hierdie eksamenskrif geskeur word nie.

Black Allied Workers Union

Cape Explosives Industrial Workers Union

Chemical and Allied Workers Union

Chemical Workers Industrial Union

Chemical Workers Union

Durban Rubber Industrial Union

Engineering and Allied Workers Union

Engineering Industrial Workers Union of S.A.

Federated Mining, Explosives and Chemical Employees Union

Industrial Salaried Staff Association

General Workers Union

Metal and Allied Workers Union

National Union of Engineering, Industrial & Allied Workers

National Union of Motor Assembly & Rubber Workers of South Africa

S.A. Chemical Workers Union

South African Allied Workers Union (SAAWU)

Steel, Engineering and Allied Workers Union

Unbogintwini Industrial Workers Union

Weskapse Plotstof & Chemiese Operateursvakbond

Non-Metallic Mineral Products

Building, Construction and Allied Workers Union

Glass & Allied Workers Union

Glass Workers Union

National Cement Employees Union

National Union of Brick and Allied Workers

Transport & General Workers Union

Machinery and Equipment

Amalgamated Engineering

Amalgamated Society of

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Radio Television, Elect

S.A. Boilermakers, Iron

S.A. Electrical Workers

S.A. Iron, Steel and Al

S.A. Tin Workers Union

South African Allied W

Steel, Engineering and

Transvaal, Radio, Telev

United African Motor and

# Rossing cash for Namibia

By PETER KENNY  
Mail Africa Bureau

WINDHOEK.— Rossing Uranium injected R100-million into Namibia's cash economy for the year to 1982.

This was said by the managing director of Rossing Uranium, Mr Craig Gibson, who warned that the uranium industry was being squeezed between a weak market and rising operating costs.

"We shall have to look very carefully at productivity and economy during the present year if we are to continue to be a successful company," Mr Gibson said.

Rossing was an integral part of life in Namibia and had a responsibility to develop its human and other resources.

"In 1982 we paid out significant sums in wages and salaries and on supplies and services here, and through our activities injected over R100-million into the cash economy of SWA/Namibia," said Mr Gibson.

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# Big Five meet in Paris on SWA

Argus Bureau

LONDON. — The five-power Western contact group on SWA/Namibia began a secret meeting in Paris today with three main topics to discuss.

They are:

- How to free the negotiations on constitutional principles from the jam created by Swapo's repeated refusal to accept the proposals;
- What steps to take now to make agreement easier on the second phase of negotiations — the UN role in the territory's transition to independence — which by all accounts presents more difficulty than the constitutional phase.
- How to use President Felix Houphouet-Boigny of the Ivory Coast, the moderate bridge-builder between white and black Africa, to help in this progress.

## IVORY COAST

The US Assistant Secretary of State Dr Chester Crocker, flies from the two-day contact group gathering in Paris to the Ivory Coast to see President Houphouet-Boigny.

But US State Department officials have not said what Dr Crocker's approach will be.

But it is obvious that Swapo is now the party that needs pushing. And it is likely that the US will enlist this staunchly pro-Western African leader to do so.

# 'Exploitation by SA a calamity for SWA'

ARGUS  
12/5/82

221K

Argus Africa News Service

WINDHOEK. — The South African Government and "certain other parties" were intent on keeping SWA/Namibia "in a dependent and helpless state, both economically and politically", a prominent businessman in the territory said here last night.

Mr Eric Lang, whose disclosures of beef marketing malpractices led to a shake-up in South Africa's meat industry three years ago, lashed out at political and economic exploitation of the territory.

Describing SWA/Namibia's mounting national debt as "a calamity", Mr Lang told about 400 people at the annual general meeting of the Interessengemeinschaft that the territory had become "a pantry of the South African economy."

South Africa had "imposed an economic and political infrastructure on this country that was primarily intended to serve South Africa and not Namibian interests," he said to applause.

## A SHAM

He described the territory's interim constitution as "an enormously complicated, bloated, inefficient and hideously expensive government system, devoid of all sanity" and which has led to incompetence and maladministration in the second tier ethnic authorities.

The national debt had increased annually from R28-million in 1979 to an estimated R600-million in the current year.

He said the interim government edifice was a

sham, because the South African Government could — through the Administrator-General — abolish the ministers' council and national assembly "with a stroke of the pen."

Mr Lang said foreign and South African fishing interests were netting between R350-million and R400-million worth of fish a year.

"Since most of the country's fishing factories are on South African soil at Walvis Bay, we are losing an estimated R20-million a year in taxes to the enclave," he said.

While the United Nations Council for Namibia complained about exploitation of the territory's resources, several UN member countries were "ruthlessly" exploiting SWA/Namibia's fishing without paying taxes or royalties.

## MYSTERY

The mining industry — the largest revenue earning sector of the economy — was shrouded in mystery because of a blanket ban on all information regarding mineral production, imposed by South Africa.

Turning to diamond mining, Mr Lang said SWA/Namibia was "saddled" with CDM (Pty) Ltd, "a company that has managed to shroud our potential main source of income in a cloak of mystery."

The territory was losing millions of rands in tax revenue by taxing CDM at the first stage of production only.

Mr Lang called on citizens to exert pressure on the Government "through all possible channels" to rectify the situation in the territory.

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GRAND 1824 ARG

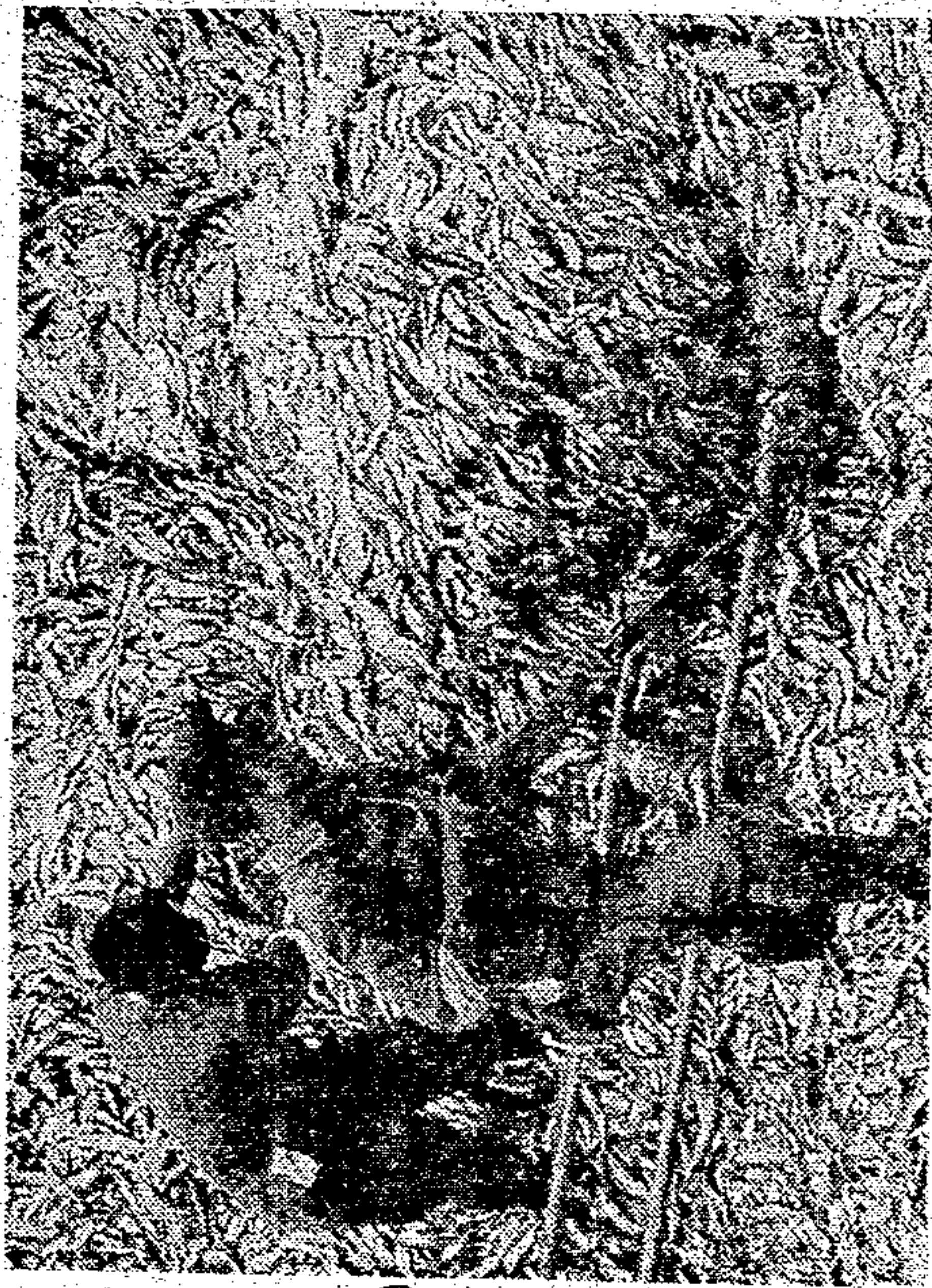
WARTS  
A PROBLEM?  
GET RID OF THEM  
FAST WITH



FROM YOUR LOCAL  
CHEMIST

# Call to end South Africa's 'plunder', of Namibia

221A  
Staff  
12/5/82



By Peter Honey  
The Star's Africa  
News Service

**WINDHOEK** — The South African Government and certain other parties were intent on keeping Namibia "in a dependent and helpless state, economically and politically," Mr Eric Lang, a prominent businessman, said in Windhoek last night.

Mr Lang, whose revelations of beef marketing malpractices led to a shake-up in South Africa's meat industry three years ago, criticised political and economic exploitation of the territory.

He told about 400 people at the annual

meeting of the Interessengemeinschaft that the territory had become "a pantry of the South African economy."

**IMPOSED**

South Africa had imposed an economic and political infrastructure on the territory, intended primarily to serve South African, and not Namibian, interests, he said.

Mr Lang described the territory's interim constitution as "an enormously complicated, bloated, inefficient and hideously expensive government system, devoid of all sanity."

It had led to incompetence and maladministration in the second-tier ethnic authorities, he claimed.

Namibia's national debt, he said, had increased from R28 million in 1979 to an estimated R600 million in the current year.

"What worries me even more is the way we have mispent some of the borrowed money on senseless and unproductive sectors like our ballooning bureaucracy, show projects and political vote-catchers," Mr Lang said.

The interim government edifice was a sham because the South African Government could — through

the Administrator-General — abolish the Ministers' Council and National Assembly with a stroke of the pen.

**FISHING**

Referring to the fishing industry, Mr Lang said foreign and South African fishing interests were netting fish worth between R350 million and R400 million a year.

"As most of the country's fishing factories are on South African soil at Walvis Bay, we are losing about R20 million a

Namibia is losing about R20 million in taxes from the fishing industry to South Africa, says Mr Lang.

year in taxes. "And, to add insult to injury, Namibia pays for sea fisheries research, control and laboratory services and even buys patrol boats to monitor South Africa's fishing interests," Mr Lang said.

**MINING**

Mr Lang then turned to Namibia's mining industry — the largest revenue earning sector of the economy — and said it was shrouded in mystery because of a blanket ban imposed

by South Africa, on all information regarding mineral production.

Quoting figures which he said he had received from the Auditor-General, Mr Lang said Namibia had collected only R21 million in taxes from sales totalling R920 million in the past six years from the mining industry, excluding diamond mining.

The Rossing uranium mine, as yet, paid no taxes but it had paid more than R100 million in shareholders' dividends up to 1982.

**MYSTERY**

Turning to diamond mining, Mr Lang said Namibia was "saddled" with CDM (Pty) Ltd, "a company that has managed to shroud our potential main source of income in mystery."

Namibia, he said, was losing millions of rands in tax revenue by taxing CDM at the first stage of production only.

A further loss to the territory was caused by the State paying a refund on profit tax and diamond export duty to the South West Finance Corporation Ltd — a company affiliated to CDM.

Mr Lang called on citizens to exert pressure on the Government "through all possible channels" to rectify the situation in the territory.

# Rossing 'talks to Swapo' in bid to assure customers

221A

By ADAM PAYNE

ROSSING Uranium — the biggest uranium mine in the world — is facing the sensitive task of assuring potential customers that the volatile political situation in South West Africa will not jeopardise long-term deliveries.

Reporting this, Mr Rob Laufer, editor of Nuclear-Fuel, published in New York by McGraw-Hill, says that at the same time the company is laying the groundwork with the disparate groups vying for future control of the country to ensure continued commercial viability of the mine.

Mr Laufer, on a visit to South West Africa, was told by sources outside the company that Swapo is among the groups with which dialogue has taken place.

He reports: "These contacts with Swapo have given Rossing a fair degree of confidence that Swapo's socialist underpinnings are balanced by practicality, meaning that the group recognises Rossing's economic and social benefits to the territory and that it would not jeopardise the mine's operation if it assumes power."

"Similarly, my sources said Rossing has been able to convince potential customers that it is a reliable supplier despite the apparently unstable political situation in South West Africa.

"One knowledgeable source said that Rossing can lean on the uranium resources of other Rio Tinto-Zinc companies to make up for any shortfall from Rossing. RTZ is the major shareholder in Rossing".

After discussing the difficulties of attracting skilled personnel to Rossing, partly because of the political situation and also because of the remoteness of the mine, Laufer says that on the technical and commercial side of the operation Rossing has achieved a level of production which realises the com-

mercial potential of the mine.

Full design capacity of 5 000 tons a year of uranium concentrate has been achieved since the end of 1979.

This level was reached only after an agonising period of several years during which the difficulty of mining uranium in granite proved far greater than expected. Rossing is the only large uranium mine in the world in which granite is the host rock.

Rossing's production scheme is based on processing 40 000 to 45 000 tons a day which represents only 25% of the total rock mined, with the rest discarded.

The open pit, eventually to be dug 300m deep and encompassing 5km<sup>2</sup>, is being developed at the rate of 15m bench a year.

Laufer calculates that the grade averages about 0,66lb to the ton of ore.

Company officials said that production could be expanded by a maximum of about 10% in present circumstances.

Rossing is about to begin a comprehensive updating of the mine's reserves, although past assessments indicate a 23-year life from 1982.

Rossing's geologists have determined that there are another 30 000 tons of uranium associated with marble deposits in the ore body.

The problem with exploiting these reserves, however, lies in the fact that sulphuric acid, the primary leaching agent, causes an exothermic reaction when mixed with marble, and thus other separation methods are being looked at.

After blasting in the open pit, the ore is moved in 140-ton trucks which are radio-metrically surveyed as a final determination of whether the ore is worth milling.

A company executive told Laufer that Rossing would probably not have been developed today — that the market and political situa-

tion in 1966 when the decision to go ahead was made appeared far more favourable than they would now for such an unusually low-grade ore body.

Two other similar ore bodies in South West Africa have not been exploited since their discovery and uranium market sources in Southern Africa say they see no signs that these properties will be developed for some time, if ever.

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Fosatu Annual Report 1980/81

phone: (021) 433658

1974 affiliated to TUCSA and had disaffiliated by 1977/78 and with other unions formed FOSATU in 1979

# Silence greeted THAT speech on SWA

By PETER KENNY

WINDHOEK — A controversial speech by South West African millionaire, Mr Eric Lang, accusing South Africa of conspiring to deprive SWA of a healthy economy has set tongues wagging in the capital — but has met with little reaction.

He hit hard at the monopolistic diamond mining industry, but the public relations manager of the De Beers-controlled CDM, Mr Clive Cowley, said his group had no comment at present.

Mr Lang made his speech as guest speaker at the annual meeting of the powerful Deutsch Interessengemeinschaft.

Mr Lang, a prominent farmer and business man, and major instigator of the investigation into the SWA meat scandal in 1979 had his audience spellbound as he told them how their economy was being manipulated.

Amid repeated applause he lashed out at the role of the South African Government and some of the major mining houses in their handling of the SWA economy.

In trying to find out many facts on the situation in the territory Mr Lang said he had found many statistics "officially" inaccessible.

He asked how the SWA interim government could be expected to plan the economy properly if it was starved of facts.

The South African Government and other organisations were intent on keeping SWA "in a dependent and helpless state, economically and politically," Mr Lang said.

He blamed the "South African Government, certain multi-national interests, the United Nations, as well as local impotence, inefficiency and/or corruption" for "either knowingly or unknowingly" conspiring to deprive us of a healthy economy and political stability.

South Africa had saddled SWA with an interim constitution — AG8 — which made an "enormously complicated, bloated, inefficient and hideously expensive" system of government.

Also, the present government "edifice" was "totally illusionary" and a "sham" because the SA Government could still abolish the Ministers' council and the National Assembly with a pen stroke.

Turning to the economy he described SWA as a "slave economy, an economic buffer, a pantry of the South African economy".

Examples he cited were the SWA fishing industry, the preferential tax treatment for the giant Rossing uranium mine, and the lack of support the country received for its crop and beef industry.

The controversial millionaire concluded by suggesting SWA should become a neutral country after independence to escape East-West conflict.

"How else will we ever cease to be a pawn in other countries' political machinations?" he asked.



**UNIVERSITY OF CAPE TOWN  
EXAMINATION ANSWER BOOK**

EVERY CANDIDATE MUST enter in column (1) the number of each question answered (in the order in which it has been answered); leave columns (2) and (3) blank.

221A

**Hoffe denial on 'fleecing' Namibia**

Stew  
24/5/82

The Star's Africa  
News Service

WINDHOEK — Allegations by a Namibian businessman, Mr Eric Lang, that the diamond industry and the South African Government were fleecing the territory's resources were "seriously misleading," the resident director of Consolidated Diamond Mines, Mr Douglas Hoffe, said in Windhoek yesterday.

Mr Lang had told a visiting German cultural group that Namibia was losing millions of rands in revenue by taxing CDM, a wholly owned De Beers subsidiary, at the first stage of production only.

Replying to Mr Lang's allegations, Mr Hoffe said these 'disparaging remarks were based on incorrect facts.'

Contrary to Mr Lang's allegation that Namibia only derived revenue on about R180 a carat for its diam-

onds, while they were sold for substantially more to the cutters. Mr Hoffe said the diamond price remained constant.

"The price for diamonds produced in Namibia is not increased to the benefit of a third party at any stage between valuation and sale to the CSO," he said.

"In other words it is quite incorrect for Mr Lang to allege that CDM sells its stones 'cheaply' and that the CSO later sells them

'expensively,' to the ultimate detriment of CDM and the State."

Of Mr Lang's allegations about CDM's tax payments, Mr Hoffe said: "As a diamond mining company CDM pays tax at a higher rate than any other taxpayer."

"Taxes paid to the state by CDM have always exceeded by far the dividends paid to shareholders."

Mr Harry Schwarz, the PFP parliamentarian, pledged to campaign in South Africa

for immediate financial and social assistance for Namibia in an address to the Namibian Chamber of Commerce and Industry.

It was in South Africa's interests to create a climate of friendship between South Africa and Namibia before the territory attained independence.

"I've got to go back to the people of South Africa and tell them that what is needed in Namibia is money and action and job creation — now," he said.

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**NOTE CAREFULLY**

1. Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering.
2. Blue or black ink must be used for written answers. The use of a ball point pen is acceptable. Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used.
3. Names must be printed on each separate sheet (e.g. graph paper) where sheets additional to examination book(s) are used.
4. Do not write in the left hand margin.

**WARNING**

1. No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed.
2. Candidates are not to communicate with other candidates or with any person except the invigilator.
3. No part of an answer book is to be torn out.
4. All answer books must be handed to the commissioner or to an invigilator before leaving the examination.

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

# SWA MINE RUNS

ARGUS 31/5/82 (77) 221A (A)

# A PRIVATE ARMY

**Argus Bureau**  
LONDON. — Sir Anthony Tuke, chairman of the British mining group Rio Tinto-Zinc, which manages and jointly owns the Rossing Uranium mine in SWA/Namibia, has confirmed here that the mine maintains a private army.

In a reply to the Namibia Support Committee, Sir Anthony confirmed the validity of an internal Rossing memorandum which describes the arms held at the mine and the details for deployment of the mine's military personnel in case of attack.

The document describes the existence of three separate units. The first, Rossing Security Department, of 15 men; the second, Security Department, of 15 men; and the third, Swakopmund Commando, of 24 men.

The weapons held at the mine include automatic rifles, 9 mm pistols, semi-automatic shotguns and teargas.

## Civil strife

In his letter, Sir Anthony wrote: "One must accept that there has for some time been civil strife in Namibia and in these circumstances it is the duty of the management of the

Rossing Mine to make plans for the protection of its employees and their equipment.

"The same would be true if there were unrest, let us say, at Bougainville or Chile where we have an investment.

"You also ask whether the armed units are members of the staff at Rossing. The answer is 'Yes' in the case of the first two — the third one is what we would refer to as a local citizens' vigilante unit."

Opponents of RTZ's ownership of the Rossing Mine have attacked Sir Anthony's logic. They point out that there is no comparison between maintaining a private army in SWA/Namibia

because of civil unrest and a private army in another country, as the territory is "illegally occupied by South Africa in defiance of UN resolutions."

## Hand stronger

The confirmation of the civilian force at Rossing strengthens the hand of the Greater London Council which is trying to divest itself of its shareholding in RTZ.

The GLC's pension fund currently owns RTZ shares worth R4.8-million, out of a total investment portfolio of more than R1 000-million, but the ruling Labour group has already decided to sell the stake.



# Namibia unable to go it alone

The Star's Africa  
News Service

WINDHOEK — Namibia could not become economically independent in the short term or function without foreign investment, the head of Consolidated Diamond Mines, Mr Doug Hoffe, said last night.

He said it would not be surprising to find that companies in Namibia with major shareholders outside the territory, contributed 70 percent or more to the gross domestic product.

Those wanting foreign investment out of Namibia or state interference in foreign companies, were advocating a "fundamental weakening" of the territory's economy, he said.

Addressing a function, Mr Hoffe said

there was a body of opinion in Namibia which was hostile to local companies with shareholders resident outside the territory.

Nationalising companies and industry was not the way to meet the aspirations of the have-nots without diminishing the surplus of wealth capable of being generated.

"We must question whether the so-called 'SWA-based, SWA-owned' companies could muster the extraordinary resources that will be needed to tackle development projects on the scale we are talking about," Mr Hoffe said.

The days of big international hand-outs were over. The West, particularly the US, was likely to follow a policy of foreign aid linked to self-interest.

"They will assist only if it suits their ideas of trade and diplomatic objectives," he said.

221A

Star

8/6/82

# 'Namibia needs foreign firms'

221A

Mail Africa Bureau

WINDHOEK. — The fact that foreign and international companies contributed about 70% of the gross domestic product of SWA reinforced the contention that in the short run the country's economy had no hope of resting solely on indigenous efforts.

This was said last night by Mr Douglas Hoffe, president of the Chamber of Mines of SWA and resident director of the De Beers-owned CDM. He was speaking at a Rotary Club meeting.

Asking what future there was for foreign investors in SWA, Mr Hoffe said there was a body of opinion in the country that was hostile to local companies with shareholders resident outside SWA.

If independence came and if a socialist or Marxist government was elected there would be talk of nationalising the mines, the banks and perhaps some other important companies in which the major shareholders were resident outside SWA.

If they were not nationalised then the attitude might be that at least the state should have control of them through share ownership and board membership.

Mr Hoffe said SWA had a society of haves and have-nots — a sophisticated First World economy superimposed on an unsophisticated Third World economy.

By redistributing wealth SWA would follow the traditional pattern of Africa, and a way should be found to meet the aspirations of the have-nots without diminishing the surplus of wealth generated by mines and industries.

"And it is not by nationalising anything ... around the world profitable companies have gone to pieces the moment the state became involved with them."

SWA had no stock exchange and no domestic money market, and with a fast growing population "where is the money coming from to create new jobs?"

Mr Hoffe said it was questionable whether SWA-based companies could muster the extraordinary resources needed to tackle large-scale development projects.

The days of the big international foreign handouts were over, and Western countries would assist only if it suited their ideas of trade and diplomatic objectives.

The contribution of foreign companies could not simply be measured by the tax they paid. CDM and Rossing together "pumped" R180 million in cash last year into the economy by way of wages and salaries, and supplies and services bought in SWA.

The country had a budget of R870 million, and it was a pipedream to think that the economy could function on indigenous companies only, without foreign interests, Mr Hoffe said.

2211 Hansard Q 61 1034  
Walvis Bay harbour: salt  
11/6/82

\*4. Mr. S. S. VAN DER MERWE asked  
the Minister of Transport Affairs:†

- (1) Whether he has received any representations for the introduction of amended tariffs for the handling of salt at the Walvis Bay harbour: if so,
  - (a) from what persons or bodies and
  - (b) what was the nature of the representations;
- (2) whether he has given consideration thereto; if so, what was his decision in this regard?

The MINISTER OF TRANSPORT AFFAIRS:

- (1) Yes.
  - (a) The Director, Walvis Bay, on behalf of the Walvis Bay Chamber of Commerce and Walvisbaai-Sakekamer.
  - (b) Application for relief of the harbour costs involved in the export of salt through Walvis Bay.
- (2) Yes. It has been decided to grant exporters, who do their own shipping, a rebate of 10 per cent on shipping charges only.

Mr. B. W. B. PAGE: Mr. Speaker, arising out of the reply given by the hon. the Minister, would he please tell this House precisely how many years old he is today?  
[Interjections.]

The MINISTER: Fifty-five years. Sir.  
[Interjections.]

# The squeeze On uranium

221A Mercury 12/6/82  
WINDHOEK— Rössing Uranium — the South West African mining giant — injected R100m into the territory's cash economy for the year beginning 1982.

This was said by the managing director of Rössing Uranium, Mr Craig Gibson, who warned that the uranium industry was being squeezed be-

tween a weak uranium market and rising operating costs.

'We shall have to look very carefully at productivity and economy during the present year if we are to continue to be a successful company,' Mr Gibson said.

He said Rössing was an integral part of life in the territory and the company had a responsibility to develop its human and other resources.

'In 1982 we paid out very significant sums in wages and salaries and on supplies and services here, and through our activities injected over R100 million into the cash economy of SWA/Namibia,' said Mr Gibson.

Rössing's successful year of operation in 1981 once again contributed significantly to the profit of the Rio Tinto Zinc Group (RTZ).

The chief executive of RTZ, Sir Alistair Frame, announced in London that Rössing's contribution to the net profit of the group — £21.4m — was broadly unchanged from 1980 after a higher deferred tax provision.

'Efficiency at Rössing continued to improve during 1981. Recovery also showed a further improvement and production of uranium oxide was maintained at a similar level to 1980 and costs were well contained.

'The mine maintained its high standards of safety and emphasis was placed on environmental protection and reduction in the usage of fresh water,' Sir Alistair said.

In the RTZ report it was shown that Rössing's 1981 profit before providing for deferred tax amounted to £63m compared to £54.4m in 1980.

A spokesman for Rössing said RTZ consolidates in its accounts the portion of Rössing's profit which is attributable to RTZ shareholders.

'The bulk of the profit is, however, retained by the company for further development, and RTZ shareholders receive only their share of any dividends paid,' the spokesman said. (Peter Kenny)

# Kaap Kunene optimistic on Walvis Bay

By ALEX PETERSEN

THE KAAP KUNENE and Ovenstone groups have rationalized their fishing operations at Walvis Bay under an agreement whereby the catches of both groups are processed at the Kaap Kunene factory.

Kaap Kunene directors note in the group's annual report that the move has been satisfactorily completed, and the joint venture now has an efficient fish meal, oil plant and cannery which can handle the fish intake of both partners.

The fishing fleets will remain under separate control.

The benefits from the rationalization as well as the allocation of a separate pilchard quota for canning for Walvis Bay factories gives reason for a more optimistic outlook for 1982, the directors say.

On a turnover of R26 648 000 (R21 936 000) in the year to December the group's pre-tax income rose from R4 374 000 to R6 314 000, while net attributable income rose from R2 831 000 to R4 943 000, while earnings a share rose to 29,3c (20,7).

## Chile setback

The group's investment in fishing in Chile has clearly suffered a considerable setback, and provision has been made for R1 million for losses which may be suffered.

The directors say that "certain unforeseen circumstances have had a detrimental effect on our operations and drastic changes and adjustments have and will still have to be made to protect our interests to the best of our ability".

On the home front inshore fishing pushed up its contribution to the group's after-tax income from 34% to 51%, and in both the Walvis Bay and St Helena factories high oil yields were achieved from fish meal processing.

Income from investments marginally dropped its share of the larger total from 42% to 37%, but cash resources made "a substantial contribution... and will make a greater contribution during 1982".

On the farming front the group has sold its farms in the Western areas of South West Africa, concentrating its cattle operations in the Gobabis area. Satisfactory income is also anticipated from fruit farming developments in the Western Cape.

Milk <sup>221A</sup>  
71c, Argus  
butter  
R3,65,  
cheese  
R3,40  
in SWA

Argus Africa  
News Service

WINDHOEK. — SWA/Namibia housewives, already burdened with some of the highest grocery prices in the rand monetary area, are to receive another shock tomorrow when dairy prices go up from between 14 and 16 percent.

The increases mean that milk from the monopolistic Dairy Co-operative will cost 71c a litre from July 1 — 9c higher than the current price.

Butter will go up from R3,14 to R3,65 and gouda cheese from R3,65 to R4,15 a kg.

But these prices bear little relation to reality, as far as SWA/Namibia's retailers are concerned.

Since the Dairy Board disappeared here more than two years ago, the territory has had no statutory price control. Supermarkets in Windhoek have for months been selling milk at 68c a litre or higher.

#### IMPORTS

Because about 80 percent of SWA/Namibia's butter supplies are imported from South Africa, the product already sells at more than R3,50 a kg.

Gouda cheese is the only kind produced locally. All other kinds of cheese come from South Africa or abroad. Rail costs and indiscriminate profit-creaming make these cheeses a luxury.

The general manager of the Dairy Co-operative Mr Frank Corbett said that although there is no price control on dairy products in SWA/Namibia, the Department of Agriculture and his organisation exercise their own method of price control.

"The retailer buys his milk from us at the set price, and we allow him to add his profit of up to 5c a litre."

"But there have been cases in the past where retailers have added a greater profit, and in these cases we have simply refused to supply them with milk," he said.

#### SA PATTERN

Mr Corbett said the co-operative would tolerate retail milk prices of up to 79c a litre from Thursday.

The price increases are in response to impending rises in South Africa.

The fact that they are substantially higher in SWA/Namibia is ascribed to rail costs of cattle feed and of butter and cheese.

Mr Corbett acknowledged that the cost of dairy products in SWA/Namibia are the highest in the rand monetary area.

# Experts clash on claimed SWA oil find

221A

MOM

6/7/82

NEW YORK. — South West Africa may be sitting on enough oil to meet all its needs and "a significant part" of South Africa's, says Mr James Momper, a consultant expert who spent 18 months analysing test records.

But, on the eve of further negotiations on the future of SWA, he warned that serious exploration was unlikely until the political issues were resolved, including relations with Angola.

Mr Momper, a veteran oilman from Tulsa, Oklahoma, who presented his findings to the American oil industry three months ago, scoffed at published claims that SWA was awash with oil and could prove to be another Saudi Arabia.

"It's not a Middle East: it doesn't even approach the Middle East," he said. "But we are talking about possible reserves of several billion barrels. We're talking about something maybe two orders of magnitude under the Middle East stage. It's not going to revolutionise the economy of the world, but it could be of significant importance to the region."

Angola included. For what Mr Momper has painstakingly traced out is an ancient and very large geological basin under much of Owamboland and probably extending into Angola under some of the hottest areas of current guerrilla activity.

It could be a dud — "a complete disappointment" — he further cautioned. But he cited "very considerable evidence" from geological, geophysical and geochemical tests that had convinced him that "a sizeable area north of the Etosha Pan" was worth prospecting.

Mr Momper, who spent 30 years exploring and researching for Amoco Oil, said that a dry hole drilled by a Texan company in 1964 had put people off.

"I think the basins' been badly misinter-

preted by people working on it in the past," he said.

He stressed he had no involvement and no economic interest. "I try to be objective, he said."

Mr Momper made it clear that he did not foresee South Africa's Sasol plants suddenly becoming redundant.

"There certainly ought to be enough Owamboland oil for the Namibian economy and some to export to South Africa," he said. "I should think this might be able to contribute a significant part of South Africa's consumption, but certainly not completely. Whether this could ever produce enough to replace or substantially augment South Africa's oil consumption, I don't know."

But, in Windhoek, several mining sources yesterday scoffed at claims made by Dr Emanuel Rosenblat, chairman of Etosha Oil Company, that the Owambo Basin offered "the next greatest potential after the Saudi Arabian oilfield."

A noted geologist, Dr Grammie Brandt, said Dutch, Russian and American specialists on oil geology had studied the results of holes drilled by Dr Rosenblat and found that there was a real potential for oil in the basin.

One of the mining sources said that Dr Rosenblat, who was known as "Goldfinger" in the north of SWA and left the country in the mid-70s, was always "a bit of a legend" in the north and had spent a lot of money on prospecting for oil and other minerals.

He was over-enthusiastic and wanted to start drilling production holes before doing proper prospecting, the source said.

He added that Dr Rosenblat might have made his statements with the overseas market in view.

A spokesman for the geological surveys section of the Department of Economic Affairs said that, although traces of crude oil had been found in the basin, the traces were "very small".

## Blocked arteries unplugged

# Chemicals rejuvenate boreholes in Namibia

221A Jan 7/7/82

Water engineers meeting in Johannesburg this week heard with surprise of a new method to pump more water out of the ground by doping old boreholes.

A scientist of the Department of Water Affairs in Windhoek, Mr J Kirchner, described how he brought dead boreholes back to life by making them gargle magic potions.

The method can also be used to give old boreholes, which produce no more than a trickle, a rejuvenation course by making them swallow the right tonics.

Mr Kirchner was called to boreholes on the farms Colorado and Weihnachtsbrunn in the Windhoek district. Both had become clogged and re-drilling would have been expensive.

At Colorado he mixed sodium hexametaphosphate and hydrochloric acid and poured it down the

hole. Using water pressure, he made the borehole gargle.

After treatments over several weeks using almost 500 kg of detergents and other chemicals, silt and clay at the bottom of the hole had been removed and new passages opened. The borehole produced 69 percent more water than when it was first drilled.

At Weihnachtsbrunn a hole suffering blocked arteries was given 90 kg of similar

medicines. After some coughing and gurgling its yield rose to 14,5 cu m/h from 3 cu m/h — a vast improvement over the original 9 cu m/h.

Kirchner, speaking at the Groundwater, 82 symposium organised by the Geological Society at Wits University, said doping boreholes was cheap.

The cost of chemicals for a treatment is between R100 and R150.

## Family crime — a way of death in modern Japan

TOKYO — "Mother kills her three children on busy street." "No dinner brings death for wife." "Boy (16) murders abusive father."

The headlines tell the story. About 11 percent of the 1754 homicides reported in Japan last year were within families — parents killing children, children killing parents, spouses killing each other. Of the 193 family murders last year, 138 were cases of infanticide.

National Police Agency statistics show the number of family murders has declined from the recent yearly high of 275 in 1972. But

Police said she was apparently driven by fatigue from nursing her ailing father-in-law who later died.

The phenomenon of mothers killing children has a long history in Japan. Said Dr Hiroshi Inamura, a psychiatrist and professor at Tsukuba University. Because they think their children are part of them, many mothers contemplating suicide feel a tight psychological relationship that demands they take their offspring with them, he explains.

But authorities are even more perturbed by rising violence of children



Professor Elize Botha has been appointed a full professor in the Department of Afrikaans and Nederlands at the University of South Africa. She takes up her position on October 1. Professor Botha matriculated with five distinctions in her home town of Krugersdorp, obtaining her BA (cum laude) at Stellenbosch University, her MA (cum laude) in Afrikaans-Nederlands and received her DLitt et Phil (cum laude) at the University of Amsterdam in 1955.

### Research projects handed on

ED STOCKS!

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GENUINE LEATHER UPPERS

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PER CUSTOMER—



# The Cuban link

Any Namibian settlement is conditional on the withdrawal of Cuban troops from Angola, says SA. But Washington this week reiterated that "there could be no preconditions."

These seemingly irreconcilable positions may seem to doom the present round of Namibia negotiations. But in fact, the conflict is more apparent than real. As the State Department puts it: "These two issues are linked as a matter of logic and geography, but they are being handled as separate matters in separate channels."

In other words, the Western contact group, and particularly the US, are well aware that the departure of Cuban troops from Angola is SA's bottom line for a Namibian settlement. They are equally aware that if SA manoeuvres itself into making an ultimatum of the Cuban withdrawal, both Havana and Luanda will not be able to afford the appearance of knuckling under to SA demands.

To quote a US diplomatic source, continuing public demands by SA are "unhelpful," and will further fuel suspicions among European members of the contact group that SA is trying to block progress towards a Namibian election. The contact group want to handle the issue. And they're right.

It's time for SA to cool it with public demands for Cuban withdrawal. P W Botha should be wary of making political capital at home out of a fragile diplomatic process. The FM supports the PM's view on Cuban linkage — we just feel he should avoid the risk of overkill.

Getting Cuban troops out of Angola before a Namibian election is as much in US and contact group interests as it is in SA's. Current estimates of the six-year-old Cuban presence in Angola vary between 15 000 to 20 000 troops, plus some 1 500 to 2 000 East Germans, whom SA would presumably, and rightly, also want out because of their role in Angolan security services.

In these negotiations it is obvious that neither Swapo and the frontline states on the one hand, nor SA on the other, trusts the other's intentions. Each fears intimidation during the election run-up, to say nothing of potential military coups either before or after. P W Botha wants total withdrawal of Cuban forces prior to the six-month run-up to the election, to be followed by a staged withdrawal of SA's military presence.

Naturally the Namibian settlement and Cuban withdrawals are linked. One suspects Cuban forces are in Angola to prop up Jorge Dos Santos' MPLA government, increasingly destabilised by Unita's insurgency in the South. Potentially, with the Cuban removal, a changeover

to a more Western-orientated government may be possible.

This is in the interests of the southern African region as a whole. To quote Anton Rupert, we in SA can't sleep unless our neighbours eat. Economic prosperity is basic to stability in this region. It is axiomatic that Marxism cannot bring prosperity — and hence stability.

US Ambassador Herman Nickel told the FM that normalisation of relations between the US and Luanda would become feasible with a Cuban withdrawal — and he emphasised that such normalisation would include "an economic aspect" with the enhancing of private investment, hopefully leading in the long run towards more sensible economic policies in Angola.

Indeed, some US companies, led by Gulf Oil, have been clamouring for the US to recognise Luanda. Reports of oil in the Ovamboland-Southern Angola region, if true, show favourable economic potential for the region — given peace and capital to allow for its exploitation. The potential for prosperity is there.

Nickel refused to comment on contact between the US and Unita, but Unita's Jonas Savimbi has visited Washington and the FM understands from very good sources that wide-ranging contacts have taken place.

However, Nickel came close to a warning to SA when he said: "Like any policy, the policy of constructive engagement with SA needs tangible results if it is

to be sustained over the long run."

Transafrica, an American anti-apartheid pressure group, has alleged that Namibian negotiations have not in fact progressed since the time Reagan came to office.

However, even Castro seems to be hedging his bets. In an interview with Transafrica's magazine *Forum*, he said predictably, that Cuba does not accept the linkage of the Cuban presence to the Namibian issue. But he added: "If the independence of Namibia is obtained and the SA troops withdraw to the south of Namibia and when no danger is posed to the security of Angola, then we will start again with the progressive withdrawal of our troops — for the third time."

As the West's negotiating team begins a fresh round of talks in New York with Swapo and the frontline states, the UN Secretary General was meeting Swapo's Sam Nujoma in Geneva. US envoy Robert Cabelly also met Swapo officials in Luanda. Reagan administration officials have not had such intensive talks with Swapo before.

A US foreign policy success is needed, and it would be worth SA's while to remember it.



## NAMIBIA <sup>(221a)</sup> Costs of peace

FM 16/7/82

The economic consequences of peace in Namibia would be far more favourable for SA than they would be for the disputed territory, assuming a negotiated settlement means a complete end to SA involvement in Namibia.

The current cost of SA's military and administrative engagement in Namibia is estimated to be about R1,35 billion. This figure includes direct and indirect subsidies, budgetary aid, estimated military expenditures and the foregone labour earnings of the soldiers fighting in northern Namibia.

Direct and indirect subsidy figures, according to the Ministry of Finance's Estimate of Expenditures for the Financial Year ending 31 March 1983, total R410m.

Namibia's exchequer, the Central Revenue Fund (CRF), has a total budget this year of R890m. CRF earns about R300m in Namibian taxes, and collects R180m from Southern Africa's Customs Union Agreement. The balance of CRF funding comes from SA and totals 46% of its budget.

SA contributes R80m as a direct subsidy to Namibia's allotment from the Customs Union Agreement. Its direct budgetary aid totals R200m and is used by the CRF to finance Namibia's Post and Telecommunications Local Loan Fund. SA also offers CRF an indirect subsidy in the form of loan guarantees. A Treasury official says that CRF is expected to borrow R130m in SA capital markets this year.

### Pure speculation

Military expenditures are more difficult to assess because the Ministry of Defence prohibits access to them. But estimates from economists and military sources put the figure this year at about R730m.

"It's pure speculation," says one high level Defence officer, "but the estimate that the northern Namibian campaign costs R1m a day doesn't sound at all high to me. It's very expensive to maintain our forces with all the support they require."

Sources close to the military suggest, however, that R1m/day was the figure more appropriate for costs in 1978. Since then, inflation has averaged 15%, and military operations have escalated. Adjusting



### SADF soldiers ... measuring opportunity costs

the 1978 figure for inflation, and adding 10% to total estimated expenditures to account for the increased scope of military operations, the border war could be costing as much as R2m/day. This figure does not include the hospital and rehabilitation costs of caring for maimed veterans.

The foregone civilian labour earnings of National Servicemen in combat is conservatively estimated to be R210m. This figure roughly measures the economic opportunity cost of the manpower used in military operations. Assuming that SADF privates earn, on average, R200/month, and that as members of the civilian labour force their earnings would average R800/month, the total loss to each soldier is R600/month. Assuming further that there are 30 000 soldiers involved in the border war, the total opportunity cost to the soldiers and to the economy is probably about R216m.

However, these military cost assessments should be treated with some caution. SADF soldiers would presumably be retained in National Service. But their ener-

gies could be directed toward relieving the manpower shortages facing SA. And, although military expenditures might be reduced given diminished need, the history of military spending abroad suggests that it is unlikely that the Ministry of Defence would reduce its spending in peacetime.

For Namibia political settlement could mean the sudden removal of the substantial SA military and financial resources that now form a vital part of its economy. As attractive as the psychic capital accompanying independence may be, Namibia stands to gain little economically. It would have to find funds to replace direct SA subsidies, and it would have to find an alternative capital market in which to borrow.

Much more serious, however, it would need to replace both the skills and income currently supplied, directly or indirectly, by Pretoria. Most of the teachers, doctors and veterinarians in Caprivi and Owambo, for example, are members of the SA military forces. And economists report that the local economies in the three northern homelands are largely dependent on SADF spending.

### Onset of peace

With the onset of peace, the Namibians will be forced to finance their own civil administration. They will need to establish their own police and defence forces, institutionalize their own system of justice and maintain their own postal and telecommunications services. The economy also needs infrastructural development. It will not require the reconstruction that Zimbabwe needed following its independence, but most observers suggest that the combination of transition costs and regional development programmes will make international aid necessary.

At this point, however, these projections about the consequences of peace are little more than speculative. Pretoria is budgeting next year's expenditures on the assumption that SA administration of Namibia will continue. As Gerhard Croeser, Chief Executive of Public Finance puts it: "Peace in Namibia is not a part of our normal budget planning process."

(214) Star  
**Change at Walvis Bay**

12/8/82

The existing crane and rail lines at Walvis Bay harbour are being replaced by a new rail network to service the quay wall, which is being expanded.

The main contractors, Underwater Construction, have started work

on the concrete reconstruction of three berths in the seven-berth quay wall.

The project involves restructuring the wall berth-by-berth.

The project is due to be completed by the end of next year.

# SA policies blow to Namibia, says Windhoek speaker

Star 221A  
12/8/82

WINDHOEK — South Africa's policies of tariff protection and import control adversely affected secondary industrial development in Namibia, the Socio-Economic Conference heard in Windhoek yesterday.

The general manager of the First National Development Corporation (Enok), Mr Johan Lerm, appealed to the authorities to negotiate with the South African Government to secure the involvement of Namibia in the formulation of industrial growth policies.

He said that although the manufacturing industry in the territory contributed a mere five percent to the gross national product, the sector employed ten percent of the labour force.

"Development of this sector will thus proportionately increase its contribution to the creation of job opportunities," Mr Lerm said.

Fiscal instruments employed by the state to establish and stimulate industrial growth included tariff protection and import control.

"But as part of the Southern African Cus-

toms Union, Namibia does not have these instruments of policy at its disposal," Mr Lerm said.

South Africa's policies on customs and excise did not necessarily coincide with the best economic interests of Namibia.

"I request the government to negotiate with the Republic of South Africa to ensure that Namibia is involved in the formulation of customs and import control policy to ensure that industrial development is not retarded artificially," he said.

Cost incentives provided by South Africa to encourage the establishment and growth of industry in the Republic had placed Namibia at a disadvantage.

"The extension of these incentives to industrialists in Walvis Bay has created further problems for industrialists in Namibia," Mr Lerm said.

He suggested that industry in Namibia should be put on at least the same footing as the black national states (homelands) in South Africa to compete in the international markets. — Sapa.

NAMIBIA

Windhoek 'Carlton'

22/a

FM 13/8/82

On Wednesday this week, as the FM went to press, a one-day government-private social and economic policy in SWA/Namibia" was held in Windhoek. Originally announced as a Namibian version of the SA's Carlton conference, its timing fits well with the DTA's election programme, now well under way.

For some time now, the private sector in Namibia has been feeling economically anxious and politically restive under a combination of tight budgets and national uncertainty.

According to the secretary of the territory's Finance Department, Dr Johan Jones, the object of the conference was to "establish lines of communication between public and private sectors, and to serve as a basis for future debate on economic development."

Jones told the FM: "We've reason to believe the private sector feel they haven't had adequate access to government, that they want a way for their inputs to determine the nature of development in the country." Some 300 representatives, mainly from commerce, industry, mining and agriculture, were registered for the conference. "Government" was represented by the

Ministers' Council of the DTA-dominated National Assembly, of which DTA leader Dirk Mudge is chairman. Indeed, Mudge opened the conference. Dr Simon Brand, economic adviser to SA's prime minister, spoke on the monetary and fiscal role of government.

First on the agenda was discussion of "national objectives and basic premises — employment provision and income creation as national priorities," led by Jones himself.

The primary, secondary and tertiary sectors each put their case for discussion. Mining was represented by CDM's Dough Hoffe, who is also chairman of the local Chamber of Mines.

Johan Lerm of the First National Development Corporation — successor to the Economic Development Corporation, and the various homeland corporations — opened discussion of the secondary sector; and Abraham Witbooi of the black Namibian Chamber of Commerce and Industries spoke on the tertiary sector.

Other topics included education and training for development, necessary infrastructure services, housing, and foreign participation in the economy, all with an eye to development.

Jones expects that a number of the issues raised at the conference will be referred to the recently formed Development Advisory Council (DAC), which is designed to play a

role exactly analogous to that of SA's Economic Advisory Council as a continuous liaison body between business and government.

Which government, though? The current status of the settlement process is shrouded in diplomatic fog, but it appears strange for the Ministers' Council to set up consultative structures when its own dissolution is scheduled as soon as the UN forces arrive and the election countdown begins.

One explanation is that the Ministers' Council does not expect UN elections for some time at least; or that it feels that whether the settlement succeeds this time around or not, some political confidence and sense of economic direction will have been generated even if the DTA does not directly benefit.

# SWA plans to get a fair share of mining profits

221A S-Express 15/8/82

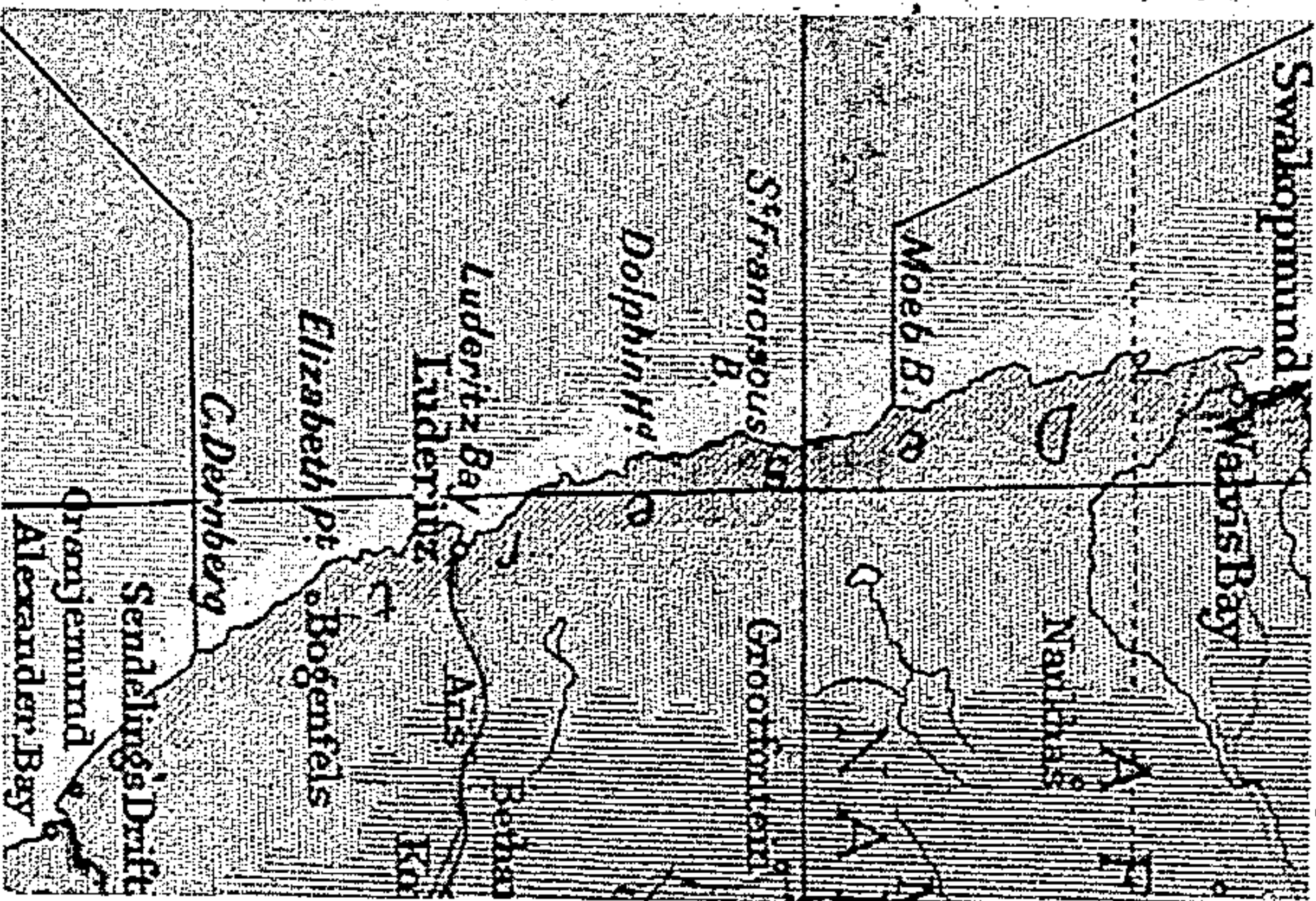
**WINDHOEK** — Namibia plans to tighten its grip on its own mineral wealth, especially the multi-million rand diamond industry controlled by De Beers.

The chairman of the Council of Ministers, Mr Dirk Mudge, spurred by a new wave of economic national-

**BY DAVID PIETERS**

ism in the territory, this week announced radical changes envisaged for the territory's R450-million-a-year mining industry.

At a conference this week



● South Africa's 13 islands off the Namibia coast.

● Restructuring the Diamond Board of SWA.

● Creating a Mining Resources Council.

● Appointing government representatives to boards of major mining companies.

● Taking up shares in those companies.

● Creating a separate Mining Department.

The announcement was seen as a victory for Mr Eric Lang, a millionaire Namibian businessman who has conducted an outspoken campaign against the "unholy alliance" between the government and foreign big business, especially in mining, which contributes 34% to the territory's gross domestic product.

In May Mr Lang lashed out at Consolidated Diamond Mines' control of the territory Diamond Board and at what he saw as the lax government policies towards unchecked profit-taking and over-exploitation of the country's dwindling mineral resources.

He has also urged the creation of a Mineral Resources Council to act as watchdog over all mineable reserves.

Mr Lang, who launched a private investigation into the economy of Namibia six months ago, told the conference CDM had generated after-tax profits of about R4 700-million, at current prices, on sales from 1946 to 1981 of about R16 000-million.

Of this the state did not get a fair share in taxes, he claimed.

"In the mining industry there is no effective control over the production and export of our mineral wealth. The industry has been left to police itself.

"The South African Government — aided and abetted by local politicians since 1920 — has, contrary to all pronouncements, stunted, not promoted, the development of the territory."

Mr Lang also accused the Government of "selectively hiding and distorting statistics vital to a proper assessment of the economy".

He said the "brunt of the statistical handicap" was borne by the Opposition in South Africa and the business community "that is trying to plan its investments in a data-vacuum".

Mr Lang also said Namibian agriculture was "still a mere adjunct of the South African cartels and subject to all the socialistic malpractices that South African politics have imposed".

He urged the government to "stop maintaining this unviable state of affairs with ill-conceived subsidies which only postpone the day of reckoning".

# Namibia's

farmers

22/A

'face slow

20/8/82

disaster

By Alan Dunn

The Star's Africa  
News Service

WINDHOEK — Namibia's choking economy has lost a quarter of its white farmers and more are leaving their lands daily as conditions worsen.

The territory's farmers now owe banks and co-operatives R138 million, about a third more than their total debt two years ago, says a report by the S W A Agricultural Union.

The report describes the situation as catastrophic and urges drastic changes in farming policies to prevent higher unemployment and a general deterioration in the farming position.

The organisation proposes: a stop to communal farming in "traditional" (tribal) areas; clearing millions of hectares of bush by hand; slaughtering all livestock locally; and the creation of an independent meat price structure.

Unless such measures are taken, the union warns, the situation will cause large-scale unemployment and misery among Namibia's 45 000 farm workers, 150 000 family members and 100 000 subsistence farmers in the traditional areas.

The drought, rising interest rates and an ailing economy have driven a quarter of the territory's white farmers into towns in search of work in the past five years, leaving about 4 500 still economically active.

Livestock herds have dropped sharply since January 1980 and income from cattle, sheep and pelt sales has slumped this year to R92 million, almost half what it was in 1980.

"Drastic measures are needed to stop this downward trend," the survey says. It blames, among other things, communal farming, bush encroachment, the collapse of the (karakul) pelt market, problems with meat marketing and the territory's uncertain constitutional future.

Namibia needs consolidation of farms too small to be economic, coupled with a new approach to grazing potential, the report continues.

About 8 million hectares of high-potential ground in northern Namibia have been taken over by bush, cutting production there by four-fifths.

Bush encroachment is increasing annually but can be combated by hand in the light of the present unemployment problem in the territory.

It is difficult to determine how much political uncertainty has affected agriculture in Namibia, but it has done so to a large extent, the union says.

221A RDM 20/8/82  
**Cloud milking in dry SWA gets tentative go-ahead**

WINDHOEK. — Clouds seeding above the parched South West Africa land may soon be "milked" on a regular basis.

The SWA Ministers' Council has accepted recommendations that a weather specialist be appointed to examine the feasibility of instituting a permanent cloud-

seeding programme. A test project carried out in March and April this year showed that the milking of clouds seemed possible in the territory, the council was told.

Large areas of the territory, regularly plagued by drought, are experiencing one of the worst drought cy-

cles in history. The report before the council said the chances of successful rainfall modification were small during drought periods, but would reach maximum effectiveness in years of normal and high rainfall.

"Cloud-seeding is not an

answer to a drought situation during the drought, but should rather be undertaken on a continuous basis if undertaken at all," the report said.

The technology should not be viewed as a water supply scheme in itself.

"At best it can be regarded as a supplement to existing

sources of supply." The annual cost of a rainfall modification programme was estimated at R330 000 at current values.

An initial capital outlay of R225 000 would be required.

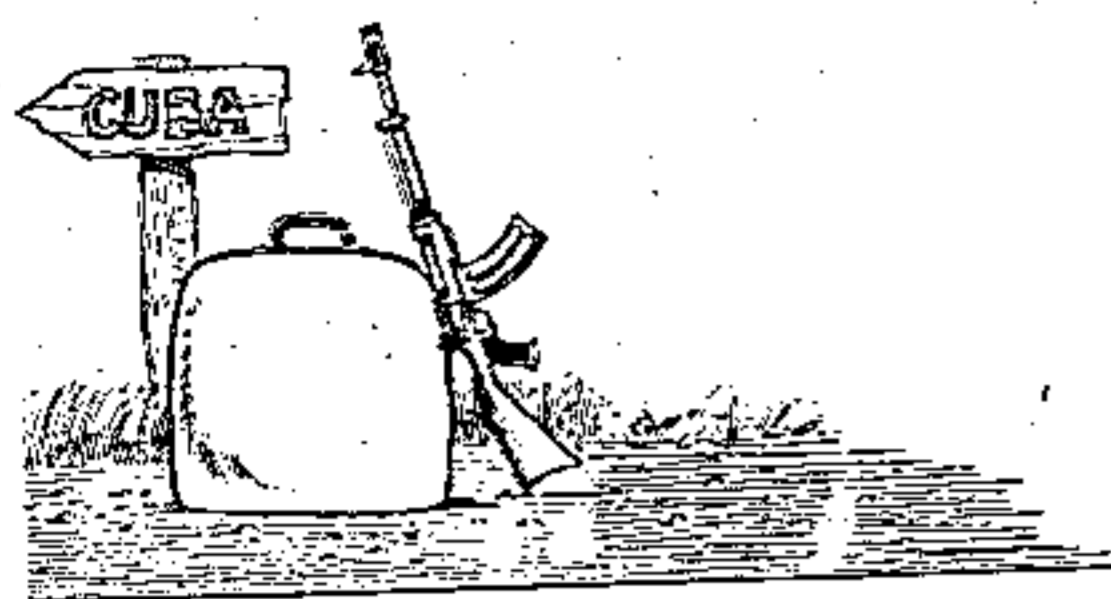
Legislation concerning cloud-seeding should be drafted, it said. — Sapa.



# All is not what it seems

(221) A

FM 3/9/82



Pariah or not, SA remains very much a member of the Western family of nations. While we violate some of the basic principles

of democracy, we remain *authoritarian* and not *totalitarian* in our nature.

What gives our friends in the West hope is that, while totalitarian states — nowadays usually those of Marxist leanings — seldom revert to democratic ways, authoritarian states have a greater propensity for this direction of change.

Examples include the bloody and ruthless suppression of dissent in Soviet satellites such as Hungary, Czechoslovakia and Poland compared with the relative tolerance seen in the Republic of China or Chile. Or one can compare conditions in South Korea with North Korea: while neither is a civil rights paradise, the south clearly offers far greater freedoms, particularly in the economic realm, than does the Marxist north.

Now, as a member of the West, SA is part of the struggle to resist the spread of the godless, repressive system of Marxist communism. This leads us to wonder about the wisdom of SA's pressure to link Cuban troop withdrawal to elections in Namibia and the exit of SA forces from the arena.

Firstly, it is difficult, if not impossible, to define "withdrawal" of Cuban forces. Does this include engineers and medics? How many troops are we talking about? And so on.

Further, assuming a *permanent* withdrawal of Cuban troops, the principal beneficiary would be Jonas Savimbi and his Unita forces. He is pro-Western and Angola is a sovereign Marxist state. Moscow won't easily surrender Angola to Savimbi. Ineluctably, we are drawn to the conclusion that the Cubans, or some other Moscow surrogate, will arrive to prop up Luanda's Marxists.

Meanwhile, back at the ranch, Namibian elections will have put a Swapo Marxist administration in place in Namibia. Savimbi will be isolated from whatever support SA might have been giving him. As the sole method of maintaining a communist government in place is through force, force will be provided and it will be used, not only against the civilian population now under Luanda's rule, but also against Savimbi.

Thus will Moscow have executed a brilliant flanking movement, its influence penetrating down the western coast of southern Africa.

Like everyone else, we indulge here in mere speculation. But the game plan of the forces of collectivism, and, make no mistake, they are the forces of evil, could well embrace some of what we suggest. And that can't be in the interests of SA or of the West. Both Pretoria and Washington need to tread carefully here if they are to avoid walking into a sucker punch designed, in all probability, in the Kremlin.

# Treasury allocates R8,3m<sup>221A</sup> <sup>E. Post</sup> to SWA<sup>10/9/82</sup>

WINDHOEK — The South African Treasury had made available an additional R8 322 480 to the state finance of SWA/Namibia, the Secretary of Finance, Dr Johan Jones, said in Windhoek.

In addition, the South African Broadcasting Corporation had allocated R7,5 million to the SWA Broadcasting Corporation for the improvement and extension of broadcasting services in the territory.

Dr Jones said in a statement that R5,546 million of the R8,3 million would be allotted to a number of second-tier ethnic authorities and the Rehoboth Government.

The money would be used mainly for water supplies and education.

A total of R1 876 480 would be used in projects controlled by the central authority. The balance would go into subsidies on loans by the ethnic authorities. — Sapa

Namibia, the tough desert country which has always managed to bounce back from one natural calamity after another, is today in the grip of three paralysing pressures which threaten to cripple it permanently.

They are drought, economic depression — and uncertainty.

The drought is said to be the worst in more than a generation. Much of the country is littered with the carcasses of livestock and wild animals. Some rural children five years old have never seen rain. In the worst areas food has to be provided not just for cattle or sheep but for people.

The economy is staggering under international inflation and bad prices for Namibian exports. Changes in Europe's fashion whims have almost knocked the bottom out of the once booming karakul industry. Drought has dealt a shattering blow to beef production, with herds cut back virtually to breeding stock only — and much of that living on fodder.

Diamond prices, once the economic mainstay, have plunged. Uranium prices are also well down. The recently moribund pilchard fishing industry is showing

# Triple threat to the future of Namibia

But above all, uncertainty is stifling the territory, writes Wilf Nussey.

twitches of life but is still far from full recovery.

But above all it is the uncertainty which is stifling Namibia — the seemingly endless independence negotiations, the years of political promise and disappointment, the futile bickering between the internal parties, and Namibians' own ignorance about what fate is being decided for them by outsiders.

"There's a sense of futility here," says a politician "There's no point in holding public meetings any more because there's nothing to say, nothing new to go on. We have political inertia."

So depressive is this inertia that a small but growing number of people say: Let's get on with it and have an election and even if Swapo wins, that's better than this uncertainty.

Hardly any new investment seems to be coming in except for fast turnover, quick profit operations like supermarkets requiring relatively small capital investment.

The big multinationals have no qualms, however, knowing the future government, whoever it is, will need them more than they need it. Consolidated Diamond Mines has built an impressive office block in Windhoek, the only major construction for years.

South Africa, forced by the economic slide to cut financing to the bone, has put tight

curbs on money for Namibia. Public works have been drastically reduced.

Some construction companies have shut up shop; others are on care and maintenance, having dismissed most workers. Architects and quantity surveyors are leaving the country.

Even investment by locals has plunged.

The combination of pressures over several years has caused a marked decline in the population of whites — the reservoir of administrative, financial and technological skills which keeps the country going.

From a peak of a little over 100 000 (about one tenth of the total population) they have dropped to about 70 000, roughly half of whom are born "South Wests." Those who have gone to greener fields like

Somerset West include several formerly prominent politicians, ironically.

Windhoek's white population has remained largely static: 32 112 in 1975 and 33 000 this year. But the dropping of old apartheid restrictions has brought many other people in: the coloured population has grown from 9 057 in 1975 to 20 000 today and the blacks from 33 170 then to 50 000 now. The city's total population has risen from 74 349 then to 103 000 now.

Much of this influx, however, is of people seeking jobs because of drought and other hardship elsewhere.

The kind of uncertainty which does every thought is: will Swapo win? If it does will my business be nationalised? Will they take away my farm? Will they compensate me and let me take my money out? Will I still be allowed to send my children to school or university in South Africa? Will property prices drop? Will my school/hospitals/suburb be swamped with blacks? Will the fighting stop after independence?

As one man put it: Okay, so we have a peaceful election and then independence, then what happens to all those Swapo guerillas in camps in Angola? They have to be brought back home, with their guns. Will we have the same problems as they're having in Zimbabwe?

## Chemical weapons

mony provides extremely valuable evidence in the alleged use of chemical warfare by Moscow.

Other Soviet troops captured by the guerillas have referred to the presence of chemical and biological agents in Afghanistan.

But the soldier gave detailed testimony of how he had been caught chemical warfare in the Afghanistan capital, Kabul. He said Soviet helicopter pilot ice ordered him to don a gas mask during

an attack on a guerilla camp.

At least one other Russian soldier and several Afghan army defectors interviewed by Western journalists have maintained they were deployed in areas where chemicals were sprayed.

Earlier this year, the State Department maintained that more than 3 000 Afghans had suffered from chemical warfare attacks.

The Kremlin has repeatedly rejected the claims as "absurd."

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# Namibia stricken by a slump, doubt, drought

ARGUS 15/9/82 221A  
Argus Correspondent

JOHANNESBURG. — Namibia, the tough desert country which has always managed to bounce back from one natural calamity after another, is today in the grip of three paralysing pressures which threaten to cripple it permanently.

They are drought, economic depression and uncertainty.

The drought is said to be the worst in over a generation. Much of the country is littered with the carcasses of livestock and wild animals.

## FOOD FOR STOCK, PEOPLE

Some rural children five years old have never seen rain. In the worst areas food has to be provided not only for cattle or sheep but for people.

The economy is staggering under international inflation and bad prices for Namibian exports.

Changes in Europe's fashion whims have almost knocked the bottom out of the once booming karakul industry.

Drought has dealt a shattering blow to beef production. Diamond prices, once the economic mainstay, have plunged. Uranium prices are also well down. The recently moribund pilchard fishing industry is showing twitches of life but is still far from full recovery.

The big multinationals have no qualms, however, knowing the future government, whoever it is, will need them more than they need it.

Consolidated Diamond Mines has built an impressive office block in Windhoek, the only major construction for years.

South Africa, forced by the economic slide to cut financing to the bone, has put tight curbs on money for Namibia.

Some construction companies have shut up shop, others are on care and maintenance.

## KEEP A NEST EGG

Even investment by locals has plunged. "I cannot in all honesty advise people to plough back all their money here," says one consultant. "Not knowing what the future holds, I have to tell them to keep a nest egg in the Republic."

The combination of pressures over several years has caused a marked decline in the white population — the reservoir of administrative, financial and technological skills which keeps the country going.

But above all it is the uncertainty which is stifling Namibia — the seemingly endless independence negotiations, the years of political promise and disappointment, the futile bickering between the internal parties, and Namibians' own ignorance about what fate is being decided for them by outsiders.

"There's a sense of futility here," says a politician. "There's no point in holding public meetings because there's nothing to say, nothing new to go on. We have political inertia."

So depressing is this inertia that a small but growing number of people say: "Let's get on with it and have an election and even if Swapo wins, that's better than this uncertainty."

## NATIONALISATION FEARS

The kind of uncertainty which dogs every thought is: Will Swapo win? If it does will my business be nationalised? Will they compensate me and let me take my money out? Will I be able to send my children to school and university in South Africa? Will my suburbs/schools/hospitals be swamped by blacks? Will the fighting stop?

# Unravelling the mesh of Namibia's millions

The Namibian border war costs South Africa a million rands a day. But little of this is an outright loss — most, possibly 70 to 80 percent, is ploughed back into the economy through the arms industry, soldiers' pay and ordinary commerce and industry.

This is the assessment of Windhoek businessmen and politicians trying to unravel the tangled financial involvement between the two countries now that Namibia is largely in control of its own revenues.

The Prime Minister, Mr P. W. Botha, this week told the Transvaal National Party congress that South African taxpayers were contributing R800 million a year to the running of Namibia.

If the war takes R365 million, R435 million remains. About half of this is a direct grant-in-aid to the Namibian

WILF NUSSEY recently visited Namibia to look at political developments there and found that whatever the solution, the country will have trouble maintaining its present economic system without outside help. This is what he saw on the financial front.

annual budget, but no one is certain how the rest is distributed. It is believed the money is spent on services like rail and air transport, the operation of Walvis Bay harbour and the provision of civil servants, police and various skills.

Recent changes in the territory's financial structuring now give its central government, the National Assembly and Council of Ministers, a big slice to use as it deems fit.

This year's budget, in millions, comprises:  
R250—Namibia's share of the Southern African Customs Union income.

R200—a direct contribution by South Africa.

R180—loans Namibia can raise, guaranteed by South Africa.

R35—taxes from the diamond industry.

R2—taxes from other mines.

R20—company taxes.

R58—general sales tax.

R5—other sources.

R750—Total.

Namibia's 11 second-tier ethnic governments collect income taxes as their own revenue, to use as they see fit, so there is no co-ordinated expenditure.

The whites' ethnic

government receives R41 million, for example, compared with the Ovambo's R2 million — but there are about 70 000 whites and almost 500 000 Ovambos.

However, some compensation is made for the disparity when the National Assembly disburses funds to the various groups. The white share of the national budget is R22 million against the Owanbos' R94 million.

A set formula is used to fund certain social services controlled by the ethnic governments. Each gets R225 a year for each pupil at school, plus R36,69 for health services for each person in the group, plus R600 for each pensioner.

Namibia is struggling financially this year because of the general economic squeeze and the depression. The drop in the diamond,

market has cut diamond tax revenue to R35 million in this year's budget from an estimated R188 million in the 1979-80 financial year.

Revenue from other mining is low because uranium, the biggest mining operation is still paying little tax while capital costs are recovered. From next year uranium taxes should rise steadily.

There is widespread dissatisfaction and criticism within Namibia about the way many of the ethnic governments, with virtually no previous experience in self-administration, are handling their budgets.

Their revenue is virtually non-accountable because under the present interim constitution they are not obliged to submit to examination by the Auditor-General and can choose whichever auditors they wish.

Several have been

# SWA commission to probe

Argus 17/9/82  
231A

# 'many accusations' of corruption



Mr Danie Hough

Argus Africa  
News Service

WINDHOEK. — The Administrator-General, Mr Danie Hough, is to order a commission of inquiry into alleged corruption and financial irregularities in SWA/Namibia's governing bodies.

He intends appointing a South African Supreme Court judge and senior officials from the Treasury to make findings on "numerous accusations" aired recently.

This follows urgent calls for an investigation, and a formal request from the Council of Ministers.

Mr Hough said last night that both the territory's representative authorities and the central govern-

ment would be investigated for mis-spending and irregular use of property.

He would ask the commission to issue interim reports, because he viewed the matter as "extremely urgent".

Officials from the Department of Finance could also, on his instructions, make financial inspections while the commission was sitting.

He made it clear that the commission would not interfere with his bid to create a "more acceptable and more effective" interim government in SWA/Namibia.

"One would really not get far if one must always wait for results of commissions," he said.

He expected the commission would take a "considerable time".

The terms of reference would be to investigate and make recommendations to the Administrator-General on the possible misuse of money or goods belonging to the State or representative authorities, with specific reference to possible unlawful personal gain by anyone; and the adequacy of existing laws and control structure to prevent and bring to light, in the public interest, such misuse.

Mr Hough said he had already made preparations to appoint the commission. He would announce names later.

# SWA has pay hitch

221A

E. Post 18/9/82

WINDHOEK Coloured old-age pensioners in SWA/Namibia, who usually receive R101 a month, are facing financial difficulty because it became unlawful on September 1 for the coloured ethnic authority to issue cheques, reports said in Windhoek yesterday.

An official of the Department of Finance, Mr G J Claassen, confirmed to Sapa that the coloured representative authority could no longer issue cheques.

The reason was that the Coloured Legislative Assembly had failed to obtain approval from the Administrator-General of the territory for its appropriation.

The budget for coloureds was referred back for further consideration to the Administration for Coloureds by the Administrator-General after the legislative assembly had voted more for expenditure than its potential income.

Unless alternative

arrangements were made, coloured officials and teachers employed by the administration could not get paid this month, a news report said.

In terms of financial legislation, Government institutions may carry on with their activities for five months after the beginning of the financial year without an approved appropriation, after which their right to issue cheques lapses until they receive approval for a budget.

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# SWA's 'black gold' is losing its glitter

By Peter Kenny in Windhoek (22/11)

KARAKUL — once known as the black gold of SWA/Namibia — is losing its glitter with plunging prices on the world market and the industry in a critical condition in the territory.

Farmers are hoping the last auction of the year in London on November 22 will bring higher prices, but recent trends do not indicate this. Last week, the price of pelts dropped a further 15% in the British capital.

According to the member of the Ministers' Council in charge of agriculture, Mr Hans von Hase, the karakul industry

is in a crisis, "but it is not on its knees yet and collapse of the industry is not in sight," he said.

The pelts that produce the chic coats that are marketed under the trade name of Swakara are produced mainly in the arid areas of SWA/Namibia.

Practically the entire Swakara production is marketed overseas, mainly in Germany.

The drop in prices presents a loss of important revenue to a land suffering from the double blow of the world-wide recession and the worst drought this century.

*20m 2/11/82*  
The number of karakul stock, which take generations to breed quality pelts, dwindled from 3 120 000 in 1980 to 1 075 000 sheep in February, 1982, according to the annual report of the SWA Agricultural Union.

In 1978 4 660 000 pelts were produced, in 1980 three million pelts were sold for R42 800 000, but the business began to give way in 1981.

Mr von Hase said the price of pelts had dropped in two years from R18 to R9 and the estimated number of pelts to be sold this year would be a mere 1 400 000 with an expected revenue of only R14-million. — Sapa.



# SWA mining houses deny deal with Swapo

221A  
Mercury 29/9/82

## Windhoek Bureau

THE three largest mining companies in South West Africa — Tsumeb Corporation, Rossing Uranium and CDM — yesterday all denied claims made by business sources in New York that the big mining houses had negotiated an agreement with Swapo president Sam Nujoma ensuring their future in case of a Swapo takeover.

But reliable Windhoek sources with close Swapo contacts expressed no

surprise at the alleged agreement.

Sources said Rio Tinto Zinc, a share-holder of Rossing and the company alleged to have made the deal on behalf of the other companies, had had close contacts with Mr Nujoma since the late 1980s.

Sources also said that Mr Nujoma had close contacts with a company which had an interest in Tsumeb Corporation, but which sold its shares in the 1970s.

A spokesman for CDM said yesterday the company knew 'absolutely nothing' about the alleged deal.

A director of Tsumeb Corporation, Mr Wayne Bird, responded from New York as follows: 'We have absolutely no knowledge about anything in the report. It is totally foreign to us. We have absolutely no knowledge about anything of that kind.'

A Rossing spokesman said the company 'most strongly denied' allega-

tions of a deal. He had been in contact with Rio Tinto Zinc in London, and the company described the reports as 'untrue', he said.

He also denied allegations that a new 100 million dollar uranium investment was expected to be announced shortly as evidence of confidence born of the deal.

He said Rossing was not 'indulging' in prospecting and did not intend to open any new mine.

● See also Page 18

# The lean years

FM 22/10/82

221 A

Namibia has three deserts — the Namib, the Kalahari, and the economy. And with no settlement in sight, businessmen in Windhoek are wringing their hands over prospects. Recently published gross domestic product figures make sobering reading (see table).

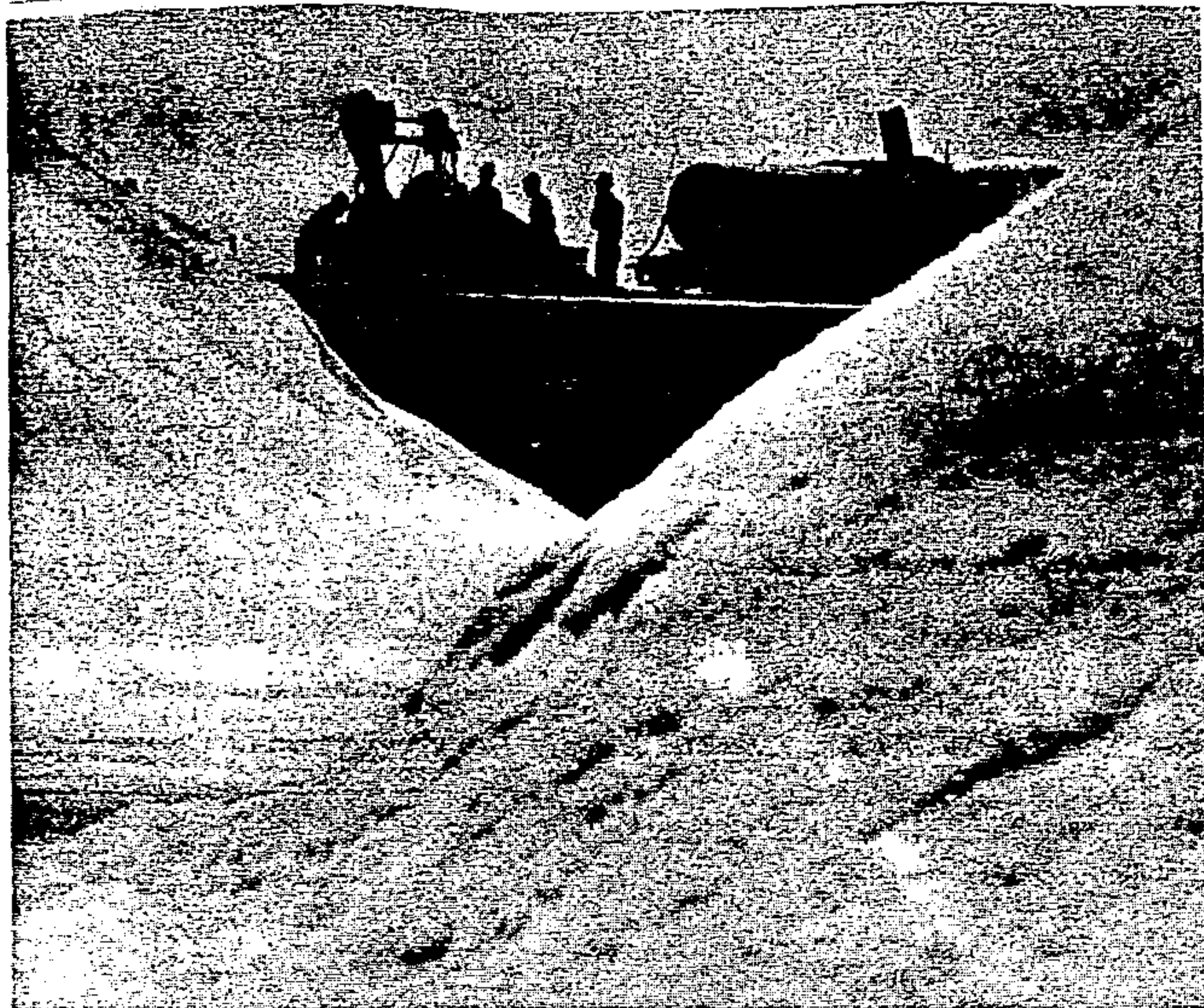
Sector after sector is down. Indeed, according to Namibia's Director of Finance,

Johan Jones: "The only growth sector is government. And this increase mainly reflects police and defence expenditure that hasn't appeared before in our accounts."

Jones told the *FM* last week that while fishing — with stocks depleted for many years — was beginning to recover, "mining and agriculture keep the crucial primary sector's contribution depressed. We have

negative growth."

At R839 591m, Namibia's 1982-83 budget is smaller than any of SA's larger cities. This is equal to a mere 3% of SA's own budget. Its gdp adds up to R1 419,4m at current prices. Put another way, it is a small-scale, commodity-based economy not untypical of many others in Africa. The difference, of course, is politics. That is really what has



Namibian salt industry ... endangered by rail rebates

the major Western powers buzzing around looking for a way out of this peculiar colonial problem, though economic troubles show even less likelihood of abating.

Namibia's export-orientated economy is so dependent on the primary sector (mining, agriculture and fishing make up 40% of the latest gdp figures, as opposed to 45% over the previous decade) that a drought or world market price drops are not just setbacks, but disasters which will affect whoever manages the country in the future. The possible complexion of that future government is the key to the political limbo in which Namibia languishes at present.

Jones was frank about the consequences: "For five years now, investors — sensibly — have been playing wait-and-see. But the business community is still surprisingly optimistic — or at least stoic."

Stoicism is definitely called for. Diamonds, as is well known, are a disaster area. CDM's anticipated tax bill for next year is put at a quarter of its R124m in 1982. Karakul prices — the economic staple of the arid south — have fallen. The giant

Rossing uranium mine begins paying tax this financial year, but optimistic estimates of R100m-odd in tax revenue are hopelessly out, said George Stobart, Rossing's finance director.

"Rossing is still using up its tax losses," Stobart told the *FM*, "so the amount we pay next year will be minimal. We'll be paying normal tax next year. All our sales are on long-term contracts, so the present low spot prices don't hit us directly. But it does have an influence in the long term." Base metal prices remain low, which is bleak for Tsumeb Copper, the third of the Namibian mining giants.

Agriculture — both commercial and subsistence — has been hard hit by the drought, which is worsening. It is now midway through the rainy season and, if substantial rains don't fall before February, thousands more than the estimated 60 000 livestock already lost this year may have to be slaughtered.

Last year, brief rains blunted but did not break the drought. Farmers are struggling to preserve their breeding stock.

Particularly among smaller farmers, bankruptcies are becoming alarmingly routine. Many have given up the land and returned to SA's job market. Drought damage to soil and grazing needs several years' adequate rainfall to be reversed.

The country's tiny manufacturing sector — less than 5% of gdp but employing 10% of the workforce — has been hit not only by the downturn and financing problems, but by SA's industrial decentralisation programme. "SA's enclave of Walvis Bay is our Trojan Horse," charged Doug Hoffe, president of the local Chamber of Mines, MD of CDM, and chairman of Barclays in Namibia.

"Both Walvis and Upington on our southern border are defined as falling within the western Cape development region. Enterprises there get 40% rail rebates, employment incentives, up to 80% of their wage bill and relocation allowances from government," he said.

"Obviously they're able to undercut local producers. The Namibian salt industry is an example. It used to compete for industrial salt contracts with producers in Walvis Bay. Now it's endangered by the rail rebates. We've protested to SA, with no results."

"This country gets a raw deal," complained one businessman. "We're linked into SA's financial, transport, communications and retail networks, but the effect is to drain us, not to stimulate."

Harold Pupkewitz, past president of the Chamber of Commerce, agreed. "We import SA's inflation with its goods and money. Between 80% and 90% of our consumer goods are from SA. Our exports mostly go overseas, so we have a very skewed balance of trade with SA."

Hoffe pointed out, though, that Namibia would be able — given a settlement — to export power to SA. The local power corporation, Swawek, will link into Eskom's grid early next year. When the Ruacana hydroelectric scheme in the north can be fully used, it will supply far more than the country's needs and, as originally planned, the balance will spill over into the Eskom grid.

Power from Ruacana is feeding into the Swawek grid, but is said to be unreliable.

## NAMIBIA GDP

At constant 1975 prices (Rm)

| GDP at factor cost | Agriculture and fishing | Mining and quarrying | Manufacturing | Electricity and water | Construction (contractors) | Wholesale and retail trade catering and accommodation | Transport and communication | Finance insurance property and bus. services | Community social and personal services | General government | Other producers |      |
|--------------------|-------------------------|----------------------|---------------|-----------------------|----------------------------|---|-----------------------------|--|--|--------------------|-----------------|------|
| 1975.....          | 623,5                   | 111,5                | 161,3         | 32,6                  | 7,8                        | 26,5  | 101,2                       | 38,0   | 55,6                                   | 10,1               | 58,1            | 20,8 |
| 1976.....          | 642,2                   | 114,9                | 165,5         | 32,3                  | 7,6                        | 24,9  | 110,0                       | 37,7   | 55,6                                   | 10,4               | 60,2            | 23,1 |
| 1977.....          | 655,8                   | 97,0                 | 203,4         | 32,1                  | 8,9                        | 24,7  | 93,6                        | 40,7   | 57,7                                   | 10,8               | 62,8            | 24,1 |
| 1978.....          | 695,4                   | 83,5                 | 242,8         | 35,0                  | 8,2                        | 23,1  | 88,9                        | 46,6   | 59,8                                   | 10,7               | 71,3            | 25,5 |
| 1979.....          | 712,2                   | 79,4                 | 248,4         | 34,5                  | 8,7                        | 23,9  | 98,6                        | 51,0   | 57,6                                   | 11,1               | 72,4            | 26,6 |
| 1980.....          | 699,2                   | 78,6                 | 241,9         | 32,4                  | 10,0                       | 22,9  | 97,3                        | 48,4   | 49,8                                   | 10,5               | 79,6            | 27,8 |
| 1981.....          | 706,8                   | 74,1                 | 212,1         | 33,2                  | 13,6                       | 26,4  | 102,3                       | 55,3   | 46,3                                   | 11,2               | 103,8           | 28,5 |

Source: Department of Finance, Namibia.



# Stoffel Botha all <sup>(12)</sup> for development <sup>Mercury 25/11/82</sup> of Tugela Basin

Mercury Reporter

NATAL'S Administrator, Mr Stoffel Botha, is prepared to throw official support behind a revitalised scheme — which would take years to prepare and billions of rands to fully implement — for the industrialisation of the Tugela Basin.

'I'm all for it,' he said yesterday.

The region's unique strategic location — with both rail and road links between the Reef and two major ports, abundant water and coal reserves on hand and availability of vast manpower resources nearby — made it a natural development zone that had been neglected for too long.

Decentralisation in industry had long been part and parcel of Government policy and, with the necessary professional and economic assistance and co-operation of the various authorities concerned, development of the area would benefit 'not only KwZulu and Natal, but the whole of South Africa'.

Any planning or research expertise which the Province was able to supply would be supplied, Mr Botha said.

He was certain members of the Executive Committee would support the scheme.

12/12/82  
221A  
S. Times

# Beer row comes to a head in SWA

WALVIS BAY residents are drier than normal — and according to some that's pretty dry.

The South African Breweries (SAB) has refused to supply its beer to liquor outlets in the South African enclave.

And some of the hoteliers and bottle-store owners in Walvis Bay are now spoiling for a fight if the SAB persists in its refusal to ship South African beer up to their edge of the Namib Desert.

## Demand

The row has been brewing ever since Walvis Bay was proclaimed a part of South Africa a few years ago.

Now, although the enclave is administered from the Cape and forms part of the Republic, its South African-licensed liquor dealers are still denied supplies of the South African beer.

Though there is a plentiful

## Sunday Times Reporter

supply of South West African beer in Walvis Bay, some local liquor dealers believe that their customers won't be entirely satisfied until they get South African beer too.

"There is a terrific demand for South African beer in Walvis Bay, particularly among the troops," said Mr C S Courtney-Clarke, a Walvis Bay hotel owner.

"Why shouldn't we be able to draw South African beer?" he asked, adding that a large quantity of beer was being transported almost daily from the Republic to the operational area on South West Africa's northern border.

There are strong suspicions in Walvis Bay that the SAB has an agreement with

the SWA Breweries not to supply local liquor outlets in competition with them.

However, Mr Gary May, public affairs manager of the SAB (Beer Division), denied that there was any "hard legal contract" preventing the SAB from entering the SWA market.

## Responsibility

Mr May said the SAB was serving a rapidly growing South African market and was not in a position to launch out into the vast territory of SWA.

"If we supplied that market officially we would take full responsibility for the quality of our product. But if we can't control some important aspects of distribution, we would not feel we could take that responsibility."

FOJ

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# The desert may still bloom

**AGRICULTURE** in Namibia is today in the throes of its deepest crisis this century. In the five years to the end of last year, the value of commercial production dropped a staggering 40 percent in real terms, and this year is likely to show a further sharp fall. Over a fifth of the 5 000 white ranchers have abandoned their farms, many for good, throwing thousands of black farm labourers out of work.

The crisis has two immediate causes: drought and war. Five years of severe drought have reduced livestock on the ranches to a third of normal levels, and in the western bantustans (Damaraland) probably 80 percent have perished, leaving most of the peasant stock-farmers destitute.

In the densely populated areas of peasant settlement along the Angolan border, which have escaped the worst of the drought, the 17-year-old colonial war has quickened the decline of an agricultural economy already undermined by these generations of migrant labour.

Thousands have escaped to urban slums, tens of thousands to

most the return on capital would be too low for commercial viability without the subsidies. Furthermore, the drive to maximum profits leads to overstocking, vulnerability to drought and most dangerous of all, permanent damage to the pasture — recent official comments suggest that as much as a

and economically self-sustaining? Black ranchers and farm managers will be so few that a gradual transfer of ranches from white to black private ownership could only be a gradual, uncertain process, leading ultimately to a highly inegalitarian rural society. Keeping the settler

tswana State-run ranches, a second possible form, do not have a very good track record. Producer co-operatives, perhaps in tandem with larger marketing co-operatives, offer a third and more promising variant of social ownership, of which Namibia would be a pioneer in a stock farming

to the north, where experience of work methods in the refugee camps could provide a vital catalyst. Even in so arid and severely exploited an agricultural regime the technical scope for improvement is considerable. Closer settlement of the Otavi highlands would yield a much

ause bitterness amongst peasant and lead to defacto occupation of ranch land by peasants and farmworkers while crippling any concerted government transitional strategy. If the hands of the new government are not bound by impossible conditions imposed by the South Africans and their Western mentors, an independent Namibia could yet become a remarkable success story in balanced rural development.

The Reporter, Richard Moorson, is the author of *Transforming a Wasted Land*, a book about Namibian farming, which will be published this month by the Catholic Institute for International Relations.



rest conclusion  
a record

221A

14 / 12 / 82

# When the SADF leaves, what will happen to this land?

## Colonial farmers hear the drums of independence

refugee camps in Angola and Zambia. Around the northern edge of the white farming zone up to half the farmers have left, and the remainder are now more important to the South Africans as links in a network of military outposts as the war zone extends southward.

For an independent Namibia, though, short-term legacies of drought and war will be easier to tackle than structural problems inherited from 75 years of intense exploitation.

Several will be all too familiar to former colonies of European settlement: dependence on two commodities, slaughter stock and karakul lamb pelts, with limited, unreliable export markets; subordination of alternative products such as maize, dairy produce and woolled sheep, and manufacturing capacity; and near complete control of marketing, processing farm supplies, and food imports by South African state boards, companies, and farmers' cooperative.

Other problems are specific to South Africa's agricultural policy. Settler farming is an artificial plant, nurtured to high productivity by generous state subsidies

third of the cattle-ranching zone may now be affected by serious bush encroachment.

But the most fundamental defeat in this sort of agriculture is its colossal social injustice. 5 000 white ranchers have nearly all the good pastoral land, while 20 000 peasant stockfarmers are confined to inferior land on the fringes, much of it waterless, and 160 000 cultivating households are left in the fat north with just 5 percent of all viable farmland.

Starved of investment and services and cut off from markets, these northern bantustans have been human dumping grounds and labour reservoirs for the large-scale migrant labour system which has kept the colonial enterprise profitable. Most peasant households depend on wage remittance for many of their basic needs, including food; while the ranches with black households, are notorious for their low wages, primitive living conditions, and violent treatment.

How is so severely ex-

ranchers in place would perpetuate the worst features of colonial agriculture, probably unacceptable to a Namibian Government and, even as a short-term transitional measure, to farmers and peasants who have borne the brunt of the liberation struggle.

Radical change in the immediate aftermath of Independence, when it comes, is therefore an urgent priority for contingency as well as long-term planning — most white ranchers, together with their stock and equipment, may simply not be there to provide continuity, even if wanted. There are three broad alternatives. An extension of de facto communal tenure from the bantustans to abandoned ranches is probably desirable only as an emergency measure because at the risk of overstocking and pasture degradation and of sectarian conflict between different claimants, for land. It would also open the road for the formation of the majority, as in neighbouring Bo-

environment. Such cooperatives would keep intact the existing ranch framework and terms of farm workers and — crucial to range management — would enable each one to run its animals as a single herd even if the animals themselves were individually owned. Such cooperatives could be extended to the stockfarming bantustans and in the long term to the crop-farming peasantry

higher crop output. Piped water from the rivers along Namibia's northern border could make possible a large-scale expansion of crop-farming in the uninhabited northern sandveld, and also intensive irrigation schemes, although the latter would be expensive and complex, especially on sandy soils. Crop-farming could also be extended by closer settlement of the Oravi highlands and

sed that settler ranching is likely to disintegrate rapidly after Independence and that even if incentives are offered to remaining settlers to cooperate in easing the pains of transition, an alternative must rapidly be implemented which does not seriously compromise future development plans. Entrenching private land ownership in the constitution will only — as in Zimbabwe — ar-

and marketing and export services on commercially small ranches carved out of stolen land. Heavy investment has created a stock-farming regime that is highly intensive for so dry an environment. Net profits are high (mostly 25-30 percent, but for exploitative a system, which South African policy seems likely to shore up until Independence with perhaps a few more black ranchers and cash-croppers to share the spoils, to be transformed into a regime that is socially just, economically viable,

NAMIBIA — GENERAL ECONOMICS  
1983 — 1984

JANUARY — DEC.

# 'Bleeding' of SWA economy

Staff Reporter

WAR, corruption, short-term high-profit ventures and a mass exodus of capital and skills were "bleeding" the economy of SWA/Namibia, Professor Wolfgang Thomas, head of the department of economics at the University of the Western Cape, said last night.

Professor Thomas, regarded as one of the leading experts on the territory's economy, was delivering the opening address at the University of Cape Town's Summer School course, "Namibia Today".

## 'An instrument'

He said: "It seems that those in power have decided that the price of SWA/Namibia's economic decline is still less than if the 'wrong' government gets into power.

"It seems to me that Namibian independence and development is not the goal (of the South African Government). Namibia has become an instrument in the power political set-up in Southern Africa."

Factors crippling the territory's economic development included:

- The war in the north, where 50 to 60 percent of the people live and which has the highest agricultural potential, has paralyzed development and means South Africa "cannot win any political battle".

- There has been a steady exodus of mainly white capital and skills in anticipation of independence, with no control over the outflow of capital.

- Comparisons of the most recent census figures show that the number of whites in the country has dropped from 110 000 to 77 000 — a decline of about 30 percent even before independence has been attained.

- Local government has almost collapsed in some areas as white bureaucrats leave the country, and some local authorities are operating on skeleton staffs.

- There is widespread "opportunism" among entrepreneurs who set up new projects aimed at making money as fast as possible and getting it out of the territory with no regard for SWA/Namibia's long-term development.

- The territory is burdened with so many different levels of administration that "the range for all sorts of deals is almost unlimited" and rampant corruption abounds at all levels of society.

- 75 000 people out of a population of 420 000 are unemployed in the current recession — almost 20 percent.

## Resources

- The territory has a "precarious resource balance" based on three main commodities — diamonds, cattle and uranium. However, if these and other assets were "properly controlled", the territory would be a "well-endowed country with good economic prospects".

Professor Thomas was detained and then deported from South Africa to Germany in 1977 on the orders of the then Minister of the Interior, Dr Connie Mulder. He then took up a post at the University of Transkei in 1980 and resumed teaching at UWC this month.



# SA-ANGOLA talks likely next month

~~HS~~ 22/11  
Stew 21/1/83

By Peter Honey,  
The Star's Africa  
News Service

Windhoek  
The South African and Angolan Governments are believed to be negotiating a comprehensive agreement for non-aggression and economic co-operation, which would become effective only if Cuba withdrew its 25 000 troops from Angola.

The negotiations — which began months before the Cape Verde Island talks last month — are to be resumed at another meeting between South African and Angolan officials, probably before the end of the month. South Africa's Ministers of Foreign Affairs and of Defence held talks with the Angolan Ministers of the Interior and of Transport on Sal Island in early December.

It is not known how far the negotiations have progressed but, after nearly eight years of civil war in the south and east — where Unita guerillas conduct sabotage and harassing raids against Cuban and MPLA troops and security forces raid Swapo bases with impunity — the Angolan Government is anxious to begin economic and social reconstruction.

One project is the resumption of iron mining at Cassinga — a Swapo base area well within reach of the South African military salient.

The Cassinga mine is believed to depend on hydro-electric power from another station on the Cunene, near Matala. Matala is not operating to capacity because the large Gove Dam upstream is not being operated efficiently.

## Abandoned

Professional sources say it would cost about R12 million to complete the Calueque Dam, 65 km upstream of Ruacana, which was abandoned when only 70 percent complete in 1975.

If Calueque and Gove were then operated in harmony, Ruacana would receive a constant water flow, and provide relatively cheap electricity to Namibia and South Africa for most of the year.

## Secret talks

Well-placed sources say the Sal talks were preceded by at least two secret meetings, at a lower diplomatic level, in Paris last year.

One of South Africa's interests is known to be the completion and efficient management of the Ruacana hydro-electric scheme which, at present, is entirely dependent on the seasonal rise and fall of the Cunene River.

This month, as Angola's rainy season swells the river, South Africa is receiving hydro-electric power from Ruacana for the first time.

Next month Ruacana is expected to be sending more than 200 megawatts of electricity to the south.

At night and on Sundays most of this power is exported, at a nominal cost, to South Africa.

## Power line

The link to South Africa is the recently-completed power line which joins the South West African Water and Electricity Corporation (Swawec) to Escom's Northern Cape grid at Aggeneis. Angola is understood to have insisted that South Africa should cease its military operations in southern Angola in exchange.

**WINDHOEK:** The man who beat big business to a 70 000 hectare uranium concession in the Namib Desert, 35-year-old Charles Zandberg, says he has a few million dollars in American backing to keep him in the exploration business.

But he's been given only

**By PETER HONEY**  
**Tribune Africa News Service**

five years to turn the arid expanse of desert into a uranium mine, or he will have to return the full amount to the bank which lent him the money.

Just which bank is providing the money, and exactly how much it is, the bearded prospector-poet is not saying. But in the

next year he intends spending R200 000 on drilling the two richest parts of his claim which adjoins the Rossing uranium mine near Swakopmund.

It took three trips to America by himself and a contact in Johannesburg during the last six months to find the funds.

Mr Zandberg, the ama-

teur mineralogist and barefoot waterskier who whisked the rights from under the nose of Rossing's sister company, Rio Tinto South Africa, 18 months ago, says business is not all that good anymore.

In mid-1981 he was granted the rights when Rio Tinto had not carried out the required development in the area. His take-over meant he had to pay nearly R48 000 for the rights and on exploration work each year.

"Now with the low uranium price and all the latest bull going on in South West's politics, foreign investors aren't all that keen anymore.

"With the Administrator-General taking over again, and the dumping of Mudge, (former DTA leader Dirk Mudge) they are worried. It confuses them because things don't look peaceful all of a sudden," he says.

Nonetheless, an American bank has agreed to lend him the money in exchange for a 49 percent interest if he successfully mines his concession.

But he will have to pay back the full amount if, after five years, nothing has been accomplished.

Why should the the small man receive foreign backing when some people might consider him a mere claim-jumper?

"People who know mining in this country know me from way back," replies Mr Zandberg.

"I've done business with some very big companies in the mining and exploration business, and they know I'm on the level."

# AMERICAN MONEY SETS UP PROSPECTING POET'S NAMIBIAN Zandberg's sets his millions

MINING VENTURE





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STAR

25/2/83

dependence, the new Namibian Government will have to tread very carefully before disturbing these trading relationships.

"But even so, changes will begin to take place.

"Political factors will drive Namibia into the arms of trading partners other than South Africa."

Also, South African taxpayers will expect a reduction in the heavy subsidies Pretoria has been providing the territory. Sources other than Mr Hoffe reckon South Africa's non-military contribution to be about R250-million a year).

In its relations with South Africa, Namibia could either follow the Botswana-Lesotho-Swaziland example of accepting the heavy economic dependence, and curbing hostility towards Pretoria, or it could pursue the Zimbabwean-Mozambican course of "straining every muscle" to reduce the existing ties.

Either way, Mr Hoffe predicts that Namibia will:

- Stay in the Customs Union;
- Stay in the Rand Monetary Area;
- Join the Lome Convention whereby

little trade to offer each other, observes Mr Hoffe. It already produces the diamonds and meat that Botswana sells, the copper that Zambia offers, and though it could buy manufactured goods and food from Zimbabwe, "transport costs will still favour South Africa."

Yet he sees considerable potential in Namibia joining its neighbours in development projects.

"There is a big potential for more hydro-electric power plants on the Cunene. Namibia could become a major exporter of power."

He believes Namibia's biggest economic dynamo "by far" is mining. The mines provide 34 percent of the Gross Domestic Product whereas the next biggest sector, agriculture and fisheries, produce only 11 percent.

But he warns of a "long hard road" before new economic deposits are found and stresses that "vast quantities of high-risk capital" would have to be invested for them to become mines.

"It is time we dispelled the notion that this is a 'mineral-rich' country with untold treasures waiting for easy pickings."

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FM 8/4/83

The Namibian Chamber of Mines is helping government set up a "legal framework" for a free enterprise system and is pressing for repeal of surviving discriminatory legislation.

Bob Meiring, chief executive of Tsumeb Corporation and new president of the chamber, tells the *FM* these are among his priorities.

"We are concerned at the racial implication of some SA laws still in existence here," Meiring says, "and are pushing to have race laws removed. We also want an extended version of the Wiehahn framework introduced, to make multiracial trade unions viable. We want free enterprise and a multiracial society in an African, and potential-

ly independent, context.

"And a political settlement is imperative. We must have certainty. The chamber is committed to training local people, from literacy and numeracy through to university level. Ultimately we'd like to see Namibia independent as far as possible of outside assistance in the technical field. Experiences in countries like Zambia and Zaire have shown that technical dependence makes an industry highly vulnerable."

On the state of the industry, Meiring says: "The diamond industry seems to be recovering. Uranium we expect to be depressed for some time because of environmentalist pressure overseas. Base metals are awaiting the Western economic recovery, though zinc and tin are holding up. Overall we haven't cut back on employment — in fact the copper industry's production figures increased during 1982 because of the reopening of the Otjihase mine."

On investment: "Tsumeb, CDM and Rossing maintain large exploration groups. While we don't necessarily tell each other everything we find, I'm not aware of any find that's currently viable for exploitation. If a good investment is found, local groups will participate."

Outgoing president Doug Hoffe disclosed during his year-end address that the chamber had won an important victory for its salt producer members. A rail rebate favouring Walvis Bay producers was withdrawn in October last year following "a series of urgent representations made to the appropriate quarters in SA."

Salt producers outside the Walvis Bay enclave were losing heavily as a result of government's application of industrial decentralisation incentives to Walvis Bay. The rebate on railage of salt amounted to a R343/t advantage for Walvis producers over their Namibian competitors.

While some rebates still apply, Meiring says the Chamber is satisfied with the present state of affairs.



Namibian mine ... chamber attacks race laws

lem. Although a number of economic advisory committees have been appointed, any programmes they come up with will have limited resources.

According to an official source, drought relief is one of the Administrator General's main problems — and as SA has its own worries in that area, not much can be expected in the way of support from the south.

Finance Director Johan Jones told the FM: "Our expenditure level will have to remain more or less like last year's. It's safe to say that expansions of last year's State services are pretty well out of the question."

Asked whether economic stagnation in the territory was resulting in substantial capital outflows to SA's financial institutions, Jones said that the leakage of capital to SA was nothing new: "It's a long-term phenomenon. We bring the capital back by means of loans to cover our budget shortfall. In the financial year that's about to end, for example, we borrowed R120m from private sector institutions in SA, and an additional R60m from overseas. This year's shortfall will be about the same. The outflow does come back to us — though we have to pay interest on it."

Tax income from CDM and Rossing corporations, which provide the lion's share of revenue, are both down this year, though next year's returns are expected to be better.

Some form of economic recovery for Namibia is dependent on SA's own rise out

of the recession — but unlike SA, the disputed colony's uncertain political fate is still its greatest obstacle to getting under-way again.

## NAMIBIA BUDGET

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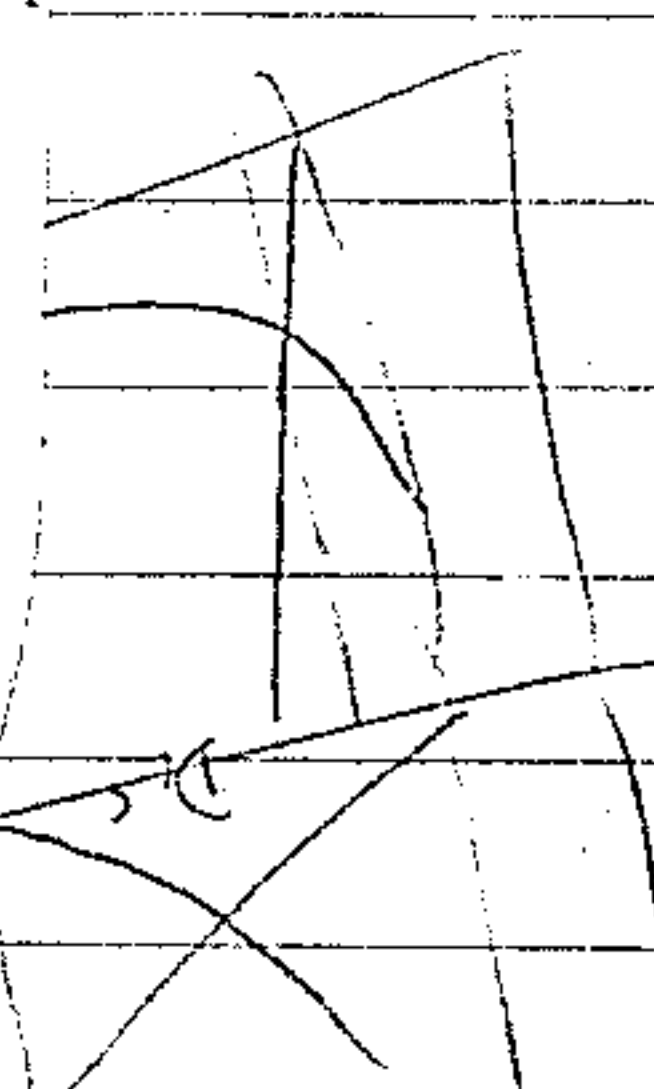
Dry season FM 29/4/83

While international negotiations, shuttles and conferences are a thriving industry, little in Namibia itself appears to prosper. The territory's economy shows increasing stagnation and rising unemployment, and its politics predictably show increasing disunity and disaffection.

The country doesn't have much to look forward to when its budget for 1983-84 is read, probably after mid-May. SA's contribution to the territory's administrative — as opposed to military — running will be R240m. While this is a 20% increase, it's from a low base. Last year SA budgeted R200m, followed by an additional R15m in the course of the year.

If the Namibian administration follows SA's lead in holding down expenditure to an overall increase of 10%, as is likely, the total budget for the territory can be expected to be in the vicinity of R924m. This is still short of the erstwhile central government's hopes for last year — Dirk Mudge's Ministers' Council were hoping for more than R1 billion then, to tide the territory over its crises of drought and unemployment.

This time around, Administrator-General Willie van Niekerk, who has also stressed the need for administration programmes of economic input, will face the same prob-



revenue of the seller is equal to area ODZY.  
 The total costs (at price x) are equal to  
 OXHY. The two areas overlap except for the  
 areas of the triangles. ∴ If the area of the big  
 triangle is greater than the area of the  
 B triangle i.e. costs are low, Revenue (total)  
 > Total Cost

to include  
 the area  
 revenue a  
 engage in  
 and D.

- (1) R193.3 million.  
 (b) R470.0 million.  
 (c) R507.8 million.  
 (d) R367.5 million plus rolling-stock  
 of R110.0 million = R477.5 mil-  
 lion.  
 (e) R160.5 million plus R49.0 mil-  
 lion of which R65 million in  
 capital shares were provided by  
 IDC as well as a R4 million loan  
 in respect of the cost of the  
 Gove Dam = R254.5 million.  
 TOTAL = R1 893.1 million.
- To this the following amounts should  
 still be added:  
 FM Service R18.4 million.  
 Development of traditional regions  
 R123.4 million.  
 Posts R80.0 million.  
 Stock transfer R9.8 million.  
 For the said period the grand total  
 adds up to R2 124.7 million.
- (2) R162.0 million.  
 (3) No. During the discussion of my bud-  
 get vote I mentioned that during the  
 fiscal year 1982 an amount of R60,0  
 million for drought relief was granted

The PRIME MINISTER (Reply laid upon  
 the Table with leave of House):

- (1) what is the cost involved in the hy-  
 dro-electrical scheme at Ruacana;  
 (2) whether the above-mentioned  
 amounts include the expenditure on  
 security services?
- of (a) transfers to the South West  
 Africa Account, (b) aid to South  
 West Africa by means of the Central  
 Revenue Fund, (c) customs duties  
 paid over, (d) transport services in  
 South West Africa and (e) SWA-  
 WEC:

to SWA. However, this amount is  
 not correct. On account of the finan-  
 cial assistance that SWA receives for  
 from the RSA it was possible for  
 SWA to spend programmes for the  
 drought relief 1982-83.  
 A further request for funds with a  
 view to drought relief during the  
 present fiscal year, has already been  
 received, and is presently under con-  
 sideration.

(1) What is the total amount of the direct  
 and indirect financial aid rendered to  
 South West Africa by the Republic  
 from the 1973-74 financial year until  
 the 1982-83 financial year in respect

ed the Prime Minister:  
 1. Dr. H. M. J. VAN RENSBURG ask-  
 O. 61239-1241  
 Financial aid to South West Africa  
 11/5/83  
 Prime Minister: Howard

For oral reply:

Indicates translated version.

11 MAY 1983

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WEDNESDAY



THIS town is full of strange characters with strange theories... and no one pays them much attention.

But when Eric Lang — maverick businessman, millionaire, self-appointed roving financial ombudsman and the original Don Quixote of the Namibian financial world — tilts at the corrupt and highly inefficient windmills of local finance, this town sits up and takes notice.

Especially when he does it in front of one of the most influential financial pressure groups in town... the powerful German interest group, Interessengemeinschaft Deutschsprachiger Südwestler (IG).

Not that what Eric Lang had to say recently was anything new to "South-Westlers".

They'd all suspected it all along... but Eric Lang had the facts and figures to back it all up.

Eric Lang is no radical. He's a capitalist through and through and, like most really good capitalists, he's also a realist. When he smells, sees and quantifies a rip-off, he acts.

What he had to say will no doubt provide good fuel for Swapo's information service... and with good cause.

Because, as those who know what is really happening around this neck of the woods often say, Swapo will inherit none of the typical problems and mistakes of emerging African countries.

They've all been made before and there simply won't be any financial and administrative infrastructure left over for them to mess up. It has all been messed up already.

The essence of what Eric Lang had to say was that, since the implementation of AG 8 — the delicately named administrative decree by the then Administrator-General, Mr Tienie Steyn, which ushered in the nightmarish three-tier ethnic government system — the country has changed from being an economically viable concern into a bankrupt wasteland.

And he produced detailed figures to prove it... figures which make the mind boggle, even in a territory where very little can boggle the mind.

# This man Lang

IF ANY one person can lay claim to the title of Namibia's Ralph Nader, that person is Eric Lang.

This 38-year-old farmer, miner, industrial wholesaler and self-made millionaire makes it his business to root out corruption, unfair business practices and illogical, politically-motivated Government spending wherever he can.

He was almost solely responsible for exposing the SWA "meat scandal" four years ago, which resulted in the opening up of one of the biggest cans of corrupt worms this country has seen. As a result of his exposing the extensive network of cor-

# The economic abuse of SWA

## From TONY WEAVER in Windhoek

The major "developments" which had taken place under South African rule were used to "realise the Verwoerdian dream of separate development, it was spent on a political infrastructure... not on economically sound and productive projects.

"While all this so-called 'development' took place, we must after all not forget that our fishing and lobster industries were ruined, that our agriculture was swallowed and that the black population was largely ignored.

"In other words, this country is paying the price of nearly 60 years of political and economic mismanagement and exploitation, the bumbling and inept exploitation of the National Party and the more efficient and sometimes more subtle exploitation of large corporations," he told a hushed audience, which later gave him a massive ovation and unanimous vote of confidence.

And these were sober German businessmen, by and large, who supported him all the way.

Namibia had become a "wholly-owned buffer state" of South Africa, and what development had taken place under its "colonial" rule had been either largely disastrous and totally inappropriate, or else aimed at facilitating the web of military control over the entire area, especially the more remote, more vulnerable rural sectors.

He took a mighty swipe at the massive corpora-

tions which dominate the local economy — CDM (an Anglo-American subsidiary) and Rossing Uranium in particular — although Rossing escaped with a bit of kudos.

You see, he explained, in 1982 the mining industry paid a paltry R300 000 in taxes on a massive R534-million in sales.

Except that Rossing, who have not until recently been liable for taxes, suddenly, out of the blue, coughed up R2-million for the State treasury.

The reason, Eric Lang explained, was that the State treasury went cap in hand to Rossing and rather embarrassedly said they could not afford to pay month-end salaries of the top-heavy and hopelessly inefficient civil service.

He later told me he had gleaned this priceless bit of information from the then Receiver of Revenue himself (currently facing fraud charges for an alleged massive whisky swindle).

Backed up by impressive lists of figures, Lang showed how, since the South African master-plan for Namibia had been introduced — the plan which ushered in what must surely be the most cumbersome and inefficient system of government in the world — the country's debt had spiralled and had become almost uncontrollable.

"We pawned our economic future during an orgy of politically-motivated spending which has created a

government-monster that swallows nearly 70% of our Gross Domestic Product.

"What is more, of this year's budget of around R900-million we are only generating about 30% ourselves, and this reckless waste of borrowed money has led to us having built up a government debt of approximately R500-million in a few years, whereas we used to even lend money (in the form of investments) to South Africa in the past."

He continued: "Most of the second-tier (the 12 ethnic authorities governing their 'own affairs') are run by inexperienced and, in the worst cases, corrupt officials.

"Once these funds arrive at the second tier, control is lost. The different administrations, most of which lack the required expertise, then sort out their economic priorities... which range from buying farms to hotels to bottle stores to private powerlines to helicopters to luxury cars. You name it."

His statements on this score have received frightening backing from the Thirion Commission investigation corruption, which has come up with horrific evidence of abuse, misuse and downright theft of funds by corrupt officials — although the joke in Windhoek is that, if the Commission had to scratch more than the tip of the iceberg, as it has apparently only done, there would be more State officials in jail than manning their posts in the corridors of power.

He described the three-tier system of government as a "stinking corpse" which the Commission should bury as soon as possible, and also stated that he had evidence that in one department alone — that of Health Services — there had been misappropriation of funds to the tune of more than R30-million.

This figure, Mr Lang told me later, had been arrived at by intimidating a very senior official who had then divulged the findings, or some of them, of the suppressed Broeksma Report into the health services.

To sum up.

"When I look at all this, I can only say: ladies and gentlemen, the party is over. The only music playing is the rock 'n roll of Government waffle and the drumbeat of party politics. That sums it up."

Meat Board, Mr Frans Heydenrych, plunged to his death in an apparent suicide from his office window.

Eric Lang has full-time investigations going on into the struggling and desperate economy of this country on a permanent basis, and he has informants in virtually every key area of Government and business.

His knowledge of the economy and the price fixing which occurs here — particularly in the mining industry — is so vast that he is widely regarded as one of the country's foremost pains in the neck by those who control, manipulate and rape the mining economy.

3/10/83

2218



**ERIC LANG ... "We pawned our economic future during an orgy of politically-motivated spending"**

SWA

221A

# budget focus on debt

By TONY WEAVER  
Mail Africa Bureau

WINDHOEK. — South West Africa was yesterday presented with a gloomy, debt-ridden budget — a large chunk of which will be used by the territory's cumbersome system of ethnic government.

In presenting the budget, the Administrator-General, Dr Willie van Niekerk, said:

"What we are dealing with here is a very revolutionary constitutional concept which had to be made fully operational almost overnight."

"Under these circumstances, it is self-evident that it would not always be possible to immediately find the right answers to all the problems."

"We were moving over to a totally unknown territory and whether certain methods would work or not could frequently only be determined by putting them into practice."

The total amount budgeted by Dr Van Niekerk was R1 036-million, of which R107-million was statutory expenditure.

Last year's budget was R840-million. Of this year's budget, R23-million is being used to redeem loans incurred by the ethnic authorities.

The total amount budgeted for the ethnic governments amounts to a massive R239-million, an increase of R86-million over last year's figure of R153-million.

Other items which emerged in his budget speech are:

- The financing of the budget will be reached by a R241-million handout from South Africa, R572-million generated from internal sources and R233-million from "other sources", including loans.
- R180-million of the R233-million will be covered by long-term loans on the South African and foreign capital markets while alternative arrangements, including as yet undecided changes to tax structures will be made to finance the remaining R53-million.
- The territory had a "book surplus" of R33-million as a result of delays in the completion of capital projects.
- R37-million was voted for drought relief for the agricultural sector.
- Resettlement schemes in the northern areas "aimed at increasing the population density of that area with a view to greater security" will consume R4 500 000.
- Money to be spent on tourism and the development of the tourist industry has been increased by 78,5% from R6 800 000 to R12 200 000.

R233m <sup>221A</sup>  
2/6/83 <sup>2011</sup>  
shortfall  
for SWA

WINDHOEK. — South West Africa's budget deficit for fiscal 1983 would be R233-million, the territory's Administrator-General Mr Willie van Niekerk said.

Expenditure would increase to R1 040-million from R956-million last year, while revenue before loans was expected to total R813-million.

He said the territory's economy had shrunk 1,6% last year after growing 2,5% in 1981.

"South West Africa has now been suffering for more than two years under the double burden of an almost countrywide drought and a world-wide recession."

The real value of mining sector production fell 9,8% in 1982 after falling 7,5% in the previous year.

On the revenue side, R572-million rand would come from own sources while the South African Government would contribute R241-million, Mr Van Niekerk said.

To help cover the deficit, R180-million would be raised through long-term loans on the South African and foreign capital markets. — Reuter.

# The 'rape' of the SWA economy

221A Mercury  
7/6/83

**THIS TOWN** is full of strange characters with strange theories and no one pays them much attention.

But when Eric Lang — maverick businessman, reputed millionaire, self-appointed roving financial ombudsman and the original Don Quixote of the South West African financial world — tilts at the corrupt and highly inefficient windmills of local finance this town sits up and takes notice.

Especially when he does it in front of one of the most influential financial pressure groups in town, the powerful German-interest group Interessen Gemeinschaft Deutschsprachiger Sudwester (IG).

Not that what Eric Lang had to say recently was anything new to South-Westerners.

They'd all suspected it all along — but Eric Lang had the facts and figures to back it all up.

Simply put, South Africa is busy raping this country in order to ensure its own political and economic survival, or, more directly and more brutally, the survival of the National Party.

Eric Lang is no radical. He's a capitalist through and through, and like most really good capitalists he's also a realist. When he smells, sees and quantifies a rip-off, he acts.

What he had to say will no doubt provide good fuel for Swapo's Information Service, and with good cause.

## Messed up

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South West Africa had

orgy of politically motivated spending which has created a government monster that swallows nearly 70 percent of our gross domestic product.

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He was almost solely responsible for exposing the SWA 'meat scandal' four years ago that resulted in the opening up on one of the biggest cans of corrupt worms this country has seen.

As a result of his exposing the extensive network of corruption and permit fixing here an extensive tightening-up of the multi-million-rand meat industry took place, an intensive commission of inquiry took place and, in the course of the inquiry — on October 22, 1979 — the key witness, manager of the SWA Meat Board Mr Frans Heydenreych, plunged to his death from his office window.

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become a 'wholly-owned buffer state' of South Africa, and what development had taken place under its 'colonial' rule had been either largely disastrous and totally inappropriate or else aimed at facilitating the web of military control over the entire area, especially the

used even to lend money (in the form of investments) to South Africa in the past.'

He continued: 'Most of the second tier (the twelve ethnic authorities governing their "own affairs") are run by inexperienced and, in the worst cases, corrupt officials.

to scratch more than the tip of the iceberg, as it has apparently only done, there would be more State officials in jail than manning their posts in the corridors of power.

He described the three-tier system of government as a 'stinking corpse' which the commission should bury as soon as possible, and also stated

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wasteland.

And he produced detailed figures to support his case, figures that make the mind boggle, even in a territory where very little can boggle the mind.

### **Ruined**

The major 'developments' which had taken place under South African rule were used to 'realise the Verwoerdian dream of separate development — it was spent on a political infrastructure — not on economically sound and productive projects'.

'While all this so-called 'development' took place, we must after all not forget that our fishing and lobster industries were ruined, that our agriculture was swallowed and that the black population was largely ignored.'

'In other words, this country is paying the price of nearly 60 years of political and economic mismanagement and exploitation, the bumbling and inept exploitation of the National Party and the more efficient and sometimes more subtle exploitation of large corporations,' he told a hushed audience which

He took a mighty swipe at the massive corporations that dominate the local economy — CDM (an Anglo-American subsidiary) and Rossing Uranium in particular — although Rossing escaped with a bit of kudos.

You see, he explained, in 1982 the mining industry paid a paltry R300 000 in taxes on a massive R534-million in sales.

Except that Rossing, who have not until recently been liable for taxes, suddenly, out of the blue, coughed up R2 million for the State treasury.

The reason, Eric Lang explained, was that the State treasury went cap in hand to Rossing and rather embarrassedly said they could not afford to pay month-end salaries of the top-heavy and inefficient civil service.

Backed up by impressive lists of figures, Lang showed how since the South African masterplan for South West Africa had been introduced the country's debt had spiralled and had become almost uncontrollable.

'We pawned our economic future during an

at the second tier, control is lost. The different administrations, most of which lack the required expertise, then sort out their economic priorities — which range from

that he had evidence that in one department alone, that of Health Services, there had been misappropriation of funds to the tune of more than R30 million.

NATIONAL

# Walvis Bay factory shuts down — 200 out of work

ARGUS 10/6/83 221A

Shipping Editor

MORE THAN 200 fishing industry workers are out of jobs in Walvis Bay after the shutting down of a R3-million whitefish processing plant — a factory that was set up by the Table Top wing of Fedfoods only last year.

This has come as a tremendous blow to the economy of the coastal enclave, which is already suffering from the effects of the collapse of the pelagic fishing industry.

The managing director of Fedfoods, Mr Johan

Louw, said today that the closing of the Walvis Bay whitefish plant was only temporary . . . "but we were forced to do so because of the poor quantity and quality of hake caught off the South West coast.

### R3-M CONVERSION

"We have moved our fleet of trawlers to Cape Town and are shipping small tonnages of hake and other whitefish to Walvis Bay by sea just to enable a skeleton staff to keep the plant ticking over."

Table Top took over the old Marine Products

pilchard canning plant at Walvis Bay, another Fedfoods subsidiary, about 18 months ago and spent nearly R3-million converting it into a whitefish processing factory.

Mr Louw said whitefish formed an important part of the Table Top basket of frozen products "and we are trying to sort things out instead of having to sell the factory and boats.

"We will probably be making an announcement within the next few weeks as to the future of the Walvis Bay factory."

# Critical SWA finance report noted, says AG

221A  
E. Post  
22/6/83

WINDHOEK — The Administrator-General of SWA/Namibia, Dr Willie van Niekerk, has said an official report critical of the serious financial situation in the territory has "been taken note of".

It would be given the "necessary weight" in the determination of future financial policy, he said in commenting on the Department of Finance report sent to him on May 16 containing recommendations about the budget tabled earlier this month.

The report was released yesterday by the territory's self-appointed economic and financial ombudsman, Mr Eric Lang. He was invited call on Dr Van Niekerk, who issued a statement afterwards.

"It has come to my attention that a departmental document directed to me and containing a long-term evaluation of SWA/Namibia's financial position has

been made public before I have made a full study of it and cleared it with all parties concerned."

Claims that the budget speech did not reflect the findings of the report were not true, he said.

The May 16 document, Dr Van Niekerk said, had referred to serious problems that could arise if large-scale loan financing of the budget should continue for "too long".

This view was reflected in the budget speech, said Dr Van Niekerk, who quoted the relevant passage.

Dr Van Niekerk said because the world recession had reached a turning point, it had been decided not to implement all the cuts proposed in the departmental report.

"I have taken cognisance of this document and will give the necessary weight to this in the determination of future financial policy," he said. — Sapa



221A

## HOW SA'S SATELLITE STATE HAS TURNED SOCIALIST

# SWA is plunging deeper and deeper into national debt

By DAVID PIETERS

**WINDHOEK** — Namibia is plunging into bankruptcy — with a national debt that has leapt from R10,5-million in 1979 to about R450-million this year.

And it is all because of an interim government that has been "living beyond its financial means" and bowing to demands from ethnic administrations for more money to keep them out of the red.

This is the message contained in what has been described as the most explosive official document to surface in Namibia in recent years — a secret 17-page report that spells out how the territory is plunging deeper and deeper into debt.

Leaked this week by rebel local businessman turned financial ombudsman, Mr Eric Lang, the confidential report urges the authorities to implement immediate change and is signed by Namibia's Secretary of Finance, Dr Johan Jones.

Handed to Administrator-General Dr Willie van Niekerk on May 16 — before he announced his 1983/4 national budget at a news conference — the report reveals how Namibia has been caught in the pincers of plunging national earnings and soaring public spending.

The shock document also describes the present system of second tier ethnic authorities as one in which they "are allowed to feed like parasites on the fruit of the land, without any control or supervision and without delivering any corresponding returns, rapidly leading to the downfall of the whole country".

It says the national debt — mainly to South Africa — shot up from R10,5-million in 1979, when the first A-G took office in Windhoek, to some R450-million this year.

And it goes on to warn that Namibia will join the ranks of the world's notorious bankrupt states — Mexico, Israel and Zaire — within two years unless the present course is changed.

By 1987, it said, the country's external debt would be over 100% of its gross national income, making Namibia one of the world's most debt-ridden countries per capita on the globe.

It says "serious worry and concern over the direction of state expenditure and the role of the public sector in general" motivated the writing of the report — "to encourage decision-taking to rescue the situation as speedily as possible".

In terms of the South Afri-

can Finance Department's own criteria, Namibia was no longer a democratic capitalist state — thanks to Pretoria's interim policies, the report says.

No, not even is Namibia a socialist democracy in those terms, but the country can "already be reckoned as a fully fledged socialist state".

The criteria? State spending has passed the 60% mark and now stands at 62% in Gross Domestic Product terms (from 32,5% in 1979) and the private property based economy is "affected to such an extent that the political system comes under pressure".

Recent constitutional and political developments inside the country bear the report out on the latter point.

Namibia's interim government was living beyond its financial means, continually conceding to demands from ethnic administrations

for more money to keep them out of the red.

In this year's budget alone R240-million is provided for this very purpose — about one fifth of the total estimates for 1983/4.

And there is no way in which these administrations can ever hope to repay their debts — not even the interest charges.

Meanwhile loan capital redemption and interest repayments, it is predicted by the report, will "swallow up" all the government's current income by 1988/9 (presently R249-million has to be borrowed to meet these costs alone).

If things go on like this the government will no longer be able to pay its own staff salary bill within the next four years.

Already — contrary to official policy — loans are being taken up to meet running

expenses and not solely for capital development projects.

On the cards, according to the document, are drastic cuts in the state's running costs — including civil service retrenchments.

The report also suggests the appointment of a committee of experts to review all government activities for rationalisation.

Other recommendations include re-assessing all state subsidies with a view to removing these where possible, a larger role for the private sector in performing services presently provided by the state, simplifying bureaucratic procedure and legislation, tighter self-control and monitoring of spending by government watchdog committees.

If these steps are not implemented over the next five years and certain targeted goals achieved in that period, the report says, it is doubtful the crisis will ever be averted.

# Namibia is soiling down the drain



ALTHOUGH the South African Defence Force succeeds in holding Swapo's guerrilla forces in check and its diplomats manage to prevent an unacceptable international settlement, the Pretoria regime faces defeat all along the economic front.

From a buoyant financial front.

The war in Namibia and subsidies for the collapsing economy are now costing South Africans almost R2-million a year. Gross domestic product fell, in real terms, by 8.5 percent in 1979-80. Although the latest figures are not yet available, Namibia's Administrator-General indicated in his 1983 budget speech that the slide has continued.

DISASTER LOOMS AS SA  
FACES DEFEAT ALL  
ALONG ECONOMIC FRONT

Mining fell 9.8 percent, in real terms, in 1981, and

7.5 percent in 1982. This was caused largely by a one-third reduction in diamond production, which is now half the 1980 level.

to destroy Namibia's economic viability.

● First, the world depression has hit luxury export products — especially diamonds and karakul; as well as inputs for power generation and distribution, such as copper and uranium oxide. These four products are the pillars of the Namibian economy.

● Second, ecological damage has undermined agriculture and shattered the fishing industry. While the six-year drought has broken in parts of the territory, it still persists in the south. Over-fishing, especially with the advent of factory ships, has severely damaged the inshore fishing waters; its permanent recovery remains in some doubt.

● Third, the war has severely affected the economy — through reducing production of African-owned farms; lowering the cash-crop production on the white farms because of security problems and lessening of confidence; and by causing the diversion of resources to the war effort.

● Fourth, the effort to bolster support for the present regime, has led the administration to divert an increasing part of the territory's resources to subsidise white farmers, to build up a new black middle-class and to sustain the budgets of the various homeland, or territorial, governments.

Prof Green estimates subsidies to white farmers and the new black elite are now running at over 300 million dollars a year — which is 30 percent of Namibia's total expenditure and almost 20 percent of its gross domestic product.

While there are no outward signs of any further progress being made in the Western initiative to find an international settlement for Namibia, intensive efforts are still going on in secret exchanges between Washington, Pretoria and Luanda.

Base metals, other than uranium from the Rio Tinto zinc mine at Rossing, continue to report record losses.

Agriculture fell 11.3 percent in 1981 and 9.4 percent in 1982. The latest figures are likely to be even worse because of the worst drought of the century.

The once flourishing fishing industry has almost collapsed.

The national budget has gone further into the red with substantial drops of revenue coming from actual production (industrial production is down by 25 percent) and fast-rising expenditure connected with security needs, the ravages of drought and the falling away of business confidence.

One measure of this loss of confidence is the shrinking number of white South Africans in the technical, managerial and business community.

The small resident white community has been decreasing steadily from 1974, when it stood at 99 000, to 75 000 in 1981.

Natural increase, alone, should have raised the figure to nearly 120 000.

However, of this loss, about 10 000 may be accounted for by the excision of Walvis Bay from Namibia proper.

International economist Prof R Herbold Green, an economic consultant to the UN as well as to a number of African governments and international organisations, estimates that between 1 000 and 1 500 white farmers, out of a total of 6 500, have emigrated since the mid-1970s.

In his detailed study of Namibia's economy, which is to be published in the *Africa Contemporary Record*, Prof Green writes that four combined

221A 20M 16/7/83

# Revenue shambles costs SWA 'millions'

**WINDHOEK.** — Severe problems in the administration of state revenue in South West Africa were costing the territory "millions of rand", the Thirion Commission of Inquiry has been told in Windhoek.

The Department of the Receiver of Revenue this week came under the scrutiny of the commission, which is investigating alleged malpractices in the administration of the territory.

A senior South African tax inspector, Mr Jacob Heydenreich, said no effort had been made since 1979 to trace people in SWA who had not submitted tax returns.

He said general sales tax owed to the Treasury was estimated at more than R1-million, but it could be considerably more.

Tax inspectors last visited business concerns in October last year.

Mr Heydenreich said staff shortages were a major reason for bottlenecks in the department.

Other problems included lack of proper supervision and control of officials, laxity and failure to make best use of staff available.

"It is a question of lack of experience from the highest to the lowest ranks," he said.

He added that the commission's team of investigating officials had uncovered

a taxpayer who had owed R19 000 in tax for a considerable time, but revenue officials had made no attempt to recover the money.

In the relatively short period that the commission's investigators had been active in the affairs of the department, it had traced an additional R1 600 000 in tax.

Mr Heydenreich said the Receiver of Revenue's office was already in arrears with 45 000 tax assessments.

He commented: "I anticipate that this backlog will increase to 55 000 next year."

Unless matters improved drastically, the Directorate of Internal Revenue would stop functioning within three years, he said.

The commissioner, Mr Justice P W Thirion, of Natal, commented on the share in a liquor store which the SWA Receiver of Revenue, Mr J Lubbe, had held.

Mr Lubbe, it is alleged, did not have written permission to run a business concern, although such a requirement was clearly laid down in the Civil Service Act.

"It presents a beautiful image when you buy your liquor from your Receiver of Revenue," Mr Justice Thirion remarked.

"It is an equally nice picture when the Receiver queues in the bank with his money bag."

The commission was also told that conditions in the second-tier administration for Hereros had deteriorated to such an extent that the Administrator-General of SWA would have to intervene without delay.

The commission's chief investigating officer, Mr A G Visser, said in evidence that since December last year financial control in the administration had ceased.

He said a matriculated, young Herero clerk with about two years' experience, was in charge of the finance department of the administration, which had a budget of R19-million last year.

The budget had been exceeded by R14-million.

Mr Visser said the clerk was doing the work of four accountants. He had to sign cheques, pay salaries and keep the books.

"I am convinced that this administration cannot continue in this way," he said.

Another member of the commission's investigating team, Mr Johannes Calitz, recommended that the Herero administration contract an agency agreement with the central government for trained officials to help out.

"The situation is so critical that it requires immediate attention," he said.

— Sapa.

# SWA loses 221A millions, Mercury inquiry 14/7/83 is told

WINDHOEK—Severe problems in the administration of State revenue in South West Africa were costing the territory 'millions of rand', the Thirion Commission of Inquiry heard here yesterday.

The Department of the Receiver of Revenue yesterday came under the examination of the commission, which is investigating alleged malpractices in the administration of the territory.

A senior South African tax inspector, Mr Jacob Heydenreich, said no effort had been made since 1979 to trace people who had not submitted tax returns.

He also said that general sales tax owed to the Treasury was estimated at more than R1 000 000—but it could be much more.

He said the shortage of personnel was one of the reasons for bottlenecks in the department, while other problems included lack of proper supervision and control of officials, laxity and failure to make optimal use of staff available.

In the relatively short period that the commission's investigating team had been active in the affairs of the department, it had traced an additional amount of R1 600 000 in tax.

The Commissioner, Mr Justice P W Thirion of Natal, commented on the share in a liquor store which the South West African Receiver of Revenue, Mr J Lubbe, had held.

It presents a beautiful image when you buy your liquor from your Receiver of Revenue,' Mr Justice Thirion remarked.

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The Commission was also told that conditions in the second-tier administration for Hereros had deteriorated to such an extent the Administrator-General would have to intervene without delay.

A young, matriculated Herero clerk who had about two years experience was in charge of the Finance Department which had a budget of R19 million last year. The budget had been exceeded by R14 million. — (Sapa)

WINDHOEK. — Namibia

is experiencing an economic slump because of a drop in mineral export earnings and the drought.

It is estimated that real economic growth will be negative this year after a provisional fall of 1,6% last year.

Mining, which accounts for about half the gross domestic product, has been badly hit by a slump in uranium prices. Diamond earnings have been affected by the world recession.

Namibia generates only about half its State expenditure which is budgeted at R1 030-million for fiscal 1984, ending on March 31. It gets 25% from South Africa and borrows the rest.

Bankers said a major concern about the economy was

221A

# Gloomy outlook for Namibian economy

the growing public debt, which a secret Government document leaked to the newspapers estimated could total more than four times expected State income within four years.

The Administrator-General, Dr Willie van Niekerk, told Reuters that capital spending would have to be cut in the 1985 Budget and taxes might be increased.

Department of Finance figures show Namibia plans to borrow about R180-million

in the year to March 31. It will be guaranteed by South Africa.

Officials said they aimed to raise a third of the total in international markets and two-thirds in the South African market.

Unemployment statistics are not available, but bankers said they reckoned anything up to 40% of the workforce was unemployed. Namibia has a population of a million, including about 70 000 whites.

The bankers said they had conflicting views on capital outflow from Namibia amid continuing political uncertainty about its independence.

Dr Van Niekerk denied there was any net outflow, but some bankers said their books showed money was being transferred abroad, mostly to South Africa.

The bush war between South African forces and the South West Africa Peoples Organisation is limited to

northern Namibia and has had little impact on Windhoek.

The economic outlook hinges on a South African economic revival, which in turn depends largely on a world upturn.

Businessmen said the construction sector was particularly depressed, with a moratorium on State building in effect since last year.

The value of private building plans passed in the first

half of last year fell by 18,6% from the same period in 1981, according to official figures. Bankers said inflation remained under upward pressure because of the drought. They estimated it was running at about 14%.

The bankers expect some rationalisation of the banking sector in the medium term, possibly with the closure of one or two of the smaller of the seven banks.

Independence from South Africa would likely lead to the formation of independent banks, some linked to South Africa.

Dr Van Niekerk says the formation of a money market is being studied and some bankers are enthusiastic about the idea. Money-market transactions are currently handled through Johannesburg. — Reuter.

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27/7/83

# Secret evidence at mining inquiry

WINDHOEK. — The Thirion Commission of Inquiry moved behind closed doors to hear evidence on money paid into South West Africa's state coffers by Rossing Uranium Company, according to reports in Windhoek yesterday.

The commission, chaired by Mr Justice P W Thirion of Natal, is investigating alleged government malpractices in the territory.

The SWA Receiver of Revenue, Mr Hannes Lubbe, gave evidence on Monday on mining taxation in the territory.

Asked for details about Rossing's payment to the government, Mr. Lubbe said he had taken an oath of secrecy and could not testify in public on the subject.

Mr Justice Thirion ordered the public and media representatives to leave the Commissioner's Court.

In later evidence, Mr Lubbe said all mining companies in the territory would pay tax in SWA from this year.

Previously they had to account to the South African Receiver of Revenue.

Tax on diamonds exported from SWA had been levied locally since 1981.

The tax was assessed on figures declared by the diamond-mining companies and the Diamond Board of SWA, but the Directorate of Inland Revenue in Windhoek had no powers to ensure that the figures were correct.

yesterday. — Sapa

221A

Milk price is to  
go up in SWA

WINDHOEK. — The price of  
milk in South West Africa is  
to rise by 5c to 76c a litre  
from August 1.

The two major dairies in  
Windhoek — Milkcor and  
Bonmilk — announced that  
the price hike was prompted  
by increased transport and  
packaging costs. — Sapa.

(221A) NOV 9/8/85  
**SWA builders 'doomed'**

Mall Africa Bureau

WINDHOEK. — The building industry in South West Africa is on the verge of collapse and the Master Builders' Association blames the territory's cumbersome ethnic system of government for this state of affairs.

In a statement released by the MBA executive yesterday, the association said "all hopes of a viable industry have been dashed".

The MBA lashed out at the "unnecessary expenditure of the second-tier authorities", and said it is "farcical in a country of one-million inhabitants to have 14 government departments".

SWA is governed by a system of 11 ethnic governments, each responsible for the affairs of the ethnic group it is supposed to represent.

On top of this is a central government, run at present by the Administrator-General's Office, with third-tier local authorities running municipal affairs.

The MBA said "this heavyweight administration system unproductively uses up finance which would be better utilised

elsewhere".

Budgets for new building projects in the administrations had been drastically cut, and "this situation is expected to deteriorate in the foreseeable future".

The MBA's membership had dwindled from 104 members in the boom years of the 70s to a figure of 71 today, and in the past two years at least nine building firms had "been forced" to cease operations.

The MBA's major members only employed about 35% of the staff they employed in March 1981.

Builders were regularly leaving for South Africa and others had been forced to cut back on staff, leaving a gap in trained personnel whose talents could not easily be replaced.

"Qualified people with their families have either permanently left or are about to leave the territory, disillusioned," the MBA said.

Appeals to the private sector to stimulate more local development were doomed to failure until the authorities had restored confidence in the future of SWA, the MBA said.

Court account



# Fishing in SWA is at a very low ebb

22/14

10/8/83

By TONY WEAVER  
Mail Africa Bureau

WINDHOEK. — Fishing fleets in South West Africa are lying idle at the quaysides, hundreds of fishermen are being laid off and debts are spiralling as the crisis in the industry deepens.

Trawling for sole, the backbone of the Walvis Bay catches, has reached a virtual standstill, and catches of the two other main whitefish sources, hake and cob, are too low to justify putting out to sea in most cases.

A leading deep-sea trawler owner, Mr Charles Courtney-Clarke, told the Africa Bureau yesterday that 80% of the trips to sea at the moment were made at a loss. The industry was in dire straits. "If nothing happens by the end of the year, a lot of guys are going to go out of business", he said.

Last year, in 50 days, he had caught 120 tons of sole, but now the position was so bad that after 10 to 14 days of fruitless fishing, he had not even bothered to go out. Mr Gys Coetzee, manager of white fish processing at the Irvin and Johnson subsidiary, Kuiseb Fisheries, said boats could no longer fish profitably.

He said: "The bigger guys may be able to last out because they can diversify, but the smaller guys with no sidelines are going to suffer heavily."

Already about 300 fishermen and shore staff have been laid off and only six of the 19 licensed line fish boats are still active.

Only one third of the trawling fleet is still active. Nine boats — eight of them privately owned — are laid up. The new factory commissioned by Table Top recently for over R3-million has been processing last year's bycatches, but is now virtually closed, according to reports.

The secretary for Economic Affairs, Mr Piet Kruger, was quoted yesterday as saying there was nothing the authorities could do to provide relief for the fishermen.

Both Mr Kruger and Walvis Bay fleet owners talked of fish reserves being on-erated under International Conference of South East Atlantic Fisheries concessions.

Isceaf's catches were boosted by almost 200 000 tons last year, mainly by fish caught off the South West African coast.

There are at present about 60 foreign trawlers active off the coast, and local boat owners claim they are operating within the "no go" zone along the Skeleton Coast, out of bounds to local fishermen.

# SWA/Namibia slides into economic ruin

221A E-Post. 13/9/83

SWA/NAMIBIA is sliding into economic ruin as it waits interminably for independence.

A secret Government report leaked here shows that if the rate of decline over the past eight years continues for another four, the country will be so in debt that it will owe South Africa its entire annual output in interest payments.

South Africa, which is largely responsible for the swelling debt because of the outlandish ethnic administration it has foisted on the territory, is keeping the budget balanced with big injections of capital: R685 200 000, excluding defence costs, in the current financial year.

What this means is that if the drawn-out negotiations produce independence one of these days, the incoming black government — almost certainly a Swapo government — will find itself taking over a bankrupt country that will be as much of an economic hostage to South Africa as any of the tribal "homelands".

In fairness, it must be noted that not all the economic woes are attributable to South Africa and the system it has imposed here. Recession and the worst drought of the century have taken a heavy toll.

More than 35% of the administration's revenues used to come from the huge De Beers diamond concession, which occupies 54 000 square kilometres on the Atlantic coast. The recession has knocked that back to 4%.

The recession has also brought the once lucrative

By ALLISTER SPARKS in WINDHOEK

karakul industry to its knees.

Drought has devastated the meat industry. Cattle ranchers have been forced to slaughter more than 50% of their herds.

Fishing, once another mainstay of the economy, is in ruins. Excessive quotas granted by the South African Government led to a plundering of the rich offshore waters. Tough restrictions had to be introduced in 1980, by which time an annual pilchard catch of more than one million tons had dwindled to 11 000 tons. Now there are faint signs of recovery.

These economic setbacks are being compounded by the effects of a cumbersome constitutional system that is based on South Africa's obsession with ethnicity. The system is causing a degree of wastefulness, corruption and inefficiency that is currently being revealed by a commission of inquiry under a Cape Town judge, Mr Justice P W Thirion.

The constitution divides government in Namibia into three "tiers". The first tier, or central government, is supposed to deal with matter of common interest to all race groups. It was controlled by Mr Dirk Mudge's Democratic Turnhalle Alliance, but Pretoria suspended it in January and now runs the first tier directly through its Administrator-General, Dr Willem van Niekerk.

The second tier consists

of 11 ethnic authorities who are supposed to administer the affairs of their particular race groups. It has led to an astonishing multiplicity of Government departments for one of the world's most sparsely populated countries.

There are 11 Ministries of Education, 11 of health, 11 of pensions, and so on, for a population of just one million, or roughly half of Johannesburg's black township of Soweto.

The third tier encompasses local and municipal government, again separated on a racial basis.

Cynical Namibians have coined the phrase "one man, one government" to describe the system. It is hugely wasteful, chewing up 75% of the national budget and employing 44 692 people out of that tiny population. "The only growth sector is government," says Namibia's Director of Finance, Dr Johan Jones.

The unwieldiness of such a bureaucracy, tangled lines of authority between the maze of ministries, and the fact that a poor educational base has resulted in thousands of posts being filled by untrained people, have combined to cause large-scale inefficiency and corruption.

This is what the Thirion Commission is investigating at the second-tier level. So far it has dealt with only two ethnic administrations, the Ovambos and Damaras,

but already its findings are causing an outcry.

The commission has found that officials built houses for themselves with unauthorised funds.

A Portuguese refugee from Angola named "Banana Joe" Alves was unaccountably paid R800 000 for an unknown quantity of gravel supposedly delivered to unknown points in Ovamboland. A firm of architects was paid R1 200 000 for work that was never undertaken.

In a random test, it was found that 18 officials had signed for the salary packets of 173 people. Another test showed that hundreds of people who did not exist were receiving social pensions.

Meanwhile, a 16-page report drawn up by the territory's finance department for the Administrator-General has been leaked in Windhoek. Johan Jones has confirmed its authenticity.

The report notes that Namibia's outstanding debt amounts to 130% of current national income, and warns that "it could amount to more than four times the expected annual income in the next four years."

By that time the sum owing to South Africa in annual interest repayments will equal Namibia's gross domestic product, the report adds.

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# Little cheer in SWA trading

WINDHOEK. — Drought conditions continue, inflation and interest rates show no sign of abatement and the political situation remains unresolved, the chairman of Metje and Ziegler, Mr E G H Blohm, says in his annual report.

He adds that since his last annual report on the broadly-based trading company, the economic situation has not shown any improvements but the company has achieved reasonable results.

"The rationalisation programme initiated last year has been intensified, floor space has become available for letting, the staff has been adjusted to prevailing economic conditions and a training programme has been introduced.

He adds: "With no political solution in sight in the short term, and no immediate signs of an improvement in the general economic situation, trading conditions are not expected to become better. — Sapa.

# ve man

... man collapsing on his back with  
... to the hospital for help. When I  
... man was dead."

... ment, Mr Petrus Swanepoel, 62, of  
... venue, Brakpan, said his son was  
... from severe depression following  
... in 1979 of his brother, Hannes.

... the last week before his death he  
... more depressed, but at no stage  
... that he was going to take his own

... poel said he and his wife were  
... natives when he was told that Phil  
... shot himself.

... d a letter written by his son two  
... when he was looking for personal  
... after identifying the body at the  
... ruary.

... er said: "Dear Mother, Father and  
... sorry about this, but there was no  
... out for me. Hannes and I were  
... ther, but for me it has taken time.  
... st forgive me but it is better this  
... Flip."

## some suburbs

... m ble.

... The areas affected will be  
... Greenside, Parkhurst and  
... Parkwood and parts of Em-  
... marentia.

## Fog halts flights at East London

Mall Correspondent

**EAST LONDON.** — Fog cov-  
ered most of East London  
and surrounding areas yes-  
terday morning causing  
delay or diversion of  
flights at the airport.

Airport authorities reported  
visibility was less than  
1km at 5am.

The 7.55am flight to Johan-  
nesburg left East London  
at 9.25am after being de-  
layed at Port Elizabeth.

Flight 601 from Durban to  
Capetown via East London  
could not land and flew on  
to Cape Town.

Flight 401 to Port Elizabeth  
from Durban was delayed  
35 minutes.

The fog had lifted by 11.30am  
and the sky was overcast.  
The maximum temperature  
in East London yesterday  
was 19°C.

Thunderstorms occurred  
over the whole of the Bor-  
der and Transkei and by  
last night 2mm of rain had  
fallen at Port Elizabeth,  
4,5mm at Queenstown and  
0,6mm at East London.

Umtata was hot and clear  
with a temperature of 27°C,  
but towards late afternoon  
and evening there was a  
light and continuous driz-  
zle.

## Rains in SWA bring much needed relief

221  
A  
RNDH  
12/10/83

By TONY WEAVER  
Mall Africa Bureau

**WINDHOEK.** — Widespread  
rain has fallen over large  
areas of South West Africa in  
the past few days, bringing  
relief to many farmers.

And in Windhoek itself,  
residents were amazed at an  
almost overnight transfor-  
mation in the city, with trees  
and lawns, turning green  
after heavy showers on  
Thursday.

Bougainvilleas have  
bloomed all over the city and  
municipal flower gardens  
have begun flowering over-  
night.

Old residents of the city  
say it is the most dramatic  
transformation they have  
ever seen, and ascribe the  
sudden flower spectacle and  
greening of the city to the  
intensely hot weather which  
followed last week's rainfall.

But the rain, good news for  
most, also brought disaster to  
a young farmer near Dorda-  
bis, 60km from the capital,  
when 34 goats drowned and  
damage of more than R1 000  
was done to his house when a  
cloudburst resulted in more  
than 60mm of rain.

Best news for farmers

came from the drought dev-  
astated southern areas,  
where farms near Mariental  
had up to 50mm of rain, and  
in the Kalkrand, Rehoboth  
and Schlip areas, up to 30mm  
was measured.

Farmers in the Maltahohe  
area, in the mountains close  
to the Namib Desert, saw riv-  
ers running in full flood for  
the first time in over three  
years.

And the Namib itself was  
transformed this wee-  
kend. The region between  
Swakopmund and Windhoek,  
previously barren plains,  
were full of green grass  
shoots and daisies were be-  
ginning to flower.

North of Windhoek the  
news was not as good, al-  
though the area around Oka-  
handja, 80km north of Wind-  
hoek, did have up to 30mm of  
rain.

Several Windhoek resi-  
dents who set out over the  
weekend to do cross the Na-  
mib Desert, travelling in riv-  
er beds in four-wheel-drive  
vehicles, described yesterday  
how they had to drastically  
alter their plans after the riv-  
er beds, the main means of  
cross-country travel, turned  
into vicious torrents.

A  
Jo  
He  
co

London 32°C  
Dortmund 22°C  
Rain 24 hours to 7; Stange  
20h00: Nil

Sales tax  
in SWA is  
set to rise

Africa Bureau

WINDHOEK. — General Sales Tax in South West Africa has been increased to 7% to help meet spiralling government debts, and it was said yesterday that a further 1% rise would be introduced in February next year.

The statement announcing the increase, which will be implemented on November 1, was released by the Administrator General, Dr Willie van Niekerk's office, yesterday.

It said: "For quite a while now the public in South West Africa has been aware that the government is going through difficult times as a result of a shortage of State funds combined with rising government expenditure."

The drought and the world-wide recession in mineral prices had contributed to the financial crisis, and because South Africa was also affected SWA could no longer look to Pretoria for large loans.

Dr Van Niekerk said tough steps would be taken against tax-dodgers and to enforce government economy.

221A 2004 17/10/83

# SWA check on SA goods

Mall Africa Bureau

**WINDHOEK.** — Border checkpoints between South Africa and South West Africa are to be set up to monitor the flow of imported goods into the territory liable for sales tax, the Administrator-General, Dr Willie van Niekerk, has announced.

His announcement comes hot on the heels of the announcement that sales tax in the territory goes up from 6% to 7% from November 1.

Dr Van Niekerk said sales tax would not be levied at these control points.

"But it is evident that considerable quantities of goods liable for sales tax are being imported by road into SWA from South Africa," he said.

The checkpoints were not intended to restrict the free removal of goods to SWA.

The aim was to determine the extent of "road importations" and the involvement of end users who were liable for payment of GST.

The territory's independent economic ombudsman, Mr Eric Lang, who criticised the new GST increase and predicted the advent of the checkpoints, has also predicted a further increase of up to 8% GST for SWA early next year.

Meanwhile people in the territory are waiting to see if the authorities will respond to Mr Lang's challenge to reveal the closely guarded secrets of the territory's mining statistics.

Mr Lang said the percentage of revenue from GST in a country with extremely high unemployment was disproportionately high, while mining's contribution was "ridiculously low".

The 37-year-old rebel businessman, millionaire and trouble-shooter gave them until November to release the mining statistics.

"If they do not release them, I will," he said.

Mr Lang said natural resources were leaving the territory without any effective control.

"A 5% levy on natural resources would raise revenue far in excess of what the planned tax increases hope to raise," Mr Lang said.

He called the royalty — about R80-million in the past five years — paid to the diamond giant in the territory, CDM, a "disgrace".

"In South Africa the process is reversed," Mr Lang said, saying companies had to pay a royalty to mine.

In the past year he said R140-million in royalties left the territory.

Taxes on diamond mining in SWA were the lowest in Southern Africa.

R10 000

# Angry SWA housewives in GST protest

221A RWH  
27/10/83

**Mall Correspondent**

**WINDHOEK.** — Angry housewives collected over 3 000 signatures in one day as protests mounted yesterday against the proposed increase in General Sales Tax in South West Africa.

The women's action is seen as a vote of no confidence in the way the territory's administrator-general, Dr Willie van Niekerk, is running the economy.

The housewives, calling themselves Action GST, handed in a petition yesterday at the offices of the administrator-general, protesting about a proposed 1% increase in GST from 6%.

The increase is expected to come into effect on November 1, and has evoked strong protest in the territory.

On Monday evening more than 400 people attended a debate in Windhoek at which South West Africa's Secretary of Finance, Dr Johan Jones, and Namibia's independent economic ombudsman, Mr Eric Lang, were speakers.

When Mr Lang proposed his own motion of no confidence in the way the administrator-general was running

the country, slightly more than half of the crowd supported him.

A number of people in the audience were Government employees who are believed to have abstained, as the strongest form of protest they thought safe.

During the debate, Dr Jones faced torrid interjections and most of the people lashed into their "crippling" multi-ethnic governmental system.

Dr Jones said after considering all the other ways of upping tax the administrator-general's office had decided a 1% GST rise would be the fairest.

Mr Lang, who has predicted that there would be a further GST rise early next year, is well-known for exposing the inner workings of Government.

"What is wrong with the taxation policy of this Government and its predecessor, is it has allowed powerful business interests and political cliques to build loopholes into our taxation laws protecting them for the benefit of foreign shareholders," Mr Lang alleged.

4/11/83 (221A) 10M

# Chamber attacks 'corruption'

Mall Africa Bureau

WINDHOEK. — The South West African Chamber of Commerce and Industry has launched a stinging attack on the very basis of government in the territory.

In a statement yesterday, the chamber said the territory's cumbersome system of 10 ethnic governments led to corruption and inefficiency, and all the trappings of the mini-parliaments, like buildings, vehicles and staff, were totally unnecessary.

The chamber also rejected the increase of 1% on General Sales Tax, which came into effect on Tuesday, and said

the increase could not be condoned without prices of basic foodstuffs being revised.

Referring to the GST increase, the chamber called for a differentiated system of taxation which excluded basic foodstuffs from the levy.

It also called on the Administrator-General, Dr Willie van Niekerk, to cut drastically the number of civil servants, and to enforce rigid economies in Government spending.

The GST increase has met with heated opposition from a wide cross-section of the community, with a recent

protest meeting, attended by almost 400 members of Windhoek's business and consumer community, passing an overwhelming motion of no confidence in Dr Van Niekerk on the issue.

In addition, more than 6 000 Windhoek residents have signed a petition protesting at the increase.

Local activists have described the protest meeting as one of the most exciting developments in Windhoek recently, as it united a broad spectrum of citizens, ranging from those supporting Swapo, to conservative members of the National Party.



# Stiff fishing fishing curbs for SWA

By TONY WEAVER  
Mail Africa bureau

WINDHOEK. — The galjoen, known to anglers as one of the finest fighting fish off the southern African coast, will be strictly protected in South West African waters from now on.

The new measures, announced by the sea fisheries division of the Department of Economic Affairs, include a total ban on any commercial trading in the fish, regarded by gourmets as having one of the most delicate flavours of all pan fish.

Yesterday's announcement also brought into action measures to protect dasies (blacktail), kabeljou and steenbras, and curbed all cutting of red bait off the SWA coast.

Only red bait which has been washed ashore may be collected, and no angler may collect more than 1,8kg of the bait each day.

In addition, white mussels, another popular bait, may only be dug by hand and no angler may take out more than 25 mussels a day.

Local anglers have welcomed the measures, and see them as aimed mainly at holiday-makers from South Africa.

Friction has developed between local and South African anglers because anglers from the Republic have come to SWA with gas-run freezers.

When the December shoals hit the well-known angling spots near Swakopmund and Henties Bay, and the more remote Sandwich Harbour, freezers are piled with fish for resale in South Africa.

But in terms of the new regulations, no more than 25 galjoen will be allowed to be transported by any angler, and the maximum number of galjoen per vehicle is limited to 100.

A minimum length limit of 20cm has been set on galjoen, while no kabeljou smaller than 40cm and steenbras smaller than 30cm may be kept.

To protect dwindling bait resources on the SWA coast, the department also announced that no bait other than sardines may be sold commercially.

The limit on the number of crayfish remains at five, with no diving allowed between sunset and sunrise. All crayfish must be measured in the water, with the carapace shell minimum limit remaining at 6,5cm.

# Official flurry over secret SWA mining figures

By TONY WEAVER  
Mail Africa Bureau

WINDHOEK. — Maverick businessman and independent crusader against corruption, Mr Eric Lang, this week drastically cut a "bombshell" speech after last-minute intervention from South African Cabinet Ministers and a heated exchange with the Administrator General of South West Africa, Dr Willie Van Niekerk.

On Thursday Mr Lang, who had threatened to reveal hitherto secret information on SWA's mining production, was met at the steps of the hotel where he was to have addressed a meeting by Mr Chris Camp, personal secretary to Dr Van Niekerk.

After a hurried consultation, Mr Lang went to the hotel manager's office and telephoned Mr Justice P Thirion, head of the commission on corruption in SWA's ethnic government.

After 20 minutes a visibly shaken Mr Lang emerged and was met five minutes later by Mr A G Visser, secre-

tary of the Thirion Commission of Inquiry.

Mr Lang then made another phone call, after which he addressed the meeting, almost 45 minutes late.

Mr Lang had a heated exchange with Dr Van Niekerk earlier on Thursday.

Dr Van Niekerk threatened Mr Lang with drastic action and told him he would reveal Mr Lang's "criminal past" should he reveal figures for mineral production.

Mr Lang challenged Dr Van Niekerk by telling the meeting — organised by the Institute of Purchasing Management — "now I will tell you about my dark and sinful past", outlining the AG's threat. He said he had been arrested for illicit diamond buying 20 years ago.

Referring to attempts to stop his speech he said: "The lines have been burning hot to Cabinet Ministers in South Africa today."

Mr Lang said he had left out of his speech the secret figures on mining production at the request of Mr Justice Thirion.



Minister Mr Pik Botha give the green light to Bophuthatswana Buildings an agreement regulating broadcasting activities.  
Picture: ROBERT TSHABALALO

## Ministers departments

26/11/83  
tions in the education departments would also inflate the overall costs. On budgeting for the new dispensation, Mr Schwarz said if the aim was equality of education, there would also have to be equality in the allocation of funds.

HELENE ZAMPETAKIS reports that black educationists are angry that they were left off the mailing list for advance copies of the Government's White Paper, while coloured and Indian teaching bodies were given special treatment.

However, both education departments responsible for the distribution of copies — the departments of Education and Training and National Education — said they were not to blame for excluding blacks.

But the move has antagonised black educationists who believe it was a deliberate attempt keep them uninformed about their educational future.

But Mr P J de Bruin, deputy director of macro-policy, said the Department of National Education had supplied copies of the White Paper to all education departments.

"It was up to them as to how they distributed them," he said.

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vocation ves-

## Man in bomb case set free

Pretoria Bureau

A MAN who allegedly told police he had planted a bomb at the Union Buildings, was acquitted in the Pretoria Regional Court yesterday.

Evidence was that Mr Theunis Van der Westhuizen, 49, had telephoned the police to say he had planted a bomb at Union Buildings. He was arrested while in the telephone booth.

Mr Van der Westhuizen told the court he had been drinking with friends and had passed out. Later he found one of the men with his girlfriend. One of the men had complained there were more job opportunities for blacks than whites and had said he would plant a bomb at the Union Buildings.

He had told the police about the man, but they had arrested him instead.

According to a telephone transcript, Mr Van der Westhuizen said he had planted a bomb. Later he said a man had planted a

## Action likely on napalm report

By TONY WEAVER  
Mail Africa Bureau

WINDHOEK. — Charges are being investigated against a newspaper — thought to be a Johannesburg Afrikaans morning newspaper — for saying the South African Air Force was using napalm in support of Koevoet policemen operating in Angola.

The Windhoek Supreme Court heard yesterday that the matter was in the hands of the Attorney-General.

The possible charges arose out of evidence given in the trial of Johannes Paulus, 23, and Paulus Matheus, 22, two members of Koevoet found guilty of murder and attempted murder respectively, and of rape and robbery.

Starting his argument against mitigating circumstances, Mr Gert Burger, for the State, said he objected to the use of the word napalm by pro deo defence counsel for Paulus, Mr Pierre Roux.

When Mr Roux, leading evidence in mitigation of sentence, said: "The war and atrocities like the burning down of kraals and exposure to napalm attacks..." Mr Burger objected.

He said Mr Roux was trying to "discredit the South African Government" by say-

had testified that while on Koevoet operations in Angola, and earlier as a UNITA soldier, he had seen fighter bombers dropping bombs which made "waves of fire 200 yards long".

"The conclusion we draw from his description of waves of fire is that napalm was used," Mr Roux said.

Mr Burger, after succeeding in his objection to the use of the word "napalm", later said charges were being investigated against the newspaper — which he did not name — because they had interpreted Paulus' evidence to mean napalm.

Mr Roux said Paulus' training as a "bounty hunter" for Koevoet had lessened his ability to distinguish between right and wrong, and had also made him into a "reflexive killer".

When Paulus had gone to the hut of Headman Robert Amunwe on the night of January 12 this year with the purpose of robbing him, Mr Amunwe had challenged him with an old .303 rifle.

Paulus had instinctively shot him as he had been trained to do by both UNITA and Koevoet, Mr Roux argued.

Mr Burger contested the argument, saying Paulus was

# Lang <sup>221A</sup> refuses <sup>Star</sup> to give <sup>5/12/83</sup> evidence

By Peter Honey,  
The Star's Foreign  
New Service

WINDHOEK — Namibia's self-styled economic ombudsman, Mr Eric Lang, today refused to give evidence on his allegations about the territory's mining industry before the Thirion commission of inquiry into alleged State maladministration.

He said there was no doubt that a commission needed to be appointed to investigate irregularities in certain sectors of Namibia's mining industry.

But, because the Thirion commission's terms of reference did not cover the mining industry, he would be laying himself open to litigation by certain mines if he made known information.

Mr Lang read a letter sent to him last month by the chairman of the commission, Mr Justice P W Thirion, pointing this out.

The judge told Mr Lang at today's sitting of the commission that he was engaged in an investigation aimed at drawing up a memorandum for the Administrator-General.

The Administrator-General, he said, could not launch a commission to inquire into the mining industry unless he had certain specific allegations.

Mr Lang has, among other things, alleged there were instances of overmining in the territory.

He claims that there were also instances of transfer pricing, in which Namibian companies sold their products to sister companies in tax havens to avoid high taxes.

There was said to be a lack of control over mining exports. The diamond board, for example, effectively left the valuation of diamonds mined in Namibia to the industry itself.

Mr Lang also alleged that the chairman of the Diamond Board knew very little about the diamond industry and did not know that the board was not audited by a qualified auditor.

The board's records were signed only by the resident director of CDM (the Namibian De Beers subsidiary) and the company's secretary. They were never independently audited.

Mr Justice Thirion adjourned the commission until an undetermined date next year. He said the commission had completed its investigations into government bodies.

221A ROOM 6/12/83

## Mines-probe man wants exemption

WINDHOEK. — A Windhoek businessman, Mr Eric Lang, told the Thirion Commission of Inquiry into alleged government malpractices in South West Africa that he could not give evidence on the mining industry without guarantees of exemption from court action.

Mr Lang was summoned to give evidence before the commission yesterday following his allegations that there were irregularities in the mining industry in SWA.

"I have at all stages been willing and prepared to appear before this commission, but I have problems with the commission's terms of reference."

He said that unless the

commission's terms of reference were broadened to include an investigation into the mining industry, his evidence would not be granted privilege in terms of the Commission Act.

"I have been trying to get the terms of the reference of this commission extended for the last year," he added.

The Commissioner, Mr Justice P W Thirion of Natal, said the Administrator-General of SWA, Dr Willie van Niekerk, could not appoint a commission of inquiry into the mining industry "on bare allegations".

Dr Van Niekerk required information that convinced him of the need. — Sapa.

● See Page 15

# A damning tale of SWA's chaos and corruption

From TONY WEAVER in Windhoek

IN June 1980, the then Administrator-General of South West Africa, Dr Gerrit Viljoen, issued Proclamation AG8, establishing 11 governments... one for each South West African ethnic group.

A bare three years later, AG8's chickens are coming home to roost with a vengeance.

The Thirion Commission of Inquiry into malpractices in the ethnic and central governments has daily heard more and more tales of financial abuse, corruption, maladministration and general chaos in the ethnic governments.

Already those governments are chewing up 75% of the struggling territory's annual budget, and this comes as no surprise in the light of evidence heard so far.

To date, the Ovambo, Tswana, Herero, Damara, Caprivian, coloured and Kavango administrations have come under the gaze of Mr Justice P W Thirion, and in each administration a similar picture emerges.

And the Attorney-General of South West Africa, Mr Don Brunette, has warned that police investigations and criminal charges could follow against some of the top names in the internal political sphere and in the civil service.

This arises from evidence presented to the commission on alleged corruption in the Ovambo Administration which, with the South African Defence Force, administers the lives of half the country's population.

In some of the recent evidence heard by the commission, it has emerged that:

- The Caprivi Administration built and furnished six houses at a cost of almost R300 000 for chiefs currently serving in the administration.

The chiefs will use the homes as retirement havens when their terms of office expire.

All six currently occupy state housing in Katima Mulilo, capital of the Caprivi.

- R9 000 meant for paying salaries to Caprivian officials disappeared while administration pay clerks were travelling to remote areas in a helicopter.

Mr Justice Thirion asked Mr Christiaan Blaauw, Secretary of the Administration, whether he perhaps thought the money had "blown away" in the wind, dispersed while

officials were sitting beneath the rotating blades of the chopper?

- The acting Secretary of the Tswana Administration, Mr F J van der Merwe — a seconded South African civil servant — had been overpaid R15 289 in salary since January 1982.

The money was paid out to him on the orders of his wife, Zirkia, head of the personnel section in the administration. He also received R4 992 in housing allowances, when he was not entitled to get the money.

- The Caprivi Administration's MEC for Works, Mr Boniface Likando, "borrowed" a luxury, R42 000 Range Rover four-wheel-drive vehicle from the administration to plough his fields.

Mr Likando also had his private home wired for electricity using administration materials, administration labour and administration working hours.

- Another Caprivian Government official removed the engine of an administration vehicle and fitted it into his private vehicle.

- The leader of the Christian Democratic Action for Social Justice and head of the Ovambo Legislative Assembly, Mr Peter Kalangula, has to repay R32 999,66 to the administration after he used administration building materials in the construction of his house and for improvements to the church of which he is the head.

- Mr Kalangula also had three of his own private tractors repaired by the state, at a cost of almost R20 000.

- The Thirion Commission also recommended that the Ovambo Director of Works, Mr Frederik de Villiers, should be fired because of "crass dereliction of duty" and for his part in fiddling tender contracts.

He should also be forced to repay R82 000 to the administration, which he "lost" as a result of "misconduct" and "dereliction of duty". Mr De Villiers has since left the administration and has retired on the Cape south coast.

- Documents in the Ovambo Administration were forged so that new vehicles could be written off and sold to administration officials at a nominal price.

- The acting Director of

Finance in the Ovambo Administration, Mr W Ludik, irregularly fitted out his house with carpets valued at R3 455, and three administration section heads and members of the executive committee got "free" wall-to-wall carpeting fitted, valued at F. 26 828.

- A senior trade foreman in the Ovambo Administration, Mr Arnold Carstens, used his position to secure a R72 000 contract for the supply of beds to the administration on behalf of his wife, Pamela.

- The Ovambo Administration's chief pharmacist, Mr J Herbst, accumulated R14 000 in less than three months by adjusting rates charged for prescriptions.

Mr Justice Thirion commented he was satisfied that Mr Herbst had "a strong consideration to create a source of income for himself, apart from his regular salary".

These are just some of the more startling bits of evidence which have emerged in testimony before the commission.

The commission heard that, in virtually every administration, there was chaos, no set office procedures were adhered to, important documents were dumped in boxes in dusty store rooms, that salaries were not paid, or paid twice, and that nepotism abounded.

Observers ascribe the rampant corruption and mismanagement to the existence of 10 ethnic governments (the Bushmen don't have a separate government, refusing one when it was offered to them) for a country with a population of just on one-million people.

There is a drastic shortage of skilled staff and, in the Herero Administration, it emerged that the highest trained person was a filing clerk.

The only way to solve the problems of corruption and mismanagement would be to scrap the ethnic authorities but — as they are an essential part of South Africa's strategy of maintaining apartheid in disguise, and of keeping "tame" political parties in power — this is an unlikely prospect.

The commission has now recessed and will begin hearing more evidence in the New Year.

ARGUS 7/12/83

221A

# SWA to claim millions from S Africa

PETER HONEY of the Argus Foreign Service reports from Windhoek

South West Africa/Namibia intends claiming millions of rands from South Africa for taxes it says should have come to the territory from the Walvis Bay fishing industry in the last six years.

The amount is believed to total about R200-million, and SWA/Namibia's finance secretary, Dr Johan Jones, says South Africa has indicated it is "quite willing to discuss the matter".

Dr Jones says that in addition to the question of income from the SWA/Namibian fishing industry, other "grey areas" such as taxes from insurance payments and pensions, are also likely to be discussed.

The matter will be finalised one way or the other during the course of next year.

News of the intended claim comes less than a week after the Administrator-General, Dr Willie van Niekerk, hit out at foreign fishing trawlers plundering the fishing resources of the SWA/Namibian coast.

Should the claim be acknowledged as justifiable by South Afri-

ca, it would put a new complexion on the annual "gift" of R240-million which South Africa grants to the territory.

Dr Jones's department is investigating whether this amount really amounts to a gift, or whether it is money which should have accrued to the territory anyway.

"We would in future like to have the amount in grant money specified," he says. "We are not not thinking, saying or implying that we have been robbed over these years. But it seems there could have been an oversight.

The reasoning behind the claim is that before September 1 1977 all taxes relating to the fishing industry at Walvis Bay used to come to the South West African coffers.

When South Africa took over direct control of Walvis Bay on September 1 1977, however, the money went to South Africa.

These sources of income include:

- All direct taxes from the fishing factories, which in the 1970s amounted to about R244-million a year;

- The 12,5 percent tax on foreign dividends, amounting to about R4-million a year; and

- Taxes from fishing boat owners, export agents, engineering works, and staff salaries.

Dr Jones intends taking up the matter at the next sitting of SWA/Namibia's policy advisory committee for economics and finances which he says will recommend that the Administrator-General take the matter up with South Africa's Department of Economic Affairs.

"It depends on South Africa's attitude, whether we are successful or not," he adds. "They could argue that as Walvis Bay is South African territory and the companies are by and large South African, that they should have been getting the money all along.

"Then there is the question of whether the fish were caught in South African waters or in South West African waters.

"There are many technical points to be resolved.

# Tsumeb closes Windhoek mine

221A COM 9/12/83

By BRENDAN RYAN

SOUTHERN Africa's higher-cost copper producers are battling because of the continuing weakness in the metal's price.

Tsumeb Corporation announced yesterday it had closed the unprofitable Matchless copper mine near Windhoek. Matchless is the highest-cost and smallest producer of Tsumeb's four mines.

The closure of the mine and a trimming of Tsumeb's other activities mean 920 employees from the corporation's total staff of 6 500 will be retrenched.

The general manager, Mr Bob Meiring, said the mine was being closed because of depressed world demand and prices for copper. They could have threatened the company's long-term financial position unless protective measures were taken.

Tsumeb had maintained full employment in the past three years in spite of significant losses which had been financed through a R20m contribution from shareholders and R20m from overseas bank loans.

High interest rates and a discouraging outlook on the metals market made it imprudent to borrow more money. Assistance from Government had been looked at. Although the Government was sympathetic, it was agreed that intervention at this stage would be difficult to justify, Mr Meiring said.

Gold Fields of South Africa (GFSA) holds 43% of Tsumeb and controls the company with Newmont Mining of the United States.

Messina Limited recently closed its copper smelter and concentrates will be smelted at Palabora. Messina mine's future hangs in the balance and depends on continued Government subsidisation as it is a large employer

in the strategic border area of the Northern Transvaal.

Also struggling is O'okiep Copper Mines of Namaqualand in which the GFSA group holds 25% and Newmont 49%. O'okiep was forced to arrange loan facilities of R57m in 1981 and 1982 and this year it made a R30m rights issue.

O'okiep also had to enter into a joint venture agreement with Barclays Bank through which the bank will share in the mine's profits until 1987. The mine lost R5,075m in 1982 and R577 000 in 1981.

A spokesman for O'okiep said yesterday the mine would issue a statement about its position on Monday.

The only South African copper mine which has remained profitable is Palabora Mining, although it is not happy with its profit margins from current copper prices. Palabora has stayed in the black through excellent cost control. Working costs last year were held to an annual increase of 3,8% in the face of 14,8% inflation.

The mine is one of the lowest-cost producers in the world and the only other copper producers showing profits at present prices of about US\$0,66 a lb are probably the Chileans.

The copper industry's long-term view is that the economic recovery in the world economy must eventually affect the primary metal producers through better demand and prices.

It was on this basis that GFSA took up its stakes in Tsumeb and O'okiep this year, buying mining assets cheaply and looking to benefit from a recovery by the mines.

However, the copper markets have been down since 1975 and the predicted recovery is at least a year overdue. A promising recovery in copper prices earlier this year was short-lived. The outlook for next year is uncertain with forecast supply of copper to the market greater than demand.

# SWA copper mine to be closed down

221A 3 Post 12/12/83

WINDHOEK — Tsumeb Corporation Ltd has announced the closing of the Matchless Copper Mine near Windhoek as part of a company rationalisation programme brought about by depressed world markets for copper and lead.

The closure of Matchless, the smallest of TCL's four production units, and the reduction of other activities would result in the retrenchment of 920 employees from a TCL total of 6 500.

TCL's general manager, Mr Bob Meiring, said in a statement in Windhoek that the economising campaign would enable TCL to maintain a marginally decreased rate of production.

"It will also maintain all facets of exploration, mine development and training" although at a lower level of activity, he said.

Retrenched employees were granted special consideration, including "a liberal period of notice" and relocation allowances should they wish to return to their home towns.

Others would be given ample time to stay in TCL

houses while seeking alternative employment.

Mr Meiring said TCL had maintained full employment in the past three years, despite significant losses financed by a R20-million shareholder contribution and an equal amount through overseas bank loans.

"Continued depressed world demand for copper and lead, and low prices, could threaten the company's long-term financial position unless protective measures are taken," he said.

Owing to high interest rates and a discouraging outlook on the metals' market, it would be imprudent to borrow additional funds.

Government assistance had been examined, although the Government was sympathetic and concerned it was agreed that intervention at this stage would be difficult to justify.

The price of copper dropped from R2 210 a ton in 1978 to R1 790 a ton this year to October. The corresponding figures for lead are R1 070 and R470. — Sapa



SWA 221A  
E.P. Post  
12/12/83  
mines  
probe  
next  
year

Post Correspondent  
WINDHOEK —

The door has been opened for an official probe into state control of Namibia's multi-million-rand mining industry.

This will either be done by the Thirion Commission when it resumes its work next year under widened terms of reference, or by a commission to be proclaimed by the Administrator-General, Dr Willie van Niekerk.

This follows the appearance last week of Mr Eric Lang before the Thirion Commission. Mr Lang is a Windhoek millionaire and a self-appointed economics ombudsman.

Mr Fanie Pretorius, Press officer for the Administrator-General, said after the sitting that no date had been fixed for a meeting between Mr Lang, the commission chairman, Mr Justice Thirion, and the Administrator-General to decide how the mining probe would be handled. Representatives of the territory's mining companies took notes as Mr Lang asked for indemnity before he would testify on his allegations concerning mining activities.

These included overmining, lack of control over mineral exports, transfer pricing to escape full taxation on real profits and a Diamond Board which did not act within the spirit of the law.

Mr Justice Thirion refused Mr Lang indemnity. As a result he did not formally testify before the commission.

Mr Justice Thirion said the matters raised would be dealt with next year. He asked Mr Lang to submit a memorandum addressed to the commission chairman.

But Mr Lang said he had reservations about revealing his sources on paper.

# Govt subsidies on bread in SWA to be abolished

221A  
E. Post. 20/12/83

WINDHOEK — The Administrator-General of SWA/Namibia, Dr Willie van Niekerk, has announced the abolition of Government subsidies on white and wholewheat bread from January 1.

Price control on the two items would be abolished at the same time.

In a statement from Swakopmund, Dr Van Niekerk said the purpose of food subsidies was to make staples more accessible to the poor.

"The subsidy on white and whole wheat bread clearly does not serve this purpose. Maize products and mahango are the staple foods of the major part of the population."

A senior Department of Agriculture official said earlier: "By subsidising bread we do not subsidise the staple food of the average Namibian."

The average SWA/Namibian bought bread in insignificant quantities, according to a study by the Department of Agriculture.

"Bread is by no means a staple food for the population as a whole," Dr Van Niekerk said. "This is even more true for the less affluent sections of the population." — Sapa

# Rossing Uranium's star dims in RTZ constellation

**WINDHOEK.** — Rossing Uranium has dropped in status from one of the Rio Tinto Zinc's star financial performers mainly because of the depressed market.

Mr Colin Macaulay, Rossing's managing director, said: "Uranium is not going to do well for the rest of the decade."

Rossing, which went into full production in 1979, is the largest uranium mine in the world and makes SWA fourth largest producer of uranium in the free world.

The contribution from Rossing to RTZ's net attributable earnings fell in the first half of this financial year to £7,7m from £13,5m for the same period in the previous year. Its share of group profits, nearly 26% last year, has been averaging less than half of that.

Rossing is heavily criticised for operating in SWA and its management has tried to counter that by

providing unassailable conditions for 2 800 employees.

"We're everybody's favourite target," said the assistant general manager, Mr Mike Bates. "We mine uranium, we do it in Namibia and we're a multinational."

Rossing mines uranium in direct defiance of a UN decree that no minerals should be extracted from the territory without its permission.

Because of international criticism Rossing has tried to be beyond criticism in its treatment of its workers.

Mr Macaulay said: "We do more than you will find at any other operation in the world — in the environmental, medical, housing field, you name it."

Rossing's unskilled employees earn more than R300 a month. There are three communities for workers at nominal rents.

In a recent visit to Arandis, the mainly-black township, the small housing was neat and comfortable,

with enviable amenities. Although the housing has been criticised by anti-Rossing groups in England, a senior member of the South West Africa People's Organisation (Swapo) said he was highly impressed by the quality of life at Arandis.

Uranium is mined from a vast open pit about 50 km east of Swakopmund and ore grade compares with the lowest in the world.

Because of the South African Atomic Energy Act Rossing officials are prohibited from disclosing the grade, price, customers, method of delivery or reserves.

The ore grade can be found, however, in the RTZ annual report published in London.

RTZ owns 46,5% of Rossing, Total of France has 10%, Gencor 2,3% and Uranggesellschaft of West Germany 5%. The IDC has 13,5%. Other shareholders are not disclosed.

IDC has outsize voting rights, which gives the SA Government an

important say in managing Rossing, but Mr Algar disputed charges that IDC's role means Rossing uranium can be used by SA.

He added that Rossing had never sold uranium to SA.

The present production level of about 5-million tons of ore a year is the mine's projected full capacity. Rossing, along with Tsumeb Mines and Consolidated Diamond Mines, the three main companies in the mining sector, accounts for about half of SWA's economic activity.

This is the the first year Rossing will pay taxes to SWA because of an agreement with its Government to defer taxes until the capital investment was paid off.

Rossing officials and mining industry sources said this sort of tax holiday was common throughout the world. What is less common, however, is the fact that Rossing does not pay royalties on the ore it takes out of the ground.

The company has made a provi-

sional R2m payment on its 1983 financial year taxes which will be computed in full later.

An important issue for Rossing and RTZ is when independence will come to SWA and what form it will take. Mr Macaulay said the longer independence was delayed the worse it would be for Rossing.

"As Namibian uranium producers we are unacceptable to many governments around the world."

Swapo, fighting a 17-year-long bush war with SA for control of the territory, has said that it would seek reparations from mining companies.

"After independence I think we will be encouraged to expand," Mr Macaulay said. "When a new government comes in they will be short of revenue and, as for how we have behaved, no one will be able to say we got away with something."

Mr Macaulay said RTZ officials in London have discussed Rossing with Swapo. "They don't find them shrill," he said. — Reuter.

# UN lists 'firms exploiting Namibia'

18/1/84 Star 221A

NEW YORK — A United Nations body is preparing a "blacklist" of multinational companies that, it says, are exploiting the resources of Namibia and bolstering South Africa's "illegal" presence there.

A draft handbook, prepared by the United Nations Council for Namibia, lists 11 such companies based in Western Europe, 10 in North America and 24 in South Africa.

"It is this book's object to expose the activities of those foreign corporations which exploit the Namibian resources and whose investments continue to support the illegal South African presence there," the introduction says.

"It is hoped the revelations in this study will convince the governments of states whose corporations... operate in Namibia of the illegality of such operations, and enable them to take appropriate measures to discourage the continuation of such investments and related activities.

"As long as these operations continue without regulation from an independent, internationally recognised government, Namibian resources will be depleted, its environment seriously damaged and its people denied the right of controlling their destiny and resources for their own benefit." — Sapa-Reuter.

221A ~~210~~ ~~252~~  
D. Aspatch 20/1/84  
**Firm rejects  
SWA blacklist**

WINDHOEK — Not a single multinational company operating in SWA/Namibia was acting in conflict with the interests of the people of the territory, the executive director of CDM, Mr Doug Hoffe, said here yesterday.

He was responding in a statement published yesterday to a "blacklist" of transnational companies, being compiled by the United Nations Council for Namibia.

The UN agency alleged that 45 such corporations based in

Europe, North America and South Africa were exploiting SWA's resources and bolstering South Africa's "illegal presence" in the territory.

Anglo-American, of which CDM is an affiliate, was one of the companies listed.

"Each of the companies appearing on the list has conditions of employment which are to the advantage of the country," Mr Hoffe said.

"Namibia will be much the poorer if any one of these companies should leave." — SAPA

# Corporate jeers for the UN's boycott of SWA

*'This blacklist will have no effect on our activities ...'*

WINDHOEK — The United Nations 'blacklist' of multinational companies which the UN says are operating illegally in Namibia was shrugged off as insignificant this week by spokesmen for most of the companies.

The UN Council for Namibia's draft handbook says the multinationals are exploiting Namibia's resources while propping up South Africa's "illegal" presence in the territory.

The public relations manager of Rossing Uranium Ltd, Mr Clive Algar, said: "Following the British government, Rio Tinto Zinc does not recognise the Council for Namibia or its decrees.

"Besides, it will have no effect on Rossing's activities."

RTZ, which has the majority shareholding in the world's largest open cast uranium mine operating in the Namib Desert, is one of 10 North American multinationals listed.

Another is Hudson Bay of Canada, one of the international Swakara pelt brokers.

By DAVID PIETERS

The governor and president of the company, Mr D McGivern, who is visiting the territory, declined to comment.

The company's special representative in Namibia, Mr Rudi Winckler, said Hudson Bay had in any case scaled down its activities considerably in the past 18 months.

A spokesman for Gold Fields of SA (GFSA), owned 48% by Consolidated Gold Fields of Britain, said it was believed "the London office has said the news has not appeared in any of the London dailies, making it a bit of a non-event".

Consolidated Gold Fields is one of 11 West European multinationals in the UN Council's bad books.

GFSA is active in mining and prospecting in Namibia.

Of the 24 South African-based multinational corporations blacklisted, Anglo American Corporation, which, through its affiliate De Beers, dominates the diamond industry, is named as the largest.

Mr Doug Hoffe, resident director of CDM, which

mines gemstones at Oranjemund and off-shore, said: "Namibia will be a lot poorer if any of the companies should pull out."

Anyone who knew the facts would realise none of the blacklisted companies operated to the detriment of Namibia, he said. "Their operating policies and working conditions would stand comparison with the best in the world.

"And it is ironic to hear it suggested that their continued presence and investment in Namibia should be discouraged and opposed," Mr Hoffe said.

"These are the companies which are trying their level best to uplift disadvantaged people, to remove discrimination, as well as to improve job opportunities for black people in Namibia."

Another blacklisted South African company is Federale Volksbeleggings whose wide range of investments in the territory includes a stake in the fishing industry.

There was no comment from the company.

Namibia's director of sea fisheries, Dr Jan Jurgens, said the blacklist should include countries plundering Namibia's fish resources.

"Eastern bloc fleets would have to feature high on the list of foreign nations pillaging dwindling south-east Atlantic marine resources, he said.

Dr Jurgens said foreign fleets caught more than 1-million tons of fish in Namibian waters each year.

An industry source said the UN Council was a co-signatory in Jamaica in 1982 of the Law of the Sea which recognised a 200 nautical mile off-shore territorial limit for Namibia.

~~221A~~ 221A RDM  
23/1/84

# Swapo hinders development plans in SWA'

WINDHOEK. — If Swapo stopped its programme of violence, money spent on military operations could be used for much-needed development projects in fields such as education and health services, the Administrator-General of South West Africa, Dr Willie van Niekerk, has said.

"For the first time last year more than 80% of the people in South West Africa between the ages of seven and 18 attended schools, which is a remarkable achievement when seen in the African context," he said.

"But crowded classrooms, particularly at primary school level, remain a problem."

Dr Van Niekerk said the worldwide economic recession and the drought in SWA had slowed down development of essential services in the past year.

"Nevertheless, we succeeded in bringing down inflation and sustaining the administrative infrastructure."

Problems that would have to be met in the short-term included revitalising SWA's sources of revenue, such as the mining industry — which at one stage accounted for 60% of the territory's income — agriculture, fishing and tourism.

Dr Van Niekerk said Government and private sector representatives would meet later this year to compile guidelines for a national development strategy.

"It is part of a continuing process to prepare the country for independence."

Dr Van Niekerk said military operations such as the

recent Askari should not be viewed in a SWA context alone "but in the entire Southern African regional context".

He said such operations were taxing capital and manpower resources.

"It is expensive and we all know it. If there was no Marxist movement such as Swapo we could have used the money for other purposes."

Dr Van Niekerk said South Africa was an integral part of Africa, whereas "surrogate forces" in Angola were not.

"There is no way that you can describe the Cubans as being part of Africa."

South Africa's insistence on a Cuban pull-out from Angola as a condition for a SWA peace settlement was based on the premise that the territory, "as a newly independent state, can hardly be expected to cope with Soviet surrogate forces" on its doorstep.

The MPLA government came to power in Angola without having been voted into office.

"They (the international community) are pressuring us for elections in terms of United Nations Security Resolution 435, but nobody is saying a word about elections in Angola," he said.

The MPLA's war with Unita and other governments was entirely an Angolan affair, but peace and stability in that country would benefit all of Southern Africa.

"Let them send the Cubans home and call elections to determine which party has popular support," Dr Van Niekerk said. — Sapa.

221A P. Diapatch 35/1/84

# Legend became world's biggest uranium mine

There is an ancient legend among the Damara tribespeople around Swakopmund of a cave in the nearby regions of the Namib Desert in which women would spend the night in order not to have any more children.

The area encompasses what is now the site of the world's largest uranium mine owned by Rossing, a member of the Rio Tinto Zinc group.

Rossing officials acknowledge the tale with sceptical amusement, stressing that the level of radiation at their operation is extremely low.

"There could be no such place," insisted Dr Wotan Sweigers, head of health services at Rossing. "If there were, it would glow in the dark."

Dr Sweigers' sophisticated clinic, with its advanced occupational health monitoring equipment to ensure

that no one is exposed to excessive radiation, is just one aspect of the company's strenuous efforts to place its controversial presence in SWA-Namibia beyond criticism.

"We are everybody's favourite target," said assistant general manager Mike Bates. "We mine uranium, we do it in Namibia and we are a multinational."

The Rossing uranium deposit was discovered in the 1950s by a local prospector who tried in vain to interest major mining companies in its exploitation.

Eventually, his sons persuaded RTZ, an international mining giant, to develop a huge open-pit mine to take advantage of what

seemed like an inexorable turn to nuclear power by the world's industrialised nations.

Rossing began exploration work in the Namib in the early 1970s. Production was delayed by technical problems caused by the unexpected hardness of the granite-like ore called Alaskite. Full production of about five million tons of uranium ore a year was reached in 1979.

But it has lost its position as one of RTZ's star performers, largely due to the current depression in the uranium market, which managing director Colin Macaulay said in an interview he expected to continue for the rest of the decade.

Few new nuclear pow-

er plants are being planned in these times of public uncertainty about their safety.

Rossing's share of RTZ group profits was about 26 per cent in 1982, but has been averaging less than half that for this year, according to company figures.

However, the main cause of criticism of Rossing's operations is the fact that the mine is in SWA-Namibia.

Rossing mines and sells SWA-Namibian uranium in direct defiance of a 1974 United Nations decree that no minerals should be extracted from the territory without UN permission. Swapo has warned

tion opportunities for its mostly black workers:

It funds the country's principal centre for adult education, a much-needed facility in SWA-Namibia, through the Rossing Foundation.

In other words, it has tried to adopt the stance of a non-political company which is a good citizen of SWA-Namibia, no matter who controls the government.

"The fact that we are operating at all is bad to our critics," Mr Macaulay said in an interview at the company's Windhoek headquarters. "It's one of the reasons we try harder."

During the early years of Rossing's operation, critics focused on the housing conditions, said to be dreary, and on

wages and work regimes, said to be dreadful. But nowadays, Rossing pays wages that are handsome by local standards and the company housing is neat and comfortable.

The housing was originally divided into three towns, one each for blacks, coloureds and whites. But when the Group Areas Act was dropped in SWA-Namibia in 1978, the residential limits became blurred.

The right to live in a town depends on a worker's income. Arandis, a "manufactured" town in the middle of the Namib, is for the lowest grades, and is almost exclusively black. It boasts clean and modern homes as well as tennis courts and

a club centre. A suburban reception seen with Rossing that the strict is in Macaulay's words, "A thought aged Macaulay, a new in, t we one we thin



a club which is a social centre.  
A senior Swapo member said in an interview recently that he had seen Arandis and was extremely impressed with the quality of life there.

Rossing officials say that Swapo's attitude to the company is not as strident in private as it is in public. Mr Macaulay said RTZ officials in London have discussed with Swapo Rossing's future in a post-independence SWA-Namibia and "they don't find them shrill", but rather pragmatic.

"After independence I think we will be encouraged to expand," Mr Macaulay said. "When a new government comes in, they will be short of revenue; and as for how we have behaved, no one will be able to say we got away with something." — Sapa - RNS.

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**NEIL LEWIS: Swakopmund**

In official statements that companies like Rossing will be held liable for reparations after independence, the country's "stealing" resources.  
Rossing has been the subject of an intense campaign centred in Britain, itself a Rossing customer, to persuade countries to cancel all SWA-Namibia uranium contracts.

In response to the criticism, the company has provided good wages and housing, eliminated migrant contracts and provided enviable social amenities and health facilities — as well as job training and promo-

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4/2/49  
**10% of SA budget  
for SWA, says Prof**

221A Mail Correspondent R.M.

CAPE TOWN. — South Africa was spending nearly 10% of its annual budget on South West Africa — twice as much as it was spending on education — Professor Wolfgang Thomas of the University of the Western Cape said last night.

This, among other factors, was making it more advantageous for South Africa to withdraw from South West Africa, he said.

"It seems to me that at the moment South Africa is increasingly finding it to its advantage to move out of Namibia," Prof Thomas said at the University of Cape Town's Summer School.

S. Times 26/2/84

(221A)

# The truth is that we can't afford SWA

BEYOND the diplomatic explanations surrounding the latest SWA-Namibian settlement drive lies a simple reality — South Africa can economically no longer carry the Namibian albatross.

After years of ignoring or downplaying economic realities at home, the truth is hitting with the force of a McEnroe backhand smash — separate development, taken seriously, is fearfully expensive.

And ignoring South Africa's Third World realities for decades has made it even more so.

If the choice has to be made — as Prime Minister P W Botha put it so succinctly three weeks ago — it is South Africa's interests which will come first. Hence the peace initiative.

Not that settlement would immediately release huge amounts of money for domestic consumption. The military machine would cost as much (still relatively modest in terms of GNP), and at least some South African aid to an independent Namibia would continue.

## Flashpoints

But there would be a "peace dividend" serving to relieve some of the enormous pressures on the South African Treasury. And a snap survey of South Africa's domestic economic circumstances shows precisely why there is such a desperate need for that dividend.

A constellation of unfavourable circumstances is massing. The drought, a sluggish gold price, recession, Government budget overshoots, inflation, rural development disasters, urbanisation crises, public service shortages, an unemployment figure hovering around the two-million mark, a near-exhausted tax base and the costs of a new constitution are the stars.

The crunch is now and the immediate flashpoints can be reeled off like a roll of battleground skirmishes.

Rural development has suffered since Verwoerd's days because of ideological constraints. Money was used to buy up consolidation land, much of which, a former Deputy Minister of Land Development disarmingly ad-

By **BRIAN POTTINGER**



mitted, had not contributed to increasing the GNP of the homelands by one half of one percent.

Seminal reports published recently on homeland-development strategies have revealed the skeleton hiding behind the separate-development cloak.

Most recent was a Ciskei report which found that only 20 percent of the economically active population of the state could make a living from farming while creation of industrial jobs sufficient to lap up the unemployment would cost more than the entire annual Ciskei budget.

Partly as a response to this sort of crushing odds has come the Government's regional development policy for rural stabilisation; cross-border development areas, a massive industrial decentralisation scheme and the establishment of a Southern African Development Bank.

The scheme is enormously costly — precisely how expensive in the long run nobody quite seems to know.

## Dazzled

In 1982 there were 777 investment applications involving R2 500-million in pledged capital, many from foreign investors dazzled by the extravagant decentralisation incentives.

In the first nine months of last year there were 816 applications. Last year's incentives budget ran to R230-million. And, with the new claims rolling in, a quantum leap in the State's load is unavoidable.

Then there is the urbanisation crisis. Sombre Community Development reports in

1982 revealed that the housing backlog was more than 400 000 units.

Wiping it out would cost nearly R1 000-million a year; and then it would take five years to accommodate whites, coloureds and Indians and 10 years for blacks.

The crisis was a long time coming and sprang largely from the Government's refusal to match Third World problems with Third World strategies. Belatedly and at infinitely higher cost it has now bowed to the self-evident.

## Expensive

New Government housing strategies revolve round shifting the burden from State shoulders; half a million State housing units are on the market; self-help, site-and-service, core housing and controlled squatting upgrading, once swear words, are now part of the lexicon of the State urban planner.

The informal economic sector — once described in administration board circulars as an "urban menace" — has belatedly sprung to official prominence as a way of handling part of the urban unemployment crisis.

The strategies are those of survival but still they are frightfully expensive given the scale of the crisis.

A third obvious target for the "peace dividend" is education and skills training. Both remain the Achilles heel of economic development in South Africa. Past ideologically inspired failures in the direction of black education and skills training now exact their expensive toll.

The HSRC report on education estimated two years ago that the backlog in black, coloured and Indian school places was 1 583 748 at primary level and 283 851 at secondary level.

The cost to wipe out the backlog — R2 300-million, and that does not even include the enormous costs of equalising training and pay standards.

Recent reports indicate the immediate shortage of skilled personnel is 37 000.

In the past five years State expenditure on black education has jumped astronomically to keep pace with an equally overwhelming increase in the school-going population, but is still running at approximately one-eighth that spent on white pupils.

The results are easily seen. Between 50 and 60 percent of black pupils leave before Std 2. Last year half of the black matriculants failed and only 12 percent won university entrances.

The Government's response has again been to try to shift the burden. Business is more closely involved in training of labour and is even called on through its upgrade programmes to provide black matriculants with the basic educational capacities for competition in the open skills market.

## Stunning

Higher-income groups — predominantly white — will meanwhile be called upon to bear a heavier financial burden when it comes to educating their children.

A fourth pressing economic reality, South African agriculture — traditionally a mainstay of the economy — has been devastated by three years of drought.

By the end of June 1983 the agricultural debt stood at R6 400-million. By the middle of this year the annual interest cost alone will reach a stunning R1 000-million, eat-

ing up 46 percent of farmers' income.

Last year alone the Government paid out R71-million in drought relief. An additional R400-million has been appropriated, and Finance Minister Owen Horwood has warned that emergency assistance to farmers will have to continue for many years to come.

A global sum needed to bail out farmers in the next two years compiled by a Johannesburg consultancy firm was a cool R3 100-million.

## Indispensable

Fifthly, lies the future of third-tier Government. If SWA-Namibia taught anything it revealed the bottomless financial pit which inefficient and unmonitored ethnic authorities can become.

Constitutional planners assure that they are learning by Namibia's mistakes, but the trend still seems in the direction of hosts of smaller ethnic local authorities. The bill will be high.

And, finally, there is the cost of the new constitution. It is not the immediate visible costs — the millions for expanded State accommodation or the approximately R17-million a year on legislators salary packages — but rather the "legitimacy capital" that is needed.

Pretoria by now realises that the mere creation of institutions does not guarantee legitimacy. That must be won by a combination of calibre leadership and hard material gains for the communities.

So coloured and Indian housing and education, social-upliftment programmes, better welfare grants and rural stabilisation in the homelands become not a by-product of the new political process but its indispensable fuel.

For South Africa a new and tougher front is opening up; not the swaying fortunes of the Namibian politico-military war but the battle to meet immediate heightened domestic expectations at a time of economic crisis and after years of ideological misdirection.

## Money is needed to pay the huge bills back home

# Claims over <sup>221A</sup> SWA gem giant are 'unfounded'

By TONY WEAVER  
Mail Africa Bureau

ORANJEMUND. — "Wild and reckless" allegations which are "totally unfounded" have been made against South West Africa's diamond mining giant, CDM, the company's resident director, Mr Doug Hoffe, said late last week.

CDM is the former Consolidated Diamond Mines. The name has now been officially abbreviated.

Mr Hoffe was commenting on allegations that CDM was "plundering" the territory's diamonds, and adopting a "scorched earth" policy, stripping the desert of its diamond resources in anticipation of independence.

He was answering questions from a group of journalists who were taken on an extensive, two-day tour of the mine — the first Press tour in five years.

Commenting on allegations by millionaire and independent ombudsman Mr Eric Lang, that CDM's policy was one of "raping" the diamond reserves, Mr Hoffe said: "This is a typically wild and reckless statement."

Mr Lang had also alleged that the CDM was selling its diamonds below market value through its parent company De Beers to avoid paying full tax.

Asked why he did not take up Mr Lang's challenge of a

public debate between the two men on the diamond industry, Mr Hoffe said: "We are a private company, we owe nothing to him. He is not the Auditor-General, he is not the Administrator-General, he is nothing."

He also accused Mr Lang of using "informers" to gain his information on CDM, and of "committing industrial sabotage" in gathering information on the company.

The diamond mining operations of CDM, as of other mining houses operating in the territory, will soon be the subject of scrutiny in an inquiry into corruption by Mr Justice C Thirion, who has been investigating corruption and abuse in the ethnic authorities.

It is believed Mr Lang has supplied the commission with extensive information, particularly on CDM.

Commenting on how he saw the future of CDM after SWA independence, Mr Hoffe said: "We are a company I think Swapo will have no trouble with, in that we show no discrimination. We are trying our best to lift Namibians into positions of senior management."

He also said allegations made recently that CDM was stockpiling diamonds to "destabilise" the market should the company be nationalised after independence bore "no relation to the truth".

4/3/84  
More cases  
of fraud  
herald a  
shake-up

By DAVID PIETERS

WINDHOEK — A further six volumes of reports detailing 'misapplication' of state funds in Namibia were released this week.

The latest by the Thirion Commission on government malspending heralds the imminent bureaucratic shake-up that the Administrator-General, Dr Willie van Niekerk, is to make soon in the maze of ethnic administrations.

Two reports, on the Owambo and Herero administrations, were publicly released last year.

The latest three reports — two volumes each — deal with the same ethnic authorities as well as the Tswana, Kavango, Caprivi administrations, and two central government departments, State Revenue and the Auditor-General.

Dr van Niekerk has already handed them to the Attorney-General, Mr Tielman Louw, for possible court action.

Besides the scores of deficiencies listed in the earlier reports, the latest reports threaten other officials.

Dealing with Owambo's administration, the latest reports find that "the chairman of the executive committee, Mr Peter Kalangula, has been unjustly enriched to the extent of R9 495 at the expense of the Owambo administration and that he is liable to compensate the administration this sum".

Also liable, the report says, are the former director of works, Mr Frederick de Villiers — he was suspended soon after the commission began — and another administrative employee.

"As a result of the frauds committed by Mr de Villiers and Mr Human the Owambo administration has suffered a loss of R14 172."

On the Herero administration the report makes the startling disclosure that the authority's 1982/3 budget of R19 576 000 was exceeded by R15 521 788.

The reports adds that outstanding claims against the administration from various other government sectors total R15-million.

The commission says that the executive committee and the administration secretary must take "a large part" of the blame for the over-expenditure.



● Firefighting was part of an inter-school youth preparedness competition at the central sports complex in Randburg yesterday. Seven high schools took part in emergency exercises, including first aid. The overall winner was Bryanston High School.

Picture: DOUG LEE

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CAT Times 6/3/84 221A

# Swafish hauls a big rise in earnings

Own Correspondent

JOHANNESBURG. — South West Africa Fishing Industries (Swafish) has comfortably lived up to its forecast last September of a big rise in earnings in 1983.

But Swafish says it would be "optimistic" to expect a further improvement in 1984.

The directors also warn again of the "tremendous damage to our pelagic resource as a result of the onslaught by the large foreign fleet operating off our coast, which is reliably estimated at over 150 vessels."

The group increased net taxed profit to R4,984m last year from R3,399m in 1982.

## Dividend

The final dividend has been hiked from 50c to 70c to make a total payment for the year of 100c against the previous 70c.

Earnings a share, excluding extraordinary items, were 158c against 108c in 1982.

In September last year Swafish forecast

earnings for 1983 of around 150c and this prediction has obviously been more than met.

Swafish is involved in crayfishing, the catching and processing of pelagic fish into canned fish, fish meal and fish oil as well as the marketing of white fish and the recovery and distribution of salt.

Tiger Oats, part of the Barlow Rand group, has 26,3 percent of the equity and Willem Barendsz has 16 percent.

## Profit

In 1983 pre-tax profit of Swafish rose to R9,432m from R6,944m in 1982.

Net earnings last year were helped by the fact that there was no provision for losses from the Chilean fishing venture where R200 000 was written off on that score in the previous year.

The directors say the higher profits in 1983 were due to three main factors:

● A slight increase in the pilchard quota, resulting in higher canned

fish production.

● A substantial rise in catches of other species of pelagic fish, with a corresponding improvement in both meal and oil output.

● Favourable lobster landings in Luderitz.

Looking at this year's prospects the directors say: "It will be recalled that last year we had no difficulty in landing our entitlement of approximately 14 000 tons of good quality pilchards, which yielded over 770 000 cartons canned fish.

"Our fish intake was also boosted by substantial hauls of "quota free" maasbankers.

"It would be foolhardy at this stage to try and prophesy as to whether we will be so favoured in the coming season.

## Fleet

"We are pleased to report that our fishing fleet has been strengthened by the addition of two steel refrigerated sea-water vessels, bought on the European market."

# Authority's budget was overspent by R15,5m

221A  
S. P. 1  
6/3/84

WINDHOEK — The Herero Ethnic Authority in SWA/Namibia has overspent by R15 521 million its total budget of R19 576 million for the 1982/83 financial year, the Thirion Commission of Inquiry says in its latest interim report released in Windhoek yesterday.

No authority was given by the Treasury to exceed the budget by 79,23%.

The commission, chaired by Mr Justice P W Thirion of Natal, said the Herero Administration had deliberately exceeded its budget in the knowledge that the Central Government would not allow the second-tier authority to become bankrupt.

"Not only is it irresponsible conduct, but a disturbing development," the judge found.

Among the irregularities uncovered in the expenditure were the purchase of a hotel at Okahandja by the Herero Administration, the building of a residence for the Herero leader, Mr Kuaima Riruako, and an increase in salaries paid to Mr Riruako, headmen and members of

the Legislative Assembly.

Records in the personnel section and the Social Pensions Department were in "chaos".

Among the commission's recommendations were that legislation be tightened to enable the Department of Finance in the Central Government to exercise control over expenditure of the second-tier authorities.

The commission also found there had been similar disorders in the section for social pensions in the Ethnic Authority for Kavangos where monthly pensions were made on the basis of "false" and "fictitious" identities.

In the Tswana Administration, Mr Justice Thirion found unauthorised and unnecessary land had been acquired for communal purposes.

In a media statement accompanying the reports, the Administrator-General of SWA/Namibia, Dr Willie van Niekerk, said the interim reports had been handed to the Attorney-General for his consideration. — Sapa





(22/A) Star  
3/3/84

# 'Future depends on minerals'

The Star's Foreign News Service

WINDHOEK — Namibia would be "condemned to Third-World penury" unless a political settlement encouraged the development of a much larger minerals industry, the outgoing president of the Namibian Chamber of Mines, Mr Bob Meiring, said last night.

In his report to the annual general meeting of the chamber in Windhoek, Mr Meiring said the level of external exploration investment in the territory was far below what the mineral potential of Namibia deserved.

"Only a political settlement based on principles which will attract the capital and skills infusion required to develop a much larger minerals industry will save the country from being condemned to Third-World penury," he said.

Namibia's mining industry had been forced to adopt a policy of financial restraint as the predicted recovery in the world's major industrial nations had failed to materialise, he said.

Total employment in the mining industry had fallen by 13,6 percent to 16 903, while total salaries and wages had declined by 4,2 percent.

# 17 days of rain ends SWA's drought

From TONY WEAVER

WINDHOEK. — This week's widespread rains have turned arid parts of SWA/Namibia into lush grasslands.

In Damaraland, one of the areas worst hit by the drought, the change is amazing.

Two months ago the territory, regarded as one of the last great wilderness game paradises in Africa, was a scorched, brown-grey expanse of burnt-out bush.

This week, while travelling in the area, I swam in crystal-clear rock pools, camped on soft green grass, crossed rivers which flowed almost to car-door height.

The drought had well and truly been broken.

One group of people I met in Damaraland

was the Basson family, who were negotiating their donkey cart across a boulder-strewn stream.

Two days before the rain the family had crossed the same stream and there had been very little water, hardly enough to even notice.

On their way to Khorixas, capital of Damaraland, 140km to the east they would have to cross 25 similarly dangerous streams.

"The roads are bad," Mr Jakob Basson said. "But not as bad as the drought."

Mr Basson was a Riemvasmaak — a member of the original community of 920 resettled from Riemvasmaak near Upington.

"Hell, man, we haven't seen rains like this since the boere moved us here 10 years ago,"

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he said. "First the lions ate our cattle, then the drought ate the lions, and then the drought killed the rest of our cattle — now we're going to buy more cattle. This rain is the blessing of the Lord."

The transformation in SWA/Namibia's northern areas has been miraculous. Farmers in the area talk about the "miracle of 17 days which saved the earth".

It rained non-stop for 17 days and in that time roads became impassable, streams became rivers, and the drought of between seven and 10 years — depending on the area — was finally broken.

But it may have come too late for many of the wild animals.

Damaraland, home to the rare black rhinos and Damaraland elephants, has all but been denuded of its once rich wildlife. As cattle and larger animals died off in the drought, so the local people began poaching to feed themselves.

In two days of hard driving through Damaraland this week, I saw one wild animal — a pathetic sight, a dead zebra with the meat not yet rotted off the carcass, green grass sticking through its decaying rib cage.

A farmer on the banks of the Ugab River, Mr Moses Goseb, told me he had lost almost all his livestock in the seven-year drought.

But this week he was a happy man. "Never have I seen the Ugab running like this," he said.

# Wide use of ICL systems keeps Rossing output high

Star 25/4/84  
021A

The activities of Rossing Uranium in Namibia have proved so successful since the opencast mine started 10 years ago that it now extracts a million tons of ore and waste rock weekly.

Its capacity is 5 000 tons of uranium oxide a year, the final product being exported to many countries for use as a fuel in nuclear power stations.

A mining operation on this scale needs the use of information technology in most areas and, despite the remoteness of the site in the Namib Desert, competition to obtain the business was keen.

The company chose ICL because, it said, it offered the best solutions and could give quick support from the nearby capital of Windhoek.

Now installed are three ME29 mainframes, a network of 95 DRS systems, 8801 word processors and a PERQ graphic workstation.

They run applications for personnel, non-stock ordering and receiving, payroll, tender analysis, material supply, general ledger, creditors, maintenance costing, fixed assets, medical aid, short-term mine planning and metallurgical systems.

Rossing also pioneered with ICL the implementation of planned maintenance. This includes preventive maintenance on every piece of equipment used by the mine.

The planned maintenance application also deals with inventory, pre-defined maintenance and full historic details of the work done and condition of all plants.

The mine plans by the end of the year to have the PERQs on an OSLAN for plotting and planning.

Rossing's DP superintendent, Mr Jack Brear, says the company has had excellent service from the configuration of triple ME29s.

"As our systems are now exceeding the capacity we are looking towards a transition to VME. As an interim measure we may upgrade the three computers to models ME29/54 so that we can safeguard our investment in a number of new major systems.

"The new mainframe systems will be based around on-line database technology and we anticipate using the facilities of CAFS to enable user access to extensive history files," he says.

December this year will see the end of a three-year project in which some 75 man-years of systems work will be completed, with the installation of 10 major new systems and the on-line network expanding from 30 terminals and six printers to more than 100 DRS terminals and 35 printers.

# Think-tank ponders SWA survival strategy

RAM 221A

18/5/84

By TONY WEAVER  
Mail Africa Bureau

**WINDHOEK.** — One of the most thorough-going attempts yet to salvage SWA's ruined economy was launched on Wednesday as a wide spectrum of government bodies, academics and representatives of the private sector gathered in Windhoek for a two-day confer-

ence on social and economic development.

The conference will draw up a coordinated development strategy to move the territory away from its high dependence on imports and salvage an economy in its worst state ever, according to experts.

The territory exports roughly 75% of what it produces and imports 75% of its needs.

Opening the conference, the Administrator General, Dr Willie van

Niekerk, said SWA had registered an average negative growth rate of -1.5% between 1978 and 1983. SA had an average 2.5% positive growth rate in the same period.

Insecurity and the erosion of capital and investments had caused many to leave the country, especially skilled workers who were best equipped to find jobs elsewhere.

SA was working as fast as possible to solve the SWA deadlock and resolve the problems.

"It would be understandable if people, especially in the business world, lost patience with the evidence dawdling over the independence process, especially when taken in conjunction with the detrimental economic and social results.

"In this respect, it is much more important that the right solution be found, even if it does take longer. The wrong solution could lead to the present condition of uncertainty being made permanent, with detri-

mental consequences which could continue for an indeterminate period."

Progress in the political arena was slow because SA wanted to ensure that a new dispensation would ensure speedy economic development.

"Capitalism, or the free-enterprise system, as opposed to socialism, is the real producer of blessings. This has been proved over and over again in world history," Dr Van Niekerk said.

CAPG Times 20/5/84

# SWA rail link with Botswana?

ZZIA

From TONY WEAVER

WINDHOEK. — Work started this week on a R1,6-billion project to link Serowe, Botswana, with Walvis Bay, 1 500km to the west, the Windhoek Observer reported at the weekend.

The project could spark off an international controversy, as it is being commissioned by Botswana, a frontline state which according to the Observer has the approval of the World Bank, and will end up in Walvis Bay, which is claimed by South Africa as a South African enclave in violation of United Nations decrees.

According to the report, the leader of a British team of consulting engineers doing a feasibility study on the link, Mr Brian Green, said the only factor which could now wreck the 10-year project would be a "sudden slump in the demand for coal in the world markets".

## Contract

The three-man British team was in SWA/Namibia and is now in Botswana's Kalahari Desert, on contract to the Botswana Ministry of Mining Resources.

This makes Botswana the first independent African country — and member of the frontline states — to openly invest in pre-independence SWA/Namibia, in spite of United Nations embargoes on such investment.

Mr Green was quoted by the Observer as saying the massive amount involved — estimated at R1,6-billion — required the co-operation of both territories, and they had had excellent co-operation from South African authorities in SWA/Namibia.

The planned rail system will have to carry 6 000 tons of coal a day from Serowe, and the present rail system to which it will be linked will need restructuring, with several bridges being replaced.

The Observer, which carried a photograph of the British team, reported that the project had been given the go-ahead by the World Bank and "other powerful financial institutions and a number of governments".

## Deep-sea wharf

The Observer also speculated that the project would involve the construction of a deep-sea loading wharf at Walvis Bay.

A separate British team had inspected Walvis Bay's facilities, taken depth-soundings in the bay and seemed interested in that location off Walvis Bay's Pelican Point as a wharf.

The disclosures in the Observer could spark off an embarrassing situation for the British Government, who are part of the Western five "contact group", and who do not recognize South Africa's claim to Walvis Bay.

Although the rail link, which will stretch in an arc from Serowe, north of the Omitara Mountains which lie due east of Windhoek, and then past Okahandja, 70km north of Windhoek, to Walvis Bay, will pass through SWA/Namibia, most of the dock revenues will go to South Africa.

# Engineers probe Trans-Kalahari rail link

By Peter Honey, The Star Bureau  
WINDHOEK



The Trans-Kalahari railway, linking Botswana to Walvis Bay, has come closer to reality with the arrival in Namibia of British engineering teams to investigate the feasibility of the R1,6 billion project.

The head of one of the teams, Mr Brian Green, of a British firm, Henderson Travers Morgan, was quoted in the Windhoek Observer this weekend as saying he believed only a sudden slump in the world coal market would prevent the rail link from being

Exploitation of Botswana's vast coal reserves would provide the bulk traffic for the planned railway.

But, even if the project went ahead as hoped, Mr Green said, he did not expect the first trains to move for at least 10 years.

The track would involve about 800 km of Kalahari desert, stretching from Serowe, in eastern Botswana, to Namibia's eastern Go-habis district where there was an existing rail line.

Mr Green said the Namibian line would need extensive restructuring and the Botswana link was likely to take a straighter route, north of Windhoek, to Walvis Bay.

According to the report, Botswana's Ministry of Mining Resources commissioned the feasibility study.

A second study team, assigned by a marine engineering company, Posford Pavry and Partners, had arrived in Walvis Bay and had conducted depth soundings to the north of the port.

The Trans-Kalahari track idea gained impetus several years ago when vast coal reserves were discovered in the Serowe district of Botswana.

# Namibian Budget raises sales tax, mine taxes

CML-Times 14/6/84 221A

WINDHOEK. — Namibian sales tax will increase to nine percent from a current seven percent, effective July 1, and the diamond mines effective tax rate to 55 percent from 50 for fiscal 1985, the Administrator-General, Mr Willie van Niekerk, said.

He said in the Budget speech for the fiscal year ending next March 31, that total spending was budgeted to rise to R1,18 billion from R1,04 billion in fiscal 1984.

Mr Van Niekerk said the sales tax increase would apply on all

goods, except unsifted maize meal, standard brown bread and fresh full cream milk which were subject to subsidies and controlled prices.

He said the tax rates on diamond mines in the territory had always been higher than in South Africa but a recent increase in the surcharge on diamond taxes in South Africa had given an effective rate there of 54 percent.

Mr Van Niekerk said the Namibian economy shrank by a real seven percent last year, the

sharpest fall since the 1950s, which was part of a long-term tendency begun in 1978.

He said the decline in the Namibian economy had been worsened by the world-wide recession and drought, which had been relieved by good rains of the past rainy season.

He said income on the existing income tax basis totalled R967m, which left a deficit of R210m. It was intended to borrow R180m on the South African and overseas capital markets.

# Higher taxes blow for De Beers mine in SWA

CAF's Times 15/6/84 2218

By BRENDAN RYAN  
JOHANNESBURG. —  
The tax increases slapped on Consolidated Diamond Mines (CDM) by the SWA/Namibia government could shorten the life of the De Beers-controlled beach mining operation.  
CDM's resident director, Mr Doug Hoffe, said in Windhoek on Wednesday that the higher the taxes levied on CDM the greater the areas of mining ground which became unpayable.  
He said this trend was compounded by contin-

ued high working costs caused by inflation.  
A CDM spokesman said yesterday it was too early to say precisely how the tax increase would affect the economic viability of the mine's future operations.  
The diamond mining tax imposed on CDM was increased to 55 percent from 50 percent in this week's SWA/Namibian Budget for the year to March 31.  
At the same time general sales tax was raised to nine percent

from seven percent.  
Mr Hoffe said that without taking into account the increase in general sales tax the total tax to be paid in 1984 by CDM will rise to about 75 percent of profits which he regarded as excessive.  
CDM's previous total tax rate was about 66 percent.  
The company does not disclose its earnings but it is a wholly-owned subsidiary of De Beers and the group's only operation in SWA/Namibia.

three years of diamond market depression some mines, through the export duty, could have been paying tax while actually losing money on their operations.  
CDM sells its diamonds to the Central Selling Organisation (CSO) through the Diamond Producers Association in South Africa.  
It pays a commission to the CSO on these sales but cannot deduct this from the sales revenue on which the export duty is levied.  
The CDM spokesman declined to say how much commission the CSO levied on purchases from CDM.

## Operations

The 1983 De Beers annual report showed that its SWA/Namibian operations contributed 14 percent of group taxed profits — excluding share of retained profits of associates — of R360,1m which puts CDM's earnings for the year to end-December at about R50m.

CDM is taxed in a number of ways by the SWA/Namibia government. It must pay a 15 percent diamond profits tax in advance on estimated profits.

It then pays a 55 percent diamond mining tax against which the diamond profits tax is deducted so the combined effective rate is 55 percent.

In addition CDM pays diamond export duty of 10 percent on the sales value of all diamonds exported from the country.

This tax has particularly incensed CDM's management because it is a tax on revenue and productivity, as opposed to profits.

Mr Hoffe has called for its abolition saying the tax is wrong in principle and works against motivation for greater productivity.

Export duty is also applied to South African diamond mines but at a rate of 15 percent.

De Beers provides no detailed information on the financial performances of its various mines.

However, in the last



*Argus*  
**Namibian  
diamond  
trade: 'No  
control'** *3/7/84*

*221A*  
Argus Africa News Service  
WINDHOEK. — SWA/Namibia's priceless diamond treasure is being traded, swapped and stockpiled on foreign shores with no effectively independent state supervision, a government investigator has told a judicial inquiry here.

The investigator, Mr Martin Grote, yesterday spoke of diamond deals involving hundreds of millions of rands which he claimed had simply been rubber-stamped by state and semi-state officials.

Mr Grote, an economist specially appointed to the Thirion commission of inquiry into government maladministration, called for the dissolution of the Diamond Board — a body of representatives from government and the diamond industry set up to monitor production of the precious stones.

#### DELEGATED

The board had no impartial control over diamond exports because it had delegated its control functions to agents of the producers: De Beers and its SWA/Namibian subsidiary, CDM (Pty) Ltd, Mr Grote said.

The interests of De Beers and the board seemed identical, he added.

Mr Grote recommended the establishment of a minerals bureau, responsible to the Department of Mines, in place of the board.

In a series of disclosures, he claimed to have evidence suggesting:

- "A R53-million package of diamonds was sent overseas duty-free for "sorting" in 1982, and that it returned with a "sorting loss" of 38 carats.

- "A years-old "swopping" scheme between De Beers and CDM, in which packages of up to 300 000 carats of Namibia's high-quality stones were regularly exchanged for equal weights of diamonds from the South African company.

- The Diamond Board had no comparative records of quality, quantity or value of the stones involved.

- "Surplus Namibian diamonds, with their unsurpassed 98 percent proportion of gem-quality stones, were stockpiled in London, while the surpluses from all other diamond producers were kept in their countries of origin.

- No government official knew the extent of these stocks, which had been augmented annually by about 70 000 carats from Namibia for several years.

- Namibia's CDM mine at Oranjemund might be worked out in eight years, in spite of official CDM and independent estimates ranging from 10 to 50 years.

Mr Grote stressed that much of his research had been based on estimates, because of the lack of official information.

Neither the Diamond Board nor anyone in government seemed to know how much Namibia's diamonds fetched on the end market.

The American Department of Mines' annual report was the only official source which could throw some light on Namibian diamond exports, because official estimates suggested that 66 percent of American diamond exports came from Namibia.

A CDM spokesman said yesterday the company would have to study the allegations before deciding on comment.

# 'No one knows how much diamonds fetch'

By Peter Honey,  
The Star Bureau

WINDHOEK — Namibia's diamond treasure was being traded, swapped and stockpiled in foreign countries with no effectively independent State supervision, a government investigator told a judicial enquiry in Windhoek yesterday.

The investigator, Mr Martin Grote, spoke of diamond deals involving hundreds of millions of rands which, he claimed, had simply been rubber-stamped by State and quasi-State officials.

Mr Grote, an economist appointed to the Thirion Commission of Inquiry into Government Maladministration, called for the dissolution of the Diamond Board — a body of representatives from government and the diamond industry set up to monitor production of the stones.

The board had no impartial control over diamond exports because it had delegated its control functions to agents of the producers — De Beers and its Namibian subsidiary, CDM (Pty) Ltd, Mr Grote said.

The interests of De Beers and the board seemed identical, he added.

In a series of startling disclosures, he claimed to have evidence suggesting:

- That a R53 million package of diamonds was sent overseas duty-free for "sorting" in 1982 and that it returned with a "sorting loss" of 38 carats.

- There was a years-old "swopping" scheme between De Beers and CDM in which packages of up to 300 000 carats of Namibia's high quality

# Startling claims are made about SWA gems

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3/17/84

ty stones were regularly exchanged for equal weights of diamonds from the South African company. The Diamond Board had no comparative records of quality, quantity or value of the stones involved.

- That surplus Namibian diamonds, with their unsurpassed 98 percent proportion of gem quality stones, were stockpiled in London while the surpluses from all other diamond producers were kept in their countries of origin. No government official knew the extent of these stocks which had been augmented annually by about 70 000 carats from Namibia for several years.

- Namibia's CDM mine at Oranjemund might be worked out in eight years despite official CDM and independent estimates ranging from 10 to 50 years.

Mr Grote stressed that much of his research had been based

on estimates because of the lack of official information.

Neither the Diamond Board nor anyone in government seemed to know how much Namibia's diamonds fetched on the end market.

The US Department of Mines' annual report was the only official source which could throw some light on Namibian diamond exports because official estimates suggested that 66 percent of American diamond exports came from Namibia.

From 1955 to 1977, there were few discrepancies between CDM's production estimates and the final figures submitted to the State.

But, from 1978, there was evidence — based on American imports — that Namibian diamonds were fetching up to R214 a carat more than their locally quoted prices.

CDM paid additional taxes twice a year, based on income it received over an above its provisional production estimates.

## IMPOSSIBLE

But, Mr Grote said he could not understand how this additional income was calculated because it seemed impossible to distinguish where the diamonds had come from once they had been mixed with stones from other countries on the international market.

The diamonds passed through several associations, agents and companies en route to the open market. They were also routed through companies registered in the Bermudas.

There was no proof of transfer pricing, where companies in tax havens could absorb profits which otherwise would have accrued directly to the producer resulting in higher taxes in the country of production, Mr Grote said.

The hearing continues today.

## Sales of R1 billion could have been lost

By Peter Honey,  
The Star Bureau

WINDHOEK — Namibia could have lost up to R1 000 million in taxable diamond sales in five years because of inadequate State supervision, according to evidence yesterday before a judicial inquiry in Windhoek.

An investigator for the Thirion Commission of Inquiry into State Maladministration, Mr Martin Grote, said he had calculated diamond prices abroad which totalled about R150 million or more higher than figures quoted locally each year between 1978 and 1981.

But these were only estimates as the only international diamond price source was the annual review of the American Department of Mines which imported about 66 percent of its stones from Namibia.

According to his calculations, the territory had a potential loss in diamond production of R549 million in 1980 and 1981.

Mr Grote was giving evidence on the second day of the commission's current sitting which, so far, has highlighted several allegations concerning the quasi-State Diamond Board's inability to exercise independent control over the territory's diamond industry.

Mr Justice P W Thirion, who heads the commission, complained of a veil of secrecy and red tape which was hindering the commission's investigations.

The commission was contin-

# Secrecy is hindering gem inquiry, says judge

221A

Star

4/7/84

ually confronted with "smoke-screens", he said, and he was "sick and tired of asking people's permission all the time".

At one stage, the chairman of the Diamond Board, Professor Petrus Malherbe, said he doubted whether the commission had a legal right to access to some of the board's documents.

The judge had ordered one of his commissioners, accompanied by a policeman, to inspect the files and reports of the Diamond Board yesterday.

He described the board as a "double-headed sausage-dog" which appeared always to be serving the interests of both the State and De Beers.

Professor Malherbe told the commission that the board — which had been set up between the State and the industry — had several agents and evalua-

tors in Southern Africa and in London but they were all employees of either De Beers or its Namibian subsidiary, CDM (Pty) Ltd.

In earlier evidence the commission was told by Mr Grote that sample consignments of diamonds sent abroad in 1981 showed that 45 percent of the Namibian diamonds had gone to Lucerne in Switzerland.

The Diamond Board had no knowledge of this because it had no agent in Switzerland and no one appeared to know where the stones, valued at R30 million, had gone.

Professor Malherbe said he believed Lucerne had only been a destination en route to London where the diamonds would have been marketed.

But Mr Grote said there was no evidence of this.

The hearing continues.

# CDM letter 'an insult to lowliest intelligence'

By Peter Honey,  
The Star Bureau

WINDHOEK — In a day of high drama at Namibia's Thirion Commission yesterday, the executive director of the territory's CDM diamond mining giant, Mr Doug Hoffe, came under fire from the commission's chairman, Mr Justice P W Thirion.

Mr Justice Thirion described as "an insult to even the lowliest form of intelligence" a CDM letter to the commission contesting allegations that Namibia could have missed out on revenue from the sale of about R1 000 million worth of diamonds in five years.

Mr Hoffe, who was sitting in the gallery with his legal counsel, heard the commissioner describe CDM's submission as "not very interesting".

Earlier the commission, which was appointed about two years ago to investigate allegations of Government maladministration, accepted an urgent application by CDM to have certain documents relating to diamond sales classified as confidential.

This week, a special investigator for the commission, Mr Martin Grote, said he had calculated that about R1 billion worth of Namibian diamonds could have been sold abroad without the territory earning a cent in revenue.

## CALCULATED

Mr Grote said he had calculated this on the basis of American diamond prices, as there were no public records of diamond values anywhere else.

In his letter, Mr Hoffe contested this evidence, saying it was unfounded and detrimental to both CDM and Namibia.

"I have read the submission and it was not very interesting," was Mr Justice Thirion's comment, as he flicked the letter aside.

"It contains the outline of the history of the industry, and extracts from the Greeff Commission (into the diamond industry in 1972).

"In his submission this gentleman (Mr Hoffe) rejects Mr Grote's calculations as unfounded and detrimental to the company and the country.

"It seems this gentleman's arguments are based on newspaper reports. But as far as I am concerned, Mr Grote's evidence was an exercise based on facts. The gentleman should have attempted to disprove Mr Grote's evidence with facts.

"A bald rejection and denial of the sort contained in this submission is an insult to evf the lowliest form of intelligence," the judge concluded.

## DEFENDED

Earlier, the chairman of the diamond board, a body made up of members of Government and the industry to supervise Namibia's diamond sales, Professor Petrus Malherbe, defended the industry.

There had been a number of negative Press reports, he said, which had done "enormous harm" to the country.

Mr Justice Thirion interrupted at this point, saying the issue was whether the country had received the correct amount of taxes due to it.

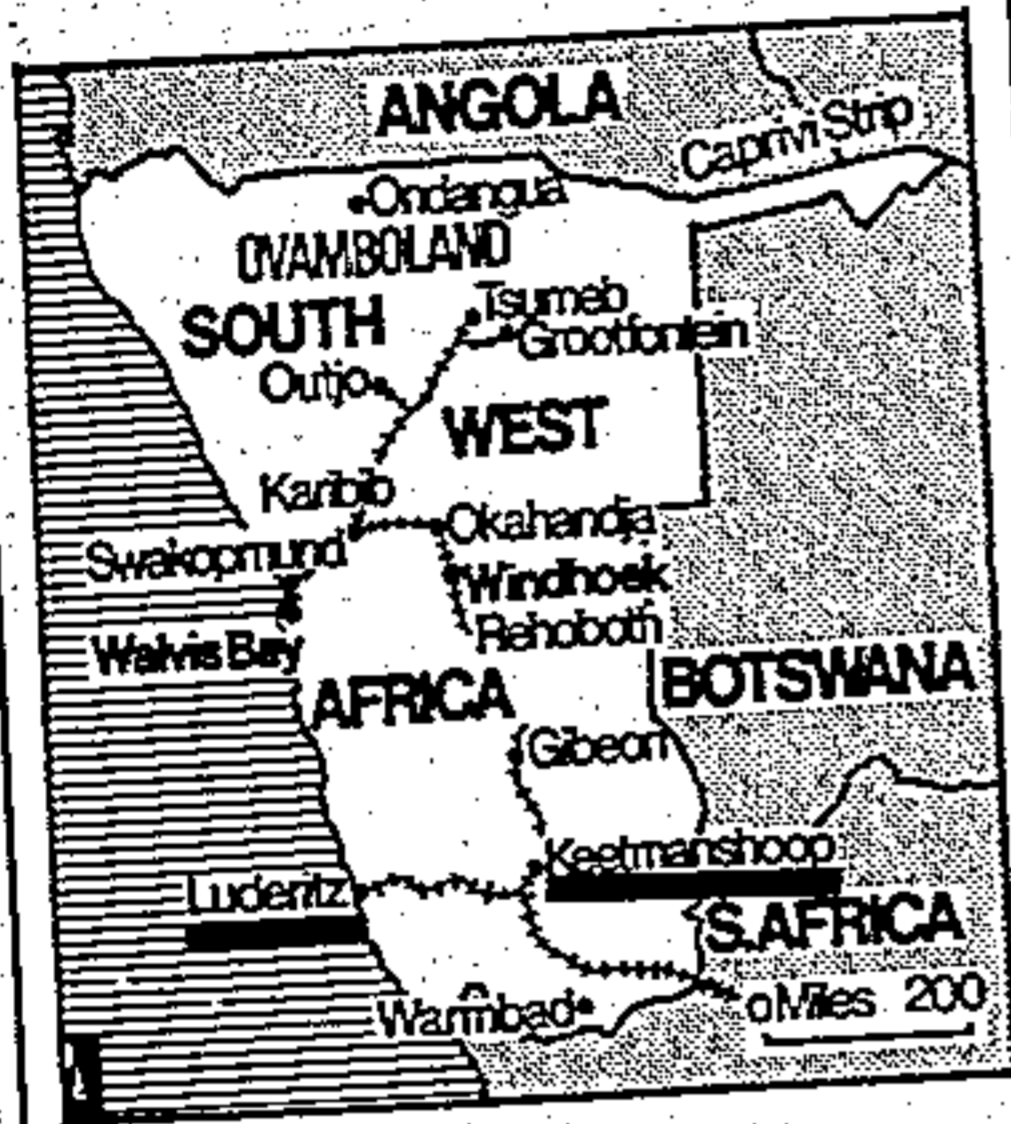
Earlier the commission had commented on a veil of secrecy surrounding several aspects of government in Namibia.

The commission was appointed to investigate allegations of corruption and maladministration in government only, and could not extend its investigation into Namibia's mining industry as a whole.

The chief investigator for the commission, Mr Abraham Visser, said a memorandum regarding the commission's progress would soon be submitted to the Administrator-General.

The commission adjourned indefinitely.

221A Star  
7/7/84  
**Row brews  
over SA  
proposals  
to close  
railway lines**



By Peter Honey  
Foreign Service

WINDHOEK — A political and economic row is brewing in Namibia over proposals by the South African transport services to close down and demolish railway lines linking the only Namibian port, Luderitz, and two other towns with the territory's rail network.

It is reliably understood that the transport services are considering lifting most of the 300 km rail line between Keetmanshoop and the southern port of Luderitz — the line which was built by the German colonists 75 years ago.

The regional director of transport services, Mr Willie Strauss, yesterday declined to comment or confirm the information. He said the administrator-general would release a statement soon.

The decision to close the three rail links — the others are linked to the eastern farming town of Gobabis and the northern town of Outjo — is expected to be given the go-ahead because they are uneconomical to maintain.

Last year the transport services lost R90-million, and had to be bailed out of trouble by the South African Government.

But the closure of the Luderitz line would be a betrayal of South Africa's trusteeship over the territory, says the Luderitz foundation.

The foundation of businessmen, who are trying to protect the interests of the ailing port, says the rail closure would "negate South Africa's declared policy to prepare Namibia for independence".

South Africa had taken over and maintained the line in good order from the German Government after World War 1.

In recent years South Africa has developed business incentives for its enclave port of Walvis Ba, to the detriment of the shallow port of Luderitz.

The foundation points out that after independence Luderitz would be Namibia's only sovereign port. Its collapse would leave the country totally dependent on Walvis Bay for its maritime trade.

In a letter to the administrator-general, the foundation calls for a programme to revitalise Luderitz, and reminds the administrator-general of his words of encouragement at the Luderitz centenary celebrations last year.

# A judge takes on the mighty gem producers

## ... THEN LEAVES TOWN ABRUPTLY

By DAVID PIETERS  
Windhoek

he could not obtain access to the board's documents.

It was found, however, that the board's documentation did not differ from that already gathered from the Mining Commissioner's office in Windhoek.

At one stage Mr Justice Thirion remarked that everything surrounding the Diamond Board appeared to be a secret.

"What is the point of a commission when all you get are smokescreens?" he asked.

Earlier Mr Grote had recommended in a report to the commission that the board should be disbanded because it was toothless.

The board did not and could not fulfil its functions while the interests of De Beers, which owns CDM, were identical to those of the board.

### Essence

The board could not exercise control over Namibia's diamond exports because its most important functions had been delegated to employees of De Beers, Mr Grote submitted.

The board had no inspection facilities, no inspection agent and no inspection staff overseas or inside the country other than CDM employees.

Because independent figures on the pricing of Namibia's diamonds were hard — or virtually impossible — to come by, inferential statis-



● Mr Doug Hoffe  
... 'insulting' document

tics had to be used to try to discover if any transfer pricing could have taken place.

Mr Grote testified that during recent years, apparent discrepancies emerged between prices declared locally by De Beers and sales values abroad.

Over five years this meant the state could have lost taxable income on more than R1-billion worth of diamond sales, a loss which could be accounted for by transfer pricing.

Mr Grote said he had always believed all Namibia's diamonds were sent to London.

But he had discovered from confidential documents that 45% of the stones went to Lucerne in Switzerland.

The investigator, Mr Visser, told the commission after a lengthy cross-examination of Mr Malherbe, that he thought virtually every member of the Diamond Board was a member of CDM or De Beers.

From the minutes of Dia-

mond Board meetings over the past few years, Mr Justice Thirion picked out a number of items which proved embarrassing to the chairman of the board.

It emerged, for example, that there was a growing vendetta by the board against Mr Lang for his incessant investigations into the diamond industry.

During exchanges between Mr Lang and Mr Malherbe some dramatic disclosures of Mr Lang's undercover informants on the diamond mines and in government departments emerged.

The board had done nothing to check his claims that CDM was engaging in overmining its diamond reserves for the past few years, Mr Lang said.

### Substantiate

Nothing had been found to substantiate these allegations, Mr Malherbe countered.

On Thursday the judge described a document by Mr Hoffe, rejecting Mr Grote's findings, as "an insult to even the lowliest form of intelligence".

He said he hoped some corrective action would emanate from the commission's findings reported to the Administrator-General over the past two years.

Justice Thirion acknowledged that the country had gained a lot in taxation from the diamond industry over the years.

But the question remained whether the country had received its full due.

AN INQUIRY into corruption in Namibia this week developed into open confrontation between Thirion Commission chairman Mr Justice Thirion and the country's leading gemstone producer.

Then the hearing ended abruptly and the judge left town — apparently to write his report on the hearings dealing with the diamond industry.

The commission's hearings have been indefinitely adjourned, but it is understood there will be no further hearings on the industry.

This week's hearings began with an uncompromising examination of the statutory SWA Diamond Board and developed into a confrontation with the country's leading gemstone producer, Consolidated Diamond Mines (CDM).

Namibia's Auditor-General who doubles as chairman of the Diamond Board, Mr P J Malherbe, was subjected to a three-way grilling in the witness stand this week.

### Tough

For two tough days he was questioned by commission chairman Mr Justice Thirion, chief investigator Mr A G Visser, and prince of the territory's self-appointed economic ombudsmen, Mr Eric Lang.

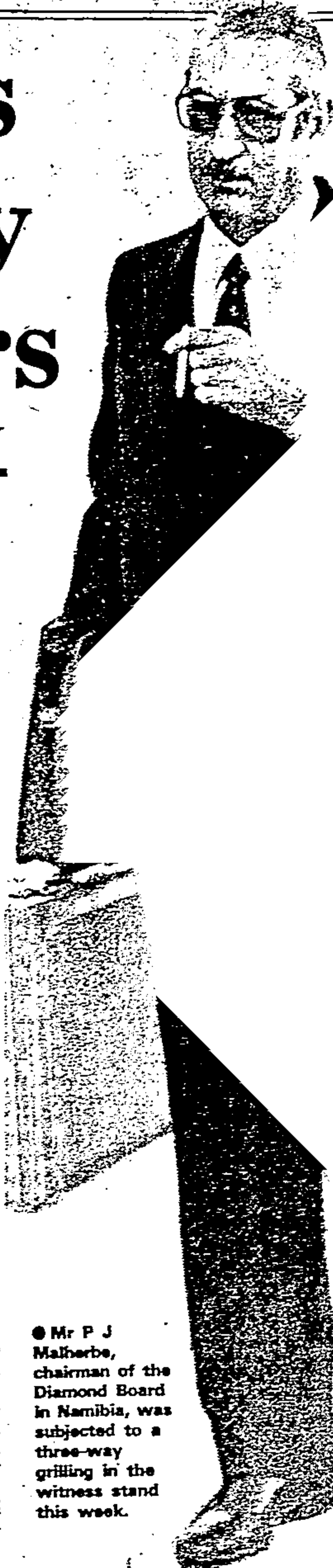
But when it came to the turn of CDM resident director Mr Doug Hoffe, the giant of the world's gemstone producers fought back with a contingent of lawyers flown in to Windhoek for the fray.

CDM's trade secrets were not to be spilt to the public, even at the sessions of a commission into the government's financial affairs. CDM applied for the hearings to be held in camera.

The application managed to halt the investigation's exposure of "confidential" facts of gemstone business.

The commission resumed its work for the first time in months on Wednesday when Mr Justice Thirion ordered commissioners and police to inspect documents of the Diamond Board.

This followed evidence by a special investigator for the probe, Mr Martin Grote, that



● Mr P J Malherbe, chairman of the Diamond Board in Namibia, was subjected to a three-way grilling in the witness stand this week.

RDM 9/7/84 221A

# Silence from De Beers on tax evasion allegations

By **BRENDAN RYAN**  
Mining Editor

DE BEERS is saying nothing at this stage about the allegations made against its South West African operations during last week's hearings of the Thirion Commission in Windhoek.

Mr Doug Hoffe, Consolidated Diamond Mines (CDM) resident director in Windhoek, said at the weekend: "We do not believe any useful purpose would be served in commenting at this stage."

De Beers holds a near-monopoly on the world diamond trade. It is extremely secretive and reveals minimal information on its operations to its shareholders and customers.

It is worried that details of its top-secret quota buying and marketing arrangements could be made public if the commission continues digging into its SWA operations.

The group's Central Selling Organisation (CSO) buys diamonds from world producers, each of which has an annual quota.

In times of depressed markets the CSO will buy diamonds and stockpile them at its own expense up to the quota limit while the producer must stockpile them at its expense over the quota limit.

Publication of CDM's quota would be of great value for diamond market analysts and the producers themselves in working out the quotas held by other producers.

The Thirion Commission has been looking into government corruption in South West Africa and its hearings last week got onto the Diamond Board which is set up to exercise control over SWA's diamond exports.

Evidence given to the commission by a special investigator, Mr Martin Grote, said the board could not carry out its role because its most important functions had been delegated to De Beers employees.

As a result, he said, South West African diamonds were being traded and stockpiled in foreign countries with no effective State supervision.

Mr Grote said much of his research had been based on estimates because of the lack of official information, but neither the Diamond Board nor anyone in the government seemed to know how much South West Africa's diamonds fetched on the end-market.

He said the only figures available locally were the provisional estimates which CDM gave to the board.

Mr Grote said the US Department of Mines' annual report was the only official source which could throw light on SWA diamond exports because official estimates suggested that 66% of American diamond imports came from SWA.

He said that from 1978 there was evidence, based on the American imports, that SWA diamonds were fetching up to R214 a carat more than their locally quoted prices.

It was possible CDM had understated the selling price of its diamonds by more than R1bn over five years and that SWA had lost the taxes that should have been paid on this amount.

CDM is SWA's major source of tax revenue. The mine is taxed at a rate of 75% and contributed R942,7m or 36% of SWA's total tax receipts of R2,6bn over the 10-year period to the 1982/83 fiscal year.

On Thursday, Mr Hoffe and four lawyers appeared in the Windhoek Supreme Court and submitted a memorandum to Mr Justice Thirion which rejected Mr Grote's calculations as unfounded and detrimental to the company and the country.

Mr Justice Thirion said: "The gentleman should have attempted to disprove Mr Grote's evidence with facts and a bald rejection and denial of the sort contained in this submission is an insult to even the lowliest form of intelligence."

By Peter Honey,  
The Star Bureau

WINDHOEK — Mr Justice P W Thirion stalked bitterly out of a Windhoek courtroom last week after adjourning

the most stormy session of his 18-month-old probe into alleged corruption and maladministration in Namibian government.

He left behind the shredded reputation of Namibia's quasi-state Diamond Board, doubts about the diamond industry's marketing credibility and a 20 cm-thick confidential report on the rest of the territory's minerals exports, ticking like a timebomb.

It was only one of several reports which will be, or already have been, submitted to the Administrator-General by the Commission of Inquiry into alleged irregularities and misapplication of State property.

It adjourned indefinitely but in his parting remarks to the Commission last Friday Mr Justice Thirion said that, unless something extraordinary happened, the last session of the inquiry, throughout he had

# Judge bitter at Namibian diamond corruption probe

221A Stevie 11/7/84

complained of a lack of action in response to the Commission's findings, and also of the veil of secrecy surrounding several subjects of investigation.

"I am sick and tired of having to ask people's permission all the time," he muttered from the Bench.

The judge's irritation was partly due to his inability to extend the probe into the mining industry itself because the Commission's terms of reference limited it to investigations of State management and control.

To date there have been no prosecutions in regard to the Commission's interim findings on evidence concerning the territory's ethnic second-tier governments in spite of several allegations of gross maladministration and corruption in the Owambo, Damara, Caprivi and Herero authorities.

The Attorney-General, Mr Tielmann Louw, says no decisions have so far been taken on whether to bring charges against anyone identified in the Commission's interim reports.

Last week a special investigator for the inquiry, Mr Martin Grote, recommended in a memorandum that the Diamond Board, which is supposed to provide a means of State monitoring of the territory's diamond exports, should be disbanded and replaced by a Minerals Bureau.

He said the board had delegated all its control functions to employees of the diamond industry, De Beers and its wholly-owned subsidiary CDM (Pty) Ltd. As a result the State's interests appeared to correspond with those of De Beers. In a series of startling disclosures Mr Grote

claimed to have evidence "suggesting that R1 000 million worth of diamonds could have been exported between 1978 and 1981 without the territory receiving a cent in revenue, that a R53 million parcel of diamonds was sent duty-free and with State approval to London for sorting in 1982, and that it had been returned with a sorting loss of 38 carats."

He also spoke of "a years-old swopping scheme between De Beers and CDM in which packages of up to 300 000 carats of Namibia's high-quality stones were regularly exchanged for equal weights of diamonds from the South African company. The Diamond Board had no comparative records of quality, quantity or value of the stones involved."

He said that surplus Namibian diamonds, with their unequalled 98 per cent gem quality, were

stockpiled in London while the surpluses from all other diamond producers were kept and controlled in their own countries and that Namibia's giant CDM mine at Oranjemund might be worked out in eight years in spite of official estimates ranging from 10 to 50 years.

Mr Grote explained that much of his research had been based on estimates and supposition because there was a dearth of information about world diamond prices.

On the basis of prices published by the American Department of Mines, Mr Grote said that Namibian diamonds could have fetched up to R214 a carat more than their locally quoted prices between 1978 and 1981.

He had no evidence of transfer-pricing where companies in tax havens

could absorb profits which would otherwise have been taxable in the countries of their parent companies.

However, Mr Grote said transfer-pricing in the Namibian context was possible because the diamonds passed through the hands of companies registered in the Bermuda, an island tax haven.

Mr Grote's allegations prompted a letter to the Commission from the executive director of CDM, Mr Doug Hoffe, last week.

Flanked by legal counsel as he sat in the speaker's gallery, Mr Hoffe received a biting rebuke from Mr Justice Thirion last week.

The Commissioner described the letter as "an insult to even the lowliest form of intelligence".

The CDM letter had denied Mr Grote's allegations that millions of rands' worth of diamonds could have been sold without being taxed.

Before adjourning, the Commissioner said he hoped the Administrator-General would carefully consider the inquiry's reports.

The public, he said, had a right to know what was happening in Namibia.



- (1) Whether any (a) maize and (b) wheat is to be imported into the republic in 1984; if so,
- (2) whether any of this (a) maize and (b) wheat will be landed at Cape Town Harbour; if not, where will it be landed; if so,
- (3) whether the price paid for such (a) maize and (b) wheat by Western Cape consumers will be the same as that paid by inland consumers; if not, (i) what will be the difference in cost and (ii) which consumers will pay less;
- (4) whether the consignment of such imported maize and wheat to Western consumers will involve railage costs for these consumers; if so, why;
- (5) whether he intends to introduce concessions in the price of such imported (a) maize and (b) wheat for Western Cape consumers; if not, why not; if so, what concessions;
- (6) whether he has received any representations in this regard; if so, (a) when, (b) from whom and (c) what was his response thereto;
- (7) whether he will make a statement on the matter?

The MINISTER OF AGRICULTURE  
(Reply laid upon the table with leave of House):


- (1) (a) and (b) Yes.
- (2) (a) and (b) Yes.
- (3) (a) and (b) No.
  - (i) Railage.
  - (ii) Inland consumers, because with the supply of imported maize both inland consumers and consumers in the Western Cape are placed in the same position as though sufficient quantities of

- (3) (ii) Continued. Imported feed wheat is supplied to consumers in the place of maize at R18 per ton cheaper than maize and with regard to railage on imported feed wheat the same principles are applied as though maize was provided.
- (4) Yes, because consumers pay the same railage as they would have done if sufficient quantities of locally produced maize were available. The Maize Board discussed this arrangement during its meeting of 21 and 22 May 1984 with the following consumer bodies which unanimously recommended that the arrangement be maintained:
  - South African Agricultural Union
  - S.A. Feedlot Association
  - Unie Graan Koöperatiewe Maatskappy Beperk
  - Housewives' League of S.A.
  - The Black Consumers' Union
  - S.A. Poultry Association
  - Association of Balanced Feed Manufacturers
  - S.A. Malt Manufacturers' Association
  - National Association of Maize Millers
  - S.A. Co-ordinating Consumer Council

- (5) (a) and (b) No. Such concessions would be tantamount to subsidizing the normal costs of consumers in the Western Cape and would place them in a better financial position than would have been the case if sufficient maize had been produced locally. Furthermore such concessions would have the result that consumers and other concerns in the Western Cape would in the current abnormal circumstances be put into such an advantageous financial position in comparison with inland consumers and others that the



structure of the maize industry could be seriously disrupted. Lastly it would also place an additional financial burden on the State.

- (6) Yes.
  - (a) During March and July 1984.
  - (b) Western Cape agricultural Union and representatives of Feedlot owners.
  - (c) In essence as explained in (3), (4) and (5) above.
- (7) No.

For written reply:  221A  
South West Africa: economic assistance/defence 11/7/84  
Howard Q. Co. 2026  
1054. Mr T LANGLEY asked the Prime Minister:†  
(a) What estimated total amount is spent annually by the South African Government in respect of economic assistance to and the defence of South West Africa and (b) what is the composition of this amount?  
The PRIME MINISTER:  
(a) The amount inevitably differs from financial year to financial year but for the 1984-85 financial year the total estimated amount is R1 143.

|   |           |           |
|---|-----------|-----------|
| (b) (i) Direct Aid  | R million | R million |
| Aid to Central Revenue Fund.....  | 318,0     |           |
| Customs dues paid to Central Revenue Fund.....                                      | 250,0     |           |
| South West Africa Transport Services (working losses and capital expenditure) ..... | 95,0      | 663,0     |

|                   |       |         |
|-------------------|-------|---------|
| (ii) Indirect Aid |       |         |
| Police .....      | 30,0  | 480,0   |
| Defence .....     | 450,0 |         |
| Total .....       |       | 1 143,0 |

 Howard  X  
Civil claim against Ministers/Police Force  
Q. Co. 2025 11/7/84  
1110. Mrs H SUZMAN asked the Minister of Law and Order:

- (1) Whether the family of a certain person, whose name has been furnished to the South African Police for the purpose of the Minister's reply, instituted a civil claim against (a) him or the South African Police and (b) any other member of the Cabinet following the death of the person concerned
- (2) whether the claim was settled out of court; if so, what amount was paid in settlement; if not,
- (3) whether the claim was successful; if so, what amount was paid to the family?

on 27 October 1977; if so, (i) for what amount, (ii) against which other member of the Cabinet and (iii) what is the name of this person;

RAM 12/7/84 221A

# SWA diamond probe — AG will now decide

By PETER KENNY  
Mail Africa Bureau

WINDHOEK. — The fate of the Thirion Commission into Government corruption in South West Africa will be decided by the Administrator-General, it was learned in Windhoek yesterday.

The commission last week came into open conflict with SWA's diamond mining industry. Its sittings ended abruptly last Friday, and its chairman, Mr Justice P W Thirion, has left the territory.

The chief investigator of the commission, Mr A G Visser, said the commission had gone into lengthy recess until October. He said Mr Justice Thirion had completed his report on the SWA Diamond Board.

Last week's investigation revealed that virtually every official on the Diamond Board was an employee of CDM or De Beers.

A special investigator for the commission, Mr Martin Grote, had recommended the Diamond Board in SWA be scrapped as it could not fulfil its function of controlling the industry.

At the closing of last week's stormy session, CDM's chief executive in SWA, Mr Doug Hoffe, was rapped over the knuckles by Mr Justice Thirion.

The judge at one stage of last week's sitting expressed his frustration at the secrecy

which surrounded the Diamond Board.

The judge said unless anything unforeseen happened, this might be the last public sitting of the commission. It has waded through a welter of corruption and inefficiency in SWA's administration.

Mr Visser said it was up to the Administrator-General, Dr Willie van Niekerk, to release Mr Grote's report.

The Windhoek English daily, The Windhoek Advertiser, said the public had a right to know what was going on in the diamond industry.

It said the CDM had argued that the proceedings on the Diamond Board be held in camera because its competitors might learn about the diamond industry. The CMD, however, had no competitors.

"We know only our diamond producer is also part of the behemoth which, through international institutions such as the Central Selling Organisation, completely dominates the world gemstone market.

"That leaves only the man in the street who, until today, has not been privileged to share in the knowledge of his country's fantastic gemstone wealth ... The public good should outweigh the corporation's good," the newspaper said, and called for the commission's report to be released.

No trade  
secrets, <sup>221A</sup>  
says CDM

By Peter Honey,  
The Star Bureau

WINDHOEK — Namibia's financial authorities have on several occasions examined the affairs of Consolidated Diamond Mines and have never suggested improper conduct by the company, a CDM spokesman said today.

Nor had these authorities, which included the Secretary for Finance and the Receiver of Revenue, complained about practices speculated on in the Press, the spokesman added.

He was responding to recent reports on evidence submitted to the Thirion Commission of inquiry into alleged corruption and maladministration in the territory's governments.

According to the evidence by a special investigator for the commission, Namibia could have lost taxes on diamond sales of R1 000 million between 1978 and 1981.

The investigator, Mr Martin Grote, stressed his calculations were speculative, as he had no access to London diamond prices and based his calculations on American price.

#### INVITED

The CDM today invited the territory's financial inspectors to re-examine its procedures and practices.

The CDM spokesman said its diamonds were sold to the Diamond Producers' Association (DPA), of which both the Namibian Administration and the SA Government were members.

The DPA's chief valuator in Kimberley and its technical adviser in London supervised and approved CDM sales on behalf of the Diamond Board.

KDM 13/7/84  
Nothing  
to hide,

22A

says

CDM

By BRENDAN RYAN  
Mining Editor

CONSOLIDATED Diamond Mines (CDM) has hit back after allegations made against it during last week's hearings of the Thirion Commission in Windhoek.

A statement released yesterday says the affairs of CDM have in the past been examined by, and remain open to, investigation by all the South West African authorities charged with protecting the country's interests.

These authorities include the Secretary for Finance and the Receiver of Revenue.

"These authorities have wide statutory powers of investigation, but have not suggested any improper conduct by CDM, nor in any way have they complained about the practices speculated upon in the Press," the statement says.

"Should the authorities wish, at any time, to re-examine the procedures and practices of CDM, which have been fully explained and accepted in the past, every facility will be made available to them to do so to demonstrate that the affairs of CDM are conducted in a regular and proper manner."

CDM sells its diamonds to the Diamond Producers' Association (DPA), of which the Administration of SWA/Namibia and the South African Government are members.

"The delivery, sorting and valuation of mine production, the stocking of unsaleable goods, the delivery to London of saleable goods, and the sale of CDM diamonds are supervised and approved on behalf of the Diamond Board for South West African by the chief valuator of the DPA in Kimberley and the DPA's technical adviser in London, both of whom are employees of the DPA and duly-accredited agents of the Diamond Board for SWA," the CDM statement says.

In a series of hearings of the Thirion Commission last week, evidence from the commission investigator, Mr Martin Grote, was that the Diamond Board could not carry out its role of exercising independent control over SWA's diamond exports because its most important functions had been delegated to De Beers employees.

He said neither the Diamond Board nor anyone in the SWA government knew what SWA diamonds fetched on the end-market and he called for the immediate disbanding of the board.

He said it was possible that CDM had understated the selling price of its diamonds by more than R1bn over a five-year period, and that SWA had lost the taxes it should have been paid on these sales.

The commission's hearings have now been adjourned indefinitely. In the final hearing, Mr Justice Thirion was critical of CDM's resident director in Windhoek, Mr Doug Hoffe, and also of the chairman of the Diamond Board, Mr Petrus Malherbe.

He was not happy with what he called, "the veil of secrecy" surrounding the diamond industry and described a document submitted by Mr Hoffe in reply to allegations against CDM as "an insult to even the lowliest form of intelligence."

RDM  
14/7/84  
221A

# Gem giant's pledge to aid probe

By PETER KENNY  
Mail Africa Bureau

WINDHOEK. — South West Africa's diamond giant, CDM, a wholly-owned subsidiary of De Beers, has pledged to make every facility available for the authorities to examine the procedures of the diamond industry.

The statement follows a probe into the activities of SWA's Diamond Board last week by the Thirion Commission into Government corruption in SWA.

Findings by a special investigator of the commission, Mr Martin Grote, last week showed that nearly every official on the Diamond Board was an employee of CDM or De Beers.

The resident director of CDM, Mr Doug Hoffe, said the statement had been made following Press reports relating to the price received for diamonds sold by CDM and the amount of taxation paid by CDM.

"We wish to state that the affairs of CDM have in the past been examined by and remained open to investigation by all the SWA/Namibian authorities charged with the duty of protecting the interests of the territory, including the Secretary for Finance and the Receiver of Revenue.

"These authorities have wide statutory powers of investigation but have not suggested any improper conduct by CDM, nor in any way have they complained about the practices speculated upon in the Press," Mr Hoffe said.

He explained there was an ongoing procedure whereby CDM sold its diamonds to the Diamond Producers' Association (DPA), of which the administration of SWA, like the SA Government, was a member.

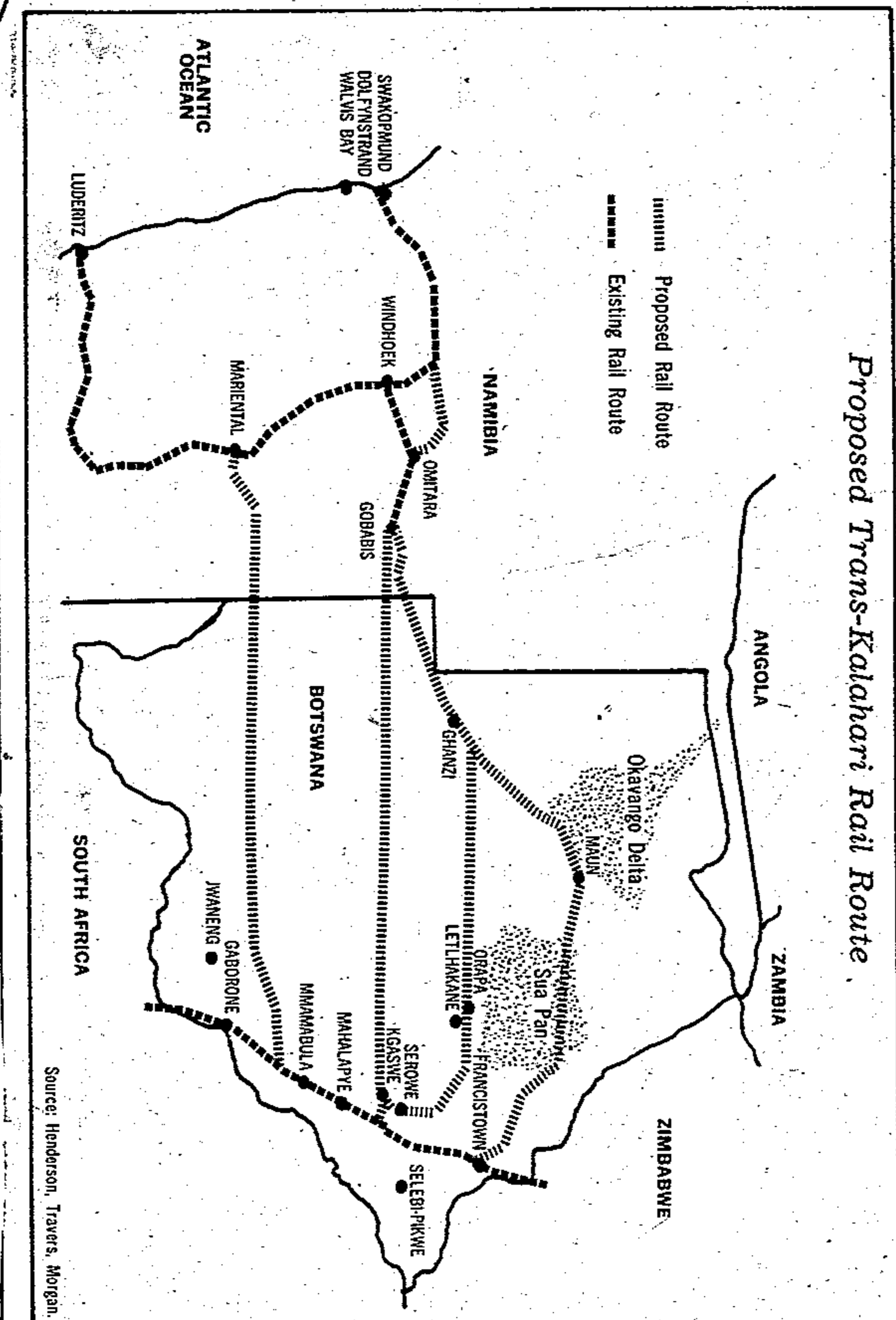
The delivery, sorting and valuation of mine production, the stocking of non-saleable goods, the delivery to London of saleable goods and the sale of CDM diamonds, were supervised and approved on behalf of the Diamond Board for SWA by the chief valuator of the DPA in Kimberley and the DPA's technical adviser in London.

Both these two were employees of the DPA and duly accredited agents of the Diamond Board for SWA.

"Should the authorities wish at any time to re-examine the procedures and practices of the CDM, every facility will be made available to them to demonstrate that the affairs of CDM are conducted in a regular and proper manner," Mr Hoffe said.

# Botswana picks route for coal railway to Namibia

Proposed Trans-Kalahari Rail Route



Barry Sergeant reports from Botswana

IT may be decades before the first train crosses Botswana's Kalahari desert, but a feasibility study for the railway line is approaching completion.

The Botswana Government has accepted in principle a 1420km line from the 300-million-ton Kgaswe coal field near Serowe to Dolynstrand between Namibia's Swakopmund and South Africa's Walvis Bay. The western terminal would be in South African territory.

According to the main project consultants, Henderson Travers Morgan (HTM), of Britain, the line would cost \$910-million, including rolling stock and port development. The project's capacity would be 12.5-million tons a year.

### Four routes

HTM investigated four routes. The so-called central route was accepted as being the most direct and inexpensive.

Botswana's vast coal reserves are of low quality. A survey in the London Financial Times suggests that of world producers, only SA and Queensland steam-coal mines are making a profit on depressed markets.

However, there are favourable pointers for Botswana's project. Two of the world's biggest companies — Shell and BP — are knee-deep in Botswana coal exploration.

The projected costs of \$910-million are enormous by Botswana standards at 150% of the government's 1984-85 budget, but the possibility of

large deposits south of Kgaswe at Mmamabula; BP has extended its coal prospecting rights; and France's Total is exploring north of Kgaswe.

Mr Green says the project is based on 21 trains being in circuit at any given time. The route would be 28 loops of 1.6km allowing trains to pass each other. The round-trip would take 84 hours. Diesel-power has been recommended.

### Saving

Mr Green says the a heavy-duty mineral line should be able to carry trucks with a 20-ton axle load. The line from Namibia's Gobabis to Windhoek has only a 11.5-ton axle capacity, and the line from Windhoek to Walvis Bay a 16-ton axle capacity. The 600km of line in Namibia would have to be rebuilt.

Mr Green says that because the permanent way for the line exists, a 30% saving on building costs could be made on the Namibia leg. The cost-saving is not as high as it could be because many deviations from the existing route would have to be made.

The highlands in Namibia are the main problem, some gradients being as much as 1 in 66. Mr Green says the acceptable gradient for a heavy mineral railway of this nature would be 1 in 100. The curves in the Namibian highlands are also sharp and would have to be eliminated to take long, heavy trains.

### Deep water

Dolynstrand has been chosen as the port by consultants Posford Parry. The site was found to maximise wave pat-

Source: Henderson, Travers, Morgan.

201A  
S. Times  
5/8/84

221A

S. Times

5/8/88

a finance package involving petrochemical companies, the World Bank and the Botswana Government is often discussed in Gaborone.

An added reason for BP's involvement would be the proposed \$250-million soda-ash plant in the Makgadigadi's Sua Pan.

### Influence

Charbonnages des France (CDF), the nationalised French company, also has Botswana coal prospecting rights. It is said to favour the railway project not only because France's coal reserves are running low but as a means of establishing French influence in the sub-continent.

French companies are said to be keen on supplying railway track and Japanese companies are reported to be lobbying to supply locomotives.

Another plus factor for the railway line is Lome II. This convention encourages development in African, Caribbean and Pacific nations by giving them privileged access to the European Economic Community's markets. Botswana, for example, has a 20 000-ton annual beef quota.

### Employment

Brian Green, HTM's Kalahari railway project director, says 6 000 people would be employed on construction and 2 000 when the system became operational. About 85 locomotives, costing \$120-million at today's prices, and 2 500 trucks would be used. Each 15-ton truck would carry 65-tons of coal, and the feasibility study envisages a 1,4km-long 100-wagon train carrying 65 000 tons of coal.

Shell Coal's Kgaswe coal-field near Serowe, would be the railway's fountainhead. CDF and Amax have found

tern protection in Walvis Bay and it is close to deep water.

No harbour would be built. Coal would be held in a 1-million-ton capacity stacker-reclaimer, and then be carried across the water by conveyor belt for 2km to the ship terminal.

Ships of up to 120 000 dead-weight tons would berth at the terminal after sailing through a 2km-long channel dredged to 20m deep.

### Water

The railway project's main cost constraint is water. Hydrological and planning aspects of the track are being studied by consultants Kille Dannhauser and John Burrows & Partners.

Cor Jelier, John Burrows hydrological expert in Gaborone, says about 60 000 litres a day of water would be needed during construction. Present boreholes in the area can supply only a fraction of this.

Mr Jelier envisages a "leapfrogging" solution. Water would be taken by train from Serowe to the working area as the project progressed.

A reservoir would be built every 10km, allowing a 20km-stretch to be served. As each stretch was completed, so the reservoir would be dismantled and moved to the next site.

### Five years

Mr Green says the optimum time for the project construction would be five years. This would enable the best spread of resources of capital and labour and be the most cost-effective.

Apart from coal, the line could transport copper-nickel matte from Selebi-Pikwe and soda ash from Sua Pan. Botswana also mines talc and agate in small quantities.

09  
Namibian  
gas field  
6/8/84 Staw  
old news

Soekor said today it was not aware of a gas field off Luderitz in southern Namibia.

Reacting to Press reports from Windhoek that the gas field had been discovered off Luderitz in Namibian territorial waters in the early 1970s, but had been kept secret, a Soekor spokesman said he suspected they were referring to the Kudu field.

He said the field was discovered in April 1974 by the American Chevron Group at the mouth of the Orange River near Alexander Bay.

The find received extensive publicity at the time, but because the gas was at high pressure it could not be adequately tested at that stage.

— Sapa.



*221A D. Anupath*  
**Gasfield not viable  
says SWA <sup>7/8</sup> official**

WINDHOEK — An offshore natural gas field was discovered off the coast near Luderitz in the 1970s, but has not been exploited for economic reasons, the SWA Secretary for Economic Affairs, Mr Piet Kruger, confirmed yesterday.

Mr Kruger was reacting to reports yesterday that the field had not been exploited because of political uncertainty over the future of the disputed territory.

"A gas find was made some years ago, but it has never been properly exploited and the extent of the field has never been determined exactly," Mr Kruger said.

"At the time of the find, it was simply not worth following up.

"This was because of the economic viability and because of the many practical problems involved before the field could be deemed exploitable, not because of political problems," he said.

The news of the field was broken by the member of the white Legislative Assembly for Luderitz, Mr Paul Minnaar, at a public meeting in Keetmanshoop.

Mr Minnaar, who was arguing against the impending closure of the Keetmanshoop-Luderitz rail link, cited the existence of the gas field as a reason for maintaining the rail link.

A spokesman for Soekor was quoted yesterday as saying the corporation did not know about the field.

KDM 918 184 (2/12/79)

# Row as SA firm gets Ovambo tender

221A

By TONY WEAVER  
Mail Africa Bureau

WINDHOEK. — Workers at an Okahandja furniture factory this week voted to switch to a four-day week at lower wages rather than see some of their workmates laid off.

And the workers have asked the owners of the factory to consider suing the Ovambo Government on their behalf because the administration allegedly awarded a tender, which would have pulled the factory out of difficulty, to a South African contractor, African Marketing Exporters of Johannesburg.

The managing director of Mku furniture manufacturers, Mr Dieter Lehnerdt, said that Mku were the only tenderers for the supply of school furniture to the Ovambo administration.

"To our dismay, we discovered after tenders had closed, a South African company had been awarded the tender.

"Because of this, Mku has suffered losses of up to R639 000 already this year."

Mr Lehnerdt also said a 15% preference rate on State tenders was generally given to local manufacturers to counter heavy subsidies granted to SA companies in certain areas.

(Tintan 221A)  
Namibian  
15/8/84 mine (221A)  
takeover

WINDHOEK — The Oamites Mining Group is to take over the Tintan Mine at Uis in western SWA/Namibia within a month, the managing director of Oamites, Mr Deon Hugo, said.

According to a news report in Windhoek yesterday, Mr Hugo said a large number of Oamites employees would be re-employed at Tintan after the closure of Oamites mine near Rehoboth at the end of the year.

Mr Hugo said negotiations were under way to sell Oamites mining village. — Sapa

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## Sequel to leaked documents

# De Beers hits out over mining policy

Mercury Correspondent

JOHANNESBURG—De Beers has come out fighting in response to documents which have been leaked to the Press concerning mining policy at CDM in SWA/Namibia.

'Attempts are being made through the Press to convey a misleading and inaccurate impression about CDM's mining policy by the use of obsolete documents stolen from the company.

'The motives behind these attempts are questionable and seem to be part of a deliberate plan to create uncertainty and unfounded suspicion in the public mind at a sensitive time in the political evolution of South West Africa/Namibia,' the group said in a lengthy statement released last night.

The strength of the reaction from De Beers is unprecedented. The group holds a near-monopoly on the world diamond trade and is obsessed with the secrecy of its operations.

It has traditionally refused to comment on

speculative articles or 'inside' stories about its operations.

Allegations made against CDM concerning possible tax evasion during hearings of the Thirion Commission in SWA went largely unanswered by De Beers because Mr Justice Thirion was not prepared hear evidence in camera.

De Beers also did not reply conclusively to Press allegations arising from the hearings but it is believed a major concern was to avoid being found in contempt of the Commission through Press statements.

De Beers' public relations manager, Mr Neville Huxham, said in Johannesburg last night: 'We comment only if we believe the circumstances warrant it. We are reacting now to avoid the allegations being made

against us gaining credence by going unanswered.'

The documents which have been leaked to the Press date from 1977 and include life-of-mine plans based on possible alterations in the factors such as grade, taxes, production rates and costs which affect the mine's life.

The plans looked at possible best, worst and average scenarios.

The technique is one used throughout the mining industry in forecasting life-of-mine future operations.

### Documents

One of the worst case scenarios of the CDM documents showed that the mine could make losses in 1985.

Mr Huxham said last night: 'The documents showed as a planning exercise that under certain adverse circumstances CDM could hypothetically make a loss next year.

'However, the people leaking the documents are going around saying that it is gospel that CDM will lose money next year and we say that is nonsense.'

Other allegations being made against the group following the leak of the documents concern the remaining life of the mine and the question of over-mining.

Last night's statement from De Beers says: 'The stolen documents have been used out of context and in such a way as to imply that the company's production policy has been deliberately designed to shorten the life of the mine to the detriment of the national economy and in breach of the Halscheid Agreement.'

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ins, S. L. Muller, P G van Breda.

), 1984 (UNAUDITED)

the previous year are:

| 1984       | 1983       |
|------------|------------|
| R000       | R000       |
| 14 483     | 9 064      |
| 9 044      | 4 403      |
| 5 439      | 4 661      |
| 138        | 47         |
| 5 301      | 4 614      |
| 500        | 587        |
| 4 801      | 4 027      |
| 86         | 68         |
| 4 715      | 3 959      |
| 10 386 361 | 10 386 361 |
| 45,4       | 38,1       |
| 11,0       | 11,0       |

record levels. While this was no the main cause was the greater

e, KwaZulu. The new factory will

and did not produce the results

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been appointed as joint Managing r David Colyn, our Port Elizabeth iaries.

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t will be withheld from dividends

ard chairman g Director

# De Beers comes out fighting

Own Correspondent

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## Operations

It has traditionally refused to comment on speculative articles or "inside" stories about its operations and has also generally treated with disdain requests for more information than it is prepared to release in its carefully edited annual reports.

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## Technique

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The statement from De Beers said: "The stolen documents have been used out of context and in such a way as to imply that the company's production policy has been deliberately designed to shorten the life of the mine to the detriment of

the national economy and in breach of the Halbscheid Agreement."

The statement added, "CDM's obligations under its agreement with the Administration have been honoured. In addition, the life of the mine has been maximized, consistent with the optimal use of resources, meeting the fluctuating demands of the diamond market and ensuring an acceptable cash flow to the government and the company.

"The life-of-mine plan is necessarily therefore under constant review in the light of updated information on the complex assumptions on which it is based.

"There are several life-of-mine planning exercises conducted in a year, most of which are run for purposes of calculating sensitivities and identifying alternatives.

"For these reasons any examination of the company's mining activities should be directed towards its actual results rather than the sensitivity analyses quoted in the press."

The De Beers statement said that on current assumptions the economic life of the mine is expected to extend well into the second half of the next decade and it is possible viable operations could extend into the next century.

## Speculation

"It must be remembered that the late 1970's was a period of unprecedented speculation in the diamond trade.

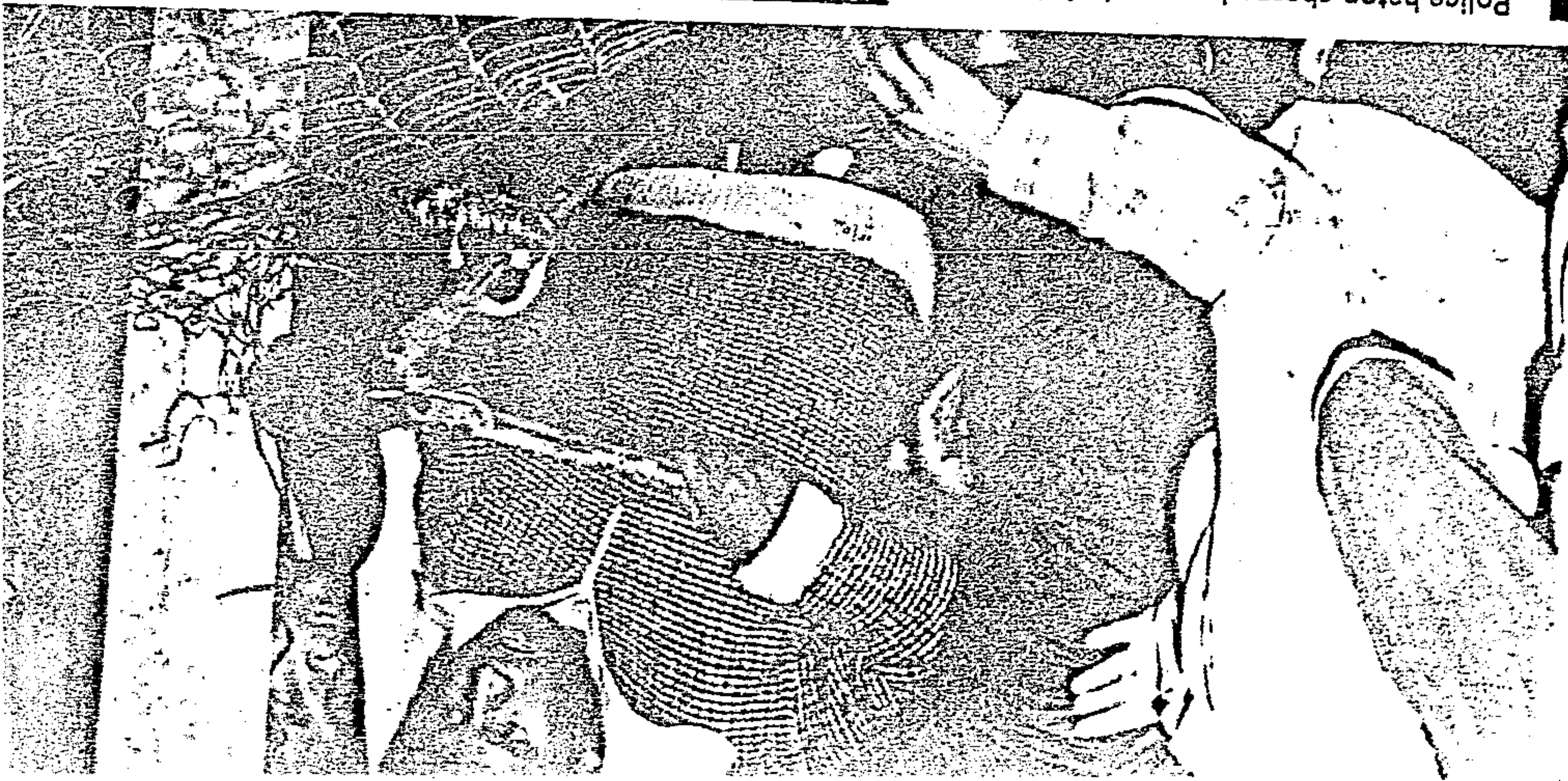
"Production from all sources, including CDM, was increased to the maximum consistent with good mining practice in order to take advantage of the favourable selling conditions and maintain an orderly market, which is in the long-term interest of all producers.

"Contrary to planning to exhaust the ore reserves in advance of political change, the emphasis, continuously, has been to identify new reserves and methods of treating them so that no payable diamond-bearing ground remains when operations finally cease, and to preserve the value of the product."

## Leading indicators

|                   | Yes'day     | Prev        |
|-------------------|-------------|-------------|
| Gold (pm) fix ... | \$352,00    | \$352,25    |
| Rand .....        | \$0,6500/10 | \$0,6550/60 |
| JSEACT Gold....   | 973,6       | 948,6       |
| JSEACT Indus ...  | 831,8       | 825,2       |
| BA rate .....     | 21,95       | 21,90       |
| RSA 12,5% .....   | 15,76       | 15,75       |
| Escom 1% .....    | 15,81       | 15,77       |

Police baton-charged a crowd of about 500 who were demonstrating against the



A LEADING INTERNATIONAL ECONOMIST PAINTS A FRIGHTENING PICTURE OF THE STAGGERING COST OF HOLDING ON TO SWA

**T**HE gross cost to South Africa of holding on to Namibia is estimated at a staggering nine percent of the total government spending estimates for 1984-85.

This calculation of the true, but hidden, cost of the continued fighting in Namibia and of subsidising the territory's near-bankrupt economy, has been made by a leading international economist, Professor Reginald Herbold Green, who is an economic consultant to the United Nations on Namibia and a senior staff member of the Institute for Development Studies at Sussex, England.

Writing for the forthcoming volume of the *Africa Contemporary Record*, Professor Green claims that the actual cost of Namibia to South African taxpayers is greater than has so far been admitted by Prime Minister PW Botha.

During his recent trip to Europe, Mr Botha complained of the financial burden of "defending that Western outpost," and appealed for financial support from the Western powers.

The official costs given by the Pretoria authorities is R1143-million, made up of R683m on defence; R250m customs payments; R318m budget subsidies; and R89m on transport services deficit.

Moreover, Professor Green claims that it requires a more complex analysis of economic costs and benefits to establish the true figure. He puts the gross figure at about R21 000m a year.

Against this needs to be set private capital outflows to South Africa — made up of profits and salary remittances and imports at below world prices for such local products as fishmeal and, perhaps, diamonds — of between R350 and R400m.

This would reduce the net cost to just under R2 000m a year.



So, where Namibia had been a valuable economic asset to the South African economy up to 1979, it has since become an increasingly significant burden due to the war, the economic recession and drought.

A considerable foreign debt has been built up which, the by end of 1984, is likely to reach R700m with gross annual borrowing of R200m.

At an average rate of 14 percent over 10 years, this would suggest a 1985 debt-service burden of almost R200m, which represents 20 percent of the territory's export earnings and more than 25

# Namibia's crippling the SA taxpayer

COLIN LEGUM reports from London

percent of its probable 1985 local revenue.

Professor Green doubts whether any government at independence would be willing to take over its huge indebtedness — it could therefore become a further liability on the South African Treasury.

One critical aspect of Namibia's economy is the rapid decline in its agricultural output, which began in 1977 and has continued to deteriorate annually ever since.

By 1983 the value of agricultural output was only R55m compared with almost twice that in 1976. Cattle herds are down to one-half, and the valuable Karakul sheep flocks are down by more than a half.

The skins of newly-born Karakul lambs are prized for coats and formerly constituted an important export earner.

The Administrator-General of Namibia (virtually the governor of the territory) claims that every rancher in the country (white farmers) receives R3 600 by way of subsidy every year. This would mean that something like R150m is being spent annually in an effort to bolster the white sector of the agricultural economy and to discourage the drift away of white farmers from the land.

Even so, most white farmers are heavily in debt and are able to survive only because of

these heavy state subsidies and bank loans.

Today, the net return on farming activities is negative, despite extremely low wages paid to African farm workers.

The serious drought has intensified the problems of farmers and produced great misery among Namibia's peasants.

Fishing, a major economic asset in the past, seemed to be in serious jeopardy, due mainly to heavy over-fishing by foreign ships. Surprisingly, and for no clear reason, there have been moderate increases in mackerel and anchovy catches over the past two years.

Recovery after independence lies in its rich mineral resources. Because of international uncertainty over the country's future and the international economic recession, mining earnings have suffered seriously.

The output of diamonds produced by the Consolidated Diamond Mines (CDM) — an Anglo-American affiliate — has fallen to below one million carats, the lowest level in more than 30 years.

Unless there is a recovery in high-grade prices, this decline is likely to continue.

Already, CDM has stockpiled more than R100m, reflecting production in excess of the quota set by the Central Selling Organisation.

The Rössing Uranium Mine — in which Rio Tinto Zinc (RTZ) is a major participant — has continued to be profitable despite the continued weakness of the world price for uranium oxides.

However, the growth of the mining sector depends on exploration and new capital for development. This is unlikely to occur until the country's future has been finally settled.

Professor Green rates CDM as the "most forward-looking of the transnationals in Namibia". He says it has clearly benefited from its experience in other African countries which have taught it that it can find common ground with almost any independent African government.

He is rather less complimentary about the role so far played by RTZ.

Professor Green also estimated that the cost in lives of the war is much greater than the authorities care to admit.

White army authorities stated that 77 military personnel had been killed in action in the past year. He says the figure is much greater if number of deaths all causes are included.

These relate to transport and show accidents. Added together, these can be 850 in 1982.

If only 60 percent of these were white Africans, 500, it suggests a 1975-83 toll of 2 000 to 2 500 white South African population amounts to three times the number of people who can live lost in a year.

Despite the bleak picture it paints, Professor Green does not share the view that its economy is in a future.

Provided the Pretoria authorities adopt the same liaison measures as Namibia's transnationals in other African countries which have taught it that it



Here's how YOU

pay to prop up Namibia's

nearly bankrupt economy

Paraplegic alleges attorneys have withheld R58 600 from third party claim

# Maimed mum waits

TRIBUNE INVESTIGATION  
Dominique Gilbert probes NVA irregularities...

# Four years for mer case

**A** PARAPLEGIC, who claims two attorneys withheld R58 600 due to her in terms of a Third Party claim, has spent four years in hospital waiting for her money.

Martha Mandlovu Mkhize stands to receive the money paid out in her favour by the Motor Vehicle Assurance (MVA) fund following an accident that has left her maimed for life — but to date she claims she has not seen a cent of it.

Instead, she has become a defenceless victim of attorneys who allegedly treated her claim unethically.

"I want to go home but I can't because I haven't got my money. I'm paralysed and until all this is sorted out I cannot leave the hospital," Miss Mkhize said this week.

A Sunday Tribune investigation this week showed she was one of other such victims throughout the country.

Imprisoned by circumstance, she is illiterate and signs documents with a fingerprint. She is a mother of five and estimates her age to be "between 20 and 30".

The accident that crippled her happened almost four years ago — December 14 1980.

Since then she claimed to have been threatened and accused of "causing lawyers to fight" and has become the focus of attention in the hospital since her case was reported to the Law Society.

Before the accident, she said, she was a happy woman who lived



**LEFT:** Miss Martha Mkhize's mother, Mantombe Zuma... poverty stricken and waiting for her daughter. **RIGHT:** Miss Mkhize's thumbprint from an affidavit... a cheque alleged to have been paid to her and bearing her print is being investigated.

## HOSPITAL TELLS TRIBUNE TEAM: 'SORRY, NO INTERVIEWS'

THE Sunday Tribune was barred several times from visiting Miss Mkhize in Durban's Clairwood Hospital this week after being told she did not want to be interviewed.

On a visit to her ward during hospital visiting hours, nurses told the Tribune team that "Mrs Mkhize is not allowed to receive visitors without permission from the medical superintendent".

The medical superintendent, Dr David Standing, informed us she had declined to grant an interview, but after persistent attempts to visit Mrs Mkhize,

with her children and boyfriend in the Molenvalley near Durban.

But her boyfriend had

disappeared the day she was knocked down. Her children were placed in an orphanage shortly afterwards and her ageing mother was heavily-stricken.

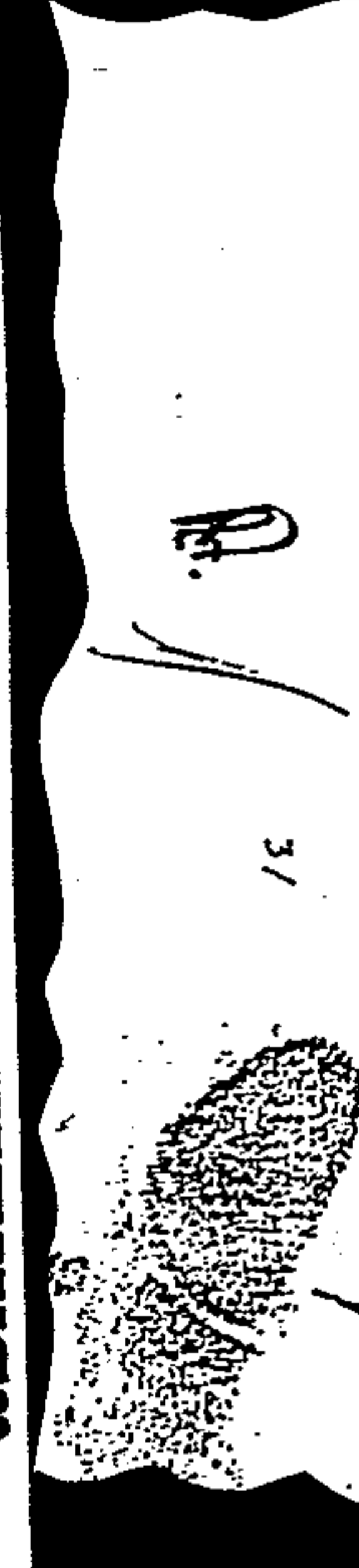
Her mother, Mantombi Zuma, said from her tiny backyard shack this week: "I'm suffering and very worried that Martha has not come home."

"I know Martha wants to come home but they won't let her. She was allowed to come home a few years ago but became so sick I had to telephone the hospital to send an ambulance. They fetched her and dropped off her children at the orphanage because I have no money and no house to keep them."

The attorney who was allegedly handling her MVA claim, Bhekumndeni Simelane, disappeared last week after the Supreme Court granted an order suspending him from practice and issued a rule calling on him to show cause by August 29 why he should not be struck off the roll of attorneys.

He telephoned the Tribune this week: "I

... making any progress or not. On the 1983 I instructed MESSRS SIMELANE & SIMELANE to behave in this matter. I withdrew my instructions and advised MESSRS C.M. LUTHULI & CO. on the 29th July.



## 'SORRY, NO INTERVIEWS'

we finally got to see her. She told me she had "no objection at all" about being interviewed as long as her picture was not taken.

Dr Standing said the reason no-one was allowed to visit her without his permission was that she feared for her life.

He emphasised that all patients have a right to privacy and he could not release any details about them without their permission.

"Patients are entitled to privacy just like anyone

have gone underground and cannot comment at this stage. But I want to say I will be defending the allegations."

His files are now being examined by the Law Society. According to affidavits he has more than 500 current MVA claims on his files. Several of his employees say they have not been paid for last month's work.

It is alleged in affidavits submitted by the Natal Law Society to the Supreme Court in their application for his suspension that Mr Simelane failed to pay Miss Mkhize R50 000 due to her following a Third Party insurance claim.

He is alleged to have paid the sum into his firm's account and to have neglected paying Miss Mkhize. Secretary of the society, Frans van der Merwe, who has been appointed curator of Mr Simelane's practice, confirmed that another attorney, Christian

else, therefore their consent is necessary for interviews, photographs and information regarding details of disease," he said. "Only conditions such as 'satisfactory, stable, serious, critical' may be given."

He said tours were not allowed to enter the hospital during visiting hours.

He confirmed that the Natal Law Society representative was allowed to visit the hospital to advise patients of their rights.

Luthuli, was also under investigation. He was alleged to have kept R8 600 of Miss Mkhize's insurance claim after she had instructed Mr Simelane to take over her affairs from him.

In her affidavit in the Supreme Court application Miss Mkhize claims she became dissatisfied with the manner in which Mr Luthuli conducted her affairs because he failed to furnish her with progress reports or the money he had claimed on her behalf.

She describes how she was approached at her hospital bed by Luthuli and, later, by men who said they were attorneys and who told her they would claim money on her behalf.

She told the Sunday Tribune that shortly after her accident a tout came to her in hospital and read the report hanging from the end of her bed. "He asked what had happened and told me I could claim money for

damages but that I would have to go to an attorney's offices in Durban's West Street to make the claim."

She was unaware that she could claim from the MVA fund until the "attorney's clerk" visited her.

She later instructed Mr Luthuli to make the Third Party claim on her behalf but many months passed and she heard no more from him, she claims.

In an interview, Miss Mkhize said: "I spoke to Mrs Simelane who is a physiotherapist at the hospital. She told me her husband is an attorney and he could help me get my money."

During her third year in the hospital she withdrew her instructions from Mr Luthuli and instructed Mr Simelane to recover her money. "Simelane promised he would try to get my file from Mr Luthuli and sort out my problem," she said. "But he later told me Luthuli

The society has a fidelity fund which was created for the purposes of reimbursing persons who suffer financial loss as a result of the theft of money or property entrusted to an attorney.

Mr van der Merwe, said Miss Mkhize would be compensated from the society's fidelity fund should her money not be recovered.

Anyone who claims to have suffered any loss through Mr Simelane is urged to contact the society and submit their

claims to the fund.

According to the Superintendent of Clairwood Hospital, David Standing, Mkhize's discharge due in May this year had been held because "she had identity documents

"We will keep here until every has been cleared up Mr Farleigh said documents, including cheque allegedly Miss Mkhize's, were forwarded to the for investigation.

had denied any knowledge of any papers referring to me. I gave Simelane a card as proof that Mr Luthuli had been dealing with me and Simelane said he would do what he could."

Months later, Miss Mkhize claims, she became "sick and tired" of waiting for her money and was advised by a fellow patient to contact the Law Society.

When contacted this week, Mr Luthuli said he was waiting for instructions from the society and would pay Miss Mkhize the outstanding money he owed her.

The case was investigated on behalf of the society by Alan Farleigh of the attorney's firm, Barkers.

This week he confirmed that a cheque for R58 600 was issued by the MVA fund some time ago in favour of

An attorney, Simon Chetwynd-Palmer, said in an affidavit in this Court application that a fee of R8 000 "was a gross overreach" and estimated that Mr Luthuli's tariff was unlikely to be more than R750.



## THE THOMAS MORE SCHOOL

### OPEN SCHOLARSHIPS 1985

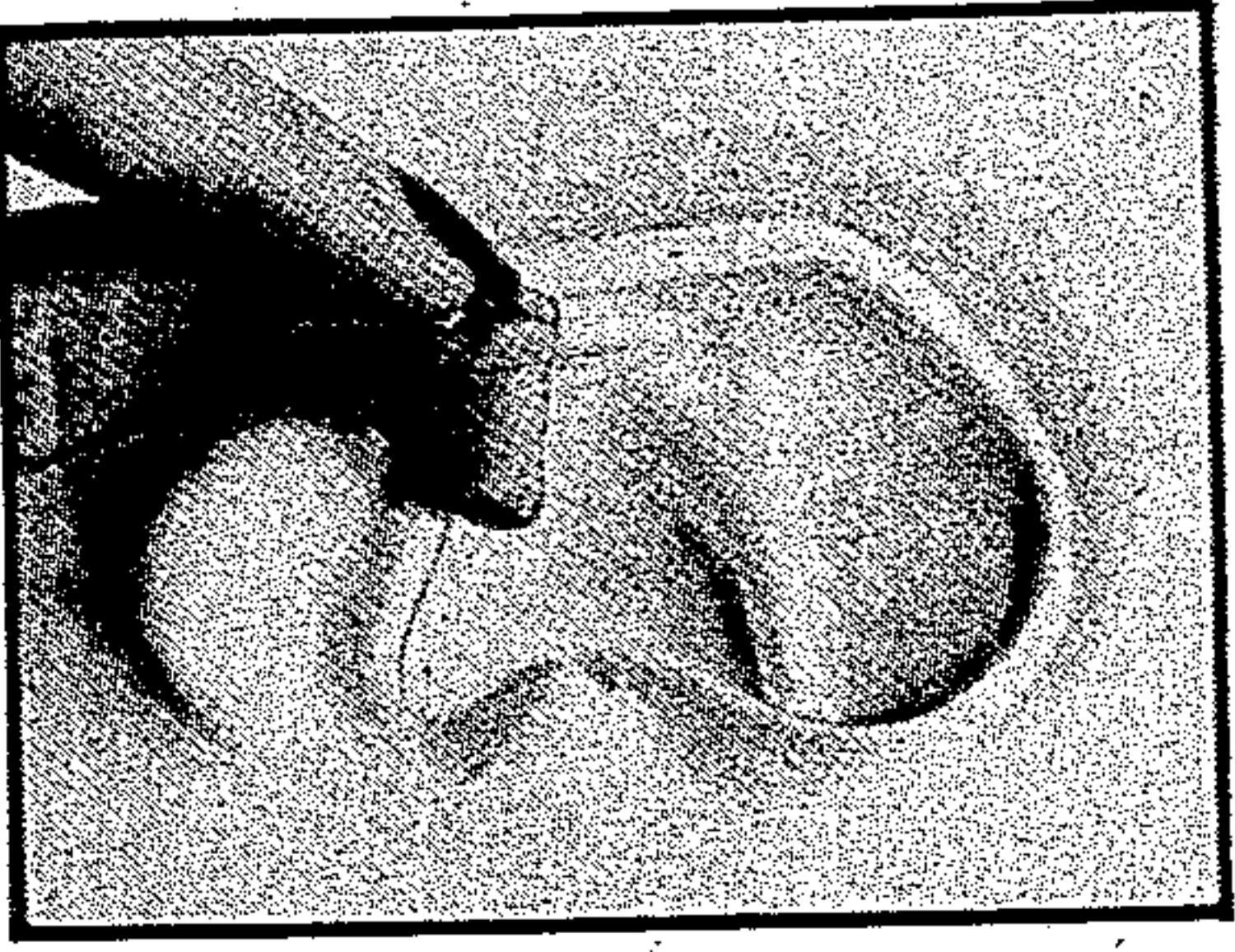
Two scholarships of R1 700 each per annum and two of R850 each per annum, tenable for two years, are offered to boys and girls entering STANDARD SIX in 1985.

Application forms, together with full details concerning the school, are available from:

### THE SECRETARY

P.O. BOX 101  
KLOOF 3640  
Telephones: 741215 — 742756

## IN THE EAR



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We are proud to be sole Natal Agents for STARKEY in the ear hearing aids.

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58 Field Street, Durban  
Telephone: 3048239, 3042403.

**ATTENTION PIETERMARITZBURG**  
Consultation from our hearing aid acoustician will be at Rensgate, Tuesday, 28 August at Alex Estates from 8.30 a.m. - 11.30 a.m. and at Margate Graphic Supplies from 12.30 - 3.00 p.m.

**ATTENTION SOUTH COAST**  
Consultation from our hearing aid acoustician will be at Port Shepstone Pharmacy on Monday 27 August at Ramsgate, Tuesday, 28 August at Alex Estates from 8.30 a.m. - 11.30 a.m. and at Margate Graphic Supplies from 12.30 - 3.00 p.m.

# Businesses will rise

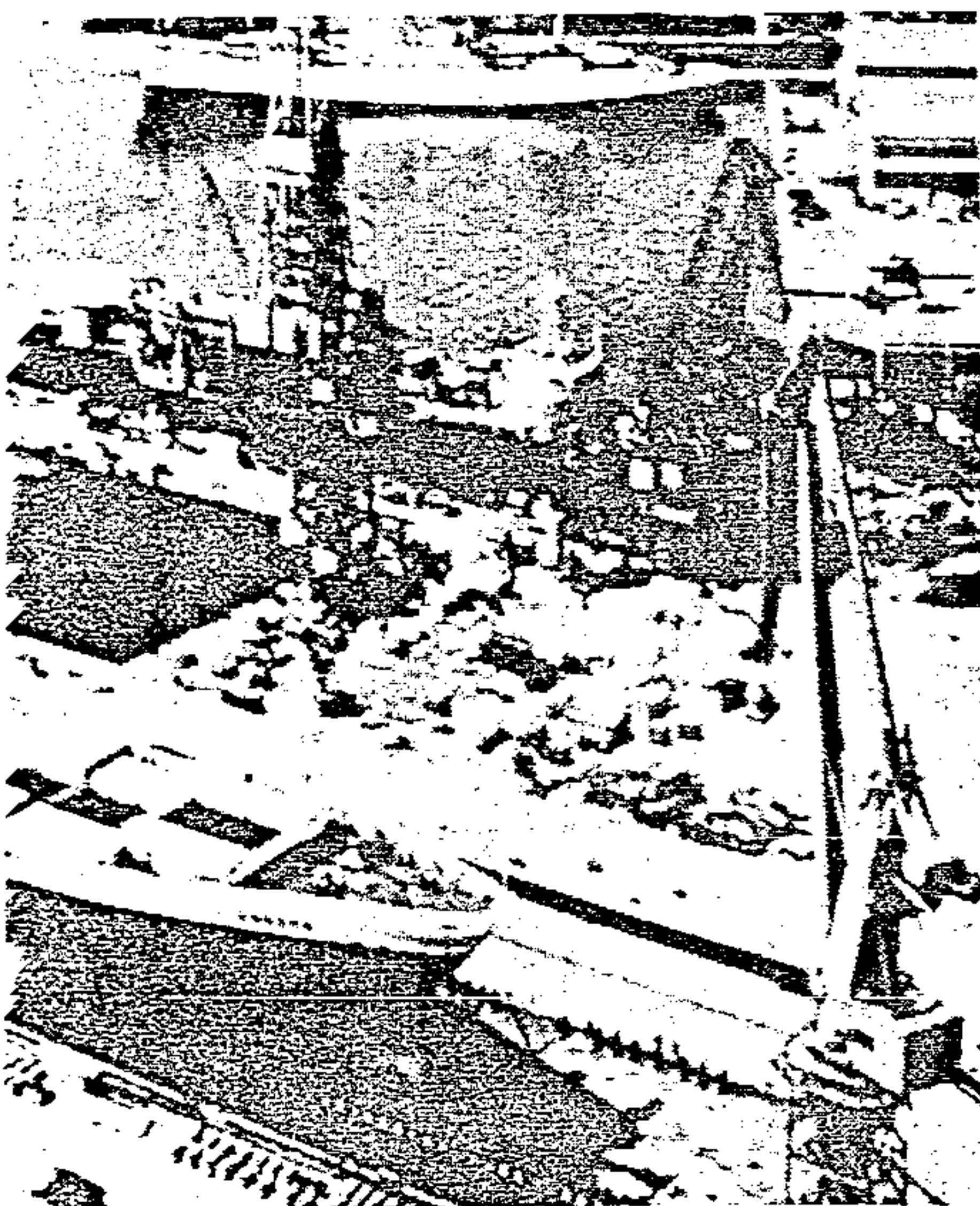
Dr Rupert said that since the introduction of the latest restrictive measures, the SBDC had noted a marked increase in applications for crisis and replacement financing.

"These applications do not fall within the corporation's normal criteria for providing loans to the small business sector. Although there is evidence of an increase in arrears in the case of both loan debtors and tenants, the position is within acceptable levels and adequate provisions have been made in the financial statements."

It was important for the SBDC to continue to offer less expensive finance, but to do so it had to be assured of the continued financial support of both the public and private sectors. To maintain its current growth rate the SBDC would require about R160 million in additional capital during the next five years.

During the year under review the SBDC had a net income before taxation of R16,7 million, compared with R12,8 million in the previous year. Retained income at March 31 was R17 million (R9,3 million). — Sapa

# Angola war in Cape



problems. The familiar box carrier Europa, seen here in a containerisation aimed at reducing the formidable losses of Italian companies.

**Exporters suffer**  
South African container cargo exporters are suffering some of the inconvenience which attends ships whose owners go bankrupt. When the Clunies-Ross Shipping line freighter Sil-

vice to Mauritius and South Africa.

**Polar venture**  
THE periodic expeditions early in the century to the Far South were invariably associated with intense

## Today's share prices

JOHANNESBURG — Gold shares were easier at mid-day on a lack of interest, as the bullion price continued little changed at around the \$350 level, dealers said.

Heavyweights President Steyn and Kloof shed 200c each at 7 225c and 7 000c respectively, while among cheaper issues, Elandsrand lost 25c at 1 500c, Loraine 20c at 655c and Simmers 10c at 500c.

The Krugerrand, however, gained R3 at R540, they added.

Other minings and financials were dull and little changed. Among the few movers, copper shares Palamin gained 25c at 1 475c and Impala Platinum 15c at 2 165c, dealers said.

Industrials were narrowly mixed with Dunlop up 25c at 1 050c and Kirsh down 10c at 300c, and at noon, 12 shares were firmer, 13 easier and 34 unchanged.

|                  |                    |
|------------------|--------------------|
| <b>COAL</b>      | <b>Insurance</b>   |
| Trns Ntl npl 125 | Gardian 460        |
| Welgdt 200       | Investment trusts  |
| Wit Coals 5600   | Carrigs 25         |
| <b>DIAMONDS</b>  | Ind Sele 470       |
| De Beers 865     | Property           |
| <b>GOLD</b>      | Amaprop 375        |
| Rand             | GF Prop 325        |
| Modder 950       | Propgrp 95         |
| ET Cons 3375     | Retco 65           |
| Ergo 1050        | Property trust     |
| ERPM 1800        | CBD Fund 205       |
| Egoli 177        | Stanpro 101        |
| Grootvl 1525     | Umdoni 105         |
| Simmers 500      | <b>INDUSTRIAL</b>  |
| Sallies 680      | Ind holding        |
| Sth Rdpt 325     | Amic 2750          |
| Sth Rdpt 10%     | Barlows 1190       |
| cpp 415          | Bromain 95         |
| Village 122      | Culnan 430         |
| WR Cons 920      | Curfin 350         |
| W Nigel 315      | Enyati 48          |
| Evander          | Eureka 160         |
| Kinross 3400     | Fed Volk 380       |
| Leslie 390       | Lucorp 20          |
| Winkels 6300     | Mcpheil 23         |
| Klerksdorp       | M and R 1200       |
| Sovaal 7950      | Picfin 730         |
| Stiftn 1930      | Protea 168         |
| Vaal Rfs 16650   | Protea 14%         |
| Zandpan 1775     | cd 7000            |
| OFS              | Sinclar 70         |
| Harmony 2715     | SA Bias 700        |
| Lorraine 655     | Unisec 500         |
| P Brand 5950     | <b>Beverages</b>   |
| P Steyn 7225     | SA Brews 655       |
| Unisel 1700      | Uniewyn 200        |
| Welkom 1540      | <b>Building</b>    |
| <b>West Wits</b> | Concor 125         |
| Blyvoor 1730     | Gypsum 675         |
| Deelkrl 540      | Ois 315            |
| Dries 4950       | <b>Clothing</b>    |
| Elands 1500      | Berkshire 185      |
| Elsburg 512      | <b>Electronics</b> |
| Kloof 7000       | Alron 1900         |
| W Areas 860      | Reunert 1150       |
| <b>MET, MIN</b>  | Veren 750          |

## Takeover of rail network by SWA possible

WINDHOEK — The central government of SWA/Namibia is considering taking over the running of the territory's railway network from SA Transport Services, according to the Administrator-General of SWA/Namibia, Dr Willie van Niekerk.

Addressing the Windhoek Rotary Club, he said transportation was one of the most "vexed" problems facing SWA/Namibia on the economic front.

The loss of R90 million against which the railways had had to operate during the 1983-84 financial year was expected to rise to R95 million during the current year.

Investigations by SATS had led to the decision to close three branch lines in SWA/Namibia covering a total distance of 613km and operating at an annual loss of R8,5 million.

The total loss suffered on the three branch lines had amounted to almost five times that of the three branch lines closed in South Africa.

Dr Van Niekerk said a final decision on the SWA/Namibian railway branch line would be taken by the end of the year. — Sapa

## Wall St rally slows

NEW YORK — Stock prices fluctuated in a narrow range on Wall Street yesterday in a drifting session.

The Dow Jones average of 30 industrials edged up 0,66 points to close at 1232,44.

The market's dramatic mid-summer rally has slowed lately amid some revived worries that



# Thorns could be cash crop

By Peter Honey,  
The Star Bureau

WINDHOEK — Northern Namibian farmers may soon find a way out of bush encroachment, their thorniest problem, by turning bush into a cash crop.

A pilot project under way at the Tsumeb copper mine indicates that the bush types which give stock farmers their greatest headaches can be used as an energy source in place of coal and oil.

Experts estimate that local intruders such as the black thorn (*Acacia millifera*) and sickle bush (*Dichrostachys cinerea*) have infested about 8 million ha of prime pasturage and threaten another 4 million ha in north-eastern Namibia.

This has halved the grazing potential of Namibia's most viable cattle-farming regions.

Periodic bush fires in those areas and the reduced farming population because of drought have aggravated the problem to the extent that it is considered

the stock farmer's enemy number one.

Bush clearing is a thankless task, because it is difficult and costly and brings no immediate financial returns.

But the Tsumeb project suggests that bush clearing could be an economic boon, at the same time opening up more land for farming.

## THEIR GAS

"It appears that intruder bush in SWA/Namibia's northern farming areas can be used successfully as an energy source," says Mr Bob Meiring, general manager of Tsumeb Corporation Limited.

For several months the mine has been running its main power plant off gas produced from burning milled black thorn and sickle bush.

The project is still in its infancy.

But Mr Meiring says the mine could switch over to partial or

2/10/84 Stan  
total bush energy if cheaper methods of harvesting can be found.

The mine now uses 12 000 tons of coal from the eastern transvaal annually, at a cost of R80 a ton.

The delivered cost of milled bush is R60 a ton, but the breakeven cost is about R36 a ton if the project is to become viable in the long term, says the project co-ordinator, First National Development Corporation economist Mr Udo Duevel.

The undertaking is being handled by the Tsumeb Corporation, the First National Development Corporation, state agricultural agencies and the national timber research unit of the Council for Scientific and Industrial Research.

A council wood-gas technologist, Mr Fred Hose, says intruder bush could be used as charcoal, for the manufacture of chipboard and as carrier fibre for yand cattle feeds.

# SWA fishing losses detailed

221A

D. Dispatch

11/10/84

WINDHOEK — The market value of pelagic fish caught by foreign trawlers off the SWA/Namibian shores amounted to R500 million annually, but the territory received nothing in return, the Administrator-General Dr Willie van Niekerk, said yesterday.

"If the rest of the world acknowledged SWA's claims to its fish resources, as they will do with internationally recognised independence, this country will receive a considerable revenue from fishing concessions and levies on catches."

Dr Van Niekerk said at

the opening of the Windhoek agricultural show that current concessions for fish processing in SWA/Namibia would lapse by the end of next year after 25 years.

"We are now working on preconditions for new fishing concessions through which SWA will receive a more reasonable share from its pelagic fish."

The concessions applied only to fish factories operating in SWA will receive a more reasonable share from its pelagic fish."

The concessions applied only to fish factor-

ies operating in SWA/Namibia.

Dr Van Niekerk said there were encouraging signs that mining in the territory would begin to recover soon.

Production of diamonds and uranium had declined last year but there had been a real production increase of 2.2 per cent in other sections of the mining industry.

Dr Van Niekerk said that although manufacturing made a relatively small contribution to the GDP — 5.6 per cent in 1983 — measures were being considered to improve the competitive

position of manufacturers against those of South Africa.

Competition from South Africa had intensified in the past three years because of decentralisation which had benefited factories in growth points such as Upington and Walvis Bay.

Dr Van Niekerk said measures had been introduced to increase productivity and to cut expenditure in the government service.

"In the past week, 302 vacancies have been abolished with a potential saving of R1.9 million." — SAPA

RSM 11/10/84

221A

# SWA loses revenue to foreign fishermen

WINDHOEK. — The market value of pelagic fish caught by foreign trawlers off the South West Africa shores amounted to R500-million annually, but the territory received nothing in return, the Administrator-General Dr Willie van Niekerk said yesterday.

"If the rest of the world acknowledged SWA's claims to its fish resources, as they will do with internationally recognised independence, this country will receive a considerable revenue from fishing concessions and levies on catches."

Dr Van Niekerk said at the opening of the Windhoek Agricultural Show current concessions for fish processing in SWA would lapse by the end of next year. A plan to receive a greater share from fish was being worked on.

Dr Van Niekerk said production of diamonds and uranium had declined last year but there had been a real production increase of 2,2% in other sections of the mining industry.

Total taxation of the mining industry (excluding tax on diamond exports) amounted to R142-million for the financial year ending on March 31, 1983.

Total sales of minerals had increased by 5,4% in 1983. There had been a considerable drop in uranium sales.

Sales of diamonds and other minerals, however, rose in the same period by 7,7% and 11,7% respectively.

Mining contributions to the SWA gross domestic product, calculated at constant 1975 prices, rose from R174 100 000 in 1975 to R221 900 000 in 1977 and thereafter steadily declined to R166 100 000 in 1983.

There were 21 mines active in SWA, but in terms of world standards only three companies — Tsumeb Corporation Limited, CDM and Rossing Uranium Limited — could be considered as operating on a large scale.

The three companies had contributed more than 96% of total minerals sales in 1983.

Legislation concerning the mining sector was being reviewed with a view to repealing or amending antiquated provisions.

Competition from South Africa had intensified in the past three years because of decentralisation, which had benefited factories in growth points such as Upington and Walvis Bay.

Gross domestic investment by the manufacturing sector had risen from R4 200 000 in 1975 to R24-million in 1981 at current prices. After that the figure dropped to R18 500 000 in 1983.

Dr Van Niekerk said measures had been introduced to increase productivity and to cut expenditure in the government service.

"In the past week, 302 vacancies have been abolished, saving at least R1 900 000."

Sapa.

24/10/84  
221A C. Times

# SWA talks on taking ~~over~~ SA rail network

From TONY WEAVER

WINDHOEK. — Final negotiations are taking place for the transfer of the South African Transport Services network in SWA/Namibia to the government of the territory.

The Administrator General of SWA/Namibia, Dr Willie van Niekerk, said that the take-over would be done in stages. The first phase would begin on April 1, 1985.

Included in the take-over would be the entire rail network and all services attached to the network.

Dr Van Niekerk announced earlier this year that several major rail lines in SWA/Namibia would be closed in an attempt to reduce the R90-million debt the government has towards the SATS.

Businessmen in the north and south want the line to Luderitz, in particular, kept open and Dr Van Niekerk said this would be examined further.

Mr Sam Nujoma, president of Swapo, accused the South African government of wanting to close the Luderitz line in order to increase the dependence of an

independent Namibia on Walvis Bay. Walvis Bay is part of South Africa and is the territory's only in-use deep-water port.

Dr Van Niekerk hinted that plans could be afoot to transform Luderitz into a deep-sea port.

"The development of Luderitz harbour into a port able to handle larger types of ships like tankers, will, according to preliminary estimates, cost about R30 million," Dr Van Niekerk said.

"To develop Luderitz into a full deep-sea harbour could run to between R200 and R300 million.

"Any development of Luderitz harbour in order to make the rail link viable, also means that the line between us and Luderitz will have to be rebuilt to an acceptable standard which will cost a further R12 million."

The South African Minister of Transport, Mr Hendrik Schoeman, said in a letter to the Keetmanshoop municipality that he supported the principle of developing Luderitz into a deep-sea port.

# Tsumeb

gold

probe

221A

Own Correspondent

JOHANNESBURG. — Speculation that SWA copper producer Tsumeb Corporation has found a potential open-cast gold mine has been played down by the general manager, Mr Bob Meiring.

"We have for a number of years carried out, and are still carrying out, an extensive prospecting programme throughout SWA looking for a range of minerals.

"This work includes a gold prospect in Damara-land which has some low-grade surface ore deposits which were worked in the 1920s and 1930s.

"We are looking at this area and prospecting it at present. However, it is not correct to say we intend opening a new gold mine there," he said.

Tsumeb is controlled jointly by Gold Fields of South Africa (GfSA) which holds 43 percent of the equity and United States group Newmont Mining Corporation, which holds another 33,1 percent.

Newmont and GfSA are linked in that GfSA's controlling shareholder, Consolidated Gold Fields, also has a 26,4 percent stake in Newmont.

GfSA acquired its stake in Tsumeb when Newmont decided to sell off part of its shareholding in the mine.

GfSA chairman Mr Robin Plumbridge, who is also a director of Tsumeb, said in Johannesburg last week he was not aware of any plans by Tsumeb to set up a gold mine.

Tsumeb has taken a beating from the prolonged recession in the international copper market.

Tsumeb is running two exploration programmes. One is solely the Corporation's while the other is a joint venture with GfSA.

The gold prospect is part of Tsumeb's own programme.

LHM 10/11/84 (221A)

# Mining giant warned on 'illegal' SWA operation

By IAN HOBBS  
London Bureau

LONDON. — Protesting shareholders this week warned the Consolidated Gold Fields (CGF) annual meeting in London of dire consequences, including the danger of Swapo attacks on its "illegal" mining interests in South West Africa.

Four shareholders representing the Namibian Support Committee bombarded the CGF chairman, Mr Randolph Agnew, with questions and points of view, but he was emphatic that their associate, Gold-

fields South Africa, was responsible for investment in the disputed territory.

Mr Agnew said that while CGF had a 48% beneficial interest in Goldfields SA, the associate was an independent company in its own right.

He could not be held answerable in London for their operations or performance, or become involved in a debate at the CGF annual general meeting on the political controversies.

Asked what would happen if Swapo attacked and "blew up" the Tsumeb Corporation mines, in which

Goldfields SA is a major shareholder, Mr Agnew said that in the short term it would reduce losses because Tsumeb was losing money.

He said the destruction of the Tsumeb base metal mines, the biggest in SWA, would be seriously detrimental to the country and its people. Up to 4 000 people could lose their jobs if the mines went.

Mr Alun Williams and Mr Rudolph Vines, the main shareholder spokesman for the Namibian Support Committee, said they wanted the group's shareholders to be fully aware of

the consequences of the GFSA activities in SWA which were "contrary to international law".

Mr Williams said that by acquiring the 29.6% interest previously held by the United States-based Amax (American Metal Climax Inc) group and increasing its shareholding in the American Newmont group to 22%, GFSA was blatantly contravening international law.

He said the "plundering" of SWA's mineral resources would result in retroactive legal action for compensation when independence was achieved.

He asked without success if CGF had taken legal advice on the situation, set aside financial provision for eventual compensation and if shareholders were aware of the possible consequences for the group.

The protesting shareholders, who were barracked by many of the main body in the hall, said a key point of their protest was that the continuing exploitation of SWA's resources by CGF's South African associate was a political incentive for South Africa to maintain its illegal occupation.

# Goldfields accused of plundering SWA mines

221A  
LONDON — Four shareholders representing the "Namibia Support Committee" have warned the Consolidated Goldfields annual meeting here of dire consequences, including the danger of Swapo attacks on its "illegal" mining interests in South West Africa.

Mr Randolph Agnew, chairman of Consolidated Goldfields, was emphatic, however, their associate, Goldfields South Africa, was responsible for investment in the disputed territory.

Mr Agnew said that while Consolidated had a 48 per cent beneficial interest in Goldfields

South Africa, the Associate was an independent company in its own right.

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10/11/84  
D. Dispatch  
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RDM 28/11/84

221A

# Legal war on Western firms in SWA planned

By RICHARD WALKER

NEW YORK. — The United Nations Council for Namibia is requesting R540 000 in funds to wage a legal war on Western business interests active in South West Africa.

This and a costly new support drive for Swapo feature prominently in a report to be presented to the General Assembly later this week.

In all, close to R3-million is sought for supplementary, extra-budget activities over the coming year.

Other than proposing punitive sanctions as the only way to force Pretoria's hand, the report gives no consideration to the possibility of a settlement in the foreseeable future.

Defying the recent mood in the As-

sembly, the report singles out the United States for specific condemnation and accuses Washington of encouraging South African aggression in Angola and defiance in SWA.

As a 33-nation subsidiary of the Assembly, the Council for Namibia considers itself legal custodian of the territory until independence.

This week it will table before the Assembly a fierce 69-point draft resolution, choc-a-bloc with denunciations of the West and exhortations to extend greater military and other aid to Swapo.

It wants, and is sure to get, a continued subsidy for Swapo that covers every aspect of its UN observer mission, from salaries to postage stamps.

It wants another R500 000 to distri-

bute among non-governmental organisations approved by Swapo and a further R1 800 000 subsidy from the UN budget.

The R540 000 legal fund would be used as a war chest with which to challenge, in their domestic courts, selected international companies with operations in SWA.

The basis of this challenge is a decree enacted by the Namibia Council 10 years ago, but never tested in court.

The decree declared foreign economic activities in the territory illegal and opened up the possibility of the territory's exports being seized and confiscated.

The council also wants to make businesses liable to pay damages "to the future legal government".



221A

# Namibia to get bigger slice of fish in new deal

NAMIBIA'S prized deep-sea fishing concessions will be up for renewal next year for the first time in 25 years — but this time in-built conditions will ensure Namibia gets a bigger share of the multi-million rand profits.

At present Namibia gets little, if any income from its fishing industry which delivers about R750-million in market prices from harvests raked up by South African and foreign trawlers.

The director of the newly formed Namibian Sea Fisheries, Dr Jan Jur-

By DAVID PIETERS: Windhoek

gens, did not outline what the new conditions would be, but said they would enable Namibia to rake off "a more reasonable share" of the profits.

He confirmed that the existing concession holders, dominated by a web of South African cartels, had already applied to have their existing concessions renewed.

In the past, the granting of these concessions has been contentious and

has led to clashes between the South West African Administration and the South African central government. A race developed between the two administrations to grant the most concessions which led to over-exploitation of the fish populations in the mid-Seventies and near collapse of the entire industry.

Dr Jurgens was not able to say whether the concessions would be re-allocated to existing concession holders next year but said "historic performance" played an important role in re-allocating the concessions.

The existing concession holders are grouped into four huge cartels, only one of which is Namibian. The main companies now holding concessions are The Ovenstone Group, Kaap Kunene, Sea Products SWA, SWAFIL, Marine Products and Consortium Fisheries.

## Donation

Meanwhile, the Ovenstone and Kaap-Kunene investments which form the General Development Corporation of Namibia (Gendev) have announced a R25 000 a year donation to a rock lobster research programme which will be run by Namibia's Department of Sea Fisheries.

This unprecedented move by Gendev is seen in the industry as a well-timed move to raise its stakes in being re-allocated concessions.