ZIMBABWE - GENERAL

1994
Harare devalues dollar 3 times to beat inflation.

ZIMBABWE devalued its dollar by 17 percent yesterday as part of a package to liberalise the economy and make the currency fully convertible. (G2)

Central Bank governor Leonard Tsumba did not give new rates but said the devaluation and the 1993 three percent depreciation of the dollar would mean an overall 20 percent drop.

The devaluation follows changes on Friday to loosen foreign exchange controls and establish a two-tier exchange rate - one official and the other market-driven. On Friday, Mr Tsumba said he hoped the Zimbabwe dollar would be a convertible currency within a year.

The fall in the local dollar was long expected because of Zimbabwe's inflation rate of 22 percent.

Imports will be more expensive but the government limited the inflationary impact by removing some import duties.

Acting Finance Minister Richard Hove said on Friday that local and foreign companies operating in Zimbabwe would be able to keep 90 percent of foreign exchange earnings.

The firms would sell the rest to the central bank, which needs hard currency for fuel and other imports and to service Zimbabwe's foreign debt.

"An interbank market will thus be created in which prices for foreign exchange will be determined by market forces," Mr Hove said.

The Zimbabwe Stock Exchange (ZSE) opened 1993 on Friday at the year's high. Mr Hove last year increased the amount of shares that foreign firms can buy on the ZSE, offering a further incentive to invest in Zimbabwe, which began a painful five-year economic reform programme in 1991 with the backing of the World Bank.
Devaluation ‘may push up inflation’

HARARE — Zimbabwe’s 17% currency devaluation and the removal of most foreign currency controls at the weekend might fuel inflation but would keep the country’s exports competitive with SA’s, leading economists said yesterday.

FMB’s chief economist John Robertson voiced anxiety at the way in which the devaluation had been introduced. He said it was unlikely to close the 26%-30% gap between the official and unofficial rates at which the Zimbabwe dollar was being traded.

Before the devaluation, announced by Finance Minister Richard Hove, the Zimbabwe dollar stood at about $10.40. When trading reopened today it is likely to slide to about $10.41.

Zimbabwe’s senior finance minister and architect of its economic reform programme, Bernard Chidzero, has just returned from cardiac treatment in Europe, having been ordered by doctors to take a complete rest for at least four months.

Four years ago Robertson caused a row by urging a “more realistic” exchange rate policy and predicting a 4% increase in annual inflation beyond the 32% forecast. Zimbabwe’s central bank threatened to obstruct FMB’s daily operations if Robertson was not barred from public speaking after he urged a 26% devaluation and the removal of 26%-30% import surcharges. That led to a set of correspondence, one of the things he is doing now, he said yesterday.

University of Zimbabwe head of business studies Prof Tony Hawkins said Zimbabwe’s tariff regime had been in chaos following the imposition last month of incentives to encourage exports, some of which were then suspended or modified. The tariff regime was now “totally confused”, he said.

“The government could not run away from the core issue of parastatals and government spending for much longer. The latest figures showed government borrowing had gone through the roof,” he said.

Government borrowing had totalled $41.7bn in the past five months, half of which was given to the Agricultural Marketing Authority (AMA) to fund subsidies frowned upon by the World Bank. In the year to November 1993, there had been a 46% increase in Zimbabwe’s money supply.

If Zimbabwe had an early general election this year, President Robert Mugabe’s government might attempt to return to power, tackling reforms, but it was unlikely to do anything to worsen the economic plight of Zimbabwean voters due until July 1995.

Zimbabweans’ annual holiday allowances have been increased to $7 000 a year. But, in line with the new foreign currency regime, travellers who do not earn foreign currency will have to buy it at the market premium — paying about $10 000 for their total allowance.

Meanwhile, diplomatic sources expect no moves to update Zimbabwe’s 1994 “most favoured nation” trade pact with SA until after SA’s April election. The pact has crippled Zimbabwe’s textile exports.
Zim dollar down 17%  

BY ROBIN DREW  
STAR AFRICA SERVICE  

Harare — Zimbabwean pensioners living in South Africa face another 17 percent drop in income with the announcement that from Saturday the Zimbabwe dollar has been devalued by this amount.

Earlier slides during recent months mean the dollar has gone down by more than 20 percent. There are now officially just over two Zimbabwe dollars to the Rand.

The devaluation came with announcements of a major leap forward in the country’s financial reforms aimed at making the Zimbabwe dollar a convertible currency.

There is now a two-tier exchange rate in place, with the Reserve Bank setting the official rate and the markets through the banking sector setting the rate for all transactions other than certain government obligations.

Depreciation

The depreciation of the official rate is to bring the two exchange rates closer into line.

An important step has been the introduction of corporate foreign currency accounts in which exporters will deposit 60 percent of their export earnings.

It is from this pool that people wanting foreign exchange for travel, business and education outside the country will obtain their currency at the prevailing market rate.

Holiday allowances have rocketed from about R400 a year to the equivalent of about R8 000.

Economists said the sweeping changes were in line with the announced economic reform programme and that the pace had probably been forced by the IMF following the recent donor conference in Paris.

Many exchange control limits have been relaxed and the commercial banks will be given more leeway to approve transactions.
Zimbabwe set for healthy growth

HARARE — Zimbabwe, whose economy crashed under the weight of a drought and recession in 1992, is likely to achieve one of its best growth rates this year propelled by better agriculture and manufacturing, economists said yesterday.

But the government had to rein in its huge expenditure and curb inflation to keep its economic gains on track, they said.

"Given an above-average farming season that we are likely to have this year, plus 8.8% growth in manufacturing, we are this year looking at 5% economic growth compared to about 1.5% in 1992," said Zimbabwe University economics department head Anthony Hawkins.

Zimbabwe's population grows 3.1% a year.

"The new year is going to be the best year since 1991, when Zimbabwe had growth of 4.5%, and possibly since 1988," Hawkins said.

The deputy head of the World Bank's mission in Zimbabwe, Stephen Brushett, said: "Our figures show that growth in 1993 should be between 2% and 3%. This year we are looking at between 5% and 7%.

The drought in 1992, the worst this century, crippled Zimbabwe's agriculture and sent manufacturing, another key sector, plunging by at least 4%.

A global recession exacerbated the woes, resulting in Zimbabwe's GDP falling 12%, its worst decline since the 1930s.

Hawkins said: "The one thing the government have to watch is its expenditure, which is eating nearly 50% of GDP.

According to central bank figures, the state has already overspent its own budget deficit of Z$2.1bn for this financial year which will end in June, by borrowing Z$2.5bn up to last month.

"Then there is inflation, which will be fuelled from the present 21% by an expansion in money supply, and last week's 17% devaluation of the Zimbabwe dollar, which is likely to depreciate further later in the year," Hawkins said.

Brushett, whose bank is the main backer of five-year economic reforms being implemented by Zimbabwe since 1991, said these were partly responsible for the projected growth.

"The reforms are responsible for a fair amount of this growth. They made the government give greater incentives to farmers and there were also measures to boost exports and open up the economy to private enterprise," he said.

Last year, the government allowed foreign investors to trade on the local stock market, boosting its key industrial index at least 130% in six months to December.

Last week the government increased shares foreign companies could buy on the local market and doubled dividend remittances for companies established before September 1979. Firms set up after 1979 and using funds from outside are already allowed 100% dividend remittance.

Also last week, Zimbabwe virtually abolished foreign exchange rules, allowing companies to keep 90% of their export earnings, thus encouraging exports.

Hawkins said: "These latest measures are good for investors. They are really a positive sign that the government is serious about the reforms." — Reuters.
Zimbabwe lashes out at banks

Harare — Black industrialists have accused foreign-owned banks in Zimbabwe of stifling their efforts to share in an economy still run by whites 14 years after independence.

A campaign waged through vitriolic newspaper advertisements is backed by President Robert Mugabe's government.

Black businessmen say the banks deliberately deny them project loans. The banks say blacks lack collateral and their projects aren't viable.

Blacks have received $158 million of the $732 million loaned to various sectors in recent years, the banks say.

"This is clearly a mis-allocation of funds in a country where 99 percent of the population is black," says an advert placed by businessmen in the Sunday Mail.

The ad accuses the banks of backing Zimbabwe's 100,000 whites to perpetuate colonialism.

"With the liberation war still fresh in people's minds, blacks expect to receive assistance in overcoming the century of underdevelopment suffered during colonialism," the ad says.

"No doubt there will be those who cry out aloud that we are scaring away investment. Our answer to these zealots is that if there are investors coming to Zimbabwe because of continued institutional racism, they are well advised to stay away and keep their money." It threatens popular demonstrations against the banks.

Despite talking political power, blacks, outnumbering whites 10 to one, have remained on the margins of the economy.

The government, concerned about rising unemployment as it prepares for elections next year, has launched a resettlement scheme in which the state forcibly buys white-owned land to give to landless blacks.

Mugabe is concerned about bank failure to support black business. It is unacceptable that whites still control the economy, he says.

"They are a very protective clan, the white settlers here. They are still driven by a sense of dominance." — Sapa.
Lucky Whites Push Properties

Life in Zim is still good

They should have copied Ian Smith • Americans go in for munification

NEWS FEATURE

manufactured by domestic sources: 322

Some will still be here.
Zimbabwe to rule on equity

HARARE — Zimbabwe's central bank will soon issue new rules for increased foreign shareholding in local firms announced last week.

"Meanwhile, we have told the local exchange to continue operating normally," a central bank official said yesterday.

Last Friday the central bank said foreign investors would be allowed to buy up to 38% of shares offered by local companies, with each investor limited to 10% of equity offered. This was an increase from 25% equity that foreign investors could buy and a "maximum" of 5% for individuals which was announced in June.

"We are not reversing the rules we announced on Friday, but merely working out details on how the system will operate," the official said, declining to give details.

Industry sources said the new scheme had run into problems after it was found that only 30 of the 82 firms listed on the Zimbabwe stock exchange would have benefited, because most firms were already 40% foreign-owned.

Zimbabwe's stocks have risen by more than 100% since June, when the government lifted a long-standing ban on foreign investors trading on the local market.

Analysts estimate the investors, most of them from Britain and the US, have poured more than 231m into local stocks in the past six months. — Reuters.
This is going to make Zimbabwean exporters, especially of clothing and textiles, more competitive in the region.

From this week, exporters can retain 60% (30% previously) of export earnings in hard currency in foreign currency accounts held with a Zimbabwe bank. The balance of 40% must be sold to the Reserve Bank of Zimbabwe at the official exchange rate.

Exporters are required to use retentions within 90 days — by spending them offshore on imports or remitting dividends and paying royalties, or selling them in the domestic interbank market. Banks expect a modest premium of around 4%-5% above the official parity in interbank dealings, though this could rise unless Zimbabwe’s weak export performance improves.

Foreign companies will be pleased with the increased ceiling for dividends. Companies that invested in Zimbabwe before the start of the Lancaster House independence conference in September 1979 are now allowed to remit half their taxed profits, compared with 25% in the past. This limitation on dividends did not apply to firms that invested after 1979, which have always been allowed to remit 50%. Those that invested after May 1 1993 can remit 100%.

Ceilings have been raised for offshore payments for technical and management fees; and royalties of up to 5% of net sales can be remitted without prior exchange control approval. All payments for invisibles, including dividends, must go through the free market, attracting the exchange rate premium.

The abolition of direct import allocations means importers will no longer have to apply to the Commerce & Industry Ministry for foreign currency but will purchase their requirements — at a premium — in the free market. It’s unclear how long the government intends to operate a two-tier exchange rate but analysts expect the two rates to be unified before the end of this year.

Devaluation will be inflationary but central bank Governor Leonard Tsumba expects the move to add only 2%-3% to inflation, which in November was running at 22%. The inflationary impact will be cushioned by the abolition of the 10% tariff on open licence imports and the 5% reduction of the import surcharge to 15%.

But import costs will rise with the abolition of subsidised forward exchange cover provided by the central bank. From this week, importers will be forced to cover forward in the commercial market at a much higher cost.

There is good news too for the Zimbabwe Stock Exchange. In July, foreign investors were allowed to buy up to 25% of the equity in quoted companies, with no single investor holding more than 5%. In the subsequent five months over ZS100m (about US$1.5m at the new parity) came into the market and industrial share prices rose 170% from their low point of 861 on the index, in January, to close 1993 at 2,335. Now the ceiling on foreign ownership has been raised to 33% with any single investor allowed to hold 10% of the shares in a ZSE-listed company. This move will push the industrial index to new highs before midyear, breaking the record of 2,710 set in September 1991.

None of these moves came as a surprise since they are part of the trade liberalisation programme set out in the original structural adjustment document three years ago. They mean Zimbabwe has liberalised almost all regulations covering current payments, leaving the capital account to be freed later.

The business sector will be pleased with the changes. The mining houses and other exporters will benefit from devaluation and increased dividend remittability. The chances of attracting new inward investment have improved with the liberalising of dividend regulations, but the problem of blocked funds — profits earned during the Seventies and Eighties by foreign companies — remains to be resolved.

With trade liberalisation almost complete, the focus will shift to the public sector. Latest figures show public-sector borrowing out of control again in the second half of 1993, with a resulting surge in money supply growth from less than 20% at midyear to 36% in November. Since the July budget, the public sector has borrowed about ZS2.5bn, which far exceeds the projected budget deficit for the full year to June 1994 of ZS2.1bn. If structural adjustment is to stay on track and inflation its downward trend from an annual average of 42% in 1992 to an estimated 28% last year, fiscal and monetary policy will have to tighten soon.

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Zim ditches forex stricures

HARARE — Zimbabwe, anticipating fierce market competition from a democratic South Africa, yesterday virtually abolished foreign exchange rules that for years stifled business growth.

It also introduced incentives to boost an export-led boom.

Acting finance minister Richard Hove unveiled the move as the Zimbabwe Stock Exchange (ZSE) ended 1993 on new highs, lifted by a government decision earlier this year to allow foreign investors to trade on the local share market.

The ZSE’s key industrial index soared to 2,362.20 points, up 19.07 from Thursday, to reach its highest level for this year — though still below its record 2,702.51 points reached in 1991.

Mining shares added 7.51 points to close at 515.78, a record high that eclipsed the 449.78 achieved on October 11, 1991.

The ZSE’s industrials have staged a stunning recovery from last year’s drought-induced crash, moving up by at least 130% in the past six months alone, one trader said.

The announcement is a pointer in which direction the economy is moving, things can only be good and we expect the shares to continue their upward march next year," he added.

Foreign investors, led by firms from Britain and the United States, have flooded the ZSE bringing in more than US$15m in the past six months.

Hove said increased shares that foreign firms can buy on the ZSE, offering a further incentive to invest in Zimbabwe, which, with the backing of the world bank, has been in the grip of painful five-year economic reforms since 1991.

He also announced changes that almost ended control and distribution of hard cash by the central Reserve Bank of Zimbabwe in a bid to allow companies to boost exports.

Analysts said Zimbabwe wanted to forestall competition expected from South Africa.

Hove told a news conference that local and foreign firms operating in Zimbabwe would from today be allowed to keep 80% of export earnings which they would use to import goods and capital equipment.

The companies would deposit the 20% share into foreign currency accounts (FCAs), while selling the remainder to the central bank.

Individuals — both Zimbabweans and foreigners — have been operating foreign accounts since June, bringing in about US$4.4m into the country.

"The objective of introducing the FCAs is to enhance the liberalisation of the current exchange control measures and phase out the administrative system of foreign exchange allocation, undertaken by the central bank," Hove said.

"This will provide a mechanism for making the Zimbabwe dollar a convertible currency," he added.

Central bank governor Leonard Tsumba told Reuters: "We hope that the dollar can be convertible within a year's time."

Hove said trade in foreign currency would from now be conducted virtually by private commercial and merchant banks, leaving the central bank to purchase fuel imports, service Zimbabwe’s foreign debt and pay for government imports.

"An interbank market will thus be created in which prices for foreign exchange will be determined by market forces, which will determine the rates of exchange for sales and purchases by the public," he said. — Sapa-Reuters
Zimbabwe banks racist, say blacks

SHOULD affirmative action be extended to Zimbabwe's black businessmen? Robin Drew of the Star's Africa News Service reports on a current, burning issue.

After nearly 14 years of majority rule, black businessmen in Zimbabwe are complaining they are still handicapped by racial discrimination — except that it is now financial rather than political.

They are demanding the government direct banks and finance houses to provide them with a bigger share of loans.

The banks argue, however, that it is inexplicable and not of collateral rather than racial discrimination that puts black businessmen at a disadvantage in raising loans.

The cry that blacks are disadvantaged because of the racially discriminatory practices of past white governments is not new. Since independence in 1980, blacks have complained that advancement in the private sector has not paralleled the Afri- canisation policies followed by the government elected under majority rule.

The same complaint is still heard and most recently it has been voiced by President Robert Mugabe, who has accused whites of being a protective clan which looks after its own.

Repeated accusations by black businessmen of racial discrimination in lending policies finally led the banks, together with the association of finance houses, to issue a breakdown of loans granted.

This showed that at the end of September last year, the total of loans and overdrafts to the private sector stood at just over $6 billion Zimbabwe dollars, of which $1,313 billion (22 percent) had been lent to black-owned businesses.

The institutions said they had gone to special lengths to assist black businessmen and over the past few years had financed 30 companies controlled by blacks.

But the institutions made the point that the ability of a business to succeed was the key criterion and as custodians of depositors' money, banks and finance houses had a duty to ensure investments were prudent.

This drew a demand from black businessmen that the government pass laws to target at least 80 percent of all investable resources towards blacks.

"This is our sweat and blood which we now demand back in the same way that we have fought and died for our land," said an advertisement in the press on behalf of the "struggling indigenous Zimbabweans".

Calling for demonstrations against banks and finance houses, the advertisement said no white person had brought money to Zimbabwe but had gained wealth through the exploitation of the blacks.

The advertisement included a biting attack on black "Uncle Tom's" who went along with the wishes of their white masters. This was clearly a jibe at leading black banker, Ig Takawira, currently president of the Bankers' Association.

The drive for an aggressive approach has come from the Indigenous Business Development Centre, launched two-and-a-half years ago under the patronage of Mugabe, who last month slammed foreign (white) control of the economy.

It has also received strong backing from Vice-President Josiah Nkomo who has frequently warned that blacks must be given a greater share of the economy if another conflict is to be avoided.

The government has under consideration an "indigenisation policy" which includes recommendations by a parliamentary select committee calling for a special tax regime for black business people.

The benefits would include exemption from duties on machinery, tax holidays as long as eight years and a reduction in sales tax.

Of immediate concern is the control of Stanbic Bank Zimbabwe Ltd, which was recently acquired by the Standard Bank Investment Corporation of South Africa.

Black businessmen have said they want a substantial share in the bank, and a report at the weekend claimed that 80 percent of the shares would be allocated to black Zimbabweans through a scheme in which share stamps would be sold at post offices.

Stanbic chairman Lindsay Cook and managing director Hugh Ferguson said the report was inaccurate and no agreement had been reached on any change of shareholding.
Zimbabwe buys SA diesel taxis

CAPE TOWN — Atlantis Diesel Engines and Nisaan SA had begun exporting diesel-powered minibuses to Zimbabwe to take advantage of the deregulation of transport in that country, an Atlantis spokesman said yesterday.

Although it was early days yet — only 30 Nissan 250 minibuses had so far been converted to diesel — the Zimbabwean government wanted to establish a minibus taxi industry similar to SA's and had removed import duties on the vehicles.

Diesel was also cheaper and more freely available than petrol in Zimbabwe.

The spokesman said Atlantis was lobbying for support locally to get government to increase the price differential between diesel and petrol to make diesel-powered minibuses viable in SA.

Conversion to diesel would ensure longer engine life and lower fuel consumption. Diesel was as environment-friendly as unleaded fuel.

SA exported large quantities of surplus diesel production.

A spokesman for the ANC economics department said it was investigating promoting diesel-powered taxis as part of a plan to make industry more competitive and increase government revenue. Diesel consumption would become entirely commercially productive and a future government could lower the tax on diesel to promote business.

Petrol tax could be raised to increase government revenue as a form of wealth tax, the spokesman said.

Nearly 80% of SA's petrol was consumed by private cars, with only a small proportion consumed by essential services such as doctors.

The remainder was consumed by minibus taxis, he said.

The Atlantis spokesman said diesel-powered taxis were the norm around the world, but the local taxi and motor-manufacturing industry believed that the price of diesel was not yet low enough in relation to petrol to make diesel-powered minibuses viable in view of the higher price of diesel engines.
Zimbabwe raises hospital fees by a whopping 800% starting with a local clinic.

Argus Africa News Service

HARARE — Huge increases in hospital and clinic fees in Zimbabwe have drawn bitter criticism but the government says it was forced to take the move to save the system from imminent collapse.

Charges went up by as much as 800 percent this week but people earning less than $400 ($160) a month, get free treatment as long as they go through the referral route;

Health Minister Timothy Stamps said it was unreasonable for people to complain. He told the national news agency, Ziana: "We are only asking people to divert some of the money spent on alcohol to their health."

No country, even the richest, could provide health services free for all or it would end up with no service to offer, he said.
Health fees up 800% in Zimbabwe

Harare — Big increases in hospital and clinic fees in Zimbabwe have drawn bitter criticism but the government says it was forced to take the step to save the system from collapse.

Charges went up by as much as 800 percent this week but people earning less than 28400 (about R160) a month still get free treatment.

Health Minister Dr Timothy Stamps said: “We are only asking people to divert some of the money spent on alcohol to their health.” — Star Action Service
MICHAEL HARTNACK

HARARE — President Robert Mugabe's speedy grant of pardons to two men jailed for shooting opposition leader Patrick Kombayi "openly incite government agents and Zanu (PF) supporters to break the law", Zimbabwe's Financial Gazette said on Wednesday.

The independent newspaper, which has a wide readership among international investors, said Mugabe had sent a clear message: "People employed by the state or members of the ruling party found guilty of murder, attempted murder or assault are likely to be pardoned by the president, whatever the courts may determine."

Mugabe last week made an immediate grant of clemency to the Midlands head of the Central Intelligence Organisation, Elias Kanengoni, and a youth organiser for the ruling party, Kizito Chiambwa, who lost their appeals against effective six-year jail terms for the attempted murder of the former mayor of Gweru, Mr Kombayi.

At the time of the shooting Kombayi was standing against Vice-President Simon Muzenda in the 1999 general election. Witnesses alleged the two men believed they were acting on Muzenda's authority, but he was never called to court.

Zimbabwe's Roman Catholic Justice and Peace Commission has already denounced the pardons as a threat to free campaigning in the next elections due before July 1999.

A prominent lawyer in the Opposition Forum Party, led by retired Chief Justice Enosch Dumbutshena, said they were "the last straw in the constitutional crisis between the executive and the judiciary".

Mugabe has already moved to limit farmers' right of appeal against land nationalisations and used presidential powers to overturn a private civil judgment, and the authorities committed repeated contempt of court in their recent evictions of squatters from Churu Farm on the outskirts of Harare.
Zimbabwe's gold output best in 50 years

Harare — Zimbabwe's gold production for 1993 reached 18,916kg, up a marginal three percent on the previous year's 18,270kg, and the highest in 50 years, according to figures issued by the Chamber of Mines in Harare this week.

The output was valued at Z$1,47 billion ($175 million), making it the second most valuable export commodity, after tobacco, which earned $315 million last year.

Industry officials said last year's increase was a reflection mostly of improved water and power supplies.

The only major development expected in 1994 will be Cluff Resources' underground mine complementing open cut workings at Freda and Rebecca mine at Bindura, which will be expected to begin full production in the last quarter.

Cluff's output has been forecast to rise by about 300 kg a year.

Zimbabwe is the third biggest gold producer in Africa, behind South Africa and Ghana.

In the meantime, Standard Chartered Bank has forecast the the economy, despite facing serious export problems, should grow by up to five percent this year.

The bank says the economy, in its fourth year of an IMF reform programme, is beset by a combination of falling tobacco earnings, a glut of maize, an unsustainable balance of payments deficit and a soaring debt burden.
With Zimbabwe burning hot

South Africa
**Millions for health care**

HARARE, 12 - The World Health Organisation (WHO) has announced a $3.472m aid to help improve Zimbabwe's health care delivery system in 1994, the Ziana news agency reported yesterday.

The $1.65m set aside for 1994 would go to primary health care, disease prevention and control, and maternal and child health care, WHO representative Leon Arevbahan said.

The WHO had set aside $2.200 for disease prevention and control which includes support for rural programmes on communicable and non-communicable diseases, he said.

About 4 million people are at risk from malaria in Zimbabwe. "We have met with health authorities to see how much money is needed to support malaria control programmes and we will assist in disease surveillance to make it easier to contain outbreaks," he said.

He said a national programme was being developed to monitor tuberculosis, which had been successfully controlled in the past but was resurfacing at an alarming rate.

The WHO had provided consulting for Zimbabwe's cancer control programme. - Sina
HARARE — Zimbabwe has reversed a recent decision increasing foreign participation on its stock exchange, market sources said yesterday.

Foreigners were admitted to the market last June after a lengthy ban and were allowed to buy a total 3% equity in any quoted company, while individuals were limited to 5%.

The Reserve Bank relaxed the restrictions at the beginning of the year, raising the total and individual ceilings to 5% and 10% respectively, but soon suspended the measures. "It has finally been resolved that foreign investment in listed securities remains at 3% and 5% limitations for the foreseeable future," one source said.

Welcoming the move, another source said: "It takes away the element of uncertainty for the time being. It's probably a wise move."

Another source, urging the government to increase foreign participation, criticised the change. "This shows that the government makes announcements first and then thinks about them afterwards."

The sources said the decision not to raise foreign-owned equity limits was because it would have benefited only a few of the 55 industrial and seven mining counters as most already had extensive non-resident equity participation. — AP-DJ (262)
STATE PRESIDENT FW de Klerk stepped out of his plane on Wednesday morning at Seretse Khama Airport, Gaborone.

At last he was to meet the one leader in Southern Africa, in Africa, that he had wanted to meet most but had been turned down.

Robert Mugabe, president of Zimbabwe, chairman of the Frontline States, has refused to meet de Klerk, banning even ministerial contact.

The ban was upheld until drought and a threat of mass starvation forced the then transport minister, Denis Norman, to hurry to Cape Town for a meeting in 1992.

Late last year Foreign Minister Pik Botha hosted his counterpart, Nathan Shamuyarira. But Mugabe himself remained elusive, as he was back in power.

After the election dates were set and the campaign started up, it must have seemed to FW that he would leave office without shaking the hand that rocked Ian Smith out of office.

Then came Lesotho, and the rebel soldiers demanding a 100 percent pay increase, and the loyalists, fighting them.

Suddenly, Pik Botha was in Maseru to talk to the warring factions after a call for assistance from prime minister Tala Mokgokgo.

Mountain fiasco

It was this fiasco in the mountains, where poorly armed rebels had skirmishes with the headquarters brigade that turned the tide in De Klerk’s favour.

Pik’s midnight calls to the United Nations, Organisation of African Unity and the Commonwealth, bore fruit.

The call came to De Klerk on Monday, from Botswana president Sir Ketumile Masire, stating that the Frontline States chairman, Mugabe, would like to meet him and ANC president Nelson Mandela in Gaborone on Wednesday morning to discuss the crisis in Lesotho.

Appointments were hastily cancelled, for this was the trip of De Klerk’s lifetime.

He had met the leaders of Morocco, Ivory Coast, Nigeria, Namibia, Zambia, Mozambique, Swaziland and Madagascar, but compared to Mugabe, all these trips and meetings amounted to nothing.

Mugabe, the man from just across the Limpopo, who moulded socialist slogans and supported the armed struggle, made purchases from South Africa at the height of sanctions, had turned him down.

This was his chance.

It would also come in handy in the elections, the picture of FW shaking hands with Mugabe, completing the opening of doors in Africa for the New Nats, which would make good poster material for the black farm hands to wave during the road show.

And so, at 9.07 on Wednesday morning, De Klerk stepped out of his ZS NAN private executive jet (which made no headlines when it was bought) on to the wet tarmac at Gaborone.

He had reason to smile, for behind his jet was the Air Zimbabwe Boeing that Mugabe borrows from the national airline when he flies around.

His prey was here and he was stalking that prey with tenacity. He was met by Masire.

The purpose of the meeting was to be Lesotho, but even South African government aides agreed that “that would also be discussed”.

The main event was the meeting of FW and Mugabe.

And then there was Mandela, the shadow president, if media and opinion polls are to be believed.

His role was somewhat undefined, although he was accorded the status of a head of state, arriving in a smaller plane but met by Masire.

It was believed that Mugabe, a seasoned tactician who plotted the revolution that brought down Rhodesia, had made Mandela’s attendance a condition of the meeting, ostensibly to ensure that De Klerk does not goat in glory alone and abuse the meeting for electioneering purposes.

Many saw Mandela’s presence as symbolic, a kind of passport to De Klerk’s international pleasure, a necessary presence but effectively amounting to nothing if, indeed, Lesotho was the subject.

There is no denying that it was discussed but what input could Mandela make, by virtue of the ANC’s involvement in the TEC, when that body was failing to deal with the East Rand violence, or effect a subpoena against a recalcitrant police commissioner in KwaZulu? But it was still important that he was there, for it showed that in the eyes of his African brothers, he was the shadow president. But Wednesday belonged to De Klerk, thanks to the rebels in Lesotho.

Backdrop

That the fighting in Lesotho only formed a backdrop through which the meeting could take place can be gleaned from the lack of urgency in the result of the meeting.

After listening to a briefing by deputy prime minister Mr Selomotse Baholo, the presidents took no concrete action to halt the fighting.

Instead, a committee was formed, to look into the causes and recommend the way forward.

Questions abound. Does this mean Baholo’s report which Mugabe said gave the delegations “a concrete picture of events in Lesotho” was rejected, inadequate or just simply unsatisfactory?

If, as Mugabe said, the situation in Lesotho was cause for “great concern”, why not act on the report given by such an exalted person as the deputy head of Lesotho?

Or was the real purpose of bringing De Klerk and Mugabe together accomplished?
HIV infection of pregnant Soweto women rises to 6%

AN ESTIMATED 6% of pregnant women in Soweto — about 40,000 women — were infected with HIV, SA Institute of Medical Research spokesman Prof Alan Fleming said on Friday.

Speaking at a report-back from the Africa AIDS conference held in Morocco last month, he said the figure had risen from 5% to 6% in the past few months.

Johannesburg AIDS centre head Clive Evian said the incidence of HIV in pregnant women had risen from one in 330 to one in 17 in the past six years.

The UN World Health Organisation warned at the conference that AIDS could hit harder in southern Africa than it had in east Africa. Figures for Kenya indicated that every hour there were 25 new HIV infections, six new AIDS cases and five deaths from the disease. However, a number of prostitutes in central Nairobi had begun to show immunity to the disease. While about 90% in the city were infected, the other 10% consistently tested negative although they did not practise safe sex.

KATHRYN STRACHAN

 seems to be stabilising at an infection rate of 5% of the population. About 16 million people across the continent were infected with HIV.

AIDS in SA was following the same pattern as the rest of Africa, particularly in the trend highlighted across the continent of an abnormally high infection rate among teenage girls.

Figures for Zimbabwe and Malawi showed five times more teenage girls were infected than teenage boys.

Fleming said there had been a long overdue focus on youth at the conference. Child abuse and rape was an important factor in the transmission of HIV, he said, adding that 5% of the 2,000 cases of rape reported in Soweto each month involved children below the age of five. Sex and AIDS education for children had to become a priority.

Ex-Rhodesians to be shut out

MICHAEL HARTNACK

HARARE — Zimbabwe's Home Affairs Ministry has published a draft Immigration Amendment Bill which would finally slam the door on most of the 200,000 white Rhodesians who left in the wake of the 1972-80 bush war.

Far-reaching changes, which are likely to be put before parliament when it reconvenes next month, would remove all right of re-entry for those who were born or formerly resident in Zimbabwe.

Government-controlled newspapers have claimed more than 30,000 wished to return because of political and economic uncertainty in SA.

The move was published with this weekend's Government Gazette also gives immigration officers the power to bar women whom they deem to have contracted "marriages of convenience".

Randburg council and Premier under attack

LLOYD COUTTS

The agreement had been signed after weeks of confrontation — involving road blocks, protests and public meetings — between the council and the action committee.

The agreement was for the erection of formal, affordable housing on the designated area. "If the Randburg Town Council has disregarded their two-year-old agreement in such a cavalier manner, we and the Blueberry Action Committee feel that we are entitled to disregard paragraph 8 of the agreement with the council, which calls upon the residents to 'immediately stop the continuation of such actions as barricading public roads and the instigation of rates and taxes boycotts,'" it said.
SA, Zim deal 'after April'

BULAWAYO. — Zimbabwe and SA would re-negotiate their outdated trade agreement following the elections in April, Zimtrade chief executive Morrison Sibianzi said late last week.

"At our last meeting last year, our SA counterparts advised us to cool it as they cannot make major business commitments at the time when the political situation in their country is still changing," Sibianzi said.

Talks began early last year on replacing the 1964 trade agreement, particularly with regard to Zimbabwe's important textile exports to SA. — Sapa
Zimbabwe to slam door on expatriates

From MICHAEL HARTNACK

HARARE - Zimbabwe's Ministry of Home Affairs has published a draft Immigration Amendment Bill that would finally slam the door on most of the 200,000 white Rhodesians who left in the wake of the 1972-79 bush war.

Far-reaching changes, which are likely to be put before parliament when it reconvenes next month, would remove all right of re-entry for those who were born or formerly resident here.

Government-controlled newspapers last year claimed more than 30,000 wished to return because of political and economic uncertainty in South Africa and other countries where they had settled.

The draft bill published this weekend's government gazette also gives immigration officers power to bar women they deem to have contracted "marriages of convenience" with Zimbabweans to gain rights of entry and residence.

Publication of the draft bill follows a spate of cases in which immigration officers have sought to bar persons who held dual citizenship before President Robert Mugabe outlawed this in 1984.

In an interview before Christmas President Mugabe said a priority was removing control of the Zimbabwean economy from the hands of 'local whites' or foreign interests.
HARARE — A Russian mining company has reportedly discovered substantial pipes of diamond-bearing kimberlite in Zimbabwe.

"The company has discovered the largest known Kimberlite locations stretching from Botswana through Mwenezi right up to Gonarezhou (on the south-eastern Zimbabwe-Mozambique border)." Minister of Mines Eddison Zvobgo is quoted saying in an interview with the semi-official "Sunday Mail".

Zvobgo said the private Russian company, which he refused to name, the De Beers group, and vice-president Joshua Nkomo's Development Trust of Zimbabwe had expressed interest in developing the Kimberlite pipes.
Zimbabwe stocks set to soar

HARARE - Zimbabwean stocks, bouncing back from a drought-induced crash in 1992, are expected to soar ever higher this year because of good rains and renewed interest from foreign investors, industry analysts said yesterday.

They said the share boom triggered by a government decision in June to end a long-standing ban on foreigners investing in local stocks, was expected to lift Zimbabwe's economy out of the doldrums.

"Given the good rains that we have had, and they seem likely to continue until the end of the season, in March, the shares can only move higher to new records," an analyst said, summing up the mood in the market which rose 70% in 1992.

An economist said the economy will grow at 4% this year.

"The boom is not only a few companies in one sector that are performing well; but virtually all stocks across the board," a market expert said.
Mugabe: More black control

VICTORIA FALLS. — President Robert Mugabe has urged Zimbabwe's black majority to seek more control of the nation's economy, which is in the hands of whites and Asians.

"Without economic power the political power that we hold is hollow," he said last night at a reception for officials and mostly black business leaders attending an economic conference.

Mr Mugabe said the first day was dominated by debate on what the government should do to help blacks acquire a higher stake in the economy, 90 percent of which is controlled by whites and Asians. — Sapa-Reuters
Coetzee in Harare talks

**BY ROBIN DREW**

**STARAFRICA SERVICE**

Harare - South African Justice and Defence Minister, Kobie Coetzee, is due in Zimbabwe today for talks about a possible extradition treaty between the two countries.

Breaking the story, the Independent-Sunday Gazette (said Coetzee would meet Justice Minister Emmerson Mnangagwa, Home Affairs Minister Dube, Defence Minister Moven Mahachi).

The question of the release from prison of South African agents Kevin Woods, Michael Smith and Philip Conway was also expected to be discussed.
Coetsee for talks in Zimbabwe

ROBIN DREW
Argus Africa News Service

HARARE: — Justice and Defence Minister Kobie Coetsee is due here today for talks with Zimbabwean ministers as part of the process of rebuilding contacts between Pretoria and Harare.

News of the visit was broken by the Sunday Gazette, which said the question of the release from prison of three South African agents serving life sentences would be discussed.

While this may be raised now, the issue has been made public, it is understood that it is not on the agenda for discussions which were to be mainly concerned with the need for an extradition agreement between South Africa and Zimbabwe.

Co-operation between the police forces of both countries has been hampered by the absence of such an agreement.

Mr Coetsee is due to meet his justice ministry counterpart, Emmerson Mnangagwa, and also the Home Affairs Minister Dumiso Dabengwa.
Great expectations and urban legends

HARARE. — Urban legend has it that maids and gardeners in South Africa are mentally rearranging the furniture in their employers' fine suburban houses in preparation for the day they move in and leave their township shanties behind.

In some African countries, such as Angola and Mozambique where entire white communities fled at independence in the mid-70s, that sort of move did happen.

But in neighbouring Zimbabwe, a small-scale but more realistic model for attempts to predict South Africa's future, it didn't.

And South Africa's whites, who nervously dismiss the stories with jokes about the “crisis of expectations” as blacks prepare to take political power after elections in April, look hungrily to Zimbabweans for reassurance.

What follows is a rough checklist of expectations fulfilled and unfulfilled in Zimbabwe nearly 14 years after elections ended a guerrilla war against white minority rule:

Housing. If any domestic workers moved into their employers' houses they bought them, probably at vastly inflated prices as property values rocketed after independence. The high-density townships of the country's major cities are bursting at the seams, with expectations of decent housing for all dashed. Formerly exclusively white upmarket suburbs are, however, now multiracial and apartment blocks in the city centres, once mainly white, are now mainly black.

Domestic workers. A Zimbabwean cabinet minister said shortly after independence that domestic labour was demeaning and would be phased out within 10 years as more jobs were created in industry and commerce. Now, middle-class blacks are enthusiastic employers of domestic labour alongside the 100,000 or so whites who remained in the country.

Education. A Zimbabwean success story. Before independence just a third of black children enrolled in primary school, now an education is available to all - free in the rural areas, while fees have recently been reintroduced in city schools. Some whites complain that the improvement is in quantity only, while quality of education has declined, but many government schools produce consistently good results.

Health. Another relative success story, although health services are feeling the pinch as Zimbabwe struggles to restructure its economy. Fees for treatment in ailing hospitals have recently soared, but it is in its primary health system that the government takes most pride. Vaccination programmes and rural clinics have extended basic health care to millions of blacks for the first time. The World Bank said in a recent report that progress in health and education since independence put “Zimbabwe's social indicators substantially ahead of other countries in Sub-Saharan Africa.”

Jobs. The success in education has resulted in a new crisis of expectations - some 200,000 school-leavers seek jobs each year while only about 30,000 new jobs are created annually. In the years immediately after independence tens of thousands of blacks took over civil service jobs formerly held by whites. But retrenchments to cut government expenditure along with belt-tightening by private businesses have seen the percentage of the total workforce employed in the formal sector drop from 15 percent at independence to less than 12 percent now.

Land. Still a major bone of contention, with the government planning to nationalise millions of hectares of white-owned land for redistribution to blacks, but with no whites yet kicked off their property in the 14 years since independence.

So Zimbabwe's crisis of expectations has come and gone with the scoreboard reading win some, lose some.

But one warning against expecting-or dreading - too much too soon comes in the form of Zimbabwe's ubiquitous "Emergency Taxis," most of them battered Peugeot station wagons packed to the boot with black commuters.

They were officially named "Emergency Taxis" at independence because they were soon to be phased out by a new, improved public transport system. They're still there and they're still called "Emergency Taxis." - Sapa-AFP.
Ministerial meeting with Zimbabwe breaks the ice

HARARE—SA Justice Minister Kobie Coetsee and Zimbabwean ministers set in motion the first major co-operation agreement between the two countries yesterday after 14 years of frosty relations.

Sapa reports Coetsee, Zimbabwean Justice Minister Emmerson Mnangagwa and Home Affairs Minister Dumiso Dabengwa held talks on "common judicial matters" including the closing of legal loopholes used by organised crime and the resumption of an extradition treaty.

They also discussed the fate of five SA agents serving life imprisonment in Zimbabwe.

Observers said the meeting formalised the normalisation of relations between the two countries with the first meeting between President F W de Klerk and President Robert Mugabe on January 28 in Gabarone.

MICHAEL HARTWYCK reports that Zimbabwe and SA are to set up a joint working committee to revive the extradition treaty which lapsed in 1996.

Mnangagwa and Coetsee said they had discussed cases of Philip Conway, Michael Smith, Kevin Woods, Barry Hawden and Denis Behan, who serving sentences for espionage, assassination and sabotage, had been discussed in general terms.

However, Mnangagwa ruled out a speedy resolution to the issue.

These fellows are Zimbabwean citizens so they fall into the category of our offenders," he said.

British diplomatic sources say Behan, 45, a former parachutist and Randburg security guard, and Smith, 39, are British citizens.

"At the appropriate time, we will release them. We have released so many people since independence and these will be treated just like any other citizens," Mnangagwa said.

Zimbabwean government sources said it was "most unlikely" the convicted men would spend the rest of their lives in prison. Last week Woods, Smith and Conway were belatedly moved from solitary confinement to join Hawden and Behan in Chikurubi prison.

Coetsee also held talks with Zimbabwe's Home Affairs Minister Dumiso Dabengwa and Defence Minister Moven Mahachi.

Coetsee said establishment of the working committee headed by Zimbabwe's secretary for justice Ifumis Omerjee and the SA Justice Department director-general Jasper Noeth, offered an immediate prospect of relief in both countries for families of men who escaped paying maintenance by crossing the Limpopo border.

"We are always looking for ways to help wives and kids, rely on us," Coetsee said. "It was very gratifying from a personal point of view and a very successful visit.

"We achieved what we set out to do," he said.

Harmonising judicial co-operation would facilitate growing interaction by the business communities.

The working committee is to report on putting into effect the principles for a second meeting at ministerial level to be held in SA before the end of March, the ministers said after their meeting.

"The meeting was held in a spirit of co-operation realising that both countries share a common border and the same legal tradition," they said.

Plea to Swazi king

MBABANE—Swazi chiefs and Ka-Ngwanzi headmen have appealed to Swaziland's King Mswati to incorporate the homeland into Swaziland before SA's April election.

At a weekend meeting, the king urged them to be patient as negotiations on adjustments to the border were "already under way." The chiefs said they had been asked by President F W de Klerk and ANC leader Nelson Mandela to vote for them, but they and their subjects owed allegiance to the Swazi king. They said Ka-Ngwanzi did not belong to Mandela but to the king. It had been taken from the Swazi by the English and the Boers.

SAPA. 8/2/94

TBVC states' recognition to end

PORT ELIZABETH—SA would stop recognising Transkei, Bophuthatswana, Venda and Ciskei at the end of April, a Foreign Affairs spokesman said yesterday.

The new constitution would come into effect on April 27, and SA would again become a sovereign state. SA embassies in the four homelands would be closed from that date.

However, Bophuthatswana Foreign Affairs and Information Minister Tom Sethiene said yesterday his government had received no official word that the SA embassy was to close.

Meanwhile, a Bophuthatswana spokesman said the government had been told "incomprehensible" by the ANC that it had raised the roadblocks it encountered in the homeland at the weekend.

Bophuthatswana security forces were reported to have stopped ANC president Nelson Mandela's convoy on Sunday in Thaba Nchu where Mandela was to lay a wreath on the grave of former ANC president James Moroka.

The spokesman said: "If the ANC bothered to notify anyone in Bophuthatswana of its intention to lay a wreath in Bophuthatswana's sovereign territory, there would be no way its (ANC) members would have been stopped from entering the country."—SA. 8/12/94
HARARE - Zimbabwe's Zambuko Trust will this year disburse loans to finance job-creating projects worth nearly $23m, which will create 983 new jobs and sustain 1,957 others, Ziana news agency reports.

Executive director Evans Mapenduka said in Harare yesterday the majority of the jobs would be created in Harare, where the organisation hoped to give 600 loans worth $21.6m, creating and sustaining an estimated 1,000 jobs.

In Bulawayo, where Zambuko opened an office early this year, about 300 loans worth $2450,000 would be given, creating and sustaining 600 jobs.

Mapenduka said in KweKwe, Zambuko would approve about 280 loans and Dondo-shava, 220 loans, creating and sustaining 1,320 jobs.

Zambuko was formed nearly three years ago to support job-creating projects implemented by the micro-enterprises sector.

Mapenjudka said last year Zambuko Trust gave 500 loans worth over $20m, which created 472 jobs and sustained almost 1,000 more.

Most of the projects being implemented were in the manufacturing, agriculture, service and food sectors.

"The potential of the micro-enterprises sector to create jobs is massive, but the main problem faced is the shortage of start-up finance which we are trying to solve in our small way," he said. — Sega.
ANC leader met PW again

CAPE TOWN — The SADF had been correct in declining an invitation to an East Rand ANC rally welcoming troops to the embattled townships, ANC President Nelson Mandela told the •

He said residents had warmly welcomed troops replacing the police's Internal Stability division.

Mandela disclosed he had met former State President P W Botha for two hours on Saturday, and it had not been their first meeting.

It was quite reasonable of the SADF to have refused an invitation to be

presented at Sunday's rally in the Hadebe section between Khatshang and Tembisa, Mandela said.

"If they had accepted, they would have been identified with the ANC. They acted correctly."

Mandela said the SADF's attitude was that it was there to protect the rally, but not to be part of it. This showed how much progress had been made in the TEC's sub-council on defense.

The ANC's members of the ANC's armed wing, Umkhonto we Sizwe, and SADF troops were already billeted together in camp, he said.

If you need cash for any of the above, start at the bottom.

Wise investment on the stock market can help you achieve many of your life's dreams. But let's face it, investment success

SA Press Freedom 'critical' — Mandela

CAPE TOWN — A critical, independent and investigative Press was the lifeblood of any democracy and had to be free from state interference, ANC President Nelson Mandela said yesterday, addressing an International Press Institute gathering.

He said the Press needed constitutional protection so it could protect the rights of citizens. "It is only such a free Press that can temper the appetite of any government to amass power at the expense of the citizen."

Mandela welcomed recent efforts to diversify and unbundle the local Press, but said it remained to be seen how these changes would affect the diversity of viewpoints and how they would address previous imbalances.

"The media must be completely independent and should be able to patrol the national territory unrestricted," he said.

Reaching, the ANC described De Klerk's allegations as "pathetic" and questioned his use of a forum such as the International Press Institute for "cheap party political propaganda."

SABC chairman Ivy Motsepe-Casaburi said the SABC board had no knowledge of any journalist being influenced or intimidated by any political organisation.

Motsepe-Casaburi said the SABC board had initiated an editorial code of conduct to which all editors and reporters subscribed.

SABC CE Wynand Harmse said he was "upset and concerned" that De Klerk had publicly raised such questions without consulting the SABC board.

Report by T Kemp and D Oosthuysen, 141 Commissioner St, JHB.
Zimbabwe provides the closest indication of what white South Africans under a black-dominated government will be like. Africa Service editor Gerald L'Ange, who has just vi...
the closest indication of what life could be like for people under a black-dominated government, says Star Gerald L’Ange, who has just visited that country

or of SA whites’ future

Life... whites take tea and stroll in a shopping centre in Harare’s Borrowdale suburb that was built by developer Sam Levy, who says: “Leaving Zimbabwe was the biggest mistake some whites made.”

by major corporations to please the government.

This may be largely true, but it seems not to have deterred the many young whites who have elected to make their future in Zimbabwe.

Sarah Todd is an example of this. Sarah, attractive and vivacious, says she and her husband like living in Zimbabwe and would not want to live anywhere else.

Second to none

“Whites in Zimbabwe have a quality of life second to none,” she said when approached while chatting in a Harare restaurant with a colleague from the design firm where they hold executive positions. Her friend nodded agreement.

Lindelwane Andrew LAwrie, who studied in England, has returned to live with his English-born wife on his father’s farm near Con- ception.

Culturally, the whites have had to become more flexible in the closure of the black majority has been imposed on the social life of state. The statues of Cecil Rhodes have long been gone from their plinths, and towns and main streets with colonial connections or corrupted names have all been renamed.

But the Harare and Bulawayo Clubs continue to thrive, with a relatively similar number of black members but without government interference.

The local television is a dreary patch of political correctness, but those who can afford satellite dishes can tune in to foreign TV. The leading newspapers are government mouthpieces. Bookshops are few, but then there weren’t any more in Rhodesia either.

Adults still tend to mix socially with people of their own race, but this appears to be a matter of mutual choice rather than of racial discrimination. Children, however, are said to mix more freely, having been thrown together at school and not hav- ing the discriminatory instincts instilled in their parents.

For those who regard housing as an index of the social health of a society, the good news is that the sport is flourishing at the Matabeleland Turf Club’s Borrowdale Park in Harare, and at the Bulawayo track of its Matabeleland counterpart, providing employment for more than 3,000 people, including about 350 jockeys, and with 180-old trainers working about 1,000 horses at any time.

Soccer is naturally the rage of the masses, but the traditionally European sports of cricket and rugby are thriving, as is hockey. The sports clubs appear to be doing well. Black Zimbabweans, introduced to rugby at school, are said to have taken to it in a way that promises to have an international impact.

The Harare Stock Exchange is also booming, with the value of shares traded last year up 298 percent from the previous year.

White Zimbabweans have changed little since independence. While things are generally better in downtown Harare — still clean and bustling — but in the plush suburbs, luxury homes still stand amid immaculate lawns and pools, and it is impossible to tell from the outside whether they are occupied by whites or blacks. Suburban streets are reasonably well maintained and the grass verges mowed.

Telephone services are bad but improving. Municipal services such as water, electricity and refuse removal are good.

The courts, especially the High Court, have remained independent and respected. While the crime rate is high, whites in general seem to have no serious complaints about the adequacy of the policing.

In short, it seems that once a while Zimbabweans have come to terms with political uncertainty and can live a very comfortable, if somewhat colorised, life.

Direct comparisons between the situation of Zimbabwe’s whites and those in South Africa are not possible because the differences are great. Even though the Zimbabweans fought a bitter war, there was always a friendly relationship between blacks and whites in Rhodesia than those in South Africa, where the ends of apartheid are deep.

In addition, Zimbabwe’s whites were proportionately far fewer than South Africa’s and its economy far smaller. The whites have been in South Africa far longer, in Zimbabwe. And violence between black groups was a greater threat to South Africa than in Zimbabwe.

Nevertheless, the similarities in the situation of the two white groups are close enough to make comparisons valid in the sense that both are cases of whites voluntarily entrusting their future to blacks whom they had previously dominated.

Zimbabweans are still uncomfortable about remem- brance of what some blacks see as continuing white privilege. And their understandable acceptance as fellow Zimbabweans is still tinged with uncertainty.

Yet the general picture is encour- ageing, rather than dis- couraging, for the whites in South Africa.
Mugabe warns on racism

ROBIN DREW, Africa News Service

HARARE — A row between farming neighbours, one black and the rest white, has led to a scathing attack by President Mugabe on whites in Zimbabwe, whom he accused of still practising racism.

Mugabe, who went to the Marondera area to tour the black-owned commercial farm, reminded whites "whose hands were still bloody" that they must accept the reality of defeat or else the government would take "appropriate measures". These are taken to mean appropriation of their land.

Mugabe, noting that some white farmers had provided decent accommodation and conditions for their labour, said thousands of farmworkers were still living in squalor. He accused racial bigots of practising slavery.
New foreign investment key to Zimbabwe's growth

HARARE - Zimbabwe’s biggest hurdle to economic development was the strongly held belief in government circles that foreign investment encroached on the country’s sovereignty. Independence and should be avoided if at all possible. Anglo American (Zimbabwe) CE Roy Lander warned yesterday.

"As a result of this belief the authorities have a continuing preoccupation with who will own new companies and this is interfering with the prospects of their ever being formed," said Lander, who is also chairman of Anglo’s merchant banking subsidiary, FMB holdings.

Lander said economic conditions in Zimbabwe had improved considerably in the wake of the disastrous 1992 drought, with economic liberalisation measures beginning to take effect and exporters now able to retain 60% of their foreign earnings.

"But we still have much further to go," he warned.

The attraction of venture capital into new productive investment remained one of Zimbabwe’s most pressing needs. Foreign investors’ new access to shares on the Zimbabwe stock exchange was of limited value, since most deals merely resulted in change of ownership of assets that already existed.

The country needed new productive assets, backed by new investors who would become "deeply involved in their ventures". Much more attention should be given to making Zimbabwe an "obviously attractive option for foreigners", said Lander.

Public sector spending remained extravagant at 40% of GDP, inhibiting domestic savings. "Employment growth remains a major casualty of these failings," said Lander.

"With the arrival of several hundred thousand well-educated young people on the labour market every year, and a huge technological gap that has to be closed, we cannot claim to be able to supply enough investment capital from our own resources to meet the development and employment challenges with which we are faced."

Lander expressed concern over the size of subsidies to parastatals. "Far higher levels of management skill are needed to make Zimbabwe’s parastatals the valuable assets they once were."
Harare permits rally by opposition

HARARE: The former head of the transitional Zimbabwe-Rhodesia government, Abel Muzorewa, and opposition politician Edgar Tekere held their first rally as a merged party without interference from the authorities.

The rally, which drew a cross-section of about 5,000 supporters, was held under the banner of the Zimbabwe Unity Movement (ZUM), the new name for the two parties that joined forces four weeks ago in an ambitious bid to oust President Robert Mugabe in next year's election.

Until recently opposition parties have had problems holding rallies, with several banned by the police.

Yesterday's rally jointly addressed by the two co-leaders primarily introduced the new-look amalgamated party and also marked the launch of the party's 1986 election campaign.

The rally took place in Harare's largest high density suburb of Highlands.

The leaders of the new party, which calls itself "a government-in-waiting," attacked the ruling Zanu-PF government for "making strides" in injecting corruption into the community, bringing hunger to the people and entrenching oppression.

Mr. Muzorewa, a retired clergyman who made a surprise comeback to politics this year after resigning in 1983 to pursue clerical life, threatened that his party could boycott the election unless international observers were allowed to supervise it.

Mr. Muzorewa headed a six-month government set up by former Rhodesian rebel leader Ian Smith to oversee the country's transition to black majority rule. He lost to Mr. Mugabe mainly because of his apparent alignment with whites.

Mr. Tekere was one of Mr. Mugabe's right-hand men during the armed struggle but was expelled from the ruling party in the late 1980s for critcising the party leadership.

He went on to form his own party. — Sapa-AFP.
Minister's deal angers Zim farmers

By Michael Hattack
Blacks seek bigger stake in Zimbabwe’s economy

HARARE — “Indigenisation of the economy” is the new catchphrase on the lips of Zimbabwe’s ruling elite and countless expectant black businessmen and entrepreneurs who believe the country’s whites have had control of the economy long enough.

President Robert Mugabe’s ruling Zanu (PF) has fallen behind the rising clamour from black business for policies to reverse the system, where 1% of the population controls about 90% of the economy.

The campaign for economic reform is being led by the Indigenous Business Development Centre (IBDC), which mirrors the frustration and impatience felt by blacks trying to go into business for themselves.

Zimbabwe’s handling of the problem is attracting attention in SA, where a similar crisis of expectation, but on a much larger scale, is expected to follow the move to majority rule in April.

The banks have become the main target of IBDC rancour, mainly because so far they have shown no signs of accepting the organisation’s argument that when it comes to issuing loans the banks are morally bound to abandon their traditionally conservative rules.

IBDC secretary-general Enock Kamushinda asserted that his organisation was fighting against “a racist banking system” inherited from the country’s colonial past.

“The regulations that existed before independence 14 years ago and the attitudes of the banks have not changed. This is why we say there is institutional racism in the banks because money is not being made available to indigenous people,” he said.

Kamushinda denied that the IBDC was asking for wholly unsecured loans from the banks.

“We have people with skills in all sorts of industries across the board. What we are saying is that these people should be afforded money to start up their own businesses and run,” he said, adding that so far the IBDC and its 700 members were a long way from convincing the banks that they had a sound argument.

No doubt goaded by the IBDC and the thought of a general election within 12 months, the government and ruling party have readily accepted that something needs to be done, and quickly.

The government has announced plans to set aside Z$400m over the next three years for use as start-up capital loans to black entrepreneurs.

The chairman of Barclays Bank in Zimbabwe, Isaac Takawira, agrees on the need for business reform but does not accept that banks should have to abandon traditional policy and handle client and investor monies irresponsibly.

“Not everyone who wants to become a businessman will in fact be successful,” he said. “Therefore, we are saying that the banks should be allowed to look at these people and for us to support only those we think are going to be successful.”

The banks have for some time had a joint loan vetting system which also involves the Reserve Bank. The system is thorough and also successful, only a handful of bad debts being incurred since independence. — Daily Telegraph.
ZIMBABWE

Janus face

SA business, awaiting its post-general election dispensation, could do worse than cast a wary eye over the latest developments in Zimbabwe. At the Victoria Falls recently, the ruling Zanu-PF party held a meeting of its politburo — five years after the fall of communism, Zimbabwe is still locked into such outdated jargon — to discuss the economy.

The meeting was dominated by the land issue, which has slipped out of the headlines at least temporarily, than by the new word that is sweeping Zimbabwe's business — indigenisation. It has its origins in claims by emergent black businessmen and politicians that, 14 years after independence, whites still own and run the economy.

The indigenisation campaign is spearheaded by the Indigenous Business Development Centre. Its president, former public servant Chemist Siziba, claims 95% of the economy is owned by whites, foreign and local. He has no factual data to support his claim.

The centre is pushing hard for — and getting — preferential treatment from President Robert Mugabe's government. The fact that its officials were invited to make their case at a closed-door politburo meeting and, according to Siziba, promised a role in future policymaking affecting indigenous business, underlines political sensitivity over the issue.

The government is facing both ways at once on the economy. Publicly, it is opening up the economy to market forces with the intention of attracting new foreign investment. But, as Secretary of State for Finance and National Planning, Tendai Biti, points out, that creates problems for black businesses. A government-owned bank is designed to ensure that black businesses — specifically, service and retailing institutions — benefit from growth in the economy.

Yet another problem is the 'black business against black business' situation that means that most growth in the economy is being blacked against black interests. Publicly, the government is talking about a new era of market forces, but no one seems to want to black out the black business against black business.

A second problem is the claim that black business has not been getting a level playing field and is being prevented from doing so by black-run group presidents, who are unable to black out the black business. They have been getting the most growth, it is claimed, but the black business is not getting the most growth.

With an election due in 2013, Biti says, it is important to introduce foreign investment to the economy, which has boosted some black businesses, but has not helped others.

Many questions about the economy remain unanswered. How much foreign investment is being brought in? How much growth is there from indigenous black business? Is the economy still owned by whites? The government has not been able to answer these questions. Biti, however, says, he is not inviting SA investment to the economy, which has boosted some black businesses, but has not helped others.

Biti's views are echoed by many Zimbabweans, who believe that the government is not doing enough to promote black business. Yet with the election due in 2013, Biti says, it is important to introduce foreign investment to the economy, which has boosted some black businesses, but has not helped others.

Many questions about the economy remain unanswered. How much foreign investment is being brought in? How much growth is there from indigenous black business? Is the economy still owned by whites? The government has not been able to answer these questions. Biti, however, says, he is not inviting SA investment to the economy, which has boosted some black businesses, but has not helped others.

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HARARE — Zimbabwe's private sector, which for decades campaigned for unfettered trade, now wants the state's protection against cut-throat competition caused by sweeping economic reforms.

"The reforms caught industry virtually napping," a senior private bank official said. "The sector is finding the going tough, because it was ill-prepared for the competition it is meeting."

"It did not have the required machinery or the skills and had operated in a closed environment of Rhodesia for too long," the official added.

Zimbabwe's World Bank-backed reforms, launched in 1981 and due to end next year, have resulted in the government scrapping state control in most sectors of the economy.

It hopes private enterprise can boost growth through exports.

But Zimbabwe's Textile Association head Ray Wooley says his industry, a vital exporter employing more than 20,000 people, cannot cope and needs urgent state help. It has been hit hard by high costs of locally produced lint, the closure of its main SA market last year because of import duties imposed by Pretoria and fierce competition from imported new- and second-hand textiles.

"These are major blows to our industry at a critical time. We are supposed to export to promote growth, but as it is I am not sure if the industry will export anything," Wooley said.

"The World Bank is insisting that our Cotton Marketing Board must sell us lint at international prices. But how can we compete when other producers such as China and India source their cotton locally at lower prices?"

"We should also have a two-tier pricing system—a cheaper rate for local manufacturers and a higher international price for overseas manufacturers."

Wooley said Zimbabwean textiles manufacturers, who paid $2.20/kg for lint last year, were spending $3.20/kg with effect from March.

"This huge price increase, the loss of the SA market and the competition amount to too many body blows," he said.

The price rise follows World Bank recommendations that Zimbabwe cut its huge subsidies to state-funded organisations such as the Cotton Marketing Board and ensure that firms charge market prices for products to be self-reliant.

Wooley said: "I know people will say we are against free enterprise. There is no free trade at all in the world. All countries support their industries."

Wooley is not the only one to cry foul over reforms that have sent prices of most basic goods skyrocketing, triggering consumer resistance and popular discontent over President Robert Mugabe's economic policies. Many industries, especially small companies headed by blacks with little capital venturing into the free but tough market, have also complained loudly.

Zimbabwe's Indigenous Business Development Centre (ZIBDC), a grouping of black capitalists trying to wrest control of the economy from the country's minority 100,000 whites, has asked the government to introduce laws that favour its members.

The ZIBDC has also insisted that its members must be given loans by private banks even if they have no collateral security to "redress historical and colonial imbalances" and ensure they can compete in the market.

Mugabe, who faces a general election that has to be held by next March, has backed the ZIBDC but rejected its calls for legislation discriminating against other races. The economy is expected to dominate the election in a country that hovered on the brink of collapse in 1992 when drought crippled its mainstay agriculture.

As well as hardships induced by economic reform, Zimbabwe has two-million unemployed out of a population of 16-million which grows at more than 3% a year.

"About 300,000 students join the jobless each year, chasing only 12,000 jobs that industries can create. The economy, which declined an unprecedented 12% in 1992, grew just 2% last year.

An economic analyst said: "All these economic issues, unless urgently addressed, point to serious trouble for Zimbabwe in the near future. You cannot afford to create an army of angry, hungry and unemployed people." — Sipa-Reuters.
"Nothing wrong with govt seizing white-owned land"

HARARE - Zimbabwe's Agriculture Minister Kumbirai Kangai said there was "nothing wrong" with government seizing white-owned farms and leasing them to cabinet ministers, MPs and civil servants.

Kangai said on Wednesday it was part of government policy to develop indigenous commercial farmers. The minister also confirmed reports that the first farm to be seized in terms of the Land Acquisition Act was initially intended for 33 peasant farmers from an overcrowded neighbouring communal land, but was instead leased to Education Minister Witness Mangweonde.

The law allows the government to force white farmers to sell their land and denies them the right to sue for unfair compensation.

Mangweonde bulldozed the policy into law two years ago, leading President Robert Mugabe's policy to correct imbalances in land distribution. About 4,000 white farmers own 11 million hectares of land.

Kangai said the government's resettlement policy was "very clear" in securing land not only for peasants, but also for people who happened to be senior government officials.

The government was in the process of "addressing the disparity of the position, and developing the indigenous commercial farmer", Kangai said.

"Mangweonde happened to be an individual who had an application on our file," he said. "For that farm, for the people who applied, he was the most suitable. There is nothing wrong with that."

When charged that a similar case in Britain would have resulted in the minister concerned being fired, Kangai replied: "I am glad I am not in the UK."
HARARE - The Zimbabwean government has come under attack from one of the country's most respected and influential figures over the handing over of former white-owned farms to senior officials of the ruling Zanu (PF) party.

Canaan Banana, former president, who is regarded as the country's elder statesman, said it had been "a dangerous precedent" to lease land to a cabinet minister when "the majority of people do not have anywhere to plough".

Government officials have confirmed that the first farm to be seized by the State under President Robert Mugabe's "revolutionary" policy of returning white-owned land to thousands of peasant farmers had been let to Witness Mangwende, former agriculture minister who led the enactment of the controversial policy in 1991.

The Rev Banana said the national resettlement policy had been put in jeopardy by the scandal. — Sapa.
Bigger Zimbabwe maize crop expected

HARARE — Zimbabwean farmers are expected to reap 2.3 million tons of maize from the crop soon to be harvested, 15% more than last year, according to the National Crop Forecasting Committee's preliminary report published yesterday.

However, production could have been far higher had it not been for the early end to the rainy season, the report said.

In the southern half of the country, which had heavy early rains, production was halved by long dry spells in the second half of the season.

The forecast committee predicted that large volumes of maize would be retained by farmers for domestic use and as cattle feed.

About half the crop — 1.1 million tons — would find its way to the Grain Marketing Board, the state-owned company that controls the maize trade. — Sapa.
Harare — Zimbabwe's police commissioner, the commander of the air force and Higher Education Minister Stan Mudenge are among the latest top government officials to be allocated farms formerly occupied by whites whose state leases were cancelled, according to yesterday's Financial Gazette.

There was a furore earlier this month when it was disclosed that Minister of Education Witness Mangwende, who formerly held the agriculture portfolio, had been granted the lease for a farm acquired by the government from a white farmer under the Land Acquisition Act.

Agriculture Minister Kumbirai Kangai claimed Mangwende was the most suitable applicant for the farm earmarked earlier for resettlement by 30 black families.

Kangai has described the issuing of the farms to prominent supporters of the ruling party and government as part of the land redistribution exercise. He is reported to have said the names of the new tenants are now to be regarded as classified information.
Zimbabwe land scandal grows

HARARE. — The Zimbabwean government sank deeper into a land scandal as the country's independent press revealed damaging new details on how farms meant for resettling landless peasant farmers had been handed to senior government officials.

Independent newspapers last week published the names of a dozen senior figures who all leased large commercial farms at cheap rentals, farms which had been bought for the resettlement programme.

The programme still had 107,500 families to find land for under pledges made at independence in 1980. The reports contradict the declaration of President Robert Mugabe last week while on an investment-boosting visit to Hong Kong, that the "unjustifiable reports" were not true.

Dr Boniface Ndimande, Permanent Secretary to the Ministry of Lands which issues the leases, said: "The white farmers have been leasing the farms for many years and no one questioned that. Now we give ourselves land, people think it is wrong." — Sapa
ANC plan ‘will hurt Zimbabwe’

ANC proposals to impose high taxes on tobacco imports as part of a financing scheme for its national health plan will be disastrous for Zimbabwe, says Zimbabwe Tobacco Association president Ian Alcock.

"Tobacco sales account for 30% of the country's annual foreign exchange earnings. A high tax on our tobacco sold to SA could mean a significant drop in our earnings if SA decides to purchase smaller quantities or opts for a cheaper supply."

The ANC national health plan proposes that dedicated taxes be imposed on tobacco and alcohol and strict controls be placed on advertising, sponsorship and promotion.

"There’s no doubt that it would have a negative impact on the tobacco industry. The tobacco market has already shrunk and we expect it to continue to shrink. The government has also been successful in making people think twice before they smoke."

Mr Alcock said, however, he was confident the tobacco market would continue to grow.

"Despite the enormous setback the ANC plan would be for our tobacco industry, we believe it will continue to grow as the world population increases and countries like China, previously inaccessible to us, step up tobacco imports."

Zimbabwe cigarette manufacturer

Rothmans MD Mike Lymon-Edwards said the company would probably achieve a record profit this year.

"Markets were opening up in the East and the former Soviet bloc. The number of smokers was also growing, despite anti-smoking campaigns."

Increasing legislation against smokers and cigarette advertising and a total ban on smoking in public places in many countries had not affected the number of smokers or the quantity of cigarettes they bought. "Cigarette sales are price sensitive and not affected by health issues. Anti-smoking lobbies are now opting for high taxes on cigarettes to discourage smoking. Obviously, health warnings have had little effect."

In countries where cigarettes were heavily taxed, organised smuggling operations had sprung up. Rothmans had been approached to supply cigarettes to sell on Canada's black market. Much of the smuggling was done by Americans living near the Canadian border. "Eventually Canada was forced to revise its taxing structure."

Report by A Vermeulen. 19 Mar, 11 Diagonal St, Job. 
Outcry as top officials get land

ZIMBABWE'S land redistribution programme is benefiting a powerful new elite, reports Robin Drew

The cartoon in Zimbabwe's hard-hitting independent Daily Gazette showed a fat, cigar-smoking bureaucrat in dark glasses ordering a trembling white farmer off his land and telling him he had to make way for 'needy' people.

As the farmer creeps away, the grinning civil servant is shown thinking: 'Hmmm... wonder which needy minister will get this lovely farm.'

The paper and its staff, as the Financial Gazette, have focused on the revelations that ministers, top-ranking civil servants and senior officers in the armed forces and the police have been allocated farms expropriated from mainly white farmers, ostensibly for redistribution to black peasant farmers.

The land redistribution scheme was proclaimed as a necessary measure to cater for the overflow from the overcrowded communal areas. The Land Acquisition Act provided for farmers to be bought out, whether they liked it or not, or for farms to be acquired through the cancellation of state leases.

But instead of providing land for peasant farmers, scores of farms acquired by the government under the Act have been dishoned out to government and party faithful.

Nearly 100 farms have been designated for acquisition by the government and the leases on 70 others have been cancelled.

In some cases, white farmers have been on the leased properties for up to 20 years under a lease-to-buy scheme. But when they tried to exercise their option to buy, they were told this could not be approved until the resettlement scheme was completed.

In the Chitungu area of Masvingo, former Zimbabwean Tobacco Growers' Association president Stan Mudenge and Stan Mudenge, have been named among the favoured who have been granted farm leases.

Agriculture Minister Kumbirai Kanhuri has defended the "tenant resettlement" scheme.
Land deal disclosures may cost Mugabe votes

HARARE — Zimbabwe's government, with an election only months away, has stepped into a political minefield by disclosing that it was leasing state farms meant for landless blacks to top officials.

Political analysts said the fallout from the controversial move, however well meaning under the circumstances, could cost President Robert Mugabe's government vital votes in the general election that must be held before April next year.

"Politically I think this decision was short-sighted and outrageous to ordinary people," said Prof Anthony Hawkins of Zimbabwe University. "It can't win Mugabe votes.

"Overseas investors, rightly or wrongly, may see it as corruption, taking away productive land from whites and giving it to rich people in the ruling party who know nothing about farming," he said.

The furor over land ownership — long a burning issue in Zimbabwe — has come when Mugabe is wooing foreign investors to try to arrest runaway joblessness.

In the past month hardly a day has passed without Zimbabwe's independent Daily Gazette newspaper naming top officials, including cabinet ministers, who it said were beneficiaries of the "land grab" policy.

The government has not specifically said if the named officials were involved. Instead it has defended its decision, saying it was part of empowering blacks to have a stake in an economy still dominated by whites 14 years after independence.

Agriculture Minister Kumbirai Kangai said the government wanted to maintain productivity of some of the state farms by giving them to black commercial farmers, and not subdividing them to resettle smallholder peasants.

Privately the government has been telling farmers that senior black government officials or businessmen were the only people who could get loans from banks to lease such farms.

Using 1992's Land Acquisition Act, the government has been forcibly buying farms owned by whites to resettle tens of thousands of blacks banished to arid regions by previous white governments.

But up to 100,000 other disposessed blacks are still waiting for land promised them 14 years ago.

"How do you reconcile leasing land to people who already have high-paying jobs with the fact that those in real need are still waiting?" a bank economist asked.

Opposition parties have seized on the issue, accusing the government of turning the farms into "holiday resorts." "How is it that only (ruling) Zanu-PF party officials benefit from the scheme?" opposition leader Enoch Dumbatshena asked.

The white farmers have publicly remained studiously silent, although privately they make it clear they are outraged. "This is a betrayal of confidence," a leading farmer said recently, referring to the Land Acquisition Act.

The white farmers, owners of most of Zimbabwe's fertile land, had fiercely opposed the Act which bars them from challenging the price the state offers to buy their properties.

They agreed only after state assurances that the scheme would involve buying only "derelict or underutilised land" and was aimed at alleviating land hunger in the country.

But another farmer said: "As it is now, it is clear the government will do anything it wants with the land. It is not so much giving it to the needy but to its supporters." — Sapa-Reuters.
Minister denies land grab scandal

**STAR AFRICA SERVICE**

Zimbabwe's Minister of Agriculture Kumbirai Kangai, himself a farmer, has vigorously denied claims that the policy of allocating farms taken from whites to black leaseholders, including top government people, amounts to a land grab scandal.

He told journalists who peppered him with hostile questions that of the 98 farms dealt with so far, only two had gone to Ministers and three or four to government officials. The rest had gone to ordinary people who had applied for them.

Kangai attacked newspapers of the Modus Group — the Daily Gazette and the Financial Gazette — which have given prominence to the land issue under the billing "land grab scandal".

He said the leasing of farms had been going on for years. "Many white farmers leased farms for many years and no one questioned this arrangement including the Catholic Commission for Justice and Peace (which has condemned the current issue of leases)."

"Now that we lease land to black farmers it is alleged to be a scandal. In fact the scheme is being undertaken in the spirit of redistributing land to black people who can show competence and commitment to farming the land in the national interest. There is nothing unethical about building indigenous commercial farmers."

The Minister said whites were not being driven off the land. Many of those who had leases cancelled had two or three farms. "Show me one person who can no longer farm," he said when asked if it was ethical to take away a farm from someone who had occupied it for 20 years.

31-3-94

Star
Zimbabwe vows to intensify campaign for whites' land

HARARE — Zimbabwe's government, under attack for leasing state farms to top officials, yesterday pledged to step up the programme of grabbing white-owned land for use by blacks.

Agriculture Minister Zvimba Ranganai told a news conference the scheme, strongly opposed by Zimbabwe's 4,500 mainly white, commercial farmers who control over 70% of the country's most fertile land, was aimed at creating a racial balance in land ownership.

"We are going to step up this programme because it is morally right to do that," he said of the scheme which aimed to resettle 100,000 peasants.

Zimbabwe's white community, which constitutes 3% of the 10-million population, controls the economy.

"We have an obligation to ensure wealth is equally shared here and I want everybody to know that we are, and will continue, carrying this programme without apologies." Ranganai angrily attacked Zimbabwe's independent Daily Gazette newspaper which has in the past month published a series of stories naming top officials, including cabinet ministers, who it said benefited from the "land grab scandal".

The minister said the paper had been "hypocritical" in not naming its own CEO, Elias Rusike, as one of the beneficiaries of the policy - called tenant farming scheme.

He accused the paper of running a campaign to undermine investor interest in Zimbabwe, saying the leasing of state farms to individuals, including senior white government officials, had been done by previous governments before Zimbabwe gained independence in 1980.

"What we simply did last year was to cancel wholesale those leases because we would like the black indigenous people to have some of these farms," he said, adding that some Daily Gazette reporters were either ignorant of these facts or "subversive elements".

The furor over land ownership — long a burning issue in Zimbabwe — has come when President Robert Mugabe is wooing foreign investors to try to arrest runaway joblessness. — Reuter.
Zimbabwe's health challenge.

Different Zimbabwe could hold important clues, health writer David Robins reports.

A new study led by professors at the University of Cape Town and the University of Zimbabwe found that HIV/AIDS is the leading cause of death in Zimbabwe, with tuberculosis and malaria also playing a significant role. The study, which was conducted in Harare, the capital city, found that more than 50% of deaths in the country were caused by infectious diseases. The study also found that the burden of disease is greatest in young adults aged 20-49, with the highest rates of infection and mortality in this age group.

The study highlights the need for increased investment in public health infrastructure and services to address the ongoing health crisis in Zimbabwe. The government has been working to improve access to healthcare services, but resources are limited and the country continues to face challenges in addressing the needs of its population.

The study also emphasizes the importance of international collaboration and support in addressing the health challenges in Zimbabwe. The country is one of the poorest in the world, with limited resources to tackle the complex health issues it faces. International partners can play a critical role in providing support and resources to help strengthen the health system and improve outcomes for Zimbabwe's citizens.

With a population of over 16 million, Zimbabwe is home to a diverse and dynamic society, with a rich cultural heritage and a long history of struggle. Despite the challenges it faces, the country continues to move forward, with a growing sense of hope and determination to overcome its many obstacles.
HARARE — Millions of dollars will be injected into Zimbabwe every day for the next six months during the tobacco selling season which began yesterday.

Nearly 1,800 commercial growers, mostly white, and 1,400 small-scale black growers have produced a crop of about 170 million kg.

Tobacco, lynchpin of the economy, last year earned producers $800 million.

This season, because of the world’s oversupply position, producers cut back by nearly 50 million kg and concentrated on quality.

(382)
Troubled Zisco may be closed

Harare — The Zimbabwe Iron & Steel Company (Zisco) has been warned by its auditors it may have to abandon normal business operations during the year produced only 371,239 tons, against a budgeted 591,000 tons.

Its main blast furnace, responsible for 70 percent of output, had to be decommissioned in March last year for a long overdue coke.

However, government assurances that the cash for it would be provided remain unmet. — Sapa

Zisco, the only integrated steelworks in Africa north of the Limpopo, posted a loss of Z$249 million for the year to June 30, 1993, against a profit the previous year of Z$23 million.

Zisco, a vital component of the industrial sector, has been forced into a steady decline, blamed mostly on the failure by President Robert Mugabe's government to make decisions indispensable to the company's survival and to meet promises of financial support.

Zisco has a rated annual capacity of 360,000 tons of liquid steel, but
Mugabe orders land deals probe

HARARE.—Zimbabwe’s President Robert Mugabe has ordered an inquiry into controversial farm lease agreements made under the Tenant Resettlement Scheme, Home Affairs Minister Mr Dumiso Dabengwa said here yesterday.

Mr Dabengwa, who was responding to questions at a sub-regional seminar on human rights, said that as far as he knew Mr Mugabe was “unaware of what was happening” and had ordered an inquiry into the leasing of land, Ziana news agency reported.

So far 98 farms have been given to mostly senior government officials and civil servants under the scheme.

The inquiry comes as the ruling Zanu (PF) is reported to have called upon the Ministry of Lands, Agriculture and Water Development to cancel the farm lease agreements and distribute the land under the resettlement scheme.

Party secretary Mr Moven Minhechi was quoted as saying “the land belongs to the people and not to a few individuals”. — Sapa.
Probe farm land scandal, says Mugabe

Harare — Zimbabwean President Robert Mugabe has ordered an inquiry into the farm land scandal in which government officials were given formerly white-owned properties.

Minister of Home Affairs Dumiso Dabengwa said Mugabe was not aware of what had been happening and had called for an investigation.

It was Mugabe's first public reaction to the scandal, which came to light early last month.

The scandal was exposed by local independent newspapers. They were threatened after they disclosed that state-owned farms were being leased to cabinet ministers, civil servants, high-ranking officers in the police, air force, army and intelligence service, and heads of government-owned companies.

The land was intended for the resettlement of peasant farmers in aid to correct the unequal distribution of farm land, mostly owned by whites, says.
Mugabe orders probe into land leases

HARARE — Zimbabwe's President Robert Mugabe had ordered an inquiry into circumstances surrounding controversial farm lease agreements made under the tenant resettlement scheme, Home Affairs Minister Dumiso Dabengwa said in Harare yesterday. (12/14/94)

Dabengwa, who was responding to questions at a seminar on human rights, said as far as he knew Mugabe was "unaware of what was happening" and had ordered an inquiry into the leasing of land.

So far 98 farms have been given to mostly senior government officials and public servants under the scheme. (362)

The inquiry comes when the ruling Zanu-PF is reported as having called upon the lands, agriculture and water development ministry to cancel the farm lease agreements and distribute the land under the resettlement scheme.

Party secretary Moven Manachi was quoted as having told the party's official news organ, the People's Voice: "The party's position is that the land belongs to the people and not to a few individuals"; and, "the lands ministry should cancel all these leases and continue with resettlement. State farms should not be allocated to a few black elite. The party should make sure that position is maintained." - Sapa.
Short rein

After a marginal recovery last year, Zimbabwe's economy is set for its best year since 1991. Provisional estimates for 1993 show growth of 1.7%, after a revised 6.1% decline in 1992. Though some optimistic forecasters believe output could grow as much as 6% this year, the consensus is closer to 4%, especially after the early cut-off of rain and the abnormally hot weather in February-March. Crops planted late are a write-off in many parts and maize production forecasts have been lowered to around 2.1 Mt from 2.5 Mt two months ago.

The signs are that, with growth of 3.5%-4%, it will take until 1995 for Zimbabwe to regain the peak output levels reached in 1991. Per capita, Zimbabwe has performed worse than SA. Real income per head is back to levels of the early Seventies and 20% below the peak of 1974. Economists believe it will take until the turn of the century to return to income levels reached in 1991 — before the 1992 drought.

Last year's recovery was confined to agri-

Culture where production rose a record 62%. This estimate is widely seen as far too high and likely to be revised downward but it was enough to offset a 9% fall in industrial production and a 6% decline in mining. Industrial output last year was at its lowest since 1985; mining production hit an eight-year low.

Both will recover this year but it is going to take at least two years, possibly three, for manufacturing to make up the 22% fall of the past two years. The same applies in mining, where production will not return to record 1991 levels until next year.

There is no way agriculture will grow as rapidly this year as last because tobacco and cotton production will fall about 20%. But production and exports will be boosted as sugar output comes back on stream after two years of low production.

Mining is set for a limp recovery. Nickel will fare better than last year, gold volumes are increasing and ferrochrome production is expected to grow in the second half of the year. Manufacturing should enjoy double-digit growth, certainly for the first half, though clothing and textile sectors are warning of closures and retrenchment in the face of higher cotton lint prices and the abolition of the 9% export bonus.

The State-owned Cotton Marketing Board has raised its selling price of lint to manufacturers from Z$7.20/kg (R3.34) at the end of last year to Z$13.20 (R5.90) because of the rise in the world cotton price and the 17% devaluation of the Zimbabwean dollar in January. Last year the board was told to subsidise local spinners with the promise that the State would pick up the tab. It hasn't done that and the public corporation, under orders to commercialise, is now charging parity prices for lint.

Peter Dorward, chairman of Zimbabwe Spinners & Weavers, one of the country's leading textile manufacturers, says his company could be forced out of the export business by higher input costs. Peter Johnstone, president of the Zimbabwe Clothing Manufacturers' Association, is predicting export losses of US$55m and the loss of 23 000 jobs by year-end because the export bonus scheme was dropped in January. In the past year, Johnstone says 60 clothing firms have closed and another 20 are likely to follow if export incentives are not reintroduced.

Tobacco auction sales started on a slightly firmer note though, with leaf sales averaging $1.18/kg, not far below last year's seasonal average of $1.23. It's dangerous to read too much into the first few days of sales and it will take six weeks before the trend is clear but early signs are that flue-cured leaf will sell for up to $1.40/kg, putting a value of $240m on the crop, down 10% on last year but, in all probability, the bottom of the industry cycle.

None of this suggests the robust 5%-6% recovery being mooted by some, especially as the Reserve Bank of Zimbabwe, faced with 55% money supply growth in the year to January, is being forced to drain liquidity from the market and push up interest rates again. With elections due in less than a year, the Bank is caught in a vice-like squeeze with politicians demanding interest rate cuts while the IMF and World Bank demand monetary restraint. This year is shaping up to be a difficult one on the policy front, with World Bank economists warning that the budget deficit, far from being halved to 5.4% as promised, is likely to increase slightly to around 12% of GDP in 1993-1994, from 11% last year.
Farms scandal scuppered Mugabe's plea to investors

ROBERT MUGABE was about to face some of the world's most fickle financiers in Hong Kong to pitch a case for investment when he received a fax at his five-star hotel suite (362).

It was a Page 1 expose from Zimbabwe's Independent Daily, Gazette newspaper, owned by a ruling party loyalist but edited by a white Zimbabwean reporting that some 50 farms seized or already owned by the state had been leased to black political loyalties including cabinet ministers, civil servants and former security chiefs for a song.

That same story, had already been picked up by international news agencies and was widely published in Hong Kong as the Zimbabwean president was enjoying his breakfast.

The white farms, it was made clear, were intended for one-million landless blacks to meet a promise the 70-year-old Mr Mugabe made at independence from Britain, 14 years ago.

But the richest farms were allocated to the president's most trusted cabinet confidants and ruling Zimbabwe African National Union (Patriotic Front) cronies - and not the peasants.

Indeed, entire families dependent on income from those farms were being kicked off the land.

Mr Mugabe was livid. Nor with the newspaper that reported the scandal, but Agriculture Minister Kumbirai Kangai, who had allowed it to happen and who allegedly acquired some of the properties for relatives.

Mr Mugabe tried to pre-empt vexing questions from the 100-odd would-be investors about how secure their stake in Zimbabwe would be, as foreigners, if the state was already taking land from indigenous nationals - albeit whites.

"It is by no means an arbitrary and deliberate land-grab policy," Mr Mugabe insisted at the meeting.

Rather, he said, "it strengthens" the economic reform programme by redistributing wealth.

However, Hong Kong investors decided to turn their attention to one of the tiger economies of Asia, rather than putting money into an obscure landlocked southern African nation whose traditional links were - until recently - with collapsed and discredited communist nations.

Back home, while Mr Mugabe was preparing for an even more crucial meeting of investors in London, scheduled for May 19, pressure - from fragmented and disorganised opposition groups at home and donors abroad - mounted.

Mr Mugabe's trusted former president, Mr Canaan Banana, along with ruling party politicians who hadn't benefited from the land grab, stridently opposed a secret programme to hijack farms destined for the peasants.

Even the People's Voice, the ruling party's sympathetic weekly news-sheet, criticised the move, saying it was not what was originally intended.

In its latest annual report on human rights in Zimbabwe, the US State Department labelled the programme racist.

Mr Mugabe has now ordered an official inquiry into the whole affair - probably foreign diplomats contended, to take the heat off him when he goes to London with his begging bowl.

"He can't stand up before a forum of European businessmen and justify what has happened over land," one Western diplomat said. "They won't buy it."

Speculation this week was rife that Mr Mugabe might sack the agriculture minister as a symbolic gesture.

But the question will remain, especially for the peasants hungry for land:

Was the seven-year Chimurenga (independence war) fought for freedom for the masses - or for the bank accounts of the dark-suited politicians?

Few of Zimbabwe's cabinet ministers fought in the war, yet they have prospered beyond the average Zimbabwean's wildest dreams, acquiring businesses, factories, mines and farms.

In contrast, thousands of largely illiterate former guerrillas - many of them disabled - don't receive a pension and are without land.

"There's plenty of land for us and the chefs (politicians)," said an unemployed Mr Jackson Mloko, who fought for Mr Mugabe and is now unemployed.

"But the chefs want to take everything. There could be another Chimurenga - blacks against blacks," he said.
Mugabe cancels leases on state farms

**New twist in Zimbabwe's land-grab scandal**

*Rooney Drew*  
Argue Africa News Service

INTERNATIONAL
Mugabe acts on scandal

PUBLIC OUTCRY All leases on state-owned farms cancelled: (362)

Zimbabwean President Robert Mugabe has ordered the cancellation of all leases of state-owned farms in an attempt to defuse the damaging scandal over land issued to senior ruling party and government officials.

In his first reaction to revelations of the leases by the country's independent Press, Mugabe was quoted in The People's Voice, the organ of the ruling Zanu (PF) party, as saying he was taking the action because of public outcry.

But there was immediate criticism that his moves were not enough.

In early March independently owned newspapers began a series of reports that listed the names of dozens of senior figures, including two cabinet ministers, MPs, a provincial governor, senior police, army, air force and intelligence service officers and civil servants that had been leased government-owned farms.

The properties included farms bought and seized by government to resettle land-hungry peasants, as well as about 100 properties previously rented by white farmers - some for as long as three decades - but who had their leases cancelled by the government in October last year as a prelude to releasing them.

Mugabe promised that the list of people who had been leased farms would be published and said in future leases of state-owned land would be done through "proper procedures".

He also questioned the secrecy under which the 100 farms had been leased.

"There must be fair play and the actions must be transparent," he said.

Applications for farms would have to be scrutinised by a board and farms available would have to be advertised.

"Yes, you have some civil servants, but I do not see why a person in government who is interested in farming should not have leased land," he said.

It would only be a scandal if "it was the majority of people in government who got leases". - Sapa.
Mugabe to cancel all farm leases

From MICHAEL HARTNACK

HARARE - President Robert Mugabe has moved to cancel the leases of ministers and other prominent Zimbabweans to farms taken over from white farmers for peasant resettlement.

"Some might sue us for doing so, because a lease is a contractual agreement and you cannot violate it, but... we would want to see the land immediately apportioned to the people," Mr. Mugabe announced through his party newspaper, The People's Voice.

One of those facing eviction is former agriculture minister, Mr. Wisner Mangwende, architect of Mr. Mugabe's controversial 1992 "land acquisition act", which limited white farmers' rights of appeal against nationalisation.

Mr. Mangwende was given a 1,230ha farm at Wedza, 100km south-east of Harare, compulsorily acquired on the grounds that 33 peasant families were to be settled there.

Mr. Mugabe promised to make public the names of the 98 'emergent indigenous commercial farmers' who had received state land.

"The land should not have been leased out in the first place; because it had been acquired for the purpose of resettling peasant farmers," Mr. Mugabe said.

"Because of the outcry, and the fact that it is now seen as a scandal in which government officials were favouring certain individuals, we have decided to cancel all leases."
Jeet, says Module

SADF dragging its

Bid to delay integration - MK critic

THE STAR / MONDAY APRIL 18 1994
Mugabe forecasts growth

HARARE — President Robert Mugabe celebrated the 14th anniversary of Zimbabwe’s independence yesterday with an upbeat economic forecast for 1994, citing an improved domestic environment and prospects for peace in the region.

He made no mention, however, of a controversial reform programme to recover white-owned land for black farmers, after cancelling all state land leases to individuals at the weekend in the wake of corruption scandals.

The economy had registered a 2% growth rate in real terms last year, compared with an 8% decline during the 1992 drought, he said.

Prospects for 1994 looked even brighter, with the economy poised to grow 4.4%, a figure which “with more effort and determination we can certainly exceed”, he said.

Zimbabwe, now in the fourth year of a five-year economic reform programme backed by the World Bank, has adopted restrictive monetary measures which led to a drop in inflation from 49% in 1992 to 18% percent last December.

Other measures taken to liberalise the economy during the past year included abolishing import licences, deregulating many commodity prices, removing subsidies on staple foods and relaxing foreign exchange management.

But Mugabe expressed concern that many of the country’s parastatals had performed well below their targets and still relied heavily on government subsidies.

Addressing thousands of people at the national sports stadium in Harare, Mugabe reviewed the country's successes and failures over the past year in agriculture, mining, manufacturing, health and housing, but he ignored the current hot issue — the land reform programme.

Dubbed the “land grab scandal” after widespread allegations of corruption and favouritism, the land acquisition programme has come under fire following Press revelations that it benefited senior government officials rather than the thousands of landless peasants.

Mugabe said at the weekend all leases would be cancelled because of the scandal — whether they belonged to government officials, non-government officials or to the private sector.

On foreign policy, Mugabe said the country had played a useful role in peacekeeping missions in Angola, Rwanda and Somalia. It had mediated alongside SA and Botswana in the Lesotho military crisis, and was sending observers to SA's elections next week. — Sapa-AFP.
Zim doctors continue strike

HARARE — Zimbabwean doctors yesterday decided to continue their strike when negotiations with the government broke down.

Doctors went on strike last Friday, crippling health services countrywide. They are demanding a 40% salary increase, better accommodation and transport allowances.

But the government has said doctors should resume work while it addressed their grievances.

SAPA CT 21/4/94
Zimbabwe goes down to the basics of education, missing link to prevention
No Zim land-grab probe

HARARE.—President Robert Mugabe has not, contrary to reports, ordered a commission of inquiry into a land-grab scandal involving senior party and government officials, it was reported here yesterday.

Mr Mugabe had instead made his own inquiries, the report said.

This follows remarks at a recent human rights convention by the Minister of Home Affairs, Mr Dumiso Dabengwa, that Mr Mugabe had ordered an inquiry into disclosures that state-owned farms had been distributed among officials, including two cabinet ministers and senior army officers and civil servants.

Many of the farms were meant to resettle peasant farmers.

"The word, inquiry does not automatically translate into a commission," Mr Dabengwa was quoted yesterday as saying.

"The president went on to inquire about the scheme himself and got the reply he wanted, resulting in the action he has taken."  

Mr Mugabe announced last week he had cancelled all leases to the estimated 180 state-owned farms, and denied there was a scandal. — Sapa
Wankie boosts profits as coal sales surge

HARARE. — Zimbabwe's largest coal producer, Wankie Colliery said turnover rose 57% to Z$1,453.3m for the financial year to February 28, 1994.

Chairman Ngoni Kudenga said in a statement the jump in turnover was mainly due to a price increase granted in March 1993 and a slight improvement in the volume of coal sales.

Total coal sales were 4,453,089 tons compared to 4,062,584 tons the previous year.

Net profit after taxation rose to Z$185.6m from Z$51.9m, he said.

Kudenga said continued growth would be achieved because coal demand on the local market is expected to remain firm. — Reuters.
Zim inflation rate soars

HARARE — Zimbabwe's annual inflation jumped to 23.5% in March lifted by huge increases in the cost of medical care and food, the Central Statistical Office said at the weekend, Ziana news agency reports.

In February, the country's annual inflation was pegged at 19.1% and on the month it increased by 0% after a steady decline in the preceding two months.

The government has said it wants inflation to come down to 5% by the end of the economic reform programme in 1999, but economists, pointing to high money supply growth and undiminished government expenditure, have cast doubt on this.

Zimbabwe's inflation peaked above 48% in 1992 driven up largely by a severe drought and recession and has been in decline for most of last year.

The CSO said medical care costs increased by 176.5% on the year and 14% in February, pushed up mainly by increases in government hospital fees late last year. (362)

Food, and beverages and tobacco weighed in with the next highest increases, with rises of 36.9% and 30% respectively, the figures show.

Transport and communications rose 21.3% while the rent, rates, fuel and power gauge went up 18.5% — (Sapa
Zimbabwe moves to end land scandal

HARARE - The Zimbabwean government, relenting to immense public pressure, has finally cancelled 72 farm leases under which senior officials had occupied state land forcibly acquired from white farmers for the resettlement of landless peasants.

Agriculture minister Kumbirai Kangai told parliament yesterday that the government was terminating the agreements to enable the mass resettlement programme to proceed speedily.

President Robert Mugabe announced in mid-April that the farm leases were being withdrawn after a public outcry that saw the scheme as a ‘land grab scandal’. — Sapa, Reuters (362)
Zimbabwe seeking closer ties with SA

Argus Africa News Service

HARARE — Zimbabwe is to adopt a policy of intensive engagement with South Africa emphasising closer co-operation in trade, tourism, energy, education, transport and defence.

Foreign Affairs minister Dr Nathan Shamuyarira said yesterday this new approach away from disengagement meant that relations between Harare and Pretoria would have to be strengthened in the post-apartheid era.

He said Zimbabwe would do its best wherever possible to help South Africa.

Calling for an early end to the delays in negotiating an improved trade agreement with South Africa, the minister said Zimbabwe was looking towards a lowering of tariffs on its textile exports.

He ruled out the possibility of the regional bloc, the Southern African Development Community, being absorbed into the Southern African Customs Union.

Mr. Shamuyarira last week announced that diplomatic relations had been restored with South Africa.
Zim leases cancelled

Harare — The Zimbabwe government has finally cancelled 72 farm leases under which officials had occupied State land, forcibly acquired from white farmers for the resettlement of landless peasants.

Agriculture Minister Kumbirai Kangafatold parliament on Tuesday the government was terminating the agreements to enable the mass resettlement programme to proceed speedily. — Reuters (362)
Zimbabwe voters shun registration

Harare — Less than half the expected number of Zimbabweans bothered to register as voters in next year's general election when the period for re-registration ended yesterday.

The government has extended the deadline by a month.

By yesterday morning, 2.2 million people had registered out of an estimated 5 million.

Disillusionment with the government's performance in improving living conditions for the vast majority and the absence of a credible opposition have been blamed for the low response.

Star Africa Service
HARARE — Zimbabwe's Electricity Supply Commission (Zesa) is leading the field in co-operation with the new SA as it plans a R10bn investment programme designed to see the two countries' power grids firmly interlocked.

Zesa corporate planning senior manager David Mazzikanda voiced hope for the completion and introduction into service by mid-1996 of the single 400KV transmission line from SA’s Matimba power station to Zimbabwe's Insukamini substation.

Zimbabwe aimed to import 400MW in 1996, 300MW in 1996 and 150MW a year until 2000, when the contract with SA would be up for renegotiation.

Matimba will give Zimbabwe a back-up against possible failures on the projected link-up between Bindura substation and Songo, where it will tap into a 400KV transmission line from Cahora Bassa.

Foreign Minister Nathan Shamuyarira last week expressed hope that the SA-Zimbabwe co-operation would see the Batoka Gorge hydroelectric project on the Zambezi, 54km below Victoria Falls, add to the power reserves of the subcontinent.

JOHN DLUDLU reports that an Eskom spokesman said he expected several million rands to be spent on the joint project.
ZIMBABWE 20/1/94

Reaping the whirlwind

Escalating industrial — and student — unrest could hardly have come at a worse time for Zimbabwe’s Robert Mugabe. He is on a state visit to the UK, scheduled to address an investment promotion conference in London this week.

Back home all is far from well. Voter registration for next February’s elections has had to be extended for a further month — until June 4 — as less than a third of the voter population has bothered to register.

This is a far cry from the enthusiasm that characterised the first two majority-rule elections in 1980 and 1985 and — for Mugabe — is disturbingly reminiscent of the Zambian pattern. There, though there was no serious opposition to former President Kaunda until the 1991 poll, a declining voter turnout signalled that the people had lost confidence in their government.

Student unrest is the least of the president’s worries but it is a sign of the times. Student demonstrations — for higher grants — turned ugly last week and Harare’s University of Zimbabwe campus closed temporarily on Friday after skirmishes between the police and about 300 students.

The vast majority of the 13 000 student body is anxious to concentrate on studies but the militiants have been roaming the campus with sticks and stones, breaking up classes. After their demonstration in Harare recently during which innocent civilians were assaulted and cars and buildings stoned, there is no sympathy for the students and the government is unlikely to back down over the grants issue.

Junior doctors, on strike since mid-April, are a different matter however. There is widespread public sympathy for them because they are underpaid by regional standards. The University of Zimbabwe Medical School estimates that two-thirds of its graduates leave the country for further training and better pay, many going to SA and Botswana.

In retaliation, the government has dismissed doctors, dentists and physio, leaving private sector practitioners, consultants and the many doctors in the country, funded by NGOs (nongovernmental organisations) and aid agencies, to attend to patients. The weekly Finance Gazette reported recently that there had been a “dramatic increase” in deaths.

The medics’ demand for a 40% pay award is strongly supported by the Zimbabwe Medical Doctors Association and it’s a matter of time before the State climbs down. The Zimbabwe Congress of Trade Unions has told its members to seek pay awards of at least 25% and Posts & Telecommunications have submitted a 25% demand. School-teachers, seeking between 40% and 60%, are threatening industrial action from June if their demands are refused — as they certainly will be.

With average real (nonfarm) wages at a 20-year low, having fallen more than a third since the launch of the country’s Economic Structural Adjustment Programmes in 1991, industrial unrest is hardly surprising. Yet there is little the State can do.

The budget deficit, targeted to fall to 5.4% of GDP this year, from 11.3% in 1992/93, is reportedly in excess of 10%. A team from the IMF has been to Harare to review the programme and look at disbursement of the next tranche of the country’s Enhanced Structural Adjustment Facility (ESAF) loan. The fund, already unhappy with rapid money supply growth — over 40% in the year to February — is not going to allow any further backsliding on public spending.

But because Ministers, top officials and MPs received pay awards of up to 64% recently, the strikers are in no mood to listen to pleas of “can’t pay, won’t pay” from government.

The resurgence of inflation, back to 23% in March from 18% at the end of last year and set to average at least 23% over 1994, has compounded government’s problems.

Officials complain of a vacuum at the top; Mugabe is more at home playing the international statesman with Nelson Mandela and John Major than dealing with the nitty-gritty of economic reform, which he doesn’t really believe in anyway. Finance Minister Bernard Chidzero is ill and likely to step down soon.

For no good reason, the Ministry of Industry & Commerce remains vacant, four months after the death in a car accident of Chris Ushewokunze, the former Minister. There are new faces at the central bank and at permanent secretary level in both the Ministries of Finance and Industry & Commerce. Decisions simply aren’t being made.

One positive move was Mugabe’s belated decision to cancel farm leases granted to Ministers, senior officials and government backbenchers. Though the president claimed not to know that land acquired by the State for resettling peasant farmers had been leased to political cronies, the fact that he defended the process on BBC television in mid-April, just before cancelling the scheme, suggests otherwise.

The cancellation of 72 leases cleared the air ahead of the London investment conference. Business is hoping for an announcement of increased dividend remittability before the delegates leave for London next week. Privately, many in business fear that Mugabe and Zimbabwe have missed the boat.

"SA is the investment flavour of the year,” said one industrialist this week. “We are going to be left with the crumbs under the table.”
Talks on 'doctor drain'

BULAWAYO. — Zimbabwe is seeking talks with the new South African government in an attempt to stop the flow south of Zimbabwean doctors, Health Minister Mr. Timothy Stamps said here on Saturday.

Last week about 300 doctors at Zimbabwe's state-run hospitals ended, on what they called humanitarian grounds, a two-week strike over pay and improved conditions which 'left some people dead.'

Between 1,500 and 3,000 Zimbabwean doctors are employed in South Africa, where they earn up to five times as much as in Zimbabwe.

Mr. Stamps said the two governments would negotiate so 'there is no pinching of doctors from each other.' If the talks succeeded, no Zimbabwean doctors would be employed in SA government hospitals.

Similarly, SA doctors who had fled the old apartheid regime would be repatriated. — Sapu-AFP
South Africa would do everything possible to strengthen relations with Zimbabwe, Foreign Affairs Minister Alfred Nzo said yesterday after meeting President Robert Mugabe at Zimbabwe House.

He told journalists that strengthening relations would be in the interest of the people of both countries.

Mr Nzo presented Mr Mugabe with two letters from President Nelson Mandela and a gold commemorative medal for attending the "MIP" for presidential inauguration. Mr Mugabe would not disclose the contents of the letters.
Zimbabwe opposition in tatters after ouster

BY ROBIN DREW
STAR AFRICA SERVICE

Harare — Zimbabwe's main opposition party, the Forum Party, was in tatters yesterday after reports that a special meeting had ousted former Chief Justice Enoch Dumbutshena from the party leadership.

Delegates from five provinces of the party decided to put in his place as interim leader a Bulawayo-based executive member, Themba Bhodlo. Dumbutshena was accused of being dictatorial.

The move to oust him came after weeks of wrangling, including accusations that the party was being manipulated behind the scenes by whites.

The party was launched in March last year, when Dumbutshena described the occasion as the birth of an alternative government.

The weekend turmoil came as President Mugabe announced that a general election would be held in the first quarter of next year. He told delegates at the ruling Zanu (PF) party youth congress to undertake house-to-house action to mobilise support.

He dismissed opposition parties as a pathetic assortment of ineffectual groupings.

"Underlying this so-called opposition," he said, "is a vain attempt to resurrect internal settlement politics where white colonial settler interests hide behind black faces."

He was aware of discontent about wages and hard times brought about by economic reform, but the hardships did not compare with those suffered under settler rule. Counter-revolutionaries and reactionaries would never be allowed to take over the government, he said.

Mugabe called on the youth to convince the people that Zanu (PF) had not renounced its socialist goals. "The changes had been taken to enhance the economic base to generate employment and increase incomes."
Mugabe outlines African vision

HARARE – Zimbabwean President Robert Mugabe yesterday outlined a “new vision for Africa” in which the continent would no longer be synonymous with economic mismanagement, civil strife, or human rights abuses, nor with poverty, hunger, ignorance and disease.

Opening a meeting of African presidents and representatives of Western donor nations, he said that “perhaps at no other time in Africa’s history has the continent felt so acutely the need for partnership and genuine friendship than today”.

Africa “is an essential component of the global polity”, he said. “The failure or success of Africa affects the rest of the world, for the world is one. Global peace, economic prosperity and environmental regeneration cannot be sustained unless Africa is freed from the vicissitudes of poverty and war.”

Mugabe said the troubled continent was embarking on a three-pronged programme of economic structural adjustment, political reforms and regional integration.

It was committed to “take charge of its own development and to learn the lessons of the past”. He said good governance had become accepted as vital throughout Africa as “democracy cannot be complete without it”.

Those African countries which have demonstrated seriousness about their political and economic reform efforts deserve support and co-operation more than ever before,” he said.

Mugabe was speaking at the advisory committee meeting of the Global Coalition for Africa (GCA), a Washington-based organisation set up in 1990 with the assistance of the World Bank, to bring African and Western donor countries together.

The two-day meeting is being attended, also, by former World Bank president Robert McNamara and Dutch minister Jan Pronk, who is co-chairman of the GCA with Ketsulle Mstire of Botswana.

These already here are due to be joined today by several other African presidents, including President Nelson Mandela.

A summit of the Frontline states is to discuss the future of that organisation. The seven-nation grouping, which spearheaded African opposition to apartheid, is expected to reform and rename itself, bringing SA into a regional organisation aimed at ensuring political stability and dealing with issues such as the continuing civil war in Angola.

Mstire told the opening session that the elections in SA had been “one of the most important achievements in the history of the continent”.

However, “the tragic events in Rwanda have come as a crippling setback to the process of peace and development”.

He said the meeting would focus on three main issues: self-assessment of governance by African countries, “domestic resource mobilisation” and agricultural policies. — Sapa-AFP.
Mugabe heads for new term as opposition splits

HARARE — Zimbabwe's opposition, already sapped by internal divisions, has splintered further and cleared the way for President Robert Mugabe to walk back into power in general elections that must be held by next April.

Even without the latest problems afflicting the opposition, political analysts had given it little chance in the polls, the third to be held since Zimbabwe gained independence from Britain in 1980.

But a long-simmering feud within the main opposition Forum party burst into the open at the weekend, killing any hope that the opposition might field a significant challenge to Mugabe.

"With the divisions within Forum — the only party that most Zimbabweans thought could give Mugabe a bit of trouble — the president will literally walk back into power," Zimbabwe University political analyst Solomon Nkwane said.

"We are looking at a very prolonged rule by Mugabe," he said of the 70-year-old Zimbabwean leader.

Forum rebels, angered by the party's soft line against Mugabe and his Zanu-PF party, unceremoniously ousted their leader, Enoch Dumbutshena, at an emergency meeting on Sunday, accusing him of being divisive and dictatorial.

The rebels were led by Forum secretary-general Themba Dlodlo and party national chairman Agrippa Madziro, both left-wingers from the minority Ndebele of southern Zimbabwe who have felt eclipsed by Dumbutshena, a member of the majority Shonas from the north.

"Besides obvious policy differences, the Forum split shows that tribalism is again rearing its ugly head," an African diplomat said, noting the centuries-old rivalry between the two tribes that has at times spilled into violence.

Dumbutshena, Zimbabwe's first black chief justice, responded to the rebel move by dismissing Dlodlo and Madziro and their supporters from Forum, charging that they were power-hungry.

"From our national executive of 22 only six people are behind this move to oust me and we are saying to them: 'go and form your own party,'" Dumbutshena, 75, said.

When Forum was launched a year ago, it was billed as the biggest threat to Mugabe.

Three other smaller opposition parties are divided by personality and policy differences and lack credible leadership.

Forum had hoped it could draw support from growing numbers of voters angry at the high cost they have had to pay to rescue their economy from near collapse.

But Mugabe, who abandoned socialism in 1991 and embraced Western-backed reforms, has vigorously and successfully defended the bitter medicine that Zimbabwe's 10-million people have had to take, including sweeping price rises of most basic goods.

"Now that Forum has all but crumbling and given the fact that there is very little time before the elections, Zimbabwe is heading towards a de facto one-party state," a Western diplomat said. — Saps-thewel.
Mugabe’s rivals in disarray

THANKS to the disintegration of the rival Forum Party, Zimbabwe is heading towards a de facto one-party state, says a Western diplomat.

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Long-simmering feud

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"We are looking at a very prolonged rule by Mugabe," he said of the prospects of the 70-year-old Zimbabwean leader.

Forum rebels, angered by the party’s soft line against Mugabe and his Zanu-PF party, unceremoniously ousted their leader, Emmerson Dambudzehe, at an emergency meeting on Sunday, accusing him of being divisive and dictatorial.

The rebels were led by Forum secretary-general Thamba Dlodlo and party national chairman Agrippa Madzelka, both leftwingers from the minority Ndebele of southern Zimbabwe who have felt eclipsed by Dambudzehe, a member of the majority Shona from the north.

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When Forum was launched a year ago, it was billed as the biggest threat to Mugabe, a tough totalitarian who marshalled his party during a guerrilla war for independence and then took it to political victory.

Policy differences

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Mugabe spells out a new vision for Africa

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Opening a meeting of African presidents and representatives of Western donor nations, he said the troubled continent was embarking on a three-pronged programme of economic structural adjustment, political reform and regional integration and was committed to “take charge of its own development and to learn from the lessons of the past”.

Good government had become accepted as vital throughout Africa as “democracy cannot be complete without it”, he said.

But he accused the West of blackmailing poor African countries by linking aid to democratic government.

“Donors should desist from blackmailing our countries saying we should have democratic governments before assistance is rendered. We know what political systems to adopt and what fundamentals are right for our people to bring about a change.”

Mugabe said Africa had never needed partners and genuine friendship as much as now.

He added that global peace, economic prosperity and environmental regeneration could not be sustained unless Africa was freed from poverty and war.

Mugabe was addressing the Global Coalition for Africa (GCA), a Washington-based organisation set up in 1990 with the assistance of the World Bank to bring African and Western donor countries together.

The two-day meeting is being attended by the presidents of Botswana, Zimbabwe, Senegal, Eritrea and Ethiopia, former World Bank president Robert McNamara and Dutch Minister Jan Pronk, who is co-chairman of the GCA with Botswana’s President Ketumile Masire. They are to be joined today by a number of other African presidents, including President Mandela.

Masire said South Africa’s April election had been “one of the most important achievements in the history of this continent”, while “the tragic events in Rwanda have come as a crippling setback to the process of peace and development”. — Saps-AFP-Reuter.
Africa: Vandal Attack Looms as Security Woes Persist

A terrorist attack on the Rwandan military's headquarters this week left at least two people dead, including the head of the military command. The attack, which occurred shortly after a peaceful protest in support of the government, was the latest in a series of violent incidents that have put the country on high alert. Prime Minister Paul Kagame has called for the immediate resignation of anyone found responsible for the attack, and has vowed to take decisive action to prevent further violence. The International Community has expressed concern about the escalating violence and has urged all parties to work towards a peaceful resolution.
Zim farm 'scam': Officials told to go

HARARE.—Top Zimbabwean government and ruling party officials who benefited from a "farms-for-ministers racket" have been issued with official notice to leave the government-owned farms they secretly leased.

Agricultural Minister Mr Zimbibwa Kangai was quoted in yesterday's Herald, Zimbabwe's main daily newspaper, as saying that the properties—many of them bought from white farmers to resettle peasants—had been leased to cabinet ministers, senior officers in the police, army, and air force, senior civil servants, officials of the ruling Zanu (PF) party and wealthy businessmen. All these had been given notice to wind up their business and leave the farms by August, said Mr Kangai.

However, it immediately became apparent that the government had not only cancelled the leases involved in the scandal, but probably all leases to those who have farmed them profitably for decades.

Officials of the Commercial Farmers Union said they were being inundated with pleas for help from leaseholders. Some had received letters saying their leases had been cancelled in November and they had to leave immediately. — Sapa
Mugabe orders that leases be cancelled

End to ‘farms for pals’ racket in Zim

Harare — A bevy of top Zimbabwean government and ruling party officials, who benefited from a "farms-for-ministers racket", have been issued with official notice to leave the government-owned farms they secretly leased.

Agriculture Minister Kumbirai Kangai was quoted in yesterday’s Herald as saying that the properties — many of them bought from white farmers to resettle peasants who had been leased to Cabinet Ministers, senior officers in the police, army, and air force, senior civil servants, officials of the ruling Zanu (PF) party, and businessmen.

All these had been given notice to wind up their businesses and leave the farms by August, said Kangai.

However, it immediately became apparent that the government had not only cancelled the leases involved in the scandal, but probably all leases to State-owned land, including those held by whites who have farmed them profitably for decades.

Officials of the Commercial Farmers Union (CFU), most of whose 4000 members are white, said they were being inundated with pleas for help from leaseholders.

Some had received letters saying their leases had been cancelled in November, and although they had not been informed of this, they had to leave immediately.

CFU officials said members would soon bring lawsuits against the State for breaking their contracts.

Up to 100 farms seized under the government’s expropriation policy had been taken over by government and party officials.

The first farm to be seized went to former minister of agriculture Witness Mangwende, who helped to bulldoze the legislation through.

President Robert Mugabe himself ordered that the leases be cancelled. — Sapa.
Mugabe tells journalist ‘to go to hell’

ROBERT Mugabe told a Cape Town journalist he could “go to hell” after he asked what the Zimbabwean president called a racist question at a press conference in the city.

The reporter, Mr Sam Sole of the Sunday Tribune, asked Mr Mugabe whether, given the fact that politicians in the region were moving away from apartheid, his government was going to move away from “the policy of blaming whites in Zimbabwe for your problems”.

“That is a very naughty question. I don’t accept it at all,” replied Mr Mugabe.

“My government has embraced whites and you know that. We follow a policy of national reconciliation. Ian Smith (former Rhodesian prime minister) is still there. We blame him for the past, but we say bygones are bygones.

“But, we won’t have whites who remain racist and if you are asking that as a racist I might as well say: You go to hell.”

Mr Mugabe later referred to Mr Sole’s question as “racist”.

The Zimbabwean government has confiscated 17 commercial farms in terms of its controversial Land Acquisition Act, to redistribute land to black peasants.

No arrangements for compensating the owners have been made, officials of the Commercial Farmers’ Union (CFU) said yesterday.

They said government officials had been posting or hand-delivering letters to farmers since mid-May stating: “The President has acquired this land.”

The farms became the property of the State on March 16 and the owners were given three months to leave.

“In other words, the owners have been farming on property not belonging to them for three months,” CFU director David Hasluck said. — Sapa.
Stinging attack on IMF loans

From JOHN CAVILL
LONDON. — The number of Zimbabwean women dying in childbirth in Harare more than doubled in the two years after the country embarked on its structural adjustment programme imposed by the International Monetary Fund.

In a stinging condemnation of the impact of IMF and World Bank policies on Third World economies, the World Wide Fund for Nature and Christian Aid said yesterday they were "hurting and not working".

The report said the IMF and World Bank should "drastically revise the terms under which they lend money to poor countries, greatly increase their accountability and adopt more democratic working methods".

It claimed conditions set by the two institutions to reduce poverty and promote sustainable development had failed. The report lists a string of examples of the damage done by similar programmes in Third World countries, saying growth had been in larger, richer countries with access to foreign investment and aid. They had not helped the poorer countries.

Citing Zimbabwe, the report said its programme had led to health spending falling by a third and a 14% drop in real per capita output on education.
Foreign investment to a major push to exchange controls

Manuel

JIM JONES
13/11/93
Zim, SA sign deal on bridge

PRETORIA — South African Minister of Transport Mr. Mar Morahal and his Zimbabwe counterpart Mr. Dennis Norman, signed a memorandum of understanding yesterday on a new bridge between the two countries at Beitbridge.

The bridge to be built by the Zimbabwean government will be completed by the end of the year to handle increased traffic.
GWERU. — Aids-related illnesses account for about 90 percent of deaths in Zimbabwe, the Ziana News Agency quoted Health Minister Mr. Timothy Stamps as saying here yesterday.

More than half a million Zimbabwean children are expected to have been orphaned by the turn of the century.

Mr. Stamps told 200 school principals who had gathered here for a conference on Aids in schools — that the government could no longer refuse to address the pandemic.

Of Zimbabwe's 10.4 million people, 138,000 have full-blown Aids and a further 800,000 are HIV-positive — Sappa

AFP
Aids linked to 90% of deaths in Zimbabwe

ROBIN DREW
Argus Africa News Service

HARARE. — Ninety percent of deaths in Zimbabwe are now thought to be Aids-related, said Health Minister Timothy Stamps.

Health officials said estimates put the number of HIV-infected people at 600,000 and by the end of this year the number of full-blown Aids cases was likely to reach 120,000.

The figures were given at a conference of schoolteachers who were told that emphasis must be placed on protecting new generations.

Teachers were told they had to be in the forefront of the battle to teach children how to handle, control and prevent the spread of Aids.

Dr Stamps warned that condoms were only 80 percent effective in preventing the spread of HIV. Dedication to one faithful partner was the best way to counter the spread of the disease, he said.

By the turn of the century Zimbabwe expects to have 500,000 Aids orphans in need of care.
Zimbabwe opens its arms to — and consulates in — SA

TOS WENTZEL
Diplomatic Correspondent

ZIMBABWE has opened a consulate in Cape Town, declaring itself "very happy" about the change in its relations with South Africa and anxious to renegotiate the trade agreement between the countries.

Acting Zimbabwean High Commissioner Chitsauka Chipazwa, on a visit to Cape Town, said his government was particularly concerned about some import duties on goods such as textiles, which made them competitive in the South African market.

Zimbabwe, he said, would strive for fewer restrictions in future.

The balance of trade was very much in South Africa's favour. In 1985, it exported goods valued at R1.746 million to Zimbabwe and imported goods valued at R684 million.

Mr Chipazwa said Zimbabwe had never been in a position to apply sanctions fully. In the new era, it was poised to become a fully-fledged trading partner of South Africa. There could be a boom in tourism in both countries.

Zimbabwe was looking forward to speeding up the movement of goods, services and people across a common border.

The issuing of visas was no longer one of the big functions of a Zimbabwean mission in South Africa. Visitors could obtain visas now at the Beit Bridge border crossing or on arrival at Harare Airport.

The opening of a consulate in Cape Town, with the opening of a High Commission in Pretoria, the Commonwealth equivalent of an embassy and another consulate in Johannesburg, finally brought to an end the days of bitter enmity and the minimum of contact between the two countries.

Relations had been thawing gradually, but up to now there had been only a Zimbabwean trade mission in Johannesburg which maintained some tenuous contact during the apartheid era.

South Africa in turn had such an office in Harare and now also had a High Commission there.

Mr Chipazwa said: "Restrictions in the cultural and sports fields also have been removed. The change of course came about because South Africa now has a democratically-elected and representative government.

"As President Mugabe has put it: Zimbabwe can now have restful nights instead of anxious nights during the dark times of destabilisation.

"The new consulates will concentrate mainly on the development of trade links.

"The Cape Town office especially would monitor political matters of importance to the southern Africa region, especially when parliament was in session. It also would look after the interests of Zimbabweans in the area.

"The acting consul in Cape Town is Ms Faith Maseki. She came here from being first secretary (political affairs) at the Zimbabwean embassy in Addis Ababa. The offices are at 55 Kayper Street in Zevenbloem, 040-24349."
MASVINGO — At least 2-million people — a quarter of Zimbabwe's population — in remote rural districts face food shortages two years after surviving the worst drought in living memory.

Aid organisations say although Zimbabwe has surplus food in reserve, its southern areas are running desperately short.

"The irony of our problem is that we have plenty of food around but some areas have very little because the rains were poor and because individual family stockrooms are still empty after the 1992 drought," said an agriculture ministry official.

A fifth of the 2.1-million people in Masvingo have registered for drought relief compared to about 50% during the 1992 drought. The Zimbabwean government spent about 223.3bn in importing and distributing food after the drought.

Queues for food aid have formed around the country. Clinics in drought-hit areas have reported a sharp rise in malnutrition-related diseases, while teachers say children need supplementary feeding.

An official said getting aid to the hungry has been slow because of transport problems and the need to verify claims for aid.

But some of the hungry are not convinced. "There is no excuse for people to go hungry in this country. Some of our inefficient officials have a habit of hiding behind bureaucracy," said Shepherd Chemagora of Masvingo. "Why is it that transport is only in short supply when it comes to supplying essentials, yet these same officials find transport to take people to political rallies every other day?" — Sapa-Reuters.
Mugabe seeks SA trade deal

HARARE -- Zimbabwean exporters, crucial to the country's economic revival, hope SA's new government will quickly revive a preferential trade pact.

The Harare government says it plans "vigorous" talks with Pretoria to renew the pact, which dated back to 1964 but which SA's previous rulers allowed to lapse.

Economic analysts say the renewal of the agreement, which covered annual two-way trade worth at least $250m, could take time because Pretoria is preoccupied with domestic issues and the present trade arrangements suit it.

"It seems the South Africans are not particularly concerned to get the trade accord renewed too quickly because they benefit more as things stand now," a bank economist said.

"They want to give their industries time to prepare for competition," Zimbabwe's President Robert Mugabe said during a visit to London in May that he hoped for a new trade pact towards the end of the year.

Political analysts said it appeared unlikely that SA would approve a bilateral agreement before a planned review of overall relations with the countries of southern Africa.

One analyst suggested other countries in the region, including SA's partners Lesotho, Swaziland, Botswana and Namibia within the Southern African Customs Union, would oppose preferential treatment for Zimbabwe.

The same reaction might also be expected from other countries who are members of the 19-nation Southern African Development Community, which SA is due to join at its annual meeting in Tanzania in August.

SA's new Trade Minister, Trevor Manuel, said last month he would promote a rationalisation of economic organisations in the region.

"We will certainly take the initiative but it's not going to be unilateral stuff. It may be more protracted than we would like," he said.

In allowing the trade pact to lapse, thus imposing 50% duties on Zimbabwean goods, Pretoria said it was protecting its own industries, mainly textiles and clothing, from unfair competition. It hit most Zimbabwean exports to SA, its biggest trading partner in the region, and forced Zimbabweans to look for new markets in Europe and Asia which sharply increased transport costs.

The analysts saw the action by SA in part as punishment for Zimbabwe's continued hard-line attitude towards SA's white rulers.

"Mugabe was one of the most vociferous opponents of apartheid despite his country's heavy dependence on trade and transport with SA."

Zimbabweans now are eyeing a range of SA markets, including the construction industry which they expect to boom as SA embarks on a programme to build millions of houses.

"Raj Kapur, chief economist in Zimbabwe for the World Bank, said: "There is evidence of some vertical integration in the two countries' economies, with Zimbabwean manufacturers especially making components for SA firms, given the sizeable wage differential between SA and Zimbabwe."

Sapa-Reuters
Fears of violence in run-up to Zim election

Harare — President Robert Mugabe on Saturday urged Zanu (PF) supporters to intensify controversial house-to-house election canvassing that has triggered recent political violence.

Addressing the ruling party’s consultative assembly in Harare, Mugabe said that even though small opposition groups posed little threat in the national election scheduled for next year, his party should not relax its preparations for the poll.

Youth-wing members involved in door-to-door canvassing have been accused of harassing opposition supporters in their homes.

The canvassing led the Forum Party of Zimbabwe (FPZ), the biggest opposition group, to advise its members to defend themselves with axes and spears.

The fears of violence in the run-up to Zimbabwe’s third post-independence election intensified on Friday with Zimbabwe Unity Movement leader Edgar Tekere’s call on able-bodied Zimbabweans, irrespective of their political affiliation, to form an “Angels-with-Swords” army to retaliate against Zanu (PF) attacks.

His call came days after two other opposition parties had told their supporters to arm themselves with spears and arrows in case of attacks by Zanu (PF) youths — and only hours after Mugabe had warned his political opponents that, if attacked, his party had more and better weapons than them.

Tekere suggested the opposition army should be armed with axes, spears, arrows and guns, but not bombs.

The looming violence was sparked by Mugabe’s call last month to his party’s youths to go on a house-to-house campaign to drum up support for Zanu (PF) ahead of the election.

The call was seen by the opposition and human rights bodies as an incitement to the political clashes that marred the previous two elections.

Former chief justice and FPZ leader Enos Dumbutshena responded by urging his supporters to keep axes and spears at home to defend themselves in case they were provoked by Zanu (PF).

He said that the law allowed people to act in self-defence.

Zambe-Ndonga, leader Ndebaningi Sthole supported Dumbutshena’s call — Sapa-AFP.

Strife in Zimbabwe wildlife department

Chaos reigns in Zimbabwe’s Department of National Parks and Wildlife Management following allegations of corruption, mismanagement and factional infighting.

Even the semi-official Herald newspaper warned last month that strong measures were necessary to avert a collapse.

Morale among officials is low and, according to reports, donor funding is being withdrawn.

The latest scandal to hit the headlines concerns claims that Vice-President Joshua Nkomo was allowing wealthy friends from Austria unlimited access to hunting in the Zambezi Valley.

When a senior official tried to defend Nkomo, conservationists hit back, saying political intrigue and high-level bureaucratic interference were common in the department.

Calls have been made for a commission of inquiry into the affair.
Zim parties want army

HARARE — Fears of violence in the run-up to Zimbabwe's elections intensified last week with the opposition wanting to start an army to counter attacks by the ruling Zanu-PF.

Leader of the Zimbabwe Unity Movement, Mr Edgar Tekere, called on Zimbabweans to form an "Angels-with-swords" army for retaliation.

Two other opposition parties had previously told their supporters to arm themselves with spears and arrows in case of attacks by Zanu-PF youths — and President Robert Mugabe had warned his political opponents that if attacked, his party had "more and even better weapons".

The looming violence was sparked by Mr Mugabe's call last month to his party's youths to go on a house-to-house campaign to drum up support for Zanu-PF ahead of the elections due early next year.

It was also seen by the opposition and human rights bodies as an incitement to more political violence.

Sapa-AFP
SOUTH AFRICA

The world rejoiced on 10 May when Nelson Mandela was inaugurated as South Africa's president. It has been an extraordinary couple of months, so extraordinary that it is easy to forget the change that the country will have to go through as its new government takes hold and it is accepted back into the international community.

Not least, for instance, the enormous demographic mismatching between its population and its business community.

Black people represent less than 1% of senior managers and 2.5% of managers, against a national black population of 75%. The same is true of the accounancy profession. Ten years ago, there were just five black chartered accountants in South Africa. Today, there are 64.

Black accountants who have qualified in the past have had to fight not only apartheid and prejudice, but an education system that is more of a handicap than an advantage. While whites always received a preposterously large share of educational funding, and few black students have heard of concepts such as computer training, let alone experienced them. And once they leave school, they find that training offices only accept graduates, yet the cost of attending university amounts to four times a rural black family's average annual income.

'The drive to recruit more black accountants relates to South Africa's entire education system and not just to our institute,' says Peter Wilmot, president of the South African Institute of Chartered Accountants. The institute has around 13,500 members, of which between 600 and 700 are non-white. The institute is currently growing at a rate of about 3% a year, and has lost quite a number of its members to emigration in the past—either because of recession or their objection to the political climate.

The institute has already started adjusting for South Africa's 'emergence from isolation', modifying the profession's standards to accord with international requirements and encouraging a competitive atmosphere. 'The election was very positive and our clients are very positive,' says Mr Wilmot. 'The whole country is looking forward to a considerable economic upturn. I hope this mood will last.'

Nelson Mandela: Demographic mismatching to tackle

The institute has long recognised the need to promote the profession among the black community and in the late 1980s joined forces with the former Association of Black Accountants of Southern Africa to create a number of bursaries every year for disadvantaged South Africans wanting to study accountancy. At the same time, it also began encouraging firms to subscribe to a voluntary code of employment stating that at least 10% of their employees were black. 'The institute and the firms are making a large effort but it is not something that we are going to see happen overnight,' Mr Wilmot adds.

'We have been fairly successful in promoting the image of black accountants and accountancy as a profession for young blacks, but more can still be done,' says Janice Lekgheta, president of what used to be known as the Association of Black Accountants of Southern Africa. As a reflection of the changing atmosphere in South Africa—and its success—ABASA changed its name to the Association for the Advancement of Black Accountants last year, and now has a large number of white members. 'Anyone who shares our vision can be a member,' Mr Lekgheta says.

The Association, along with the institute, has made a point of visiting black schools and has been highly successful in planting the idea of the profession in a younger generation that up to now has only had black doctors and lawyers to emulate, Mr Lekgheta believes. 'There are more role models coming through now, which makes a difference,' he says. Mr Wilmot agrees. 'If you asked a black child what he wanted to be, a lawyer or doctor was the thing. Accountancy was never a profession that excited them. But think the message is beginning to filter through, because recently we have begun to have discussions with bursarships.'

The ultimate aim, of course, is that the image of the professor and black accountants become so intertwined that the institute and the Association mean essentially the same thing. 'ABASA grew out of the apartheid day and now that things have changed, I suspect its need will fall away,' says Mr Wilmot. 'M Lekgheta, however, is not so sure. 'We have questioned this and we will continue to review our role. But this is not some new thing that is going to happen quickly—expect we will still be here in 10 years' time.'

CHANGING PLACES

'It's that time of year when the presidential medal is slipped over the heads of new office-holders—the ACCA, CIPFA and the Scottish and the Irish Institutes of chartered accountants have all elected new presidents for 1994/95.

But this year is different in that tradition has been broken: Primrose McCabe has become the first woman president of the Scottish Institute. And because of that, she says, 'it makes it more important to do the job well.'

Mrs McCabe also bucks the presidential trend of having big-firm office-holders by being the senior partner of her own small, four-partner firm.

She plans to meet as many members as possible during the year and is on a roadshow this month 'to hear what members have to say and ensure that we are doing what they want us to do'. Quality is her theme for the year—which she feels should not put on the agenda to members after it was lost sight of during the 1980s.

John Moore, from four-partner Belfast firm Mooney Moore, became the ACCA's new president last month and his focus will be on the smaller business sector. 'Discussions on restructuring the profession will continue,' he said. 'Rationalisation will come, but I don't like to see rationalising at the end of the day it has to be what the members want. The better the discussions we have now, the better the eventual marriage will be.'

Joe Gannon, a partner in Gilroy Gannon in County Sligo, Ireland, became the new Irish president on 6 May, and Richard Tettenborn, treasurer of Staffordshire County Council, takes up the presidency of CIPFA in September.
Bad news and bad timing

FEATURE

CURRENT

EXCHANGE CONTROL INFORMATION AND GUIDANCE

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The recent economic developments have caused a drop in the value of the currency, leading to a tighter exchange control. The authorities have implemented new measures to control the flow of foreign currency, which has resulted in increased costs for imported goods and services.

In addition, there have been reports of corruption and mismanagement within the government, further undermining public confidence. The situation is expected to continue for the foreseeable future, with potential implications for the country's economic stability.

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ZIMBABWE

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The government has announced plans to introduce new economic measures aimed at stabilizing the currency and improving the economy. These measures include strict controls on imports and increased taxation.

However, the current economic conditions make it challenging to implement these measures effectively. The country is facing a significant economic crisis, and the government needs to tread carefully in its approach to stabilizing the economy.

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In conclusion, the recent economic developments have had a significant impact on Zimbabwe. While the government has taken steps to address the situation, the road ahead remains uncertain, and the country continues to face significant challenges.

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Source: Zimbabwe National Statistical Institute
Zimbabwe faces test land hearing

**Star 5/7/94**

Harare — Three Zimbabwean white farmers will test the validity of State legislation allowing seizure of their farms when they seek annulment of the law in Zimbabwe’s High Court today, their lawyer said.

“The main argument will be that land designation — earmarking the farms to be bought by the government — is unconstitutional,” lawyer Richard Wood told Reuters.

He gave no details, but said he expected the landmark court case to go ahead as scheduled, despite reports that it was likely to be postponed.

President Robert Mugabe’s socialist government, using the Land Acquisition Act passed in 1982, has “designated” some 70 farms, mostly owned by the country’s white minority, in a bid to resettle hundreds of thousands of landless blacks.

The government says it is duty-bound to resettle the landless because they were illegally thrown out of their original homes by white governments of the former Rhodesia.

But Zimbabwe’s 4,500 white farmers, owners of 70 percent of fertile land in the southern African country, complain that the law does not allow them to challenge the State’s decision to take over their properties nor the compensation offered.

Mugabe, facing an election within the next 10 months, has said he will not countenance whites challenging the Act in court because they obtained the land illegally when whites settled in Rhodesia in the 1890s.

“The land belongs to blacks. The whites did not pay a penny for it when they illegally took it over. Let the people have their land,” he said earlier this year.

The land question is a burning one in Zimbabwe, where tens of thousands of the 10 million blacks launched a guerrilla war led by Mugabe and black nationalist Joshua Nkomo in the 1970s largely to get reoccupation of the land.

“The farmers also say that resettled blacks will not have farming skills and the resettlement plan could result in food shortages for Zimbabwe, normally a food exporter to its poorer neighbours.

The government says farmers use this and other reasons to hold back its moves to transfer control to blacks of the agriculture-based economy, still dominated by the country’s 100,000 whites.

One political commentator, who declined to be named, said today’s court case could have immense ramifications on the future of the government’s resettlement programme and, possibly, future black-white relations.

“If the court throws out the government’s right to designate land, the whole programme would be in trouble. Some hawkers in government, maybe supported by most blacks, might want some action against those whites seen as unpatriotic,” he said.

“On the other hand, if the government wins the case, the resettlement programme will be on course. But some investors might worry about their future in the country, rightly or wrongly, as this case is distinctly an issue about land and property ownership in general.”

Despite the 1970s guerrilla war in which tens of thousands of blacks were killed, black-white relations in Zimbabwe have remained largely amicable.

Sapa-Reuters.
Zim trial: Prosecutor slams press

HARARE. — The prosecutor at the trial of a Scottish-born Zimbabwean doctor accused of killing five patients hit out yesterday at press coverage of the widely publicised case. (31/7/94)

Dr Richard Gladwell McGown, 54, who has been practising in Zimbabwe since 1968, pleaded not guilty to five counts of culpable homicide when the case opened on Monday after several postponements. The charges were levelled in 1992 after a parliamentary committee reported that Dr McGown had killed some patients while experimenting on the effects of high doses of spine-injected morphine on black women and children.

Attorney-general Mr Patrick Chinamasa, on the second day of the trial, said he was particularly unhappy with the coverage by the semi-official Herald newspaper and the monthly magazine MOTO, published by the local Catholic Church. An issue of the magazine features a picture of Dr McGown's head on its front page labelled "untouchable".

The leading article accused Mr Chinamasa and Zimbabwean health minister Mr Timothy Stamps of trying to cover up Dr McGown's court case.

"They are convicting him and I must say I really take the strongest exception to newspapers and press reports usurping the functions of the courts," Mr Chinamasa said. — Sapa-Reuters

R17m now owing to council

By EUNICE RIDER

The arrears of City Council housing schemes have topped R17 million — about R10m up from last year — and the council believes people are holding back their rent because of the recession and in the hope of debts being written off.

A senior council treasury official last night confirmed the council's housing branch figures claiming that tenants and homeowners had fallen behind by an average rate of R600 000 a month in the last year.

Further R10m

He said the problem of non-payment was aggravated by the economic recession and state announcements about the possible writing off of debts.

The official, who did not wish to be named, said the R17m in arrears to the council did not include arrears in rates payments or water and electricity supplies.

He said rates arrears amounted to a further R10m to R11m.

Mr Salie Manie, a National Assembly member on the standing committee on constitutional affairs, said the ANC would not call on people to pay their arrears until more representative local government structures were in place.

Write-offs

But people should not use the possibility of debt write-offs for unfair personal gain, he said.

Mr Manie said his general belief was that all people should pay for services rendered because without payment no services would be possible.

He said the possibility of debt write-offs were to have been discussed at local level but community leaders were still busy setting up more representative local government structures in the Western Cape.

BLIND AMBITION ... Mr André Vosloo, switchboard operator, congratulates Brigadier David Ackerman when he congratulated him to qualify as a public relations officer.

Oliver 'made death threat'

Own Correspondent

PORT ELIZABETH. — "You'd better f*** off out of the house or I'll kill you," Brazilian murder accused Mrs Nina Oliver allegedly told a woman who had shared a house with attorney Mr George Kellerman.

This was heard by the George Magistrate's Court
HARARE — Leaders of Zimbabwe's key export industries opened their annual meetings yesterday, seeking sharper cuts in state spending and bigger investor incentives to lift the economy.

The Confederation of Zimbabwe Industries was also hoping President Robert Mugabe's government, which has been at odds with private enterprise in the past, would agree to more consultation with industrialists on development strategies.

Zimbabwe, undergoing painful economic reforms that have led to sweeping price rises, hopes its exporters will be the main engine for development and lift the economy from annual growth of about 4% this year. Last year, the agriculture-powered economy grew just 1% after plunging an unprecedented 12% in 1992, dragged down by the worst drought this century.

Confederation Chair Mike Boyd-Clark praised state plans to trim the size of the army, to rein in state spending that eats up nearly 4% of GDP, but said industry expected bigger cuts to reduce a widening budget deficit.

Zimbabwe's deficit this financial year, which ends this month, is expected to be 10% of GDP. Government says it will halve this in the 1994/95 fiscal year.

Heavy state borrowing from the local money market in the past six months has pushed annual inflation up to 25% after it fell to 10% last December. This has triggered a sharp rise in interest rates to 36% from 28% a month ago.

The World Bank and the IMF, main backers of Zimbabwe's five-year economic reforms due to end next year, have often said that high state spending was threatening the success of the reforms.

Boyd-Clark said the confederation would urge government, whose ministers will attend the meeting, to take further steps to improve the investment climate. These could include cutting personal and corporate taxes and allowing all firms to remit 100% profit and dividends.

"Given that our main neighbour, South Africa, is now free and perceived by many as having a better investment climate, than Zimbabwe, our government has to take extra steps to ensure we don't lose out," he said.

Sapo-Reuters
World Bank warns Zim

HABARE — The World Bank, main backer of Zimbabwe's economic reforms, warned yesterday that the reforms could crumble if the government did not bring about tangible benefits such as employment to ordinary people.

Mr. Kapil Kapoor, the bank's chief economist in the country, said the government needed to sweep away remaining obstacles to investment and growth and generate employment for the unemployed, who are growing in number.

Unless the economic reform programme is seen to generate benefits for everybody in this country, the very encouraging policy changes of the past two years will have been wasted, he told economists here.

Indeed many of these changes might be reversed and an important opportunity for a fundamental restructuring of the economy will be missed, he added.

Zimbabwe's five-year reforms, due to end next year, have resulted in sharp price rises in most basic goods, prompting widespread public discontent.

Zimbabwe's unemployment stands at 24% of the workforce, he noted.

The new thrust of the reforms should be to boost competitiveness of Zimbabwean exports and increase investment, both local and foreign, he said.

There was also a need to privatise loss-making state-owned companies and to remove state legislation that hindered growth, he said — Sapa-Reuters.
SA may rethinks trade pact with Zimbabwe

THE SA government is considering Zimbabwean government proposals to change the current bilateral trade agreement, to reduce tariffs between the two countries.

The Trade and Industry Department said yesterday that government had received proposals from Zimbabwe to amend the existing agreement, which was signed in 1964. "These (proposals) are currently under consideration," it said.

The current agreement provided preferential tariffs on various products on a reciprocal basis.

The statement came after several public announcements by Zimbabwe's President Robert Mugabe on the need for a reduction of SA tariffs on Zimbabwean exports. The matter had been raised on several occasions with officials of the former and current SA governments.

Mugabe and President Nelson Mandela have met twice previously to discuss the issue and its negative effect on Zimbabwean exports.

A leading Zimbabwean industrialist said Mugabe had come under pressure from industrialists to renegotiate the deal following the scrapping by SA of preferential tariffs on textile imports from Zimbabwe. The measure had been taken by SA to limit the import penetration which was eroding profits in the local textile industry.

SA Foreign Trade Organisation economist Carlos Teixeira said it would be crucial for SA to reduce tariffs imposed on goods from Zimbabwe, which was SA's largest trading partner in Africa.

Teixeira said Zimbabwean products had continued to suffer the problem of uncompetitiveness caused by high tariffs despite the rebates they received in terms of the 1964 agreement. The scrapping of certain tariff agreements in 1992 affected Zimbabwean imports of foodstuffs, textiles and base metals.

Amendments to the existing agreement would have to fit within current regional arrangements like the Southern African Development Community, SA Customs Union and the Preferential Trade Area.

Negotiators had to be careful that bilateral agreements did not undermine efforts towards regional integration, Teixeira said.

... A study by the African Development Bank on regional integration cited bilateral agreements as one of the barriers to regional economic integration initiatives.
Voter apathy as Mugabe men win

HARARE — President Robert Mugabe's ruling Zanu-PF this week won two parliamentary by-elections by large majorities, dealing a blow to opposition dreams of ousting it in the general elections in March next year.

But the by-elections also confirmed an overwhelming apathy among Zimbabwe's voters after 14 years of rule by Zanu-PF (Zimbabwe African National Union-Patriotic Front) and brought to light a new example of factionalism within the ruling party.

Just 23% of registered voters bothered to turn up at the polls for the urban constituency of Zengeza outside Harare, and only 21.7% voted in the rural Gwanda North constituency.

And in Zengeza, two candidates stood for the ruling party, each backed by a different faction. Even the second-placed Zanu-PF candidate beat all opposition contenders, but the fact that he ran at all must be seen as an ominous sign of discontent within the party which has ruled Zimbabwe since independence in 1980. — Sapa-AFP
Macmed clinches major contract in Zimbabwe

MARC HASENFUSS 3621
Business Staff 23/7/84

MACMED Health Care is set to announce a key acquisition in Zimbabwe, directors revealed at the annual meeting in Cape Town yesterday.

MD, Don McNulty, did not attend because he is in Zimbabwe finalising the deal.

Directors noted that Macmed's recently awarded World Bank contract, worth R1 million, had helped the group secure the Zimbabwe deal.

"The World Bank tender awarded a few years ago will pale into insignificance once Macmed has established itself north of our borders."

The group, which has earmarked exports as a big investment area for the year ahead, will use the Zimbabwe operation as a base for medical supplies sales to the rest of Africa. Directors estimated that exports, mainly wound dressings, bandages and adhesives, could make up about 10 percent of Macmed's turnover in the year ahead.

"Exports are the way to go, especially with the devaluing rand."

Negotiations are almost finalised for the acquisition that will strategically enhance our export capabilities and full details will be disclosed within the next few weeks.

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Negotiations are almost finalised for the acquisition that will strategically enhance our export capabilities and full details will be disclosed within the next few weeks.

"The World Bank tender awarded a few months ago will pale into insignificance once Macmed has established itself north of our borders."

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New Zim budget to lure voters

From MICHAEL HARTNACK

HARARE — Zimbabwe's Acting Finance Minister Mr. Emmerson Mnangagwa tabled what he described as a "standstill budget" yesterday, evidently tailored for voters in advance of next year's elections here.

Mr. Mnangagwa offered lower tax rates, restored export incentive payments of £22 million and continued subsidies of £500 million, although last year's budget deficit exceeded its target by 47%.

He hoped to reduce inflation from the officially conceded 25% to below 10%, limiting the deficit to five percent on this year's £9.4 billion budget.

Mr. Mnangagwa said, Zimbabwe was caught in a vicious circle from which the only escape was "making sure we spend in line with what we collect in revenue. We must have the discipline to live within our means if we are to reform our economy."

He increased the individual tax threshold from £2 700 a year to £4 000 (on which 20% is payable), with a new ceiling of £27 000 instead of £21 000, for a top tax rate down five percent to 40%. Company tax was reduced from 49% to 37.5%.

Professor Anthony Hawkins of the University of Zimbabwe's Department of Business Studies described the budget as "pro-growth and pro-investment", but warned the country was in a debt trap.
In all, capex consumed $190m over financial 1994 with an open-cast supplementary stripping project swallowing $58m. Bwerinofa says this was essential because overburden depths were such that it was no longer possible to expose sufficient coal reserves to satisfy the market. And, by the way, the list of lenders provides a star-studded example to SA companies: International Finance Corp (an arm of the World Bank), Barclays, First National of Chicago, West Merchant, Commonwealth Development Corp.

When I last reviewed this company — almost a year ago — I described Bwerinofa as full of hope that consumption would increase in a resurgent Zimbabwean economy. And the chairman said he hoped

Wankie would manage an 8c a share dividend. Given the difficulties associated with performing well in an interventionist economy, I said — tongue in cheek — that would be a tribute to the company's managers.

I have been proved comprehensively wrong. Bwerinofa and his team have indeed turned the tables. Modestly, he says: "We have achieved good results because we have worked as a team." Of course, sharing glory is the universal hallmark of good managers.

Nevertheless, and though the share price has moved to SA95c on a huge increase in the number of shares (created by a three-for-one bonus issue in October), I remain cautious about a company which has to operate in a tightly controlled economy. Its end-product selling price is controlled by government diktar and that nearly produced a disaster last year.

I would like to be more upbeat about Wankie — it deserves it. But companies operating under the thrill of a command economy have little attraction for me. This share is for those with stronger nerves than mine, though I am bound to say that Bwerinofa, in his response to this report, says: "I am sorry you don't have stronger nerves. Wankie shares are a good buy at current prices. Even I am prepared to buy and I have no nerves at all."

Well, he would say that. He holds 109,680 shares.

David Gleeson

### DATES TO REMEMBER

**Last day to register for dividends:**

**Thursday Aug 11:** Lonrho 10,976c.

**Friday Aug 12:** Cons Murch 35c; Corwil 6c; Lonsugar ▲120,51c; Stocks & Stocks 6c; S & S Hold 6c; Undomini ▼3,95c.

**Meetings:**

**Monday Aug 8:** Cennag (Meadowvale).

**Wednesday Aug 16:** Boumat (Sandton); East Duggie; Endcentre (S) (Bedfordview); Investec; Inhold; Natralli (Durban).

**Thursday Aug 15:** Anglos; Saftcon (Sandton); Sakars (Sandton).

**Friday Aug 12:** Bonnita (S) (Stellenbosch); Invicta (Constantia); Lebaka (S) (Pietersburg); Roychem; Sondor (Cape Town).

All meetings are in Johannesburg unless otherwise stated.

S = Special meeting.

■ = After non-resident tax.

▼ = Per linked unit.
10% sales tax.

Other positive aspects include tax incentives for export processing zones, the appointment of a Cabinet committee to oversee the privatisation and commercialisation of semi-State enterprises and the decision to sell unspecified government assets. The expectation is that the government will sell some of its equity in listed companies, like Delta Corp (formerly a subsidiary of SA Breweries), Finhold (formerly controlled by the Nedcor group) and the pharmaceuticals groups, Caps.

The decision to cut taxes was no surprise. This is part of the country’s structural adjustment programme agreed with the World Bank and IMF. It’s also a vote-friendly move in the run-up to elections that must be held by April.

More surprising was the decision to sell assets and press ahead with privatisation. Neither sits well with a government that still today claims to be one of the world’s few remaining repositories of socialism. Scarcely had the privatisation been announced, when the pro-government Sunday Mail came out strongly against the move.

Given the political sensitivity, and the administrative problems involved, privatisation is likely to be a slow process and little will be done until after the election has voted.

All of this suggests that the country’s public finances are in good shape. They aren’t. In the year to June the deficit (before aid grants) was Z$3.1bn. Had the semi-State losses been taken into account last year, the true deficit would have reached Z$5.5bn or a whacking 14% of GDP.

To keep the IMF and World Bank happy, and also to sweet-talk the electorate, the losses are being carried forward for a further year. Only Z$500m is provided in subsidies this year, which means that Z$2.5bn, including interest costs, will be left over until the 1995-1996 budget and beyond. The losses were largely incurred by the State-owned Grain Marketing Board and the National Railways of Zimbabwe.

There is disappointment too at government’s failure to cut public spending. Though President Robert Mugabe promised to reduce defence spending the allocation was almost 11% to Z$2.7bn, or 9.5% of the budget. Education accounts for over 20% and interest charges for an alarming 18% (Z$3.2bn). Central government debt rose 28% last year alone, accounting for 72% of GDP. Most of this incense was attributable to devaluation rather than fresh borrowing.

Brushing these problems aside, Manganese painted a rosy picture of business prospects. Inflation would slow from 23.6% at present to 15% by the year-end and 10% by mid-1995. Economic growth will accelerate from 2% last year to 4.4% in 1994 and 5% next year.

The growth forecasts are more robust than his predictions of inflation. With money supply having risen over 40% so far this year, the economy is set for continued high levels of inflation and interest rates. The central bank predicts inflation of 24% in 1994 while some private sector economists believe it will go higher.

The long-awaited announcement on export processing zones is getting a mixed reception. Firms that export the bulk of their production (at least 75%) will get a five-year tax holiday and pay 15% corporate tax thereafter. They will be exempt from capital gains tax, nonresidents tax on fees, dividends, royalties and interest and all sales taxes and customs duties. Very few Zimbabwe firms — outside mining and agriculture — export 75% of their sales and this would be a major constraint on new investment in export processing zones.

Overall, it’s an election year budget. The government has probably done just enough to keep the IMF off its back but will have to move quickly after the elections to restore a semblance of order to the semi-State and public sector finances.
Harare — a city transformed

The skyline of Zimbabwe’s capital Harare, long dominated by decaying and flat 1950s buildings, is being transformed by a construction boom that mirrors the country’s recovery from a severe drought and recession.

In the past year, several 20-storey office and shop buildings have suddenly sprang up, dwarfing Harare’s old landmarks.

Away from the city centre proper, President Mugabe’s ruling ZANU-PF party has completed building its towering pyramid-style headquarters adjacent to the futuristic, golden-coloured International Conference Centre.

Several other skyscrapers are taking shape nearby.

Leading mortgage houses and banks say the building industry has recovered from one of its worst downturns in years, and has been boosted by companies’ expansion which in turn has necessitated the construction of more office blocks. Many families also are eager to buy or build new homes.

“Available office accommodation in Harare has increased dramatically in the past two years as a result of the most vigorous development phase the city has experienced in years,” Zimbabwe’s First Merchant Bank said recently.

Another banker said the construction industry was booming because firms and individuals lacked alternative forms of consistently high-yielding investment.

Office accommodation and housing rarely depreciate in Zimbabwe because of a critical shortage and a runaway population growth of three percent-plus annually. The population is nearly 11 million.

“The building industry is one of few forms of investment in the large commercial sector in which an individual can be secure that he will get a return on his money,” the banker said.

“Although during the recession of the past two years some building did take place, it was insignificant compared to what is happening now,” he said.

A businesswoman added: “The high supply of office accommodation in the city now has stabilised rentals in current price terms, and most of the space is being occupied as tenants upgrade from older buildings.”

Most offices are being built with pension funds from the country’s largest and oldest insurance company, Old Mutual.

One of Zimbabwe’s latest skyscrapers, Karigamombe Building, has 21 storeys in the heart of Harare, offering a spanking new shopping mall and offices for companies and foreign diplomatic missions.

The headquarters of the central Reserve Bank of Zimbabwe, designed as a traditional cylindrical grain silo, will cost Z$130 million (R58.3 million) to build and will be 120 metres high when completed.

Despite the building boom, Zimbabwe’s black-dominated construction union says workers remain poorly paid and lucrative jobs are awarded to foreign firms. The industry’s average monthly wage is Z$400 (R180) compared to a national average of Z$600 (R270).

“Men and women who risk their lives on the building sites of these multi-million dollar buildings are paid very little, and in the case of accidents that sometimes lead to death, benefits are almost non-existent,” a union official said.

Union leaders say bad working conditions led 100 000 construction workers to down tools nationwide to press for higher wages. The workers, who were still on strike last week, want a 25 percent pay rise. Employers are offering 19 percent.

“We are going to sit here every day until we get what we want,” said one building worker at the new central bank offices. “The cost of living has gone up and what they are offering is not enough to feed our families.”

Apart from office construction, Zimbabwe’s government embarked on a massive project to build 20 000 houses annually to ease high demand for accommodation.
Mugabe vows to speed up land reform

ROBIN DREW
The Argus Foreign Service

HARARE. - President Robert Mugabe today said he was determined to accelerate the pace of land distribution and resettlement of peasant farmers who would be provided with roads, schools and clinics in resettlement areas.

Urging all Zimbabweans to stand behind the government, he said land distribution remained central to the commitment to achieving economic freedom for the majority of the people.

He told a Heroes Day gathering that unity of purpose was essential.

Referring to the recent strikes and unrest ever pay, Mr. Mugabe said he was dismayed to hear that certain sectors were reluctant to meet the reasonable wage demands of the workers. He urged businesses to play fair.

The ultimate goal in Zimbabwe, he said, remained the creation of a free, democratic and non-racial society.
Redistribution of land to be speeded up

HARARE — President Robert Mugabe promised yesterday to speed up the seizure of white-owned farms for distribution to the landless.

Mr Mugabe said "the same zeal, enthusiasm and dedication" that ended white rule in Southern Africa was needed to redistribute land.

The controversial redistribution programme has been plagued by corruption and mismanagement, and has been widely criticised.

Opposition groups accuse the government of pushing ahead with land reform to bolster its flagging popularity ahead of elections next year. — Sapa-AP
Zim feminists under attack

HARARE. — The battle of the sexes is hotting up in Zimbabwe, with cabinet ministers lashing out at women campaigning for equality.

Parliamentarian Mr. Sydney Malunga said on Friday that demands by some women were unrealistic.

He said: "Culturally women were respected. "When a beast is slaughtered, the men have the most tender meat while the men have to make do with trotters." — Sapa
'Giant strides' in land reform

From MICHAEL HARTNACK

HARARE. — President Nelson Mandela yesterday voiced admiration for the "giant strides" he said President Robert Mugabe had achieved in redressing the imbalance in land distribution inherited from Zimbabwe's colonial past.

Opening the Harare agricultural show, President Mandela said Zimbabwe and South Africa faced similar difficult problems, and alluded to Mr Mugabe's plan to redistribute the six million hectare "maize and tobacco belt" currently owned by 4,490 mainly white commercial farmers.

The plan has been the most fiercely criticised feature of Zimbabwean government policy for the past five years. "South Africa is keenly interested in your experience as we commence the difficult task of reconstruction and development," said Mr Mandela.

South Africa's basic challenge in agriculture was to develop the rural community, to enhance household incomes, guarantee food security and improve the quality of life in a sustainable manner, he said.

This government had a responsibility to broaden access to land and empower farming communities previously dispossessed by apartheid.
AIDS disaster looms for Zim

BULAWAYO – Nearly one million Zimbabweans are HIV positive and at least 120,000 have the full-blown AIDS virus, the Zina national news agency reported yesterday. In 10 years’ time one in three children may be an orphan, according to the Southern Africa AIDS Information Dissemination Service. Sapa.
Old hands lead Zimbabwe party

BY ROBIN DREW

Harare — Veteran Zimbabwean political figures Bishop Abel Muzorewa and Edgar Tekere who joined forces earlier this year have agreed to be joint leaders of a new party formed in association with former officials of the Forum Party and the United Front.

The formation of the new, as yet unnamed, party was announced yesterday at a press conference, though neither Muzorewa nor Tekere was present.

Former members of the Forum Party said they had quit because they were convinced that only a united opposition could defeat Robert Mugabe’s Zanu (PF) party in next year’s general election.

They said Forum leader, former chief justice Enoch Dumbutshena and a senior lieutenant James Chikerema had refused to join. Dumbutshena was not available for comment.

Spokesmen for the United Front which came into being last year with the objective of uniting the opposition said the UF would be wound up. Its chairman, Kingdom Sithole, attended the launch.

Officials of the steering committee of the new party include white members of the UF, one of whose originators was former Rhodesian prime minister Ian Smith who says he has been working behind the scenes to promote a united opposition.
Delegates flock to Zanu (PF) indaba

Harare — Seven thousand delegates from all over Zimbabwe gathered in Harare for the third post-independence congress of the ruling Zanu (PF) party which began yesterday and will last until Saturday.

The last congress which took place at the end of 1999 put the seal on the unity pact with Joshua "Nkomo" Zapu party.

It also saw opposition expressed to the legalisation of a one-party state and to the references to Marxism-Leninism as the guiding principle.

Now such thoughts are no longer even discussed. The intervening years have seen the adoption of economic reforms edging the country towards a market economy while the "37" terms are good governance, transparencies, multiparty democracy and the need to encourage foreign investment.

President Robert Mugabe will stand unopposed for re-election as party leader.

The congress is likely to hear strong calls for a tougher stand on black economic empowerment and there is also bound to be criticism of the harsh effects on the people of the economic structural adjustment programme.

Matabeleland constituencies will also propose a change to the ruling party's symbol, a crocodile, as a way of consolidating the unity pact.
Redefine socialism – Mugabe

Harare — Zimbabwe's ruling Zanu (PF) party remains sworn to socialism as its chosen ideology but the challenge was to continue to redefine it, party leader President Robert Mugabe said yesterday.

He told more than 7,000 delegates who jammed the International Conference Centre for the National People's Congress that the favoured brand of socialism must be consistent with Zimbabwe's culture and historical experience, the changing times and the aspirations of the people. He termed it an ideological synthesis.

Five years ago, at its last congress, the party began the swing away from doctrinaire socialism and a year later the government launched the economic structural adjustment programme aimed at opening up the economy and allowing market forces to dictate.

Mugabe said yesterday that the economic reform programme had begun to bear fruit and this year the economy should see a 5 percent growth rate. Mugabe urged delegates to be tolerant and to listen to the views of others.

The congress theme is mobilisation for economic development.

With political independence consolidated, the challenge was to achieve economic independence.

The congress had to gather ideas on how to maximise production and how to give blacks more economic power.

"Our people still suffer economic disabllement as a result of myriad old laws, business practices and prejudices, themselves a legacy of a colonial past that sought a wholesale disempowerment of the blacks. This situation is unacceptable and cannot be allowed to continue."

Mugabe looked forward to a resounding electoral victory early next year. Zanu (PF) currently holds all but three seats in parliament.

The congress will end tomorrow after elections for the 160 Central Committee seats. From them Mugabe will choose members of the Politburo.
Mugabe still committed to socialism

□ 'It remains our sworn ideology'

HARARE — Zimbabwe's President Robert Mugabe, brushing aside the demise of communism, pledged his party's commitment to socialism and vowed to speed up control of the economy by blacks.

"Socialism remains our sworn ideology," Mr Mugabe told a crucial congress of his ruling Zanu-PF party charting new policies for Zimbabwe.

Amid applause from nearly 8,000 delegates assembled at the futuristic Harare Conference Centre, he said: "The challenge is to continue to redefine socialism in a manner consistent with our culture and historical experience, the changing times and the aspirations of our people.

"Naturally such an ideological synthesis calls for a committed and conscious cadreship which agitates for the realisation of our objectives."

Mr Mugabe's remarks came after sharp criticism by the country's opposition and state newspapers, which united in rare tandem yesterday to demand more democracy for Zimbabwe and a break with socialism.

Mr Mugabe said Zanu-PF found it unacceptable that the majority 10 million blacks, who outnumber whites by 10-to-one, were still marginalised in the control of the country's economy.

"The party continues to worry about the marginalisation of the indigenous people in the economic affairs of this country," he told the five-yearly congress which will also elect new leaders for the party.

"Our people still suffer economic disempowerment as a result of a myriad of old laws, business practices and prejudices, themselves a legacy of a colonial past that sought a wholesale disempowerment of blacks.

"Needless to say this situation is unacceptable and cannot be allowed to continue."

Mr Mugabe said his government was setting up an investment fund which, together with an improved business climate in Zimbabwe brought about by Western-backed economic reforms, should quicken the pace of transfer of economic power.

The government would also train managers and improve the business skills of blacks, and take measures to bring about "affirmative action in the public sector," he said.

He also pledged to accelerate a controversial plan that allows the state virtually to seize mostly white-owned farms to resettle thousands of blacks thrown out of their original homes by previous white governments. — Sapa-Reuters.
Anti-white feeling whipped up in Zimbabwe

VICE-PRESIDENT JOSHUA

1980 election - Sep 26

After which the whole world was een.
Zimbabwe warned of 'tourism saturation'

BULAWAYO. Zimbabwe has been warned not to over-market its tourist destinations because some of them are reaching saturation point.

"Rail Safaris," managing director Geoff Cook, chairman of the Bulawayo Publicity Association Tourism sub-committee, said Victoria Falls, for example, had been marketed extensively at the expense of other resorts.

He said tourists whose destination was Zimbabwe could be put off by constantly fully booked hotels and lodges.

"The dilemma is that if the Victoria Falls is full, no one will want to come to Zimbabwe," he said. — Sapa
Two Zim parties unite
to challenge Mugabe

HARARE. — Two Zimbabwean opposition parties said yesterday they had forged a new alliance to challenge President Robert Mugabe in elections next year.

Bishop Abel Muzorewa, who briefly ruled Zimbabwe before its independence from Britain in 1980, said he and Mr. Edgar Tekere, a former Mugabe aide, would co-lead the new party known as the United Party (UP). He and his United African National Council had already been working closely with Mr. Tekere's Zimbabwe Unity Movement (ZUM).

Bishop Muzorewa said. — Sapa-Reuters
Threat to boycott ‘white’ Zim firms

From MICHAEL HARTNACK

HARARE. — A pressure group of militant black businessmen plans a boycott of old established Zimbabwean firms, including the Old Mutual, for allegedly ignoring its demand they sell off equity and subsidiaries.

In an emotional speech to a news conference at the weekend, the chairman of the Affirmative Action Group (AAG), Mr Phillip Chiyangwa, said he was going to create a "big problem" for the Old Mutual, one of Zimbabwe’s largest financial institutions, for failing to appoint the group’s members to its board and give them funding.

Some 75 firms last week received letters from the newly established AAG accusing them of impeding black advancement and demanding they sell off equity and subsidiaries.

The AAG has been accused of duplicating the work of the government-sponsored Indigenous Business Development Centre (IBDC), which has received over R100 million in state funding to advance black enterprise.

IBDC members alleged 80% of Zimbabwe’s economy is still in the hands of 100,000 whites and 30,000 Asians 14 years after independence, although many economists hotly dispute this percentage.

In the latest of a series of emotive speeches since May, Vice-President Joshua Nkomo said last week: "To fight for peace, justice and equality is not racism."

In June he warned minorities who did not identify with the ruling party to "move out of our country before it is too late."

Workers deported to Zimbabwe

HARARE. — More than 20,000 Zimbabweans have been deported from South Africa and Botswana this year for illegally staying or working there, Zimbabwe Home Affairs (Interior) Minister Mr Dumiso Dabengwa said yesterday.

Mr Dabengwa said Botswana had expelled 13,643 Zimbabweans and South Africa had deported 9,871 by the end of last month.

Most of those deported were working illegally in the two neighbouring countries, whose economies have generally expanded faster than Zimbabwe’s in the past few years. — Sapa-Reuters
OM rejects Zimbabwe sell-off demand

BRUCE CAMERON
Business Editor

OLD Mutual has rejected demands from a group of militant black businessmen in Zimbabwe that they "sell off equity and subsidiaries" to blacks and appoint more blacks to the board.

Some 75 Zimbabwean firms, including Old Mutual, received demands from the newly-established Affirmative Action Group last week.

Old Mutual chief operating officer Gerhard van Niekerk said in an interview today that Old Mutual operated in Zimbabwe as an assurance mutual within the laws of the country.

We are registered and recognised by the government.

The laws included the appointment of a local board which held powers delegated from South Africa.

Old Mutual held and invested funds on behalf of Zimbabweans who invested their savings with the assurer.

"We are there to look after the accumulated funds of our policyholders."

Old Mutual invested the funds in companies in Zimbabwe and was the single biggest lender to the Zimbabwean government through the purchase of government stock.

"We have to be mindful to get the best value for our policyholders."

"If we had to arbitrarily dispense with our investments, we would still have to invest the money."

Mr Van Niekerk said the representation on the Old Mutual board in Zimbabwe was about 50:50 white to black but this included Mr David Smith, who had served as a Cabinet minister in the government of Mr Robert Mugabe.

He said it was unfortunate that when countries moved towards becoming non-racial societies they often sought more racial definition.
HARARE. — President Robert Mugabe said the government was working on legislation that would compel Zimbabwean farmers, most of them white, to provide free schooling and health care to workers and their children.

"We will soon work out methods of making it compulsory for farmers to build schools, clinics and good accommodation for their workers," Mr Mugabe told white farmers in Centenary, 120km north of Harare.

He accused some of Zimbabwe's white commercial farmers of perpetuating ignorance by refusing to implement a 1980 government directive that all children be given free schooling.

"We are going to prescribe rules and regulations on how farms should be run in terms of providing adequate services for members of their communities," Mr Mugabe said.

Many white farmers have built schools for workers and their children on their properties. The schools are run virtually independently of the state.

Mr Mugabe's remarks came amid a heated national debate over charges by some blacks that some of Zimbabwe's 100,000 whites, outnumbered 100-to-1 by blacks, were racist.

"At the weekend police clashed with black students who attacked several white-run restaurants they accused of barring blacks," Mr Mugabe said.

Yesterday the government said it had sacked a British manager of a state-owned hotel after workers charged he was a racist. Mike Blackhall, general manager of the Harare Sheraton, was also ordered to leave the country by November 4. — Sapa-Reuter.
It's not just Victoria that's falling...
Trade pact on cards

Weekly Mail Reporter

ZIMBABWE and South Africa have established a working group of senior government officials to review the outdated 1964 trade agreement and propose amendments aimed at enhancing two-way trade between Southern Africa's two largest economies.

Officials from the two countries, who met in Pretoria recently, have started consultations to investigate aspects of the agreement which need amending, before meeting again by the end of November this year to report back on their findings.

Businessmen in Zimbabwe are anxious that a new preferential trade pact be signed, to allow them to widen their share of the South African market.

Industry sources in Harare said South Africa should remove or reduce punitive tariffs on selected products, such as textiles and clothing, as the first step towards enhancing bilateral trade, currently amounting to over R875 million a year.

South Africa slapped high import tariffs on textile products more than two years ago, mainly to protect its own industry from cheap imports from the Far East.

The action by South Africa severely affected the Zimbabwean textile sector, which was forced to retrench more than 5,000 workers during the past 18 months.

It is against this background that Zimbabwean businessmen are urging President Robert Mugabe's government to press for an early conclusion to the talks, which were started in 1992 but suspended just before South Africa's elections.

Presidents Nelson Mandela and Mugabe have expressed their commitment to a speedy resolution, saying it would promote development in the region.
HARARE - Zimbabwe has appealed to South Africa to halt mass expulsions of Zimbabweans living in the country illegally.

South Africa has already expelled 10,000 Zimbabweans this year.

Zimbabwean Deputy Industry Minister Simon Moyo said the implications of the deportations were "frightening" because of a lack of job prospects at home.

There are an estimated 300,000 Zimbabweans in South Africa, many of them believed to have fraudulently acquired residence or work permits.

"Zimbabwe is faced with a very serious problem as these people come back," said Mr Moyo.

"That is why I appeal to them not to carry out the deportations overnight but to do it in phases.

The South African authorities have made it clear that they also have a huge unemployment problem and that growing resentment of foreigners among ordinary South Africans has forced them to act against illegal immigrants.

SAPA-APP.
Zim warning to black farmers
Zimbabwe looks to major new platinum venture

HARARE. — The Zimbabwe Mining and Smelting Company (Zimascos), successors to the mining operations in Zimbabwe of Union Carbide Corporation, said they hoped to begin drafting a formal feasibility study in up to six months to raise finance for the country's second platinum mine.

The Danforth, Connecticut-based international chemicals and plastics conglomerate announced recently that a local management team had bought its interests in Union Carbide, Zimbabwe, whose operations are dominated by chrome mining and high carbon ferrochrome smelting, but has been developing plans to open a US$125 million mine with an annual production of 140,000oz of platinum.

Mike Foreman, Zimascos' managing director, said the small Mimosa platinum mine near Zvishavane on the mineral-rich Great Dyke geological complex in the country's Midlands province had been dewatered and was due at the end of the month to begin operations on a pilot basis, producing about 6000oz of platinum from 150,000 tons a year.

"We are going to use the operation to answer some outstanding technical questions relating to the pre-feasibility study" on the establishment of a full scale mine, he said.

"We anticipate these will be answered in the course of the next three to six months. We will then be in a position to put together a formal bankable document and look to raise money, if the bankable document looks good."

He described the Mimosa mine project as "very similar" to Australian mining corporation BHP's US$250 million Hartley Complex platinum mine commissioned last month, and said results so far from the pre-feasibility study were "very encouraging."

Output of three million tons of ore a year was expected to be commenced by late 1986, and would be followed by a two-year construction period.

The Mimosa mine was opened on a small scale in the early 1970s, but had to be closed because of insecurity as the mine became a liability during the country's civil war. Plans to redevelop it picked up during the last five years.

So far US$4.5 million had been invested in pre-feasibility studies and the pilot plant, which included upgrading the mine's old mill.

The two projects would make a major difference to the country's economy, but their combined forecast production would amount to about five percent of world platinum output, which is dominated by the mines on South Africa's Bushveld complex. — Sapa.
No viable alternative...
Mugabe... Zimbabweans trust 'the devil they know'.
Mugabe cools tensions over black economic empowerment

ROBIN DREW
Weekend Argus Foreign Service

HARARE. - President Mugabe acted yesterday to lower the racial temperature in the debate on black economic empowerment in which threats have been made against the white community.

He told a public meeting that black Zimbabweans should not be too sweeping in their criticism of white attitudes to reconciliation.

"Some have responded, some are hard nuts. Give them a little more time," said Mr Mugabe.

Pray for them, rather than fight them, he said, although he added that shock treatment was sometimes necessary to "uncondition" people.

A spokesman for the Indigenous Business Development Centre said blacks were becoming impatient and angry and might have to resort to unconstitutional methods to obtain their goals.

Mr Mugabe said it was natural for any country to want to see its economy in the hands of its own people. In Zimbabwe, he said, to the audience's laughter, some people were more indigenous than others.

Speaking about land, Mr Mugabe said this could be seized, but the government had pledged to act constitutionally and former owners must be compensated.

"We have to pay those who seized the land from us," he said.
Former Rhodesian premier Ian Smith, rebellious as ever at 75, blames the Zimbabwean government of Robert Mugabe for the poor economic state of his country and claims to have a large support from people of all races. Report by Sapa-Reuter:

**Privileged living**

Smith, fighting to preserve the privileged living standards of Rhodesia’s 200 000 white minority, stunned the international community in 1965 with a unilateral declaration of independence (UDI) in the British colony, vowing to go it alone rather than accept proposals for black majority rule.

For more than a decade he fought international economic sanctions and a guerrilla war for independence led by Mugabe and black nationalist Joshua Nkomo, now Mugabe’s deputy.

At the height of the war which killed more than 40 000 people, most of them blacks, Smith declared that there would be no black rule in Rhodesia — “not even in a thousand years”.

The African people of Rhodesia, he said, were the “happiest lot in the world”.

During his interview Smith said: “Many people of all races, from all walks of life, come to me these days and say: ‘Give us the benefit of your experience.’ What do you say to such people? It’s my country.”

He said he would prefer to quit politics but he felt his services were needed to rescue Zimbabwe from economic collapse, which he blamed squarely on policies of Mugabe’s government.

Since independence from Britain in 1980, Smith has not been active in politics. But in the past two years he has been trying to unite the country’s eight splintered opposition parties to challenge Mugabe, Zimbabwe’s sole ruler in the past 14 years.

“All of the opposition leaders agree that they need to unite but when it comes to delivering the goods, it does not seem to be forthcoming,” Smith said. “While we’ve got to obviously go on trying, at this stage there is no united opposition and it is because the leaders of these various parties are power-hungry.”

Smith pledged to continue his efforts but said the parties had no chance to unseat Mugabe in elections that must be held by next April.

Smith’s remarks sparked an outcry from Zimbabwe’s largely pro-government Press, but he does not regret what he said nor having taken Rhodesia to unilateral independence.

“I have no regrets. We gave Rhodesia 14 proud and fantastic years (under UDI). UDI had to come, otherwise the country would have gone down the drain in a short time. We created a fantastic country,” he said.

But the independent Financial Gazette dismissed his remarks, saying Zimbabweans could not take him seriously.

“This is a man whose Rhodesian Front party inflicted on Zimbabwe incredible hardship, suffering, inhumanity, war and legislation we still have to endure despite its draconian implications,” the paper said in an editorial.

“None of this has ever been properly explained, still less apologised for,” it said, adding: “We do not advocate that he should be prevented from involving himself in politics, still less that he should be denied a public life, but Zimbabweans cannot take him seriously.”

Smith said he had completed his memoirs, which should be out in 1995, and was working on a second book “about the great disaster after 1980”.

“This will try to correct this country’s history, which has been distorted by Communist propaganda.”

He said he spent most of his time running his 2 500 hectare farm in central Zimbabwe and giving interviews to foreign journalists at his Harare townhouse.

“I have had my political life, a very good political life. I’m not seeking to be back in the political limelight,” he said.
Zimbabwe's textile industry collapsing

Harare — Zimbabwe's textile industry is near collapse, with exports expected to fall by half next year due to high production and material costs, an industry official said yesterday.

"Exports will fall by 50 percent next year as the industry faces high costs of production and materials which will contract it even further," Ray Woolley, Chairman of Zimbabwe's Central African Textile Manufacturers Association, told Reuters.

"The local industry is near collapse," Woolley said.

Woolley said more than 10,000 people in the industry, which employs two percent of Zimbabwe's labour force, would lose their jobs if business collapsed.

He forecast that the textile industry would in 1984/85 earn $2830 million, compared with $2700 million in 1983/84.

Most textile and clothing firms in the southern African country have been having financial problems attributed to the high cost of cotton lint and the imposition last year of high import tariffs by South Africa, which used to be one of their biggest export markets.

No Govt aid

"There has been no government assistance to the industry at all. If the Zimbabwe government should bring down the cost of lint and give incentives to textile exporters," Woolley said.

"But President Robert Mugabe's government, now following free market policies after flirting with socialism between 1980 and 1990, refuses to intervene, saying any state assistance would equal subsidy."

"Our industry cannot compete with imported goods which are lucrative and have flooded the market, because of problems in the local industry," Woolley said.

Last week, Zimbabwe's High Court authorized the liquidation of one of the country's largest textiles firms, Cone Textiles, which had heavy financial and operational problems.

The closure of Cone Textiles was a disaster as it was the biggest employer and earning the highest exports which exceeded $2800 million.

"More than 5000 workers lost their jobs because of the liquidation," Woolley said.

"High interest rates have also been a problem, making it impossible for us to regain our position," he said.

"Interest rates in Zimbabwe have soared in the past year, jumping to around 36 percent from 20 percent, on the back of rampant inflation fuelled by high state spending," Reuters
SA, Zimbabwe trade balloons

JOHANNESBURG. — SA's trade with Zimbabwe should reach R5bn or more in 1994, making Zimbabwe its biggest trading partner in Africa, Grindrod seafreight GM Mike Walwyn said.

The end of sanctions against SA and Zimbabwe's liberalisation of trade and exchange policies was the main reason for the boom in two-way trade, he said in a statement.

Imports (R6.2bn)

According to his estimate, the value of SA imports from Zimbabwe should rise by 30.8% to R570m and exports by 20.5% to some R1.1bn.

But these figures could rise further, with pre-festive season buying expected from Zimbabwe, he said.

According to figures from Customs and Excise for the first half of this year, two-way trade figures increased 28.4% over the same period last year. SA was becoming Zimbabwe's natural source for consumer goods and foodstuffs, he said. — Reuter 25/11/94
small educational book importing business has transformed itself into a mining empire, recently bought advertising space to air his view of the continuing contrast between white luxury and black distress.

Mr. Boka alleged:

"As an African, to grow up to be 20 is a victory against the elements.

"The white man is likely to be born in a private hospital to the accompaniment of a shower of flower and all the possible comforts of babyhood fit only for royalty."

Statistics show the wealth gulf between the races is partly an illusion caused by the emigration of 200,000 whites, mostly the pooreer or artisan class around independence in 1980. The whites who remain (the average age is 59) are inevitably the wealthiest professionals. The black population has meanwhile grown from seven million to 10.5 million. There are two million blacks unemployed and nearly a million homeless.

Poverty among black Zimbabweans, now experiencing markedly lower living standards than before 1980, was exacerbated by the "Robinson Crusoe economics" urged by government advisor Professor Roger Riddell. When he said blacks "must do it for themselves," he meant recruiting blacks into a country dependent on the inefficient public sector, and resultant over-borrowing. Instead, they blame the white judicial officers, bank officials and auctioneers who bought the sequestrated goods and premises under the hammer.

Vice President, Joshua Nkomo, 77, himself the defunct president of one longstanding debt-ridden, claimed most repossessed property "ended up in the hands of whites", outraging the offices of guerrillas who fought for a black-

Economic reform has died and people have been left destitute.

(Backed by the World Bank since 1990) all that has died and these people have been left destitute," says economist John Robertson.

"They ought to have used that time and money to have built businesses. Now they are saying 'let's have another source of income.'"

Mr. Robertson says another grievance is the impact of Zimbabwe's 35 percent base lending rate on small black businessmen, who do not see that their plight stems from the government's chronic over-borrowing on the inefficient public sector, and resultant over-borrowing. Instead, they blame the white judicial officers, bank officials and auctioneers who put their sequestrated goods and premises under the hammer.

Vice President, Joshua Nkomo, 77, himself the defunct president of one longstanding debt-ridden, claimed most repossessed property "ended up in the hands of whites", outraging the offices of guerrillas who fought for a black-

Economic reform has died and people have been left destitute.
Mugabe talks tougher as election looms

ALL Zimbabweans are indigenous, but some are more indigenous than others, says President Robert Mugabe.

"Whites have become indigenous, they say, over time," he told a "meet the people" session devoted to black economic empowerment last week. "But there are those who are indigenous indigenous."

Mr Mugabe's comments are the latest in a series of attacks by his party against the continued domination by whites of the Zimbabwean economy.

And in an apparent reference to Zimbabweans of mixed race, Mr Mugabe added: "Others are only partially indigenous."

White, coloured and Asian contractors are specifically excluded from tendering for official contracts worth less than $4 million, under cabinet directives which defy Zimbabwe's constitutional ban on racial discrimination.

"We are in a situation where most of our resources are in the hands of foreigners," said Mr Mugabe, justifying the directives and the grant of $18 million special credits to black businessmen.

"Possession of political power we have. Possession of actual economic assets we do not have. That entitles us to see the economy is indigenised."

But former High Court Judge Washington Sansole, now an opposition politician, last week claimed there were "ominous similarities" between Zimbabwe and Nazi Germany as a result of the ruling party's attempts to divert economic discontent to the race issue in the run-up to next year's scheduled general elections.

Following Mr Mugabe's warning to whites of possible "vigilante action" against racism, university students have "declared war" on exclusive nightspots frequented by whites. The students threaten to stage invasions of private schools, especially where white pupils, Phillip Chiyangwa, head of the Affirmative Action Group, predicted "Rwandan-style ethnic cleansing when businesses ignored his circulars demanding a transfer of assets to blacks."

Roger Boka, whose
Chiluba calls for buyers of privatised companies

STOCKHOLM — Zambian President Frederick Chiluba said his country had done its job by putting up a list of companies for privatisation and it was now time for buyers to respond.

Western aid donors have said they hope the voluntary liquidation of national airline Zambia Airways will quicken the pace of the country's privatisation programme.

"There are many factors that go towards speeding up the process, one of which is the availability of buyers of those companies," Chiluba said while on a private visit to Sweden.

The bureaucratic process was also slowing the pace "but I think a lot has been done lately to improve upon that," he said.

Asked whether the privatisation process would be speeded up, Chiluba said: "As far as we are concerned the companies are there for sale. I don't think the blame is on our part.

"Everything on our part has been done and we are waiting for people to react and respond to this."

The privatisation agency has given out material to embassies around the world and is providing information on what may be expected of those intending to buy the companies, something Zambia had done to speed up the process, he said.

Chiluba said that so far 13 companies had been privatised and 150 companies were in line for privatisation, adding that some of these may be sold to managers and workers who have been at those companies for a long time.

Western donors are worried over the slow progress of privatisation and of particular concern to them is the privatisation of the giant Zambia Consolidated Copper Mines (ZCCM).

Chiluba said Zambia's economy has been almost totally dependent on ZCCM, but noted: "We have said there is no sacred cow. ZCCM becomes quite naturally a part of this (privatisation) process." He could not, however, give any timeframe for the privatisation of ZCCM.

Finance Minister Ronald Penza left for Paris at the weekend to attend a consultative group meeting with leading Western donors, due to start yesterday. He will be seeking $915m to support next year's economic reform programme.

"We certainly qualify for continued assistance," Chiluba said, commenting on prospects for the Paris meeting, and added that $915m would partially be able to help Zambia achieve certain goals in restructuring and economic growth.

The ruling Movement for Multi-Party Democracy has been trying to reverse the nationalisation programme implemented under former president Kenneth Kaunda in the mid-1970s.

"We believe the answer lies in the private sector," Chiluba said. — Reuters.
Zim lifts restrictions on remitting profits, divs

HARARE — Zimbabwe, wooing investors, has allowed foreign-owned firms to remit after-tax profits and dividends, a move welcomed by economists.

Bowing to demands from investors and Western donors, the government announced it was abolishing a rule limiting overseas remittances to 50% of profit and dividends by companies that invested before May 1993.

"All companies will be free to remit dividends worth up to 100% of their current net operating profits. This will only apply to dividends declared after January 1996," acting Finance Minister John Nkomo told parliament.

Companies investing in Zimbabwe prior to 1993 had been permitted to remit 50% of their profits while those who invested after May last year were allowed 100%.

The move was welcomed by economists and the Confederation of Zimbabwe Industries, the umbrella body of major exporters.

"This is a sensible step and will be welcomed by foreign investors who may have been sitting on the sidelines," Anthony Hawkins, an economics professor at the University of Zimbabwe, said yesterday.

The government's action had been made possible by an improvement in Zimbabwe's foreign reserves and balance of payments.

This had stemmed from reforms that allowed individuals and companies to keep virtually all hard cash. The government also opened up the local stock market to foreigners.

But Hawkins and another economist, John Robertson, said the government needed to do more to attract investors who saw Africa as a risky area for capital.

"We still have some company funds that were blocked in the 1970s by previous governments and subsequently by Zimbabwe. These need to be released quickly," Hawkins said.

The funds were blocked by the minority Rhodesian government to stem capital outflows after the government unilaterally broke away from Britain, triggering world sanctions.

"Zimbabwe's move on dividend repatriation is a great step forward but a range of other issues, such as reluctance by immigration authorities to allow into the country needed and skilled expatriates. Foreign companies want to make their money work quickly by bringing in their experienced personnel and not to wait for someone local to be trained in 10 years," Robertson said.

"We also need financial discipline by the government, which gives wrong signals on economic policies."
Zimbabwe gold output set to hit record 20 tons

HARARE — Zimbabwean gold output is set to reach a record 20 tons this year, boosting Zimbabwe's foreign currency earnings by more than Z$2bn, Ziana, news agency reports.

The Zimbabwean Chamber of Mines said yesterday total output during the first 11 months of the year stood at 18.34 tons, valued at Z$1.68bn. This compared with 17.17 tons valued at Z$1.26bn during the same period last year.

In 1993, about 18.8 tons of gold were produced, bringing in Z$1.4bn.

The chamber said the value of gold, Zimbabwe's second-largest single export earner after tobacco, had risen significantly due to firmer prices on the international market.

The price had remained steady at nearly US$380/oz, although it had failed to bridge the psychologically important level of US$400. The bullish trend had helped restore confidence in the mining sector which expected to earn the country Z$1.8bn in foreign currency this year.

Meanwhile, mining counters on the Zimbabwe Stock Exchange had not been severely affected by the late start to the rains and were still attracting equity investors.

Brokers said ‘firm’ prices on world markets had helped ‘restore confidence in the mining sector which expected to earn the country Z$1.8bn in foreign currency this year.

The chamber said platinum was another major contributor to the general optimism in the sector. This was due to the recent commissioning of the Hartley platinum mine by two Australian companies, Delta Gold and BHP minerals.

The Z$1.8bn project is expected to create 2,700 jobs and earn the country nearly Z$1bn annually when in full production.

The 20-ton gold project is expected to create 2,700 jobs and earn the country nearly Z$1bn annually when in full production.
HARARE — Zimbabwean wine lovers will see Christmas quaff 90000 bottles of SA pinotage which made history last month when it became the first shipment of its kind to cross the Limpopo in a bulk tanker, for bottling under a Zimbabwean label.

"I should be surprised if it’s not in bottles already," said Cairns Holdings MD Tim Johnson, who imported the shipment from co-operatives in the Robertson area to blend with local pinotage from Cairns’ Mukuyu Winery near Marondera.

Despite red wine production of 150000 a year, Mukuyu is unable to meet rising demand from Zimbabweans who are switching increasingly from beer and spirits, on doctors’ orders.

Zimbabwe’s fledgling wine industry, which produced its first drinkable reds in 1987, came of age this year when Mukuyu Winery’s manager and winemaker Berthold Seitz put Zimbabwe’s first 400 cases of pinot noir on the market.

Pinot noir is a notoriously tricky wine to make and vintners until recently believed Zimbabwe was incapable of producing anything above SA “bag in box” standards.

“We would have no difficulty selling every drop of this in SA,” one visiting SA retailer said on tasting the latest vintage. However, Zimbabwe’s three wine producers want to prevent a “wine drought” which might cause customers to drift away.

African Distillers’ Stapleford Winery and Phillips Central Cellars, which rank behind Mukuyu in output, recently launched six new vintages of their own, including merlots and cabernets, which are selling at record levels.

Prices are roughly 60% of comparable red wines imported from SA.
ZIM FARM EXPORTS TO SURGE

HARARE: Zimbabwe is set to earn Z$670m from livestock exports in 1995, Ziana News Agency reported yesterday.

In a brief to the Zimbabwe government, chairman of the Commercial Poultry Producers' Association, David Irvine, said the beef industry was expected to earn Z$550m in exports, dairy products Z$30m, poultry industry Z$30m and pork Z$10m.

Beef exports in 1994 were expected to amount to Z$330m.

Zimbabwe exported about 19,742 tonnes of beef to the European Union.

Irvine called on government to provide the Department of Veterinary Services with additional funds to enable it perform efficiently and effectively.

He said the department should be commended for its efforts to combat the spread of the highly contagious and fatal Newcastle disease.

The department had so far vaccinated over six million communal and backyard chickens since the outbreak of the disease in the southern regions of the country early this year.

"It is essential that the department's vaccination programme continues not only to protect commercial producers but communal producers as well.

"It is estimated that there are some 12 to 15 million chickens in the communal lands and these provide a very significant proportion of the protein requirements of the rural people." — Sapa
Zimbabwe - General

1995

January - May.
Bulawayo water rationed

BULAWAYO — Water rationing here took effect on New Year's Day amid complaints from residents, particularly those housing more than one family, that the 610l allocated per day was inadequate.
Mugabe urges unity and economic growth

Harare - Zimbabwean President Robert Mugabe on Saturday called for greater community interaction to smooth fraught race relations and help attain greater economic growth, Zimbabwe news agency reports.

In his New Year's message Mugabe said Zimbabweans owed their peace to the successful resolution of the South African conflict and the dawn of democracy in that country.

He said peace in South Africa - crowned by the inauguration of Nelson Mandela as the country's democratically elected president - had opened up new economic opportunities for his country.

He said peace in war-torn Mozambique had also safeguarded Zimbabwean tranquility.

Moves to end the Angolan war were welcomed by the whole of southern Africa, he added.

He expressed hope for a meeting soon between President Jose Eduardo dos Santos of Angola and Unita leader Jonas Savimbi.

Mugabe told guests at a State House reception: "The year 1994 has been a very peaceful and stable year."

He urged local firms to develop their technologies and improve the quality of their products so as to be globally competitive.

Mugabe also spoke out against a minority in his country that still clung to racist practices. - Sapa.
Fuel price hike for Zimbabwe

HARARE: Zimbabwe's fuel prices were set to rise by between 5% and 20% from midnight last night.

Transport and Energy Minister Mr Dennis Norman said the government also intended to reduce the 40% price difference between petrol and diesel - which is heavily subsidised, by petrol to 32%, 20%.
Zanu(PF) members defy party

HARARE — Zimbabwe's former air force chief, Mr Josiah Tungamirai, will challenge one of the country's two vice-presidents in the general elections expected next month.

Mr Tungamirai will defy his party, the ruling Zanu(PF), in challenging Vice-President Simon Muzenda.

Mr Tungamirai tells a rally in Masvingo province he would contest the Gutu constituency, where Mr Muzenda also intends to stand.

Mr Muzenda has held a seat in the Midlands province, but wants to return to his home area.

Mr Tungamirai is one of several candidates in Masvingo province who have defied party rules in recent months as cracks appear in the formerly monolithic Zanu(PF) party structure.
Concern over prison deaths

HARARE. — Some 311 prisoners died in Zimbabwe's crowded prisons in 1994, nearly three-quarters of them from Aids-related illnesses, the Sunday Mail reported yesterday.

Mr Yunus Omerjee, of the Justice, Legal and Parliamentary Affairs Ministry, told the newspaper that malaria, hypertension and heart failure also accounted for many deaths.

Mr Omerjee said the prison service was trying to control the spread of contagious disease by screening all new admissions and isolating those afflicted.

His comments came amid concern by the country's human rights organisations at the increasing number of prison deaths as well as reports of poor health conditions and abuse.

The country's jails, which were designed to hold 16 000 detainees, had 20 600 in 1993 following an amnesty that reduced the population from 21 000 the previous year.

The Sunday Mail said 1 008 foreigners were among the prisoners being held last year. — Sapa-AFP
311 die of AIDS in full Zim jails

SOME 311 prisoners died in Zimbabwe's crowded prisons in 1994; nearly three-quarters of them from AIDS-related illnesses, the Sunday Mail reported quoting government officials.

Yunus Oneceje, of the justice, legal and parliamentary affairs ministry, told the newspaper that malaria, hypertension and heart failure also accounted for the deaths of some of the inmates who are held in prisons housing 4,000 inmates more than their capacity.

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His comments came amid concern by the country's human rights organisations at the increasing number of prison deaths as well as health conditions and reports of abuse in the prisons.

The country's jails, which were designed to hold 16,000 detainees, had 19,000 in 1993 following an amnesty that reduced the population from 21,000 the previous year.

The Sunday Mail said 1,000 foreign inmates were among last year's prisoners.
Dissident voices raised

Predatory politics to challenge vice-president

Against Mugabe’s govt

362

13/11/95
Zimbabwe steps up hunt for diamonds

Harare—Diamond exploration is proceeding apace in Zimbabwe, especially in the Zambezi valley, with the government granting additional exclusive prospecting orders.

At the end of last year, the government had granted 36 more exclusive exploration licences for diamonds, according to Zimbabwean Chamber of Mines figures.

Exploration firms have already discovered kimberlite pipes in the Zambezi valley.

Optimistic

"We are extremely optimistic that the kimberlites will contain diamonds. It takes a bit of time, what's happening right now is basic exploration," Mines Ministry permanent secretary David Murahari told Zanews.

The search for diamonds in Zimbabwe was intensifying, he said, with more local and foreign companies joining the list of those seeking exploration licences.

However, companies searching for diamonds in the Zambezi valley, the sub-region's largest wildlife areas, sparked heated debate as environmentalists fear ecological damage.

SAPA
Anglo plans Zim expansion

HARARE — Anglo American Corporation plans to spend nearly Z$500m on expansion projects at its three operating companies in Zimbabwe, Ziana News Agency reported yesterday.

In the latest issue of Anglo/De Beers newsletter, Anglo public relations manager Ezra Kanganga said capital expenditure by the company was at its highest level ever...

Anglo American Corporation is one of the largest employers in Zimbabwe.

Kanganga said capital expenditure would be directed partly towards improving recoveries of nickel, copper and precious metals within the group's mining operations.

Furthermore, Anglo would spend Z$170m to build a dam and canal system to supply water to the largest sugar producer, hippo valley estates, whose operations were crippled by a devastating drought three years ago.

Kanganga said most of Anglo's associated companies had plans to expand their operations, taking advantage of the liberalised Zimbabwean economy.
Anglo expanding Zimbabwe ventures

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Furthermore, Anglo would spend $817 million to build a dam and canal system to supply water to the largest sugar producer, Hippo Valley Estates, whose operations were crippled by a devastating drought three years ago.

Kanganga said most of Anglo's associated companies had plans to extend their operations, taking advantage of the liberalised Zimbabwean economy, which had seen new incentives introduced for both local and foreign investors.
Pepkor set to move into Zimbabwean chain

HARARE — Pepkor has signed a multi-million dollar deal to acquire shares in the Zimbabwean clothing retail chain, Power Sales Zimbabwe Ltd, which is still subject to approval by the Reserve Bank of Zimbabwe.

In an interview with the Ziana national news agency, the vice-chairman of the Cape Town-based company, Arnold Louw, said that "should the deal be successful", Pepkor would expand the activities of Power Sales in Zimbabwe.

Expand production

He would not put a value to the deal. "We shall also endeavour to expand Power Sales' current production capacity to further exports to South Africa as well as globally," Mr Louw said. He declined to comment on how much Pepkor was prepared to invest in the expansion project.

Power Sales managing director Mr Clive Hunt told Ziana in a separate interview that the whole agreement was subject to approval by various authorities, including the central banks of Zimbabwe and South Africa.

"At this point, seeing that the deal is subject to approval from outside sources it would not be prudent to discuss any further details," said Mr Hunt.

Acquisition syndicate

Pepkor is a public limited company listed on the Johannesburg Stock Exchange with an asset value projected to run into Zimdollar 2,4bn (US$300m).

If the Pepkor deal goes through, this will mark the beginning of a multi-million dollar acquisition syndicate of Zimbabwean firms by South African companies penetrating the sub-region.

Pepkor yesterday announced the acquisition of a 23.4% stake in Waltons Consolidated Holdings in an B$21m cash deal. Chairman Christo-Wiese said it was intended eventually to take control of the company. — Sapa, Business Staff
Fine tobacco crop in Zim

HARARE — Zimbabwean fine-cured tobacco farmers are optimistic that the quality of this year’s crop will be better than last year, helping to improve the country’s foreign exchange position, Zimna News Agency reports.

Zimbabwe Tobacco Association president Peter Richards said the tobacco crop has not suffered from the late and erratic rainfall pattern this season compared to food crops.

"Most districts, with a few exceptions, are recording one of the finest crops produced for a long time," Richards said.

"If the rains continue to fall there is no reason to believe that the quality will be worse than last year and farmers will be satisfied with prices," he said.

The industry expected to produce at least 190 million kg of fine-cured tobacco earnings in excess of Z$2.5 billion (R1 000 000 million) to the grower this year compared to 169 million kg which brought in 2.3 billion (R900 000 million) last year.

Last year, a record 201 million kg valued at 3.5 billion (R1 650 000 million) of processed tobacco was exported, exceeding the previous year’s record by 9 percent, Richards said.

The world market for tobacco was currently more buoyant than it has been for the previous three years.

"In speaking to many of our customers overseas, particularly in America, there is every reason to be optimistic," Richards said. — Sapa
IMF programme cuts Zimbabwe's textile industry

By CIARAN RYAN

DON'T make the same mistakes we did, Zimbabwe's textile industrialists urged SA Textile Federation president, Mervyn King, during his visit to Harare this week.

Four years into an IMF-imposed economic structural adjustment programme (Esap), Zimbabwe's textile industry is in tatters. More than 11,000 textile workers, 44% of the total, were laid off last year. A similar number were laid off in the clothing industry and thousands more in upstream supplier industries.

In Zimbabwe, where each breadwinner supports six or more dependants, this is a human tragedy of considerable proportions.

The most recent casualty is Cone Textiles, at Chiungu, outside Harare. It closed its doors in December with the loss of 6,000 jobs and nearly R800-million owing to creditors. Its cavernous factories, once the second-largest in southern Africa after Frame, stand empty.

"Esap killed us," says Cone's financial director, Kevin O'Keefe. "With interest rates of 30% and more, and the Zimbabwean dollar deprecating by about 20% a year, no company with substantial borrowings can survive for more than two or three years."

Zimbabwe is in IMF receivership and yet remains stubbornly delinquent in meeting some of its commitments, such as privatizing state-owned corporations and reducing the public sector. Zimtrade economist, Mike Humphrey, says the IMF will start applying pressure on Zimbabwe to fulfil all of its Esap obligations this year. With a general election just weeks away, the timing could not be worse for the government.

"We must learn from the mistakes of Zimbabwe," says Mr. King. "It was forced to restructure too quickly and look what has happened. In terms of the general agreement on tariffs and trade, we are required to reduce our textile tariffs over 12 years. We have agreed to a 10-year phase-down, while the US has been given 18 years. "South Africa has more to lose than Zimbabwe. Its textile industry saves R3-billion a year in forex, employs 80,000 directly and 300,000 indirectly and at the end of the 10-year phase-down period will be internationally competitive."

Esap, like most other structural adjustment programmes imposed by the IMF on countries with heavy balance of payments deficits, is a package of measures aimed at improving economic competitiveness.

It includes sharp reductions in import tariffs, floating the currency, liberalizing foreign currency dealings, slashing the public sector, curbing credit demand through higher interest rates, and lowering inflation.

Zimbabwe was forced to drop duties on imported textiles to 15% from 65% over five years, inviting a flood of cheap Asian imports, aggravated by large-scale dumping which local customers, officials, appear powerless to stop.

Esap is not without its successes, says Mr. Humphrey. Manufacturers are now able to source cheaper inputs, the devaluation of the Zimbabwean dollar has boosted exports, inflation is down to 24% from 46% and interest rates, which peaked at 42%, are now down to 30%. "Yet," Mr. Humphrey adds, "but the textiles industry has been hardest hit by Esap. It accounts for 25% of the manufacturing sector, which in turn accounts for 25% of gross domestic product. It has several advantages over the SA textile industry."

Cone managing director, Victor Cohen, says for the price of one SA worker he can employ seven Zimbabweans or 165 Malawians, "and they are more productive".
Maharaj wants fuel levy back

DURBAN — A road tax in the form of a fuel levy should be reintroduced to pay for upgrading and maintaining SA's roads, Transport Minister Mac Maharaj said yesterday.

Sapa-Reuters reports that he told a transport conference: "Since April 1989 the National Road Fund ceased to receive dedicated funds from a levy on fuel. This, together with the advent of a significant rate of inflation and the oil crisis in 1973, resulted in a significant decline in funds allocated to intercity roads to a level half that of 20 years ago."

Maharaj said roads vital to the country's economy could also be paid for by licence and toll fees.

He said these forms of payment "can be regarded as similar to harbour duties or aircraft duties charged to destroy operation costs".

Social roads, which provided for accessibility to schools, clinics and work places, should be a state responsibility and paid for through general taxation, Maharaj said.

He said national roads should be provided by the central government while other roads should be the responsibility of provincial and local governments.

"Good roads have been described as the second most important catalyst in any country's development, after education," Maharaj said.

He said the state subsidy for commuter transport should remain, but a "critical reassessment" of the nearly R2bn subsidy should take place.

"I am still of the opinion that the lowest possible level of government should be responsible for the planning, co-ordination and financing of public passenger transport services, since those authorities, in the best position to know the requirements of their constituencies," Maharaj said.

Maharaj also said that problems in the taxi industry had to be resolved urgently.

A task team to deal with the taxi industry should be appointed in February, when a national taxi workshop would be held.

"While the process of consultation is taking place the trouble in the industry is continuing unabated. This cannot be tolerated much longer," Maharaj said.

THEO RAWANA reports that Public Enterprises Minister Simon Sisipe said resources released by the sale of assets or privatisation should not be used to finance the Budget deficit but should be applied to debt reduction.

She told delegates a task group under her auspices would deal specifically with developing a blueprint setting out government objectives in undertaking restructuring, such as a regulatory framework policy.

Outlining the basic principles involved in the privatisation of public assets, Sisipes said: "Assets or enterprises that will fail or partial private sector involvement must overpower the disadvantaged rather than enrich the affluent, in order to redress past inequities."

She said restructuring of transport assets must reflect the principles of the reconstruction and development programme.

Zimbabwe top trading partner in Africa

Represented 24% of SA’s total exports to African markets.

During the same period, SA consumed R1,7bn worth of goods from Zimbabwe, a 3.2% average growth.

SA’s next largest trading partner was Mozambique with whom trade had increased 38% to R1,4bn in the review period. Mozambique consumed R1,2bn worth of SA goods and SA sourced goods valued at about R1,4bn in 1993 from Mozambique.

Also appearing in the top 10 Afri-
Zim largest exporter of tobacco in '94

HARARE - Zimbabwe last year became the world's largest exporter of sun-cured Virginia tobacco, with 182,335 tons at a value of $425 million (about R1.5bn) marketed abroad, beating world leader Brazil, with 165,000 tons.

The Zimbabwe Tobacco Association said the country's leading position came about because of the export of unusually large stocks, and because Brazil was hit by bad weather and restrictions on its exports to the US, its main market.

The European Union was the largest buyer of Zimbabwean tobacco last year, accounting for 74% of exports. - Sapa
A Four-Letter Word that Strikes Fear in the Industry

I recently had a phone call from a well-respected security professional who works for one of the largest companies in the world. He started the conversation by saying, "We're having some issues with our research supplier. I don't want to sound alarmist, but I think we might be facing a potential breach." I immediately took a deep breath and asked him more about what was going on.

It turns out that the supplier had been experiencing some technical difficulties with their database. When I asked him if he thought it was just a minor glitch, he shook his head. "No, I think it's more serious than that," he said. "I have a hunch that there might be a legal issue involved." I asked him to elaborate, and he continued.

"We've been receiving some strange requests from a third party," he explained. "They're asking for access to our client data, and I don't know if it's legitimate or not. It's making me nervous." I assured him that we would do everything we could to help resolve the situation.

Over the next few days, we worked closely with the supplier to investigate the matter. We conducted a thorough review of the requests and found that they were indeed unusual. It was clear that someone was trying to gain unauthorized access to our client data.

I called a meeting with the supplier and the client, and we discussed the situation. We explained that we take our client's data security very seriously, and we would do everything we could to prevent any further breaches. The supplier agreed to provide us with more information about how they handle their data and to work with us to ensure that it is protected.

In the end, we were able to prevent any further damage to the client's data. We also recommended that the supplier take additional steps to improve their data security measures. We hope that this incident serves as a reminder to all of us in the industry of the importance of protecting our client's data and of being vigilant in the face of potential threats.
Tax by stealth

In one of the more astonishing examples of government disregard of parliament, Zimbabwe last week dribbled out a series of tax rises without bothering to inform parliament. Though MPs were in session, President Robert Mugabe's administration prefers to gazette tax increases or announce them piecemeal through the media.

At a news conference early in the new year, the acting Finance Minister had warned of a “drought levy” of at least 5% on company and personal income tax. But the final package, estimated at around Z$1.3bn (US$135m), was far broader than expected, suggesting the fiscal situation, far from being “on track” as claimed by World Bank spokesmen, was out of control.

To add insult to injury, the 5% surcharge on corporate tax is retroactive. Companies will have to pay the tax on earnings for the 1994-1995 tax year, with every likelihood that the surcharge will be extended to cover the 1995-1996 tax year too. The corporate tax rate, lowered from 42.5% in 1993-1994 to 40% in 1994-1995, is, therefore, increased to 42%. Individuals, promised tax cuts in last July's budget, from a top rate of 45% to 40%, will pay 42% from April.

These increases will bring in Z$350m (US$42m) in a full year, but with corporate tax being retroactive, the net tax gain will be Z$500m (US$60m). Sales tax has been increased with immediate effect from 10% to 12.5%, while the rate on cars is up 5%-20%. This measure will raise Z$600m (US$72m) in a full year.

To the Z$1.1bn raised by these two tax hikes must be added major increases in excise and customs duties on beer, wines and spirits and cigarettes, expected to raise a minimum of $200m over a year.

This represents a 10% tax increase, raising revenue from a forecast Z$12.9bn (US$1.6bn) to over Z$14bn. With 1994 GDP estimated at Z$47bn (US$5.6bn), the taxman is taking 30% of GDP and the tax increases come close to 3% of GDP.

The failure — so far — to give a budget statement to parliament suggests confusion and political expedienee. Ministers and MPs face a tough challenge in the ruling Zanu-PF party primaries this month, though the subsequent parliamentary elections in March-April are unlikely to be more than a formality.

Candidates who make it through the primaries are virtually guaranteed a seat in parliament for the next five years, though on the back of a pathetically low turnout.

Ministers are embarrassed by the need to reverse tax cuts so close to the elections. The scapegoat is either the drought of 1992, blamed for huge losses by the State-owned Grain Marketing Board, or the potential drought of 1995.

Good rains over Christmas and in mid-January have raised hopes the current season may approach average, at least in the north and east of the country, where the bulk of crops are grown.

Ministers don’t want to admit the truth, which is that they came under intense World Bank/IMF pressure to do something drastic about the budget deficit, before the postponed Paris Donor Consultative Group meeting early in March. During December, Ministers were given a bleak message by the IMF and the bank — sort out the deficit, or call off the Paris meeting.

The result was a rash of muddled tax announcements with the drought — actual or potential — being seized upon as the most politically acceptable explanation for years of fiscal mismanagement which has left Zimbabwe with a public sector debt close to 100% of GDP.

Donor pressure extends also to privatisation. A leaked report says a Cabinet subcommittee has recommended liquidating some new public corporations created by the Mugabe government after inde-
Zimbabwe faces debt crisis

Harare — Zimbabwe is faced with a serious debt-trap situation, says a leading bank.

Standard Chartered Bank says government debt has trebled in the past five years to over Z$25 billion (US$3.5 billion), excluding parastatal debt.

Debt will be close to Z$47 billion (US$5.9 billion), if parastatal debt is included.

"The decision to take over Z$4.3 billion (US$537.5 million) in agricultural parastatal debt is the thin edge of the wedge."

Other parastatal debt will soon have to be tackled, pushing the country into a debt-trap scenario. With the takeover of parastatal debt, interest charges are now the largest single item in the budget, says the bank.

This unsustainable situation will have to be tackled by a policy of domestic-debt reduction, achieved by selling off public sector investments to repay debt," the bank says.

However, the 1994 budget proposal to use such revenue to finance the budget deficit falls well short of what was required.

The privatisation revenue accruing to the government was used to fund recurrent expenditure instead of reducing public-sector debt.
Mowed down by a fast cat.
Mugabe plans state asset sale
to cut debt and please donors

HARARE — Zimbabwe's President Robert Mugabe's government plans to sell off a R400m chunk of its business empire to pull itself out of the red before it has to confront aid donors in Paris next month.

"By June we should have achieved that without having those securities or shares going into foreign hands," acting finance minister Emmerson Mnangagwa told The Herald.

With its five-year economic structural adjustment programme far behind schedule and no substantive heads at the helm of the finance and commerce ministries, Zimbabwe has to face a reckoning with IMF and World Bank heads on March 9 and 10.

A donor conference was put off in December as the imbalance widened between income and government spending, particularly on subsidies to parastatals and public sector salaries.

Last month the government imposed a 5% "drought levy" ostensibly to fund a maize stockpile in case rains failed, but in reality to bail out the R2bn debts of chronically troubled parastatals — the Grain Marketing Board, Cold Storage Commission and Cotton Marketing Company.

"We are able to be called for the conference and this means we have been accepted after meeting certain targets," said Mnangagwa.

Economist John Robertson predicted the government might reconcile its economic and political objectives by offloading shares to the controversial new National State Security Authority (NSSA).

Since January 1 NSSA has been collecting 6% of the formal sector's wage bill in compulsory contributions, to the dismay of established pension funds.

Robertson said R400m would "make a sizeable hole" in Zimbabwe's estimated R1.2bn budget deficit. Sale to NSSA of government holdings in Delta (which owned OK Bazaars and breweries), Astra, Zimpapers and Zimbank could be deflected as a "blue chip investment" for indigenous pension contributors. However, Mugabe would retain control of the companies through NSSA's board.
Looming drought to take fresh toll of Zimbabwe’s crops

HARARE — Zimbabwe expects a big drop in crop production this year due to erratic rainfall and patchy rains, the head of the main commercial farming sector said yesterday.

Commercial Farmers’ Union president MacSporran said output of cotton, soybeans, wheat and the staple maize crop were each likely to fall by more than 30% in the farming season ending in April.

"On the whole, the season is not looking good at all. We are looking at drops in output on a number of crops, including maize, because the rains have been very erratic so far ... and we have a kind of semi-drought," MacSporran said.

The rains — which normally fall from November to April — came two months late at the end of December and were reported to be patchy in some districts, including key farming areas.

Some crops are a write-off after suffering from moisture stress while others are still promising. But to do well, the surviving crops will still need some good rains in the coming days, otherwise the losses will be bigger," MacSporran said.

But he said output of flue-cured tobacco — Zimbabwe’s main export — was likely to rise between 180-million and 185-million kg this year from 169-million kg in 1994, although its quality could be lower due to the rainy season.

Soybeans and groundnuts appeared to be in satisfactory condition but were still expected to be slightly lower at 120,000 and 8,000 tons respectively.

Maize production was forecast to decline to 1.1-million tons.

But grain officials say Zimbabwe’s grain reserves of 936,000 tons were enough to see it through to the next season. It has already suspended exports of the staple.

Meanwhile, Zimbabwe’s wildlife, barely recovered from 1992’s drought, is threatened with more shortages of water and food, rains, national parks officials said yesterday.

Warning of an impending disaster in the country’s largest sanctuary, Hwange National Park in western Zimbabwe which holds hundreds of thousands of animals, said substantial rains were needed to boost grass and water supplies.

Some officials have said Zimbabwe could be forced to sell or cull 5,000 of its 80,000 elephants this year because of a shortage of water and deterioration in grazing in its main animal sanctuary in the northwest.

But National Parks Department warden Glenn Tatham said a strategy to deal with any eventual crisis would be worked out only after a review in March.

Colin Gillies, chairman of the Matabeleland Wildlife Society of Zimbabwe in western Zimbabwe, said that, while water shortages had been alleviated somewhat by drilling boreholes in Hwange, "because of the lack of rain there won’t be food to eat.”

The Wildlife Producers’ Association of Zimbabwe said its 260 members would meet tomorrow to decide on a course of action. — Sapa-Reuters.
Zimbabwe registers surge in major mineral output

HARARE - The volume of output of most of Zimbabwe's major minerals surged strongly in 1994 against the previous year, according to provisional figures issued by the Chamber of Mines yesterday.

The statistics appear to support forecasts that 1994 will record the strongest growth in nearly 20 years, after the first half of the year recorded a 14% increase in the volume index of mining.

The most significant growth was in diamonds, up nearly 200% on the crest of expanded exploration in the last three years, while gold broke the 20-ton barrier for the first time in 50 years. The exceptions were asbestos and coal, which fell marginally, and iron ore, which is not exported.

The volume index for the first six months of the year rose to 109, after averaging 101.5 for 1993 above the 1989 base — for the previous 13 years.

Chamber officials cautioned that the figures reflected only the major minerals, and a full analysis from the mines ministry could only be expected later this year.

Gold, the biggest export earner after tobacco, made 20.64kg, up 6.7% from 1993's 19.56kg, reflecting increased investment in production, while the value rose 19% to an estimated $222.65m.

Output of diamonds rose to 150,663 carats against 43,650 carats the previous year. Most is from Australian-based Audriam's River Ranch claim near Beitbridge. It was the first company to start production.

The value of last year's output is estimated at $284m, a figure that is expected to grow sharply as other companies begin producing. Value in 1993 was about $243m.

Nickel became the second most important mineral and the 13,005 tons produced, up 17% on 1993's 11,097 tons, was valued at $236m, up 35% on 1993. — Sapa.
Zim pleads for textile tariff cuts

HARARE — Zimbabwe asked SA yesterday for an interim tariff cut for its textile makers, brought to their knees after Pretoria slapped punitive duties on clothing imports in 1992. "Zimbabwe had made the request in response to concerns by its industrialists at protracted talks on a new trade agreement," a reporter said.
Bullets by the million
from Zimbabwe factory

By ROBIN DREW
STAR FOREIGN SERVICE

Harare — Zimbabwe is exporting small arms ammunition and explosives to at least six African countries, it has been disclosed here.

The announcement was made when President Robert Mugabe commissioned a factory on the outskirts of Harare which was built with Chinese and French assistance.

The plant has the capacity to fill anything from hand grenades up to 155 mm artillery shells.

Between 1,000 and 3,000 mortar bombs are filled each month.

A number of Chinese nationals are working at the plant which employs more than 300 people.

The small arms factory can produce up to five million bullets a month.
Zim dissidents ‘want civil war’

By ABDUL CARIMO

HUNDREDS of armed men called “Chimuenjes” are believed to be preparing to launch a civil war in Zimbabwe.

They are reportedly in a training camp inside Mozambique, informed sources disclosed on Friday.

There are strong rumours that the Zimbabwe Unity Movement, led by former minister Edgar Tekere and to which the Chimuenjes owe their allegiance, is speeding up preparations for the establishment of military bases in Mozambique, particularly in the areas of Sussundange and Mossurize districts in Manika province.

The districts were previously controlled by Renamo during the civil war — which ended with the signing of the peace accord in Rome, Italy on October 1992.

Tekere was a minister in the Zimbabwean government several years ago but ever since has been a strident critic of Robert Mugabe’s government.

The Dombé district, Renamo’s former provincial headquarters in Manika, where the Chimuenjes found sanctuary, is where Tekere’s soldiers were reportedly seen by the local rural community — moving about with heavy machine-guns and other weaponry.

Political observers and Western diplomats consider the latest move as “very dangerous” if the reports prove to be valid.

On Friday Mozambican President Chissano, who is to visit Zimbabwe, Malawi and South Africa soon, said he would discuss the matter with Zimbabwe president Robert Mugabe with the hope of finding a peaceful solution to the problem.

He said however, he was still awaiting hard evidence to support the rumours.

However, Dombé’s local district administrative chief said armed groups were definitely moving into the area.
Supporters turn backs on Mugabe MPs

HARARE — Disgruntled supporters of Zimbabwe’s ruling Zanu-PF shocked party leaders by widespread dumping of parliamentary representatives in primary polls ahead of upcoming elections, results showed yesterday.

In the Midlands province, seven out of 15 MPs were rejected in favour of political newcomers.

In Masvingo province, three more MPs were trounced while voting was halted in two constituencies by disputes over missing voter records.

Selection as a Zanu-PF candidate virtually assures a ride to parliament where the party holds all but three of the 125 elected seats and faces little challenge from a divided opposition.

COMPETITION for selection has thus been keen, with President Robert Mugabe having to step in to protect Vice-President Simon Muzenda from being challenged by ruling party primaries in his constituency.

The elections are to be held late next month or early April, and Zanu-PF primaries will be completed over the next few weeks.

Meanwhile, Mugabe, who has been in power for the past 18 years, said yesterday he had no intention of stepping down “for the time being”. The presidency will not be contested until next year. — Sape-AFP.
Power struggles hit Zanu-PF

Power struggles hit Zanu-PF

Mugabe's old guard comes under attack by junior members of party

Charles Parker

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THE IMPORTANT RURAL VOTE

HARARE — Opposition parties in Zimbabwe need to capture the rural vote to make inroads on the ruling Zanu-PF dominance in Parliament.

This was said by Mr Ray Matikinye, information officer of Zimbabwe’s southeastern Masvingo provincial government.

However, this will prove difficult during this year’s elections — scheduled for April 8 and 9 — as Zanu-PF has a traditional stronghold among what it calls peasants, because of their role in the country’s liberation war.

“It will be difficult to break the Zanu-PF stronghold in rural areas. The land issue will score points if opposition parties are to organise,” said Matikinye.

Only three of 120 seats are held by the opposition.

Matikinye suggested that unemployment would be another issue to attract votes.

There has been a rapid increase in the number of school-leavers in rural areas and unemployment has become a major concern. About 300,000 school leavers compete for approximately 10,000 newly created jobs.

In many parts of the country, the general belief is that Zanu-PF will go back to war if it loses the elections.

When asked if he would accept a Zanu-PF election loss, provincial governor Josiah Hungwe replied: “I will resist.”

This, linked with a general lack of information about opposition parties — which tend to have a greater presence in urban areas — and Zanu-PF’s claim that the party dispensed drought relief, will make it difficult for the eight contesting parties to capture seats from the ruling party.

United Party’s legal affairs secretary Mr Trust Sengwayo told journalists at the weekend he was aware his party, the only opposition standing in Masvingo province, was not known even 50km outside Masvingo.

Yet the party would field 120 candidates — one for each available constituency — with the hope of winning at least 40 seats.

Sengwayo said because of lack of funds, organising support was difficult, even in areas where the UP was known to have a lot of support.

While Zanu-PF received 32 million Zimbabwean dollars from the government for its election campaign, no opposition party has received support because they lack the required minimum 15 MPs in Parliament. — Sapa.
Johannesburg-registered Falcon Investments is seeking to revive a disused mine that has entered the hall of fame as the second largest producer of gold in Zimbabwe.

Falcon's operating division in Zimbabwe, Falcon Gold, is negotiating to buy the historic Globe and Phoenix mine at Kwekwe from the hotel and tobacco group Ta-bex. Globe and Phoenix began production in 1904 and up to its closure in 1972 yielded 1,269,120 troy oz of gold at an average of 27g a ton. Only the nearby Cam and Motor mine, also abandoned now, yielded more — 1,408 tons.
Aid for battling farmers

By Michael Hartnack

President Robert Mugabe's government last week stepped in to save 20 farms whose owners were hit when trying to break into Zimbabwe's commercial farming industry.

The 20, whose farms were due to be auctioned, were the worst debtors among 700 members of the Indigenous Commercial Farmers' Association, which collectively owes more than $25 million, said the association's chairman, Thomas Nherera.

He applauded the government's rescue bid, saying auctioning of the farms would be a gross violation of Mr. Mugabe's policy to empower Zimbabwe's 11 million blacks.

Zimbabwe's farming industry is controlled by 4,000 whites.

But Zimbabwean economist John Robertson warned: "Even if government has the legal right to set aside formal business agreements, which it does not — nobody is helped by the damage this does to the collateral status of the property and other assets that presently make the lending process possible."
Harare probes 'vanishing' gold

HARARE — Zimbabwe's Central Intelligence Organisation (CIO) is investigating the suspected disappearance of gold worth millions of dollars from Zimbabwe's rich mineral fields. CIO officers moved in over concern that gold mined by impoverished panhandlers is being bought by unscrupulous dealers and smuggled over the border to Zambia and SA. By law, all gold mined in Zimbabwe has to be sold to the Reserve Bank.

A source within the CIO confirmed officers had toured big farms, where most of the gold panning takes place, and said: "We want to know where all this gold is going. We think there are some powerful people involved."

Tens of thousands of poor Zimbabweans, driven by drought and harsh economic times, are descending on farms across the country to pan for gold. They work long hours in deep makeshift shafts, where many have died, for a grain of gold to earn about R2 a gram.

The panning is legal and licensed but there appears little control of the mining or checks on how much gold is excavated and declared.

Much of the precious metal is believed to be bought by Mercedes-driving dealers, who call at night to collect in exchange for wads of notes.

Expatriate Scottish farmer Ian Millar, 56, has had 1,500 gold panners digging up land at Barrasse Farm, near the northern mining town of Bindura, for the past two months.

He investigated and estimates they have extracted nearly R2.5m worth of gold. He believes much of it reached the black market where prices are 50% higher than those offered by the legal trade.

"I believe 75% of this mining operates outside the law. You can have a whole lot of people running around your farm with semi-legal qualifications and there is nothing you can do about it."

"Frankly, it stinks and as a landowner you are left out in the cold," Millar said.

Farmers also fear that the haphazard mining could cause long-term damage to their agricultural output. Millar said that more than R2.5m worth of irrigation equipment and 50ha of land had been put at risk by mining tunnels which were damaging the soil and water table.

Jerry Grant, of the Commercial Farmers' Union, said: "The situation is becoming a real problem across the country."

"It is totally depressing and disheartening for farmers." — Telegraph plc.
"At the last meeting of the Student Affairs Committee, the SRC proposed that the Committee recommend that the University ban all smoking in public indoor areas of the University. The Student Affairs Committee referred the matter to the Registrar for his attention.

The Registrar has instructed the Student Affairs Department to survey the attitude of the University staff to such a proposal. He has further recommended that this survey be effected through the national 'owners' of buildings on Campus."

Because I am the "notional owner" of the Leslie Social Science Building, I have been asked to conduct the survey in this building.

I would be grateful if you would assist in this survey by completing the short questionnaire printed on the back of this letter and returning it to Mrs Yvonne Fisher in Room 4.23 of the Leslie Social Science Building by 12h00 on Monday 23 August 1993.

/d6yf/smokers
Angola calls on UN for peace deadline

LUANDA: Hit by almost 200 Unita rebel attacks a month, the Angolan government called yesterday for the UN to set and enforce a deadline for peace.

President Jose Eduardo dos Santos asked the UN to set a date for full compliance with a treaty the two sides signed in November, and to impose sanctions for violations.

Mr Dos Santos said the rebels have fooled UN peacekeeping monitors by switching from conventional warfare to hit-and-run "low-intensity combat" — despite the agreement which was to have ended 20 years of civil war.

"Unita has begun ambushes, kidnappings and sniper attacks," Mr Dos Santos said.

Government General Higino Cameiro said over 300 Angolans have been killed by Unita guerrillas since the treaty signing.

Despite promising some 7,000 armed UN troops to shepherd Angola back to peace, the UN has so far put less than 40 unarmed UN monitors into the Southern African nation's battle zones.

UN chief Dr Boutros Boutros-Ghali warned this week he would not recommend the deployment of peacekeeping infantry to Angola until government and rebel forces fully comply with the ceasefire.

Anxious to avoid a repetition of Somalia, where fighting erupted on what should have been a humanitarian mission, the UN has said it will only send troops if it can verify the cease-fire holding.

The first infantry units are scheduled to be deployed in May, but Dr Boutros-Ghali said on Monday the move will be delayed unless government and rebel troops are sent back to barracks and demining operations get underway. — Sapa-AP

Maize harvests hit by drought

HARARE: Southern African states face dwindling supplies of maize — the staple food — in the 1995/96 marketing year after drought sharply reduced harvests this season, regional food experts said yesterday.

Officer seized in Lesotho

MASERU: Soldiers in Lesotho had seized a senior defence force officer and were holding him hostage, state radio reported yesterday.

Riemvassmakers going home

WINDHOEK: The repatriation of hundreds of Riemvassmakers from Namibia to South Africa began yesterday after a delay by floccs in the desert areas where they were forcibly moved to in 1974.

— Sapa-Reuter
IMF positive over Zimbabwe policies

HARARE — Zimbabwe's annual inflation may fall to around 10% from the current 21% by the end of the year if the government severely cuts its spending, International Monetary Fund (IMF) representative Chomu weighed in yesterday.

He said there were positive signs President Robert Mugabe's government was ready and committed to implement a tough fiscal policy and some unpopular measures to help set the economy on a sustainable growth track.

"If this does happen and the government makes huge cuts in its own spending, inflation will fall to about 10% or 11% by December and should be around 15% by mid-year," Chomu said in an interview on the eve of a meeting in Paris between Zimbabwe and Western donors.

"If that happens it will give a big lift to the whole economy. Interest rates (pegged at around 33%) will fall to reasonable levels and both domestic and foreign investors will respond."

Government spending — currently 38% of gross domestic product (GDP) — and heavy state borrowing over the years has crowded out the private sector from a tight domestic financial market, stunting general economic growth.

"That must change ... and there are positive signs it is going to happen now," said Chomu, who has been in Zimbabwe for about two years.

He pointed to government's cut-off of subsidies and commercialisation of some loss-making state-owned agricultural marketing boards, including those handling grain and cotton.

The IMF official also singled out the government's promise to sell off dozens of other state companies and its introduction in January, despite widespread public criticism, of a series of taxes aimed at boosting its coffers.

Chomu said the IMF — which has lent Zimbabwe US$65m in the past two years to support its economic reforms — was convinced the government was now determined, after a number of false starts, to tackle spending and the budget deficit, currently estimated at 6.5% of GDP.

"We were happy to see Zimbabwe acceding in February to article eight of the IMF agreement ... which means there are no foreign exchange restrictions on all current payments, that the country's balance of payments account is healthy and foreign relations are free of restriction."

"Believe this is a commitment that the government will manage its economy soundly ... and this is great news," he said.

— Reuters.
IMF upbeat over Zimbabwe

By Chis Chinuza

SAPA - LSB

Harare — Zimbabwe's annual inflation rate could fall to half of the current 21 percent by the end of the year if the government severely cuts spending, the IMF said yesterday.

The IMF's representative in Zimbabwe, Chunga Cha, said there were positive signs the government was ready to implement a tough fiscal policy and some unpopular measures to help set the economy on a sustainable growth track.

"If the government makes huge cuts in its own spending, inflation will fall to about 10 or 11 percent by December and to 15 percent by mid-year," he said on the eve of a meeting in Paris between Western donors and Zimbabwe to review its economic reforms.

"If that happens, and we are hoping that it does, it will give a big lift to the whole economy. Interest rates (currently around 33 percent) will fall to reasonable levels and both domestic and foreign investors will respond."

Government spending — now 38 percent of GDP — and heavy state borrowing over the years have crowded out the productive sector from a tight domestic financial market, stunting growth.

Cha pointed to the government's cut-off of subsidies and to the commercialisation of some loss-making state-owned agricultural marketing boards.

He said the IMF — which has lent Zimbabwe $350 million in the past two years to support economic reforms — was convinced the government was now determined to tackle spending and the budget deficit currently estimated at 6.9 percent of GDP.
Burrying Zimbabwes hatchet

Histories intrigue by the concept of a truth commission
Dube to Jo'burg on the house

NEWTON KANHEMA

As we walked into Dube station in Soweto, heading for the train, we passed through two entrances without anyone asking us for tickets.

There were railway officials at each entry point, but nobody paid us the slightest attention. We boarded the train for the 30-minute trip into Johannesburg.

Each day, 35% of train commuters in Johannesburg do just that — jump on and off the trains without paying a cent.

While the number of South Africa's rail commuters continues to swell, the train services' administrators are not very encouraged as the increase is not reflected in their revenue.

"I was at the station last week and I saw that the trains were full, but this does not have a corresponding increase in the total fares we get," says Metro Rail Services spokesperson Honey Mafeya.

According to MRS figures, more than 950,000 train commuters evade paying fares daily across the country.

Mafeya says Gauteng commuters are the biggest culprits, followed by the Western Cape (30%), Durban (25%) and Pretoria (15%).

Talking to passengers as we rolled towards Park station from Dube, we found people well satisfied with the railway service.

"Trains are not safe. They are more expensive and the drivers are rude to their passengers. Trains are fast," said one commuter who did not want to be named. A return fare on a taxi from Soweto is R5 a day, which amounts to about R30 on average, spent a week by taxi commuters. In stark contrast, their counterparts travelling on trains spend only R8 a week for the same journey.

A monthly train ticket costs R30, while those travelling by taxi have to fork out R120 a month.

"I think the train is very safe and one feels more in control in a train. Taxis are expensive and the drivers behave like they own you. I also find the train faster during peak hours," said Alice Nhlapo from Zola.

At the stations, private and uniformed armed security men are visible, patrolling the stations around the clock.

Metro recently added facilities such as taxi stands and hawkers' stalls at some stations.

The revamped stations look decent, and during the busy hours the influx of commuters is handled smoothly, without any hussle or the stampedes common in many urban centres.

At present the rail services command 25% of the public commuter market.

But from last month, when the taxi wars resurfaced, the number of people catching trains has increased dramatically.

Although the taxi and bus industries transport 70% of public transport users, MRS is confident that it will be able to snatch another 5% of that market before the end of the year.

The biggest task, though, will be ensuring we won the...
Mugabe guns for judge over bail

ZIMBABWE entered a constitutional crisis this week as President Robert Mugabe's ruling Zanu (PF) party turned its sights from the white business and farming community to the judiciary, the last internal curb on its power.

Prominent law lecturer and human rights activist Derek Matyszak said Home Affairs Minister Dumiso Dabengwa had precipitated the crisis by ordering police to ignore bail orders endorsed by Bulawayo judge Pears that Blackie for a white farmer charged with receiving stolen property.

"People are looking so much at the racial card they are not looking at the constitutional one. What happens next time there is a judgment a minister thinks is invalid?" asked Mr Matyszak.

Retired Chief Justice Enoch Dumbutshena said there was "nothing unusual" in Judge Blackie endorsing a bail agreement late on a Sunday night, but legal sources said Mr Mugabe was likely to invoke his constitutional powers to choose three lawyers to probe Judge Blackie's "misconduct".

The state-controlled media accused Judge Blackie of conducting a "kangaroo court" and demanded he "hang up his wig".

Mr Matyszak said Judge Blackie's actions were covered by a 1986 Free State legal precedent. Court papers also show that police belatedly agreed to bail when Judge Blackie arrived at the remote farming settlement of Nyamandhlovu. Earlier, the police had refused to co-operate with the judge over the telephone.

Mr Dabengwa has been embroiled in a series of immigration disputes in which Judge Blackie has ruled against him. The latest involves American Mary-Lou Rawods, whose Zimbabwean husband is trying to get her deported to evade paying her $4,000 maintenance.

Zimbabwean political observers believe the attack on Judge Blackie comes, significantly, on the eve of a general election set for April 8 and 9, in which Zanu (PF) seems certain to retain all 117 of the 120 constituencies it won in 1999.

Only the entrenched 1980 Constitutional Declaration of Rights limits the party's power.

The white-dominated business sector has nervously retreated from politics after an 18-month battering about forcible "indigenisation".

Two of the country's five Supreme Court judges are white, including Chief Justice Anthony Gubbay, as are four of the 24 High Court Bench, but black and Asian judges are also noted for their independent-mindedness.

Former Chief Justice Dumbutshena, 75, was forced by Mr Mugabe to retire at the age of 70 after warning of "a descent into uncivilised chaos" should the state continue to defy judicial orders.

Legal sources said the attack on Judge Blackie may also be intended to "soften up" the judiciary before it rules on Mr Mugabe's constitutional right to take land from 4,400 white farmers.

By MICHAEL HARTMANN: Harare
Zim leader mum on attack talk

HARARE: Zimbabwe Unity Movement (ZUM) leader Mr Edgar J.
Tekeze yesterday refused to com-
ments on reports that a dissident
group loyal to him was preparing
to launch an attack on Zimbabwe
from Mozambique ahead of the
country's legislative elections.
Zanu news agency reported.

"I have no comment on that
issue. I want to concentrate on
more pressing matters," he said.

Meanwhile an alliance of eight
small opposition parties said yes-
terday it would boycott April elec-
tions as the party in power held
advantages that made it impos-
sible to hold a free and fair vote.

Sapa-Reuters, AP
Fairness of Zimbabwe elections questioned

HARARE - Zimbabwean Health Minister Timothy Stampe stormed out of a primary elections' conductors' meeting by the ruling Zanu (PF) party at the weekend, saying they were "too transparent" and "dangerous".

Stampe, since 1999 at the forefront of a fight against an AIDS epidemic that now infects more than one in seven Zimbabweans, was among nine sitting Zanu (PF) MPs rejected for constituency nomination in the April 8 and 9 general elections.

De-selection by his constituency could signal the end of the government career of Stampe, once five times among 150 MPs.

Other prominent sitting MPs defeated in Zanu (PF) internal balloting for the 20 parliamentary seat nominations included SA-born Ruth Chinamano, widow of late party founder Josiah Chiru-masira, and prominent ex-guerrilla Margaret Dongo. Both challenged the fairness of the process.

All 20 Harare provincial constituencies were held by President Robert Mugabe's party at the September 1999 general elections, and with the opposition in disarray, it is likely to remain so in the next election. In 1999, former leader of the Zimbabwean National Liberation Movement (ZNL), won only two seats in his home city of Mutare despite capturing 24% of the vote countrywide. The Rev Ndahane- ingi Sithole's Zanu (Ndonga) won one seat in his home area on the outskirts of Mozambique.

Commenting on the Zanu (PF) primary elections yesterday, the semi-official Herald dismissed the possibility of Zanu (PF) nominees suffering defeat and said: "In the majority of cases, we may already have witnessed the general election itself.

Former Zimbabwe-Rhodesia prime minister, Bishop Abel Muzorewa, at the weekend announced that a small alliance of opposition groupings calling itself the United Parties would boycott the polls.

However, three more credible candidates — retired chief justice Enoch Dumbudune, Party, ZUM, and, Zanu-Ndonga — remain in the fight.

Sithole denounced Muzorewa's withdrawal and said: "He has always been a coward."

Former Rhodesian prime minister Ian Smith, who handed over power to Muzorewa in 1979, was quoted as saying: "If there were free and fair elections tomorrow, Mugabe would be out." He added: "Smith alleged the polls were "already rigged" in favour of the ruling party and personality cult had further destroyed opposition hopes.

"Only Zanu (PF) is eligible for a N$15bn state grant. The Herald, which usually reflects government thinking, said by defending his role in Rhodesia's 1978-80 transition to black rule, Muzorewa had "opened a Pandora's box." and made the 1972-80 bush war a live election issue."
Zimbabwe Wins Reprieve in Paris

INTERNATIONAL
Zimbabwe goes a bridge too far over the Limpopo

THE SA government's decision to support the construction, tolling and privatisation of a second crossing at Beit Bridge is the cause of major concern among local and foreign carriers.

"Why is there a need for a new bridge now that extensions to customs-clearing facilities have alleviated the bottlenecks to a significant degree," asks the Zimbabwean Transport Owners' Association.

Zimbabwe's transport ministry says that the existing bridge is structurally unsound but to date, no hard evidence has been produced to substantiate this claim.

Notwithstanding strong representations to the SA Department of Transport by Saco, the AHI, Safco, the RFA and SABOA to resist the Zimbabwean claims, an agreement was signed by the two governments in July last year to proceed with the plan.

A report in the Harare-based Financial Gazette said the Beit Bridge Rural Council was unhappy with a mandate granted to Vice-President Joshua Nkomo's Development Trust of Zimbabwe to build, own and operate the second bridge in conjunction with a Bulgarian civil engineering company.

"Dr Nkomo has not been getting good Press. Perhaps he should leave the DTZ to younger and more professional managers. Recent statements and developments linked to him have greatly undermined his credibility," said the gazette.

Construction of the new bridge is far advanced. But it is not too late for the SA government to reconsider its attitude towards sharing the toll levies which could provide a useful contribution to the cost of road maintenance and development.

South Africa's Ministers of Transport and of Safety and Security have formed a joint task group to discuss the future of road traffic enforcement in South Africa.

A number of issues will be addressed, including the role of traffic officers currently serving in the police forces of former TBVC states and self-governing territories, traffic policing functions presently performed by the SAPS and the structure, powers and functions of traffic departments.

The ministers have recommended that the enforcement of traffic regulations should not be charged with the SAPS. This recommendation will be evaluated by the JTG.

A further recommendation is for traffic policing functions currently performed by the SAPS to be transferred to the appropriate traffic police services.

According to the most recent Kwazulu-Natal weighbridge statistics, the overloading problem is still with us. Based on 4,625 vehicles weighed in the province, 41% were overloaded. Of these, 18% were charged.

Only 5% exceeded the bridge formula (Regulation 368A), the worst offender being 23% overloaded.

The worst overloading incidents in November 1994 were:

□ Single axle, cargo trailer, haulage chemicals, 55%.
□ Tandem axle, Liebenberg Transport, hauling salt, 45%.
□ Tridem, Mega Trailers, hauling tar, 45%.
□ Bridge formula, Liebenberg Transport, hauling salt, 33%.
Doldrums seen for Zimbabwe Stock Exchange
Gold boom seen for Zimbabwe

HARARE. — Zimbabwe’s gold output may reach a record 23 tons this year if production levels are maintained and there is enough water, an industry official said here.

However, Chamber of Mines chief executive Derek Bain said the mining sector was battling against a water shortage.

"On the whole, the industry is looking up. We should see some increases in production in a number of minerals, including gold where we have now revised the 1995 annual output upwards at 23 tons," Mr Bain said in an interview.

Zimbabwe is the third largest gold producer in Africa after South Africa and Ghana.

Earlier this year, Mr Bain projected Zimbabwe’s 1995 output at 22 tons after a record 20 tons in 1994.

"There is some increase in production and the figures coming in suggest we will get around 23 tons if we get good rains and underground water to keep up production levels," he said.

Zimbabwe’s agriculture-powered economy has been hit by a semi-drought.

Mr Bain said the mining sector was also beginning to feel the effects of dwindling water supplies, needed for processing, cooling and washing.

Mr Bain said the mining industry’s earnings, which account for about 40 percent of Zimbabwe’s exports, are expected to rise by 25 percent to $39 billion (717.7 million) in 1995. — Reuter.
Increase expected in Zimbabwe's gold output

HARARE — Zimbabwe's gold output, initially expected to rise two tons to 22 tons this year, could reach 23 tons if current production levels were maintained, a top industry official said on Friday.

However, Chamber of Mines CE Derek Bain said the mining sector was battling against a creeping water shortage. "On the whole, the industry is looking up. We should see some increases in production in a number of minerals, including gold where we have now revised the 1996 annual output upwards at 23 tons," Bain said.

Zimbabwe is the third largest gold producer in Africa after SA and Ghana.

Earlier this year, Bain estimated that gold production, which peaked at a record 20 tons last year worth more than US$400m from 19 tons the previous year, would reach 22 tons worth US$620m this year. "There is some increase in production and the figures coming in suggest we will get around 23 tons if we get good rains and underground water to keep up production levels."

Zimbabwe's agriculture-powered economy has been hit by a semi-drought and Bain said the mining sector was also beginning to feel the effects of dwindling water supplies. "For example, about two gold mines have been severely affected, with one cutting monthly ore production from 19,000 to 10,000 tons."

But Bain said local and foreign investor interest in the industry remained high, pointing to a rise in applications for exclusive prospecting orders, especially for gold and diamonds.

The mining industry's earnings, which accounted for about 40% of Zimbabwe's exports, were expected to rise 20% to $8bn this year. — Reuters 6.0.21.1.45
Zimbabwe gold production rises 17%

HARARE -- Gold production in Zimbabwe during the first two months of this year went up 17% compared with the same period in 1994, and indications are that output for the year could exceed 22 tons, Ziana news agency says.

A Zimbabwe Chamber of Mines official said yesterday producers were expecting another good year despite the looming water crisis, as well as proposed increases in electricity tariffs.

"I do not think the producers are miserable. Of course miners, just like farmers, are not going to say everything is fine," the official said. (3b2)

In January and February, 3,655.5kg of gold worth Z$308.5m was produced, compared with 3,499.3kg valued at Z$297.3m in the same period in 1994.

Output in 1994 was 20.5 tons, worth an estimated Z$263.5m.

The higher output was attributed to increased production at the major mines, particularly Cluff, Resources, and Falcon Gold.

"I think we can safely say that output this year will reach 22 tons, judging by the performance so far," -- Sapa.
Incompetence all round does nothing for tourism

Bureaucratic incompetence at Zimbabwean and Zambian border posts, and a competition-stifling deal between South Africa and Zimbabwe favours state airlines, is hindering an ambitious project to boost southern African tourism.

Sun International and Zimbabwe Sun hotels and Sun Air have joined forces to link Sun City, Cape Town and Victoria Falls in a fast, comfortable and efficient tourism network. A third 101 seater DC9 jet has just been added to the Sun Air fleet to handle the new route.

Under a bilateral civil aviation agreement, Sun Air is unable to compete with ZAA and Air Zimbabwe on the lucrative Victoria Falls route. This is despite the fact that ZAA's flights are heavily booked and there is apparently room for expansion.

Sun Air has to use Livingstone Airport in Zambia and ferry passengers from there by road through two totally inefficient border posts.

Sun Air chief Johan Borstlap explained that bilateral agreements specify the number of flights allowed between countries.

The flights allotted to South Africa have to be shared by all carriers in the country and that, says Borstlap, is where the problem starts.

Because ZAA and Air-Zim fly to the Falls they oppose Sun Air being granted rights. We have been told any application would be heavily opposed.

Our original discussions with Air Zimbabwe were very favourable. Then they talked to ZAA. Needless to say, they never came back to us,” said Borstlap.

ZAA spokesman Leon Eis said merely that they did not award licences and referred questions to the Department of Civil Aviation. There a spokesman said he was unaware of any application from Sun Air.

The joint project, however, is still viable one provided the Zambian and Zimbabwean immigration authorities either ease their tedious regulations or engage more efficient officials to handle border traffic.

A media party of 47 travelled from Cape Town, Johannesburg and Durban via Sun Air at the weekend to study the project.

The party hit their first snag at Livingstone Airport where just one official (albeit very friendly) was present to process passports and visas.

Zambia had virtually run out of visa application forms and none was available on the aircraft. Passengers had therefore, to complete them as they queued in the humid arrivals building.

At the border post getting out of Zambia by coach caused another long, hot irritating delay.

Officials even wanted to retain unfamiliar passports such as those of the United Kingdom (European Community) until the holders departed but the visitors were having none of it. They eventually won the tussle.

That, however, was nothing compared to getting through Zimbabwe immigration. Friday afternoon walking traffic, a few cars and our coaches caused chaos, and a wait of almost two hours.

Under present conditions, the prospect of large parties of international visitors with a variety of passports arriving on a Friday afternoon is frightening.

Once in Zimbabwe, the party enjoyed a fabulous weekend staying in the elegant luxury of the new Elephant Hills Hotel, visiting the awe-inspiring Victoria Falls — the “smoke that thunders,” and one of the seven wonders of the world — canoeing on the Zambezi, a river boat cruise, white water rafting and game viewing trips.

Golf is another big attraction.

The very much lighter traffic of Sunday morning enabled a smoother return crossing out of Zimbabwe and into Zambia, where the party visited some of the superb facilities such as the Chundukwa adventure camp and the Tongabezi safari resort by coach and boat.

The final irritation was the flight path from Livingstone to Livingstonia Airport on Sunday afternoon. It took an average of three to four minutes for a lone official to process each passenger’s documents.

The agony was still not quite over. Then came... the search.

Security is clearly necessary, but why such a minute search was necessary for people leaving the country was lost on me.

Every item in my luggage and my wife’s was taken out for examination. This was despite it all having been through the electronic scanner. We were obviously not carrying bombs.

More distressing, however, was the reaction of the airport security officer when I said Zambian officials could endanger the country’s tourist industry.

“No, definitely not,” he said, “we are merely using procedures followed all over the world.” Have I got news for him.

Richard Carter, Sun International public relations executive, said it would be hoped that both Zambian and Zimbabwean authorities would be aware of the need to nurture their depressed tourist markets.

“People are eager to visit southern Africa... but they will expect to be greeted by happy, efficient officials,” he said.

Sun International, Zimbabwe Sun and Sun Air have brilliantly got their act together. All they need now is for the Zim-Zam bureaucrats to catch a wake-up.

Bottom line... our Sun Air DC9 had this message on the back of seats: “Fasten seat belts while seated”. Come to think of it, when else would one do so?
The smoke that thunders... the cloud, rising high into the sky from the Victoria Falls can be seen many kilometres away.

PICTURE: GRAHAM REES
Outcry as candidates say primaries 'rigged'

HARARE: Fresh protests have rocked Zimbabwe's ruling party over charges that some of its leaders rigged the latest primaries to choose candidates for municipal elections due later this month.

Political analysts, while believing the outcry poses no immediate threat to ZANU-PF leaders, say it could be part of a gradual break-up of their long, cosy dominance of Zimbabwe's politics.

"The level of dominance within the party is very high. In many cases the leaders just dictate their wishes, but under the guise of democratic structures, and they will continue to do so as long as the opposition remains weak and divided," said Mr John Makumbe, a political scientist at Harare University of Zimbabwe.

They don't see any immediate threat from such behaviour or reason to change," he said, adding: "I see it as a process of self-destruct, resentment rising against them and a long run break."}

Last weekend, in a replay of previous squabbles, over 200 ZANU-PF members charged they were grossly cheated at local government primaries for elections set for October 28-29 because some party leaders "purposely omitted" their names.

Hundreds of party supporters protested, saying the voting venues and voters' lists were changed without notice or at very short notice in favour of preferred candidates.

Conflicts within ZANU-PF are at the heart of real political life in Zimbabwe because the party dominates all others so overwhelmingly that they pose no credible challenge. It holds 148 out of 210 seats in parliament.

ZANU-PF chiefs strongly deny they are democracy, dismissing such charges as either sour grapes or malicious propaganda.

Earlier this year, ZANU-PF was also hit by a series of revolts over the conduct of primaries before April's parliamentary general elections. — Reuters
Interest cripples Zim

Zimbabwe’s farmers are suffering under punishing interest rates. Lewis Machipisa in Harare reports

Two years ago it was drought, a freak of nature, that crippled Zimbabwe’s agricultural sector. Now the problems besetting the industry’s recovery are entirely man-made.

At 32 percent, the country’s interest rates are punishingly high, undermining efforts to resuscitate farming, the backbone of the economy.

“With punitive interest rates of more than 30 percent farmers are reluctant to borrow from commercial banks to finance the rebuilding exercise,” says Paul d’Hotman, chief executive of the Cattle Producers Association (CPA). Financial institutions have stopped writing out loans unless farmers clear their backlogs.

“Some of the farmers have not repaid debts dating back to three years ago. We cannot be sympathetic indefinitely,” said a spokesperson for the Agricultural Finance Corporation (AFC). As a result, d’Hotman says, ranchers are selling their cattle to meet debt obligations with a reported glut of beef at abattoirs around the country.

The CPA has appealed for concessional interest rates, allowing farmers to pay five percent in the first year, 7.5 in the second and 10 percent in the third year.

Beef exports normally earn the country more than US$30-million annually. But the 1991/92 drought, the worst in living memory which ravaged southern Africa, wiped out about 4.2-million head of cattle.

Tobacco, which accounts for about 30 percent of Zimbabwe’s total exports, is having a similarly painful recovery. According to Peter Richards, president of the Zimbabwe Tobacco Association (ZTA), the biggest problem his members face is not the lack of capital but finding ways of repaying the interest. “The interest is crippling,” he says bluntly.

Richards notes that the current high interest rates will only see the fittest survive.

The tobacco industry supports more than 500 000 families and earns the country more than US$400-million in foreign currency.

The reason for the country’s high interest rates lies simply with mismanaged public spending and the public sector, say economists. According to Professor Tony Hawkins at the University of Zimbabwe, the country is in a serious debt trap with no less than 23 percent of this year’s budget and probably more earmarked to pay interest charges. The national debt is estimated at 95 percent of GDP.

The government aims to cut the budget deficit this year to five percent of GDP from the current 7.9 percent. However, heavy subsidies to ease state-owned company losses are likely to mean the deficit will actually rise to 10 percent, analysts warn.

Agriculture, at 30 percent of GDP, is the most important foreign currency earner. The largest employer and contributes more than 50 percent of raw materials to industry. — IPS
Zim board fired
before inquiry

Harare — President Robert Mugabe's government said yesterday it had fired the entire nine-member board of Zimbabwe's compulsory pension scheme to facilitate investigations into charges of rampant corruption.

Labour Minister John Nkomo said in a statement he had assumed direct control of the National Social Security Authority (NSSA), whose board chairman and deputy were dismissed a month ago for alleged misappropriation of funds, until the investigation was completed.

The NSSA was formed last year amid strong objections from Zimbabwe's business sector, which said the state scheme was simply duplicating existing pension funds. — Sapa-Reuters
HARARE. — For the first time since they shed their South African ownership nearly 15 years ago, the two private organisations that make up Zimbabwe's Press are making earnest attempts to rid themselves of the legacy that earned their newspapers the sorry prefix "state-controlled..." in newspapers abroad.

A boardroom struggle is under way with the Zimbabwe Newspapers Group (Zimpapers) and the Zimbabwe Mass Media Trust (ZMMT), which owns the group, resisting manoeuvres by the government to plant its own appointees on their governing boards.

In the past, this led to serious manipulation of the local Press to the tune of President Robert Mugabe's ruling ZANU (PF) party.

Last week Zimpapers carried its annual results on the finance page of The Herald, the Harare daily.

They were signed by the group's chairman, respected Harare lawyer Honor Mkushi.

On the same page was a brief report quoting Zimpapers managing director Simba Makoni making the seemingly obvious statement that his company's rules laid down that its directors choose the board chairman.

Both items served as a direct rebuff to Information Minister David Karimanzira, who earlier declared that Mkushi's election as head of Zimpapers' board the week before had been "rescinded".

Mr Karimanzira has been trying unsuccessfully since the beginning of the year to install the government's own nominee, a businessman who is also a cousin of ZANU (PF) politburo member Nathan Shamuyarira, the party's chief spokesman and the man regarded as the real boss of Zimbabwe's media.

Lawyers say that ZMMT and Zimpapers have a watertight case for their independence and there is nothing illegal the government can do to impose its will.

Gift

But, observers warn, the stakes for political control of the country's Press and of the ZMMT's multi-million dollar investments are so high, anything could happen.

At independence in 1980 Zimpapers' majority shareholder was South Africa's then Argus Group, a vestige of the country's Rhodesian past Mr Mugabe was anxious to dump.

In 1981 the Nigerian government stepped in with a gift of $5 million (R17.5 million) which Mr Mugabe used to buy out Argus' 52 percent shareholding.

ZMMT was founded amid earnest assurances of Press freedom and it assumed the ownership of Zimpapers.

Mr Shamuyarira appointed as chairman of both Zimpapers and ZMMT Dr Davison Sadza, a medical doctor and a close friend since their schooldays.

Scandal

It set in motion an informal arrangement between the two that has enabled the government to dictate newspaper policy and practice to Zimpapers.

Journalists confirm that directives issued from Limpudza House, the Information Ministry's headquarters in Harare, were implemented by Dr Sadza who usually let the board know afterwards.

Orders ranged from the removal of three editors who annoyed politicians, to the mandatory use of the title "comrade" before the names of party members.

The relationship also established a system of political patronage which saw the appointment, among many others, of David Mdzuki as managing director of Zimpapers, and of Xavier Kadzumi to run ZMMT's Hanyani Holdings, the country's biggest paper and packaging group.

Both men are cousins of Mr Shamuyarira.

Denounced

Mr Mdzuki and his brother, former administration manager William Muziwa, are facing charges of heading a $241.5 million (R800 000) swindle at Zimpapers.

Kadzumi was sacked from his job after being blamed for leading the once-blue chip corporation to ruin.

Sadza was denounced by minority shareholders for failing to detect the scandal at Zimpapers. He resigned at the end of last year, telling the Herald he had "done his bit and felt like a bit of a pest".

Simon Muzunhunhu, a businessman and cousin to Mr Shamuyarira, was the government's immediate choice to replace Sadza.

Instead, the ZMMT board sat in February and unanimously elected Mkushi.

A month later the Zimpapers board met and also chose Mkushi to lead the company until the next annual shareholders' meeting.

But Karimanzira issued a statement describing the announcement of Mkushi's election as "erroneous and highly misleading".

The response was the Zimpapers results with Mkushi's signature.

The notarial deed that establishes ZMMT allowed the government to appoint its first trustees but makes it clear that subsequent appointments are the sole right of the board of trustees.

The crunch

The document goes so far as to disqualify politicians from being trustees.

Zimpapers, a public company, is run according to company law, the laws and rules governing the Zimbabwe Stock Exchange and its own articles of association.

ZMMT, as the majority shareholder, can choose the board of directors, who then elect a chairman.

"There is not a single government ministry which is a shareholder of the group," Zimpapers' Makoni told Sapa.

"We are striving very hard to be on the cutting edge of competitive business in the '90s. We are not going to do that if we are not operating in accordance with the legal instruments of the company."

The crunch comes at the end of April when Zimpapers holds its annual shareholders meeting and elects a chairman. — Sapa.
HARARE - For the first time since they shed their with African ownership 15 years ago, the two private organisations that compose the Newspaper Association Zimbabwe Trust (NAT) have issued a joint statement expressing concern over the growing threat to media freedom in the country.

A boardroom struggle at the group's headquarters in Harare has led to the resignation of the board's executive director, Mr. Denis Mukwevho, who said he had been forced to resign after a lengthy battle with the group's majority shareholders, the Zimbabwe Press Owners Association (ZPOA), over the management of the group's affairs.

In a statement released on Monday, the NAT said it was concerned that the group's management was not effectively implementing the group's constitution and that it was failing to comply with the group's code of conduct.

The NAT also expressed concern over the recent closure of two newspapers, the Daily News and the Sunday Sun, which it said was a violation of the group's constitution.

The NAT called on the government to ensure that media freedom is respected and that all media outlets are treated equally.

The group also called on the government to ensure that all media outlets have access to the same resources and that all media outlets are treated equally.

The NAT said it was concerned that the government was not providing the necessary support to the media sector.

In a separate statement, the ZPOA said it was concerned about the growing threat to media freedom and called on the government to ensure that all media outlets are treated equally.

The ZPOA also called on the government to ensure that all media outlets have access to the same resources and that all media outlets are treated equally.

The ZPOA said it was concerned that the government was not providing the necessary support to the media sector.

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**WORLD NEWS**

**Frightened Zimbabwe to cast its lacklustre vote**

A record low turnout is expected, except in rural areas, where people have been warned this could mean non-arrival of drought relief trucks.

"Prices can be put up, people will be starving, mothers will see their children never find employment and exist on one meal a day, but they will rush to the airport to welcome the president," said retired chief justice Enoch Dumbutshena, 75, whose Forum Party ignored calls to boycott polls.

A reporter from the government-controlled daily, The Herald, spent five days vainly queuing to register as a voter.

A woman he spoke to voiced common fears of the ruling party youth wing when she said: "Those without the cards will be beaten by the youths. That is why I am here."

A man feared he would be fired if he asked for any more time off to register: "I do not eat a vote after all," he said.

Forum candidate Trudy Dickey was mobbed by women shouting "We only have Zanu here" as she tried to talk to street traders in her Harare North constituency. Her car was pummelled as she fled.

Other Forum candidates withdrew after their businesses were picketed.

Police arrested 13 Zanu (PF) militants when they attacked supporters of ex-guerrilla backbencher Margaret Dongo who opted to stand as an independent.

She was one of many outspoken Zanu (PF) members, including Health Minister Dr Timothy Stamps, who were "de-selected."

The government reportedly spent more than R15 million on voters rolls and registration cards.

However, many cards were issued for dead people while other voters—including the Sunday Times correspondent—were given two.

Another alleged extravagance is an imported R30-million French helicopter reserved for presidential campaigning.

However, opposition's biggest gripe is the R14-million state funding for Zanu (PF) while farmers and businessmen fearing victimisation cancelled donations to the opposition.

Said former Rhodesian Prime Minister Ian Smith, 75: "If there were free and fair elections tomorrow, Mugabe would be out. I told the opposition to unite, and I could get them some finance (but) everybody wants to be the leader."
HARARE — With only days to go to a general election, Zimbabwe's splintered opposition parties have failed to capitalise on the country's economic woes to fight President Robert Mugabe's ruling party.

Political analysts say the opposition, whose weakness has become the focal point of the April 8-9 parliamentary polls, has failed dismally to wring any advantage from the soaring cost of living and anger over alleged government corruption.

"There are no economic issues at stake in this election, no awkward questions to answer as far as (the ruling) Zanu-PF is concerned because the opposition is the main subject," said John Makwande of the political science department at the University of Zimbabwe.

"All that Zanu-PF is doing is to abuse the opposition and waffle on big subjects like the economy, which normally decide elections," he said.

Many Zimbabweans consider the elections a formality.

Zanu-PF, which has ruled since independence in 1980, won 45 of 120 parliamentary seats by default when the opposition failed to register candidates by the deadline last month. Some opposition candidates also dropped out.

The opposition — with only three seats in the outgoing parliament — is expected to win at most seven seats from its field of 61 hopefuls. Thirty independents are also running against Zanu-PF for 96 seats.

Twenty seats in Zimbabwe's 150-member parliament are filled by presidential appointees and 10 others by traditional chiefs.

Kempto Makumure, also of the University of Zimbabwe, said if the opposition had brought the country's economic management to the fore, the election outcome could have been more uncertain.

"But there is so much confusion in the opposition, no one is articulating anything strongly enough or saying how they would manage things or tackle unemployment," he said.

Mugabe's government, out of necessity rather than conviction, adopted a five-year economic reform programme in 1991 to reverse the devastating effects of a 10-year experiment with socialism.

But the donor-backed reforms, largely endorsed by the opposition as being crucial to long-term growth, have led to almost daily price rises for most basic commodities. And the increases have angered most workers who have not seen real improvements in their wages.

The opposition Forum Party said: "There is widespread corruption and the government has not done enough to minimise the side effects of the reform programme. Maybe we are not loud enough, but the economy and fostering true democracy are our main issues."

Mugabe says the opposition has no case on the economy, because his record is excellent.

Acting Finance Minister Emmerison Mnangagwa has reaffirmed several times the government's commitment to cut jobs in the civil service, commercialise or sell loss-making state-owned companies and improve the investment climate.

Mugabe's government, with a reputation for populist programmes, has bulldozed through harsh economic reforms despite protests from interest groups in urban areas.

Critics say his government is able to tear down the comfortable cushion of subsidised health and education programmes built up in his first 10 years in power only because of a weak opposition.

Over the past four years Mugabe has slowly cut funding for health, education and social welfare, but a regular flow of drought relief to impoverished districts has kept his rural base happy. — Sapa-Reuters.
Zimbabwe hit by drought disaster

By Robin Drew and Andy Meldrum

HARARE — The extent of the disastrous drought in Zimbabwe this season reveals itself in a simple statistic: the number of people needing drought relief is expected to soar to more than five million, nearly half the population.

Hundreds of thousands of peasant families will not be able to produce enough grain to meet household needs after widespread crop failure. Recent rains last month came too late to save many crops.

This year the government introduced a scheme in which able-bodied men are expected to pay back from their next harvest the food aid they receive in the weeks and months ahead.

After the catastrophe of 1992 when the country had to import two million tons of maize in a massive operation, the government established a stockpile of about 500,000 tons. But because of the dramatic drop in yields this season, it seems that once again Zimbabwe will have to import about 200,000 to 300,000 tons to meet its needs, despite assurances from the government.

Chief executive of the Commercial Producers Association Mr Richard Amoyt expected large-scale producers to come up with about 400,000 tons of maize, of which about half will be marketed. At the start of the season producers were hoping to market 800,000 tons.

"It has been a very difficult season," says Amoyt. "It got off to a late and patchy start. We had to replant more than 35,000 hectares; which obviously increased costs."

Official crop forecasts paint a grim picture. The one bright spot is tobacco, which in the main has stood up well to the poor season. Farmers are still expecting a crop of 190 million kg, and were quick to react when an official forecast of a sharp drop turned out to be a mistake.

The storms that hit southern Zimbabwe at the end of March came too late to save the crops, but they relieved some of the pressure on ranchers from the Zambezi River, some 400 kilometers to Bulawayo.

"Bulawayo cries out for highly urgent problem solving to get the city a secure water supply," said Payne. "If I am elected to parliament, I will take action to bring more water to our city."

Not surprisingly, President Robert Mugabe also picked up the popular issue of more water for Bulawayo when campaigning in the city over the past weekend. Mugabe pledged his government’s support to the R16 million project to build a 400 kilometer water pipeline from the Zambezi River to Bulawayo.

But Mugabe had a hard time convincing Bulawayo residents that his government is actually concerned about their city’s water problems. During the severe drought of 1992, Bulawayo was reduced to water supplies of just a few weeks and the government took no action.

Angered after years of neglect, by the Harare government, Bulawayo citizens themselves launched the Matabeleland Zambezi Water Project to build a pipeline from the Zambezi to Bulawayo. A team of Swedish experts is carrying out a feasibility study at a cost of R6.25 million.

Mugabe praised Bulawayo’s fundraising efforts, saying it was one of Zimbabwe’s finest examples in community self-help endeavours. And, aware of the popularity of the pipeline project, Mugabe pledged his government’s support.

"As droughts have become increasingly perennial, more acute and disastrous in this part of our country in recent years, a water pipeline from the Zambezi through Matabeleland North to the city of Bulawayo appears to be a valuable solution," said Mugabe to the thousands attending a political rally.

The president pledged that the pipeline would be in his 1995-96 Public Sector Investment budget.

But Bulawayo residents cynically question whether or not Mugabe’s campaign promise will materialise as a pipeline to resolve their longstanding water problems, or will remain just a political pipe dream.
Poll polka . . . a Zanu-PF supporter, dressed in traditional Shona skins, performs a dance during an election rally in the northern Zimbabwe town of Chinoyi prior to this weekend’s election.
Of polls and pedigrees

Mugabe meanwhile has already won before a vote has been cast.写入 Robin Drew and Andy Melkum of The Star Foreign Service but no party can bring them back. Their greatest need. President

ambiguities pronounced on the government this weekend.
Mugabe still in driver’s seat

THE opposition is in disarray, Laurence Bartlett of The Star Foreign Service reports from Harare.

The guerrilla leaders who overthrew white rule in Zimbabwe 15 years ago look set to consolidate their stronghold on power with a landslide victory in parliamentary elections this weekend.

President Robert Mugabe’s ruling Zimbabwe African National Union-Patriotic Front (ZANU-PF) brushing aside boycotts and charges of cheating, has left a divided opposition floundering as it heads for a fourth straight term.

Mugabe (77) himself does not face a presidential election until next year, but the autocratic intellectual has dominated the run-up to the vote.

The avowed socialist who runs an increasingly capitalist country has drawn thousands of people to rallies, while opposition leaders have at times had to cancel campaign appearances because of poor attendance.

Analysts say this may simply be an indication that ZANU-PF’s party machinery is working hard to avoid apathy producing an embarrassingly low turnout at the polls, rather than an expression of popular support for a president whose recent economic reforms have caused widespread hardship.

But even if that is the case, it shows that the party that ousted Ian Smith, white-minority government in the former Rhodesia remains far better organised than the weak and amorphous opposition.

Before a single vote has been cast on Saturday, ZANU-PF has a majority in the 150-seat parliament because it is unchallenged in 55 constituencies and 30 other seats are under Mugabe’s control.

That block of 30 seats — 20 appointed by Mugabe and 10 by a government-controlled council of chiefs — is cited by a number of opposition parties as one of the main reasons they are boycotting the elections.

But political analysts say the opposition has failed dismally to wring any advantage from the soaring cost of living and anger over alleged government corruption.

Many Zimbabweans consider the result a foregone conclusion.
The extent of the disastrous drought in Zimbabwe this season reveals itself in a simple statistic: the number of people needing drought relief is expected to soar to more than five million, nearly half the population. Hundreds of thousands of peasant families will not be able to produce enough grain to meet household needs following widespread crop failure. Recent rains last month came too late to save many crops.

This year the government introduced a scheme in terms of which able-bodied men are expected to pay back from their next harvest, the food aid they receive in the weeks and months ahead.

After the catastrophe of 1982 when the country had to import two million tons of maize in a massive operation, the government established a stockpile of about 900,000 tons.

'Bulawayo has been starved of water for years and the government has done nothing to help us get access to a secure supply.'

But because of the dramatic drop in yields this season, it seems that once again Zimbabwe will have to import about 200,000 to 300,000 tons to meet its needs, despite assurances from the government.

The chief executive of the commercial producers association, Richard Amoyt, expects large-scale producers to come up with about 400,000 tons of maize of which about half will be marketed. At the start of the season producers were hoping to market 800,000 tons.

'It has been a very difficult season,' said Amoyt. 'It got off to a late and patchy start. We had to replant more than 30,000 hectares, meaning an obvious increase in costs.'

Official crop forecasts paint a grim picture. The one bright spot is tobacco which in the main has stood up well to the poor season. Farmers are still expecting a crop of 190-million kg and were quick to react when an official forecast of a sharp drop turned out to be a mistake.

The storms which hit southern Zimbabwe at the end of March came too late to save the crops but they relieved some of the pressure on ranchers.

Overall water storage in farm dams at present is down to 32%. This time last year it was 62%.

Of the major dams in the country, province by province, dams in Mashonaland are 43% full, Masvingo 27.8%, Midlands 36.5%, Manicaland 12.7% and Bulawayo only 5.4% full.

The biggest dam of all, Kariba, is only 21.1% full.

In Zimbabwe's second and traditionally thirsty city, Bulawayo, water is a political issue with every politician here promising a better supply.

The current drought forced this city of more than a million people to impose water rationing of 600 litres daily per householder recently and just this week cut that back even further to 450 litres despite the hope that recent rains might have eased pressure on the city's reservoirs.

'Bulawayo has been starved of water for years and the government has done nothing to help us get access to a secure supply of water,' said parliamentary candidate Mike Payne, standing by a colourful water-bowser cart that is his campaign symbol.

To dramatise Bulawayo's desperate need for more water, Payne pushed the small 210-litre bowser from the Zambezi River some 400 kilometres to Bulawayo.

'Bulawayo cries out for highly urgent problem-solving to get the city a secure water supply,' said Payne. 'If I am elected to parliament I will bring action to bring more water to our city.'

Hard time

Not surprisingly, President Robert Mugabe also picked up the popular issue of more water for Bulawayo when campaigning in the city over the past weekend. Mugabe pledged his government's support to the $81.5-million (R416-million) project to build a 400-kilometre water pipeline from the Zambezi River to Bulawayo.

But Mugabe had a hard time convincing Bulawayo residents that his government is actually concerned about their city's water problems. During the severe drought of 1982 Bulawayo was reduced to water supplies for just a few weeks and the government took no action.

Angered by years of neglect by the Harare government, Bulawayo citizens themselves launched the Matshobela Zimbabwe Water Project to build a pipeline from the Zambezi to Bulawayo. A team of Swedish experts is carrying out a feasibility study at a cost of $281.5-million (R6.23-million). The Swedish government is providing $281.5-million of that cost while the citizens of Bulawayo contributed $283.5-million.

Self-help

Mugabe praised Bulawayo's fundraising efforts, saying it was one of Zimbabwe's finest examples in community self-help endeavours.

Mugabe pledged his government's support for the pipeline project and said it would be in his 1985/86 public sector investment budget.

But Bulawayo residents cynically question whether Mugabe's campaign promises will materialise as a pipeline to resolve their longstanding water problems — or whether it will remain just another political pi-pedream.
Snail's pace for trade talks with Zimbabwe

TRADE and Industry Department officials refused to comment yesterday on progress made in talks to review the bilateral trade accord with Zimbabwe, fueling fears an agreement would not be reached by June.

A departmental statement said "research" (analysis of trade statistics) by the two countries was continuing and a report on the outcome would be made soon.

The department did not reply to requests for details of progress made in the talks or in discussions with labour and business within the National Economic Development and Labour Council (Nedlac) trade and industry chamber.

The request for the review of the accord, in operation since the 1960s, came from Zimbabwe, and included a proposal for the re-introduction of trade preferences on its clothing and textile exports to SA.

Last month the department said the Zimbabwean data was not "sufficiently specific to allow an in-depth analysis of Zimbabwe's request regarding the special dispensation on textiles and clothing."

Trade observers said yesterday it was unlikely that the talks would be concluded by June at the present "snail's pace".
Zimbabwe's parliamentary elections this weekend are turning into the non-event that seemed likely. Even before the polls open on Saturday, President Robert Mugabe's ruling Zanu-PF is certain of a substantial, outright majority. Only 66 of the 120 elected seats are being contested, with Zanu having taken 54 seats unopposed.

A further 30 seats in the 150-seat National Assembly are reserved for MPs nominated by the President, whose six-year term of office expires in 1996. Eight of these must be provincial governors, 10 are traditional leaders and 12 are people Mugabe can nominate to fill certain posts in his government. Some of those to be nominated are certain to be Zanu-PF leaders who lost their seats in the party primaries last month or, in the case of Vice-President Joshua Nkomo, simply refused to contest a constituency on the grounds that he thinks he should have been elected nationally.

With his 30 nominated members, Mugabe already has 84 seats and is likely to win virtually all the remaining 66. The fractured, demoralised and disgraced opposition has no leadership and no funds. The Forum Party, led by former Chief Justice Enos Dumbetshe, is contesting 30 seats and may win one or two, though the signs are that Dumbetshe himself will lose in Harare.

Zanu (Ndonga) — the party led by the Rev Ndabaningi Sithole, Mugabe's predecessor as leader of Zanu in the Sixties and Seventies, is contesting 30 seats. Its support is largely regional — in the eastern districts — and it is likely to win two or three seats, including Sithole's. The remaining 11 constituencies are being contested by smaller parties, some of them virtually one-man bands, including the bizarre Zimbabwe Aristocratic Party.

It will come as a surprise if Zanu loses more than five seats (in the 1990 poll it lost just three) in a low turnout. Indeed, because almost half the seats are uncontested, even the turnout numbers will mean little.

Whatever the magnitude of his victory, Mugabe will be unable to claim his policies have won the endorsement of the electorate. With unemployment officially estimated at 45% and rising, per capita incomes no higher now than at independence 15 years ago and real wages having fallen by a third since 1991, the government's economic track record is dismal.

Mugabe comes close to admitting this, telling a weekend election rally, attended by a mere 7000 people, that the government was committed to "emulating" the Indian example where 60% of GDP was generated by the informal sector.

Inflation, which in last year's budget was forecast to reach 10% by the end of the fiscal year on June 30, is now running at 24%. The budget deficit, forecast at Z$1.4bn (US$170m) for the entire fiscal year, reached Z$2.9bn in the first six months to December 1994.

The government has since cut spending and raised taxes while making extravagant promises to the donor community at last month's Paris Consultative Group meeting to slash the deficit from 1995.

None of these economic issues was the focus of serious debate during the election campaign, which was more concerned with personalities, especially bickering within the ruling party, than with issues.

The Western donor view that, with elections out of the way, the new government will be able to bite the deficit bullet, ignores the non-event nature of the elections. A more positive scenario is that Mugabe will now appoint a new Finance Minister to replace the ailing Bernard Chidzero who has retired from politics, and a Minister of Industry (the post has been vacant since the death of the former Minister 15 months ago). The front-runner for Finance is the acting Minister, Emmerson Mnangagwa, who has no expertise in finance or business but is a political heavyweight. His main rival is Ariston Chamhati, a politician, academic and diplomat turned businessman who is likely to take the Trade & Industry post or possibly Finance.

Some new faces in the Cabinet may help to freshen the image of a tired administration. Many of those Ministers have been in office for more than a decade, devoid of new ideas and at a loss as to how to handle rapidly escalating unemployment. Hence Mugabe's astonishing claim that his ideal is an economy in which 60% of GDP is produced by the informal sector.

More than just a few new faces will be needed to turn the economy around. Tough decisions — including privatisation — will have to be made. With the election out of the way, the donors and the World Bank will be pushing for movement on this front — only to be told that Mugabe must put next year's presidential elections ahead of radical economic policies that fly in the face of his continuing commitment to socialism.
Mugabe taunts Zim whites

ANDY MELDRUM
Weekend Argus
Foreign Service

HARARE. - Voting in Zimbabwe's parliamentary elections begins today after an attack on the country's white minority created a touch of excitement in an otherwise ho-hum campaign.

Assured of electoral victory, President Robert Mugabe confidently took to the campaign trail at the last moment this week. He attacked unnamed "secret organisations for whites" and white-owned commercial farming on his whirlwind tour of the Mashonaland stronghold of his party, the Zimbabwe African National Union-Patriotic Front (Zanu-PF).

"Although the hand of reconciliation has been extended to whites, it cannot be stretched too far," said Mr Mugabe, who warned there were secret organisations of whites who clandestinely celebrated the anniversary of Ian Smith's creation of minority-rule Rhodesia.

Mr Mugabe also took a swipe at Zimbabwe's commercial farmers, most of whom are white, charging that they were just keeping "wild animals" on their land rather than farming for crops. Mr Mugabe said his government would step up its purchase of such under-used land for the resettlement of peasant farmers who needed land.

Vice-President Joshua Nkomo, travelling in a Mercedes, addressed rallies in southern Matabeleland and also included broadsides at the white minority in his politicking.

"After the elections, we are going to deal with recalcitrant whites if they continue to separate themselves within clubs and schools," warned Dr Nkomo.

Jabs at Zimbabwe's small, but wealthy white community, numbering about 80,000 out of 12 million, came as no surprise to diplomats and political analysts. Confronting widespread apathy, economic hardship and mounting corruption scandals, the Mugabe government has found whites conspicuously well-off and something downright racist—a useful campaign scapegoat.

This scapegoat served to detract from numerous charges of registration irregularities, intimidation and possible fraud.

However, in spite of the last-minute attack on whites, Zimbabwe's renowned easy-going relations between the races remains more or less intact.

There is little need for Mr Mugabe to lash out at whites or any other group, including the tiny opposition parties, because his Zanu-PF is sure of a ruling majority in parliament before a single vote is cast today and tomorrow.

But, the most hotly contested seats are Harare South and Gweru Central. Harare South has been ably represented by petits, pretty and fiery Margaret Dongo, who joined the liberation struggle against Rhodesia at the age of 14.

The Zanu-PF party machinery, in a bid to reduce her support base, has redrawn the borders of her Harare South constituency.

See picture on page 4
Mugabe's secret kids overshadow elections

BY MICHAEL HARTNACK

Harare

The Zimbabwe parliamentary elections this weekend have been overshadowed by a report in a Swedish-funded magazine that President Robert Mugabe has secretly remarried and fathered two children.

The report — an open secret long whispered by Zimbabweans and in diplomatic circles — has major constitutional implications for the country.

Mr. Mugabe, 71, has a seven-year-old son, Robert junior, and a daughter, Bongi, none of whom could sustain dynastic succession along the lines now seen in North Korea, a nominally socialist country President Mugabe cites as a role model.

Western diplomatic sources said their security agencies had noted the presence of the new “first lady,” the former Miss Grace Marufu, during Mr. Mugabe’s trips abroad.

It also paved the way for Mr. Mugabe’s wife, 90, Grace’s uncle, told Horizon magazine that Mr. Mugabe gave her blessing to a traditional Shona polygamous marriage before her death from kidney disease in January 1999, and Mr Mugabe paid an undisclosed lobola in December that year.

Junius Marufu, 80, Grace’s uncle, told Horizon magazine that Mr. Mugabe’s family, from the Mrewa district 70km north-east of Harare, accepted Mr Mugabe as a son-in-law “because we were told the late Sally was aware the president was going to marry into our family.”

With this weekend’s elections already in the bag for Mr Mugabe’s ruling Zanu (PF) Zimbabwean public opinion is likely to be less interested in the commonplace occurrence of a polygamous marriage than the new first lady’s tribal connections. She comes from the same influential Zezur tribe as Mr Mugabe.

Zezur is the most prosperous of Zimbabwe’s Shonas because of their proximity to the capital, have often been at odds with the eastern Manyaika and southern Karanga over the economic benefits of independence.

Grace was working as a state house secretary when she met Mr Mugabe in the late 1980s.

On the eve of this weekend’s polls, a black commentator said Zanu (PF) was not a political party in the western sense.

“Rather, it is a loose conglomeration of individuals and tribal groups unified by their acquisitive pursuit of the spoils of patronage,” he said in a critical article in the Financial Gazette, urging a boycott of the “sham” elections.

Zanu (PF) won 55 of the 129 constituencies announced. Many opposition candidates either dropped out or were disqualified in controversial circumstances. Zanu (PF) also gets another 30 nominated seats.

The director of information, Bornwell Chibaya, has not yet responded to a written request for comment on the report which has been taken up by international news agencies.
Zim voters stay away on final day

HARARE: Zimbabwean voters yesterday stayed away in droves from polling stations largely deserted for the second day of elections already won in advance by the ruling Zanu(PF) party of President Robert Mugabe.

Zimbabwe's last white leader, Mr Ian Smith, was one of a trickle of people to cast his vote on the last day of the lacklustre parliamentary elections after being prevented from voting on Saturday. "I received a personal letter from the registrar-general regretting that a computer error had me listed on the voters' roll under 'I' for Ian rather than 'S' for Smith," he said.

Earlier he said he would probably vote for the former chief justice, Mr Enoch Dumbutshena, who is leader of the opposition Forum Party.

Most polling stations around the country were reported to be deserted yesterday, continuing the trend of a low turnout set on Saturday.

Officials said just 24% of eligible voters cast their ballots on Saturday and added they expected yesterday's figure to be lower. They expected final participation figures to show between 40% and 50% going to the polls.

But voters appeared to see little point in voting in elections in which the ruling party was unopposed in 55 constituencies and where Mr Mugabe controls appointments to another 30 seats in the 150-seat parliament.

Mr Mugabe's press aides yesterday ignored reports that he had secretly founded a "Mugabe dynasty" after polygamously marrying a State House secretary, Ms Grace Marufu, in 1989. — Sapa-APP, own correspondent.
Poll turnout disappoints Mugabe

HARARE. — A little more than half of Zimbabwe's electorate voted in weekend general elections which had already been won in advance by President Robert Mugabe's ruling Zanu-PF party.

The turnout figure appeared to be a blow to the government's prestige after Mr Mugabe had appealed for a heavy vote to back his policies.

Vote-counting was due to start today for the 65 seats still at stake in the 150-seat legislature.

Zanu-PF won 55 seats without a contest, the president appoints a further 20 members and traditional chiefs fill the other 10 seats.

Election officials said 1·2 million people were reported to have voted by early yesterday afternoon. They anticipated a final vote of more than 50 percent, compared with 54 percent in last elections in 1990.

Zanu-PF, five opposition parties and about 30 independents, most of them rebels from the ruling party, contested the polls.

The main opposition leader, former chief justice Enoch Dumbudhene, who heads the Forum Party, has said he expects to win five or six seats.

Reuter correspondent Emelie Sithole, reporting from the eastern border town of Mutare, said veteran nationalist Ndabaningi Sithole, leader of the Zanu (Ndonga) opposition, expected to retain his seat.

Election officials told a news conference shortly before the polls closed they believed there had been no serious problems in what observers said appeared to have been the quietest elections since Zimbabwe's independence from Britain in 1980. — Reuter.
Zim voters ‘trickle’ to the polls

HARARE — Voting on the second day of Zimbabwe’s parliamentary elections, with victory by President Robert Mugabe’s ruling Zanu-PF party assured weeks ago, slowed to a trickle yesterday.

The turnout confirmed predictions of a low poll.

Registrar-general Mr Tobaiva Mudele said 630,000 people — less than a quarter of the 2.6 million people able to vote — had voted on Saturday in an atmosphere of peace and calm.

There appeared little chance that voters would heed Mugabe’s call to give his party a “thunderous victory” in the country’s third parliamentary elections since 1980.

He denied that the turnout had been low. Reports from polling stations in the country’s main centres of Harare, Bulawayo and Gweru said voting had slowed to a trickle, with queues seen hardly anywhere.

Poll monitors described the pace of Saturday’s voting as “moderate”.

Mberu, Harare’s oldest township, was humming with people yesterday morning, but the polling stations remained quiet and officials sat in the sun, warming themselves and drinking tea, disturbed only by the occasional voter.

Sapa, 101495.
PARTY UNITY DAMAGED BY INFIGHTING

Expected 50% poll 'a rebuff to Mugabe'

HARARE: President Robert Mugabe failed to get the show of support he called for, SAPA-REUTERS reports.

The Council of Traditional Chiefs elected 10 members to Zimbabwe's parliament yesterday as officials counted ballots for national constituencies after weekend polls won in advance by the ruling ZANU(PF).

Officials were still tallying the turnout but predicted a vote of just over 50%, an apparent rebuff to President Robert Mugabe who had urged a massive showing in support of his government, in power since independence in 1980.

Political analysts said he now faced a tough task in unifying his faction-ridden party after bitter infighting during primaries to select official candidates.

ZANU(PF), five opposition parties and about 30 independents, mostly rebels from within the ruling party who lost out in the primaries, contested 65 seats. Four opposition parties boycotted the poll.

The ruling party had already taken 55 seats for lack of opposition, the president appoints another 20 members, while the traditional chiefs occupy the remaining 10 seats in the 150-seat legislature.

About 2.6 million people out of a total voting population of 4.8m were eligible to vote for the contested seats.

The main opposition leader, former chief justice Mr Enoch Dumbudhena, has predicted his Forum Party could take up to six seats, while another opposition leader, veteran nationalist Mr Nodungu Sibale, expected to retain his ZANU-Ndonga party seat in the eastern border area of Mutare.

FREE AND FAIR

The opposition fielded only three seats in the last parliament.

The election commission said the polls appeared to have been generally free and fair.

The business community has largely discounted the elections because the result is a foregone conclusion.

Businesses are now awaiting a cabinet reshuffle, with the key posts of finance and trade and industry to be filled.
ZANU-PF overwhelms opposition

ROBIN DREW

The Argus Foreign Service
HARARE - Zimbabwe's ruling Zanu-PF party has inflicted a crushing defeat on the opposition in the general election, taking all but two of the 120 elected seats in the national parliament.

Observers had calculated that the opposition might improve their former three-seat share in the parliament and perhaps even double this small representation.

But the results have shattered even these small hopes, and the only voice of opposition in the parliament now is that of Zane-Ndongo. Party leader the Rev Ndababingi Sithole secured one of these two seats for himself, but the 'reach' of Zane-Ndongo remains confined to Mr. Sithole's home province along the eastern border.

The Forum Party, led by former chief justice Enoch Dumbuzo, which was at one time thought to constitute a credible opposition, failed to gain a single seat.
Thumbs-up... supporters of Zanu celebrate their victory in Zimbabwe's general election in the Sunningdale township outside Harare yesterday. Zanu won a landslide victory to secure a fourth term in power.

Zimbabwe's Zanu-PF streaks home once again

Harare — Zimbabwe's ruling Zanu-PF party has won nearly all parliamentary seats at stake in general elections held at the weekend, while the opposition was left with two seats, according to nearly final results.

With results in from 52 of the 65 contested constituencies, the Zimbabwe African National Union-Patriotic Front (Zanu-PF) had garnered 50.

The two other seats went to the regionally based conservative Zanu-Ndonga party of veteran nationalist the Rev Ndabaningi Sithole, in the Chipinge district.

The other main opposition party in the race, the Forum Party of Zimbabwe (FPZ) of former chief justice Enoch Dumbutshena, failed to win a single seat, and is unlikely to get any of the remaining 13.

With 50 of the 65 contested constituencies, Zanu-PF has a total of 135 seats in the 150-member house, as it has already secured 55 seats unchallenged, and President Robert Mugabe has control over the appointment of 50 other MPs.

Zanu news agency reported that violence broke out in the Sunningdale suburb of Harare after it was announced that maverick Margaret Dongo, former ruling party stalwart, had lost to the Zanu-PF official candidate, Vivian Mwakihita.

The FPZ's hopes of participating in the new government have been shattered, but the party's second-in-command, Patrick Kombayi, is challenging some results and has called for a recount.

Five other opposition parties boycotted the polls, which local independent monitors said were free but not fair. — Reape-AFP.
Zim results highlight inequities

BY ANDREW MELDRUM
STAR FOREIGN SERVICE

Harare — Zimbabwe’s lopsided election results, giving 118 seats to the ruling Zanu-PF party and just two to the opposition, could galvanise civil society in a campaign for a more democratic constitution.

"The inequity in the voting process is very obvious," said John Makumbe, political science professor at the University of Zimbabwe. "We need a constitutional conference, with all interests in the country being represented, not just the ruling party.

"We need a new constitution which strengthens basic human rights and supports multiparty democracy. Zimbabwe has an anachronistic one-party-state constitution that lags far behind the constitutions of South Africa and Namibia."

Makumbe said he did not think President Robert Mugabe or his again-victorious party would be interested in redrawing the constitution.

"The party has inculcated a culture of fear so that nobody wants to step forward and challenge it. Most people knew things wouldn’t change, so they weren’t interested in the elections," said Makumbe.

"But that is dangerous because it gives Zanu-PF a licence to mismanage and to continue with corruption and nepotism."

Mugabe’s party was guaranteed victory because 55 of its candidates were unopposed and another 30 parliamentary seats are appointed by the president, giving Zanu-PF a majority in the 150-seat parliament before polling even began.

Apathy

This meant too that more than 40% of Zimbabwe’s registered voters could not vote because Zanu-PF won its constituencies by default. Apathy was widespread and about 57% of eligible, registered voters cast their ballots.

Academics such as Makumbe charge that widespread intimidation pushed many Zimbabweans, who were otherwise not interested, into voting.

The two other winners were the Rev Njabango Sithole, leader of the Zanu-Ndonga party and one of his followers, Freddie Sithole, who took the Chipinge South and North constituencies respectively.

Bishop Abel Muzorewa and five opposition parties boycotted the elections, charging that the constitution gave too much power to the president and ruling party, including administration of voting and access to the state-controlled news media and state funds.
HARARE—Zimbabwe’s ruling Zanu-PF Party has inflicted a crushing defeat on the opposition in the general election, taking all but two of the 120 elected seats in the national parliament.

Observers had calculated that the opposition might improve their former three-seat share in the parliament and perhaps even double this small representation.

But the results have shattered even these small hopes and the only voice of opposition in the parliament now is that of Zanu-Ndonga. Party leader Reverend Ndabaningi Sithole secured one of these two seats for himself, but the reach of Zanu-Ndonga remains confined to Sithole’s home province along the eastern border.

The Forum Party, led by former chief justice Enoch Dumbudhena, which was at one time thought to constitute credible opposition, failed to gain a single seat. (362)

Dumbudhena was defeated in Harare central where he managed 28 percent of the vote. Somewhat 12/14/95

The percentage poll was said by officials to total 57 percent, but observers to the apathetic polling have commented that this would appear too high. Maladministration also crept into the poll with nearly 107,000 people turned away because of inadequate documentation.

A number of parties boycotted the elections claiming the electoral laws gave Zanu-PF an unfair advantage and observers have commented that the poll was free but, because of the legislation, not fair. The law allows only parties with more than 15 seats to receive state money for their campaign—meaning that the ruling party was the sole beneficiary of this system. The last grant to Zanu-PF came to about $14 million.

The president also has the right to nominate 12 MPs to the house, another contentious ruling.

Further, eight provincial governors appointed by the president also become MPs and the 10 chiefs elected by the country’s chiefs traditionally vote with the government. The election over the weekend was generally peaceful with few reports of intimidation. Monitors kept a close watch on all polling stations and the counting procedure. The Zimbabwe Council of Churches said their reports indicated the weekend election had been generally peaceful.

Presidential elections will take place next year. —Sowetan Africa Service.
**One-party state in all but name**

**Mugabe’s monopoly**

**Zim seen as site for peace corps**

HARARE — Britain was willing to use its military training team in Zimbabwe to train African peacekeeping forces, British Defence Secretary Malcolm Rifkind said yesterday.

Zimbabwe is the country in southern Africa that has made the most important contribution of all to UN peacekeeping missions. It discussed with President Mugabe the possibility of the Zimbabwe staff college becoming a centre of excellence in the region,” Rifkind said.

Zimbabwe has supported UN missions in Somalia and Rwanda, and has offered to send troops to Angola.

**Seats dished out by president**

HARARE — Zimbabwe’s President Robert Mugabe has appointed 12 members to his 150-seat parliament.

Topping the list was Vice President Joshua Nkomo, who withdrew from the competition for the seat. Others included retired air marshal Josiah Tungamirai, who was forced by Mugabe to give way to his second deputy, Simon Muzenda, after a bitter fight to represent Masvingo.

Another eight provincial governors were appointed. A total of 120 seats could have been contested, but the opposition failed to field candidates for 55 of them.

— Reuters

The crushing nature of the election results is a result of Zimbabwe’s constitution, which gives too much power to the president and the party in power.

They say the embarrassing failure of the opposition will galvanise a wide spectrum of Zimbabwe’s civil society to campaign for a new constitution.

Without question, Zimbabwe’s opposition in this election was inept, running lacklustre campaigns that failed to tap the widespread disillusionment with Mugabe’s once-popular government.

Certainly they were hindered by lack of access to the state-owned media, which unabashedly promoted ZANU-PF. Another advantage for ZANU-PF was the R33.3-million paid to the state from state coffers over the past three years.

Consequently, state funding goes only to parties that hold more than 15 parliamentary seats and only ZANU-PF has ever been in this position.

The numerous disadvantages confronting the opposition parties cannot hide the fact that the majority of Zimbabwe’s people still support Mugabe’s party. But the failure of the country’s significant disadvantaged population to win representation beyond two insignificant seats in the parliament shows a troubling flaw in the system.

Stung by the mismatched nature of the electoral contest, leading human rights groups, church organisations and academics have now vowed to campaign for the rewriting of Zimbabwe’s constitution.

The present constitution was drawn up at Lancaster House in London, far away from the people and issues of Zimbabwe.

It was a compromise document drawn up by British diplomats to cobbles over the huge differences between Ian Smith’sRhodesia Front and the nationalist movement led by Mugabe.

Since 1980 the constitution has had 13 amendments tacked on by the ZANU-PF parliament. Critics charge that it is an old-style one-party-state document that gives scant protection to human rights and democratic pluralism.

If the election results prompt a concerted drive for a constitutional conference, then the 1985 elections will have had far more impact than simply ensuring another five years of power for the ruling party.

— Foreign Service
Wedding Belts: Zimbabweans in exposing
Malicious Prosecution Cost

Zimbabweans failed in exposing
Malicious Prosecution Cost

The news came as a surprise to
the public, who were unaware of
the true extent of the scandal.

In a recent interview, a senior
official acknowledged that the
probe was underway, but
denied any wrongdoing on
the part of the accused.

The investigation is believed to
be focused on individuals who
have been involved in past cases
of wrongful convictions.

The ruling party has long been
accused of using the justice
system to silence critics and
opponents.

Sources close to the probe
revealed that the authorities
had been collecting evidence for
months, but had kept the details
secret.

The discovery of the
malicious prosecution
is expected to
trigger widespread
outcry and demand
for justice.

The incident comes at a
time when the country
is facing a crisis of
confidence in its
courts and institutions.

The ruling party has
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Zimbabwe's not-so-Happy Birthday

By Brian Shmule

The government has decided to mark the 30th anniversary of independence with a series of events and celebrations. The government has also announced that it will be releasing a new set of postage stamps to commemorate the occasion. However, many Zimbabweans are skeptical about the government's intentions, as they remember the years of economic sanctions and political repression.

Meanwhile, some experts are warning that the government's celebratory events may not bring about the kind of economic revival that was promised. The country is still facing high levels of unemployment and poverty, and many Zimbabweans are struggling to make ends meet.

Despite these challenges, there is a sense of optimism among some Zimbabweans. They hope that the country can move forward and build a better future for all its citizens. The government has promised to continue its efforts to improve the economy and reduce poverty, and many Zimbabweans are looking forward to seeing the results of those efforts.

In conclusion, the 30th anniversary of independence is a momentous occasion for Zimbabwe. It is a time to remember the past and look forward to the future. While there are many challenges ahead, there is also hope and optimism among Zimbabweans that the country will continue to grow and prosper.
I was wrong about Mandela, says former enemy Smith

...
Uneasy Zimbabwes

The Argus, Wednesday April 19 1995
Economically apathetic

After Zanu-PF's landslide fourth successive election victory in Zimbabwe's parliamentary elections, many Zimbabweans appear indifferent to economic issues.

Their attitude is summed up in the State-owned Herald newspaper's editorial on Zimbabwe's 15th anniversary of independence this week. Pouring scorn on those who "put a dollar value on independence, the newspaper says the country's 11m people should celebrate independence and a fourth term in government for Zanu-PF "regardless of the state of the economy."

Even the Herald admits all is far from well economically, though, characteristically, the blame for this, it argues, rests with external factors and not with government policies.

About 82% of those who voted supported Zanu-PF. President Robert Mugabe's party won 118 of the 120 elected seats — one more than in 1990 — and, with the 10 seats nominated by traditional chiefs and the 20 appointed by the President, has 148 of the 150 seats in the new parliament.

The surprise was the higher-than-expected turnout of 54% of the registered voters in the 65 contested constituencies. More voted in rural than urban areas and the opposition did marginally better in the cities where disgruntled black professionals and a handful of whites supported independent candidates or former Chief Justice Enock Dumbudhena's Forum Party.

Mugabe made little use of his nomination powers to bring in new blood, preferring to select those who, like Vice-President Joshua Nkomo, had refused to fight a constituency, and others, such as Health Minister Timothy Stamps who had lost out in the primaries.

Some analysts predict that the future will be little different from the past, especially over the next 12 months, when another election — this time for the presidency — will be held.

Others in business are confident that decision-making in two vital Ministries — Finance and Trade & Industry — must improve with the appointment of substantive Ministers replacing acting incumbents who have been in charge for the past year or longer.

One issue stands out above all others — the budget deficit. The new Cabinet must square its many electoral promises to spend more to improve living standards and tackle rapidly rising unemployment with a fiscal reality of a budget deficit running at more than 10% of GDP.

Mugabe's parliamentary victory and the Herald's argument that economics does not matter should encourage him to grasp the fiscal nettle in the budget in July.
Zim old guard still holds sway

ROBIN DREW
AFRICA SERVICE

HARARE — Zimbabwe President Robert Mugabe has kept two whites in the new expanded cabinet following the recent general election.

Denis Norman moved back to Agriculture from Transport and Energy, and Dr Timothy Stamps has been retained as Minister of Health.

Stamps was appointed a non-constituency MP after he failed to gain the nomination from the ruling party.

Of major interest in the new cabinet will be the performance of Finance Minister Arlton Chambati, who has been brought into the government from the private industry, where he was chairman of the TA Group of companies.

His appointment had been expected in business circles. He replaces Dr Bernard Chizhoro who has been ill for many months and has now retired from politics.

The new Minister of Industry and Commerce is Herbert Murwira, who has been acting in that position for some months.

Another major change is the move from Foreign Affairs of Dr Nathan Shamuyarira, who goes to Public Service, Labour and Social Welfare.

Foreign Affairs will now be handled by a former academic and diplomat, Dr Stan Mudenge, who held the post of Higher Education in the old cabinet.

ROBERT MUGABE: Dramatic emphasis on land question.

Asked whether increasing the size of the cabinet was not going against the recommendations of international bodies, Mugabe said his government would not dance to the whines and caprices of the World Bank and the IMF.

Reacting to the appointments, Zimbabwe’s business sector welcomed Mugabe’s placing of respected technocrats in key ministries, but analysts said his political old guard might still slow down a drive to more economic growth, reports Reuters.

“We welcome these appointments. These are technocrats who should be able to get the work done,” said Ted Makoni, president of the Zimbabwe National Chamber of Commerce.

“These are very important appointments, very welcome because you have people who have been in the business,” said economic consultant Professor Tony Hawkins of the University of Zimbabwe’s department of business studies.

But Hawkins said he was surprised that Mugabe, who has been under pressure to reduce his government’s size, had increased the size by two to 36.

“That’s incredibly too big for a country our size,” he said.

Political analyst John Makumbe said the retention of old politicians who had run the country with Mugabe since he came to power 15 years ago could hinder Zimbabwe’s drive to boost economic growth and cut unemployment, estimated at 50%.
Mugabe’s new cabinet sparks hope

By MICHAEL HARTNACK

Harare

was anxious about Mr Mugabe’s “complicated” division of responsibility for the resettlement of peasants between Mr Norman, Lands Minister, and Mr Ngqari Kangai and Local Government Minister. John Nkomo.

In an interview, Mr Norman predicted: “With the election behind us, the concerned parties will now take a hard look at this issue. I shall work as closely as possible with Mr Kangai to try to take the heat out of this thorny question.”

How curiosity killed Winston

By MICHAEL HARTNACK

Harare

ZIMBABWE’S tourism industry was in mourning this week for one of its most colourful personalities.

A large, black-bordered obituary notice in the main national daily newspaper, The Herald, announced that Winston Strydom, after spending most of his life on the wild southern shores of Lake Kariba, was “tragically killed by a crocodile on April 11.”

However, Winston was not one of the many professional hunter guides who earn enviable incomes from the scores among the 500 000 tourists who visit Zimbabwe each year.

He was a fearless Jack Russell terrier who spent most of his life gambolling with the hippo and elephant at Sanyati lodge, a picturesque camp 40km from the town of Kariba, where he became a canine celebrity.

Tourist industry sources said six-year-old Winston’s owners, Hans and Diana Strydom, entered a management deal for Sanyati earlier this year with former Rhodesian rugby player John Bredenkamp.

The Strydons then moved to Pamuzinda lodge, 80km west of Harare — generally regarded as a much fomer spot than Sanyati, which boasts numerous predators.

“The Strydons were not aware there was a crocodile in the waterhole at Pamuzinda,” Winston went to inspect and got eaten right away,” said a friend.

“He will be sadly missed by many,” said the Strydons, who described Winston as “a beloved companion.”

A lot of the rhetoric has disappeared and there is a realisation that employment and production are more important,” said Peter Macsporran, the head of the Commercial Farmers’ Union.

“There is enough land available for peasant resettlement and I am hoping the government will look at the principles of the Land Designation Act.”

Mr Macsporran said the emotive rhetoric surrounding land reform had begun to die down even before last week’s elections.

In a move to reassure whites, Mr Norman, who farms near 5 000 hectares near Harare, was given the agriculture portfolio in Mr Mugabe’s first post-independence cabinet in 1980, but was dropped in 1985 when Mr Mugabe accused the country’s 80 000 whites of supporting Rhodesian Prime Minister Ian Smith.

Meanwhile, Zimbabwe’s 4 500 white commercial farmers “cheered Mr Mugabe for bringing back Denis Norman as agriculture minister.”
Mugabe captains ship, often in stormy winds

Zimbabwe's independence 15 years ago opened a new era in southern African history — it was the first time that power had been transferred from a settler government to majority African rule by constitutional negotiation rather than by violence.

Widely hailed at the time as a precedent for Namibia and South Africa, it eventually proved — in different ways, and after vast intervening suffering — to be just that. For both sides, it involved major concessions: for the Europeans, the abandonment of white rule; for the Africans, the acceptance at least for a 10-year transitional period of much of the structure of European privilege which they had fought.

So reluctant was Robert Mugabe to accept the terms on offer at Lancaster House that he had to have his arm severely twisted by Samora Machel to sign on the dotted line that was to give him 15 years of as yet uninterrupted power.

But the price on both sides was nothing like that paid by the 30,000 Zimbabweans who died in the war that was needed to bring the parties to the negotiating table.

Did it work? Unquestionably yes. Independent Zimbabwe has been a stable and generally peaceful state, which has by and large built a solid structure on the uncertain foundations provided by minority rule.

It was ironic, though not altogether surprising, that the main losers in the post-independence decade were Zanu's partners (and hence rivals) in the Patriotic Front, rather than the ousted whites.

But despite his ostensible commitment to Marxism, Mugabe was wise enough not to destroy the productive structure on which the economy rested, even though it was inevitably dominated by the settlers, and though that economy has scarcely flourished, it has at any rate survived.

And yet the impression remains of a country not altogether at ease with itself. For one thing, the legacy of liberation war — the "struggle" which still provides Zanu-PF with its own legitimating sense of its right to rule — fits uncomfortably with the idea of democratic and accountable government.

Zimbabwe has never become a formal single-party state, and although this was Mugabe's expressed intention, he was again wise enough not to try to impose it over the opposition even of much of his own party. But it has nonetheless, since ZAPU was forced into the fold, been one in all but name.

It may be disputed to what extent the failure of Zimbabwe's opposition parties has been due to the inadequacy of their own leadership and organisation, to what extent to a pervasive sense that they would never be allowed to enjoy the fruits of electoral victory even if they won it, to what extent to harassment and the lurking presence of the Central Intelligence Organisation. ZANU-PF has at any rate made sure that rivals fight under severe handicaps, by allowing generous state funding to itself but to no other party, by effective control over the electoral machinery, and not least by the right of the president, directly or indirectly, to appoint up to 30 members of parliament.

The recent lacklustre election, in which generous faith would be needed to accept even the official figure of a 58 percent turnout, is the result. Though Zimbabweans find it hard to envisage an alternative government, many of them are certainly unhappy with the one they have got.

Corruption, given the relative wealth of the economy, has remained discernibly lower than in Kenya, let alone Nigeria, but nonetheless some leading political figures are a great deal wealthier than any legitimate economic activity could account for.

There is little culture of accountability, and the one independent daily newspaper has closed for lack of funds — though not before it had exposed a blatant abuse of the government's compulsory purchase powers to divert valuable farmland into the hands of leading politicians.

Zimbabwe remains a viable state, and traumatic upheavals are unlikely, but the passiveness with which Zimbabweans have accepted their political fate over the last 15 years may be changing.

**Robert Mugabe rules a surviving rather than a flourishing Zimbabwe, writes Christopher Clapham**

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Robert Mugabe . . . wise enough not to have destroyed the productive structure on which Zimbabwe's economy rested.
Black empowerment will be Zimbabwe’s new watchword

HARARE — After his party’s resounding election victory last month, President Robert Mugabe pledged his government to an aggressive programme of black economic empowerment when he opened a new session of parliament yesterday.

He dashed the hopes of 4,500 white commercial farmers that last week’s reapportionment of one of their members, Dennis Norman, to the agriculture ministry meant a retreat from confrontation over land redistribution. He also declared that “indigenisation” would be a watchword for the urban economic sector.

Mugabe said his expanded 21-member incoming cabinet would adopt speedier ways of acquiring 3 million hectares of rural land for resettlement.

He said that under a new “national land policy” his government aimed to put an extra 3.3 million hectares in the hands of blacks in contrast to the present situation in which commercial farmers (75% of whom are white) hold 11 million hectares and black peasant farmers occupy the 19 million hectare communal areas.

Mugabe told the 150 MPs, who include only two opposition members from Ndebele language Zanu (Ndonga) party, that efforts would be made to encourage the participation of the “indigenous community” in Zimbabwe’s industrial sector, and to create an economic environment favourable to new businesses.

He acknowledged that high inflation (now estimated to exceed 23%), high government budget deficits and 33.5% bank interest charges had inhibited growth of the “supply sector” during the five-year first phase of Zimbabwe’s economic structural adjustment programme, which is now drawing to a close.
Illegal prospectors 'wage war' on Zimbabwe mines

VICTORIA FALLS — an escalating Wild West-style mining war between up to 300,000 illegal gold panners and diggers, and established mining companies and farmers, was described at the weekend conference of the Zimbabwe Chamber of Mines.

Retiring chamber president and Falcon Mines Group director Roy Stephens said: "Very recently, on one of the gold mines in my group of companies, the underground workforce was subjected to armed attack by illegal operators using homemade hand grenades."

Stephens claimed state inaction had created "anarchy".

"Illegal panning — and gold smuggling — thought to run into millions of dollars each month — began soon after Zimbabwe's independence in 1980 when the 1980-84 drought forced 700,000 peasant families and 2-million urban unemployed to seek other sources of livelihood. Some former riverine forests now resemble battlefields from the First World War."

Stephens said three workers had to be treated in hospital for their injuries in the grenade attack by the "claim jumpers".

"A substantial force of police was required to re-establish our rights to mine on our own property," Stephens told Zimbabwe Mining Minister Edisson Zvobgo, who joined delegates for the ‘three-day’ conference which focused on the environment and the government's economic liberalisation plans.

"The international community would be aghast at the stories which the chamber has on record, highlighting the total lack of government commitment to the security of mineral rights," Stephens said in a speech ignored by Zimbabwe's state-controlled news media.

In their report for 1994 the chamber's 40-member council deplored an alarming increase in the illegal mining working of registered claims.

Those responsible had become "extremely aggressive towards security guards and others who challenged or attempted to restrict them. The illegal miners continue to operate with impunity for the most part."

"Political appeasement and unemployment have been offered as excuses but I would have thought there would be no excuse for the brazen disregard of the laws or for the persistent and wanton destruction which is taking place throughout our river systems," said Stephens.

Zimbabwe faced the "final and complete destruction" of its river systems if alluvial and related mining was not banned, he said.

"Who buys the illegal gold produced? How is it moved across our borders?" Stephens asked, noting that legal production last year increased two tons to 10 tons, the highest output since 1942.

Zvobgo said he planned to tackle the problem of illegal miners by amending Zimbabwe's Gold Trade Act. Old workings on unrehabilitated mine sites continued to dog his ministry as they attracted "illegal miners who sneak into unsafe workings, resulting in environmental damage as well as fatal accidents", he said.

Zvobgo aroused controversy when he said the parastatal Minerals Marketing Corporation would continue to hold its monopoly over most mining exports, despite calls for liberalisation by the chamber.

He pledged to improve efficiency at the corporation. Miners say it obstructs export sales and corresponding expansion of production.

Stephens said it was significant that all mining employees had opted to continue payments to the industry's own voluntary pension scheme despite being forced to duplicate contributions to the government's troubled new national social security authority, which faces investigation for fraud and waste.

Among visiting speakers was Gold Fields SA chairman and CE Robin Plumbridge who said countries such as SA could "no longer afford to operate their expensive capital assets for little more than half the available time".
Fruit exports from Zimbabwe to rise

HARARE — Despite increasing competition from SA and Kenya, this season's exports of fruit and flowers were set to break last year's R151,2m record, a Zimbabwe horticulture promotion council official said.

With the flower season now tailing off, about 6,000 tons had been exported to Europe. However, Zimbabwean farmers were having to cancel their bookings as transport costs were exceeding prices on offer in Amsterdam, said a spokesman.

Zimbabwe's horticulture industry blossomed in the 1980s as farmers took advantage of the vacuum created by the imposition of sanctions on the established producers from SA.

The parastatal cargo carrier Affreight has now improved its service after 1993's R14,2m waste crisis, but growers claim its charges are still too high.
By MICHAEL MARTIN

IN a dawn raid yesterday Zimbabwean police detained the managing director, editor and deputy editor of Zimbabwe's major independent newspaper over reports of President Robert Mugabe's secret marriage to his 38-year-old secretary Grace Marufu. The relationship, by which 71-year-old President Mugabe has two children, Robert, 6, and Bona, 5, was allegedly bigamous before Mrs Sally Mugabe's death in 1992.

Yesterday's raid was staged in a deliberate attempt to make prominent Harare businessman Elias Rusike, 50, and journalists Trevor Neube, 35, and Simba Makusha, 30, spend the weekend in cells, said Iden Wetherell, a senior columnist for the weekly Financial Gazette.

He said the arrests on charges of "criminal defamation" were "designed to suppress any further speculation about the president's marital status".

There have been longstanding rumours about President Mugabe's relationship with the former Miss Marufu.

The nominal complainant against the newspaper may be Judge Paddington Garwe, who denies conducting a private legal marriage ceremony over...
Zim govt jails dissident editor

HARARE: The editor, deputy editor and publisher of an independent Zimbabwean newspaper will appear in court today in connection with charges of "criminal defamation" over its reports on President Robert Mugabe's alleged clandestine marriage.

Editor of the weekly Financial Gazette Mr Trevor Ncube, deputy editor Mr Simba Makunike and managing director Mr Elias Rustike were being held in police cells yesterday after failed attempts by lawyers to secure bail. They were arrested on Saturday.

The state-controlled Sunday Mail newspaper quoted unnamed police sources as saying the three would be brought before a magistrate "as soon as possible, possibly Monday morning".

It said the charges stemmed from complaints by High Court judge Mr Justice Paddington Garwe and Construction and National Housing Minister Mr Enos Chikowore, which the Gazette said three weeks ago had officiated at a secret wedding ceremony between Mr Mugabe and Ms Grace Marufu, his secretary. They deny it. The arrests are the most serious action taken yet by the government against the newspaper, which has maintained a steady stream of outspoken criticism of Mr Mugabe's government.

The controversy began in April when a magazine reported that three years ago Mr Mugabe had married Ms Marufu according to traditional African custom, after she gave birth to two of his children.

This was before Mr Mugabe's first wife, Ghana-born Sally, died in 1992. The Gazette reported that the pair were married again to make their union legal under Zimbabwe's Western laws. — Sapa
Harare. The top three men on a Zimbabwe newspaper are due in court today charged with 'criminal defamation' for reporting that President Robert Mugabe had a 'secret wife and children.'

They are Trevor Ncube, editor of the Financial Gazette, deputy editor Simba Makusho, and Elias Ruwizwa, managing director of the independent weekly newspaper.

The three were arrested on Saturday and all attempts to have them freed so far have failed.

The charges stem from complaints by a High Court judge, Paddygarwe, and Constitution and National Housing Minister Enos Chikwore. The Gazette had reported that they officiated at the secret wedding ceremony last April between Mugabe and Grace Marufu, his former secretary.

The controversy began early last month when Horizon magazine reported that three years ago Mugabe had married Marufu according to traditional custom. This was before Mugabe's first wife, Ghindebo Sally, died of a kidney disease in early 1992.

Shortly afterwards the Financial Gazette reported that the pair were married again in a ceremony to make their union legal under Zimbabwe law. Garwe and Chikwore deputed they had been present, but the Gazette insisted its report was correct.
Jail for 3

Zim newsmen

HARARE—The editor, deputy editor and publisher of a critical independent Zimbabwean newspaper are due in court today in connection with charges of "criminal defamation" over its report on President Robert Mugabe's alleged clandestine marriage.

Mr. Trevor Ncube, editor of the weekly Financial Gazette; Mr. Simba Makushane, its deputy editor, and Mr. Elias Rukuni, managing director of newspaper owner Modus Publications, were still in police cells yesterday after failed attempts by lawyers to secure bail. They were arrested on Saturday.

The state-controlled Sunday Mail newspaper quoted an unnamed police source as saying the three would be brought before a magistrate "as soon as possible".

It said the charges stem from complaints by High Court Judge Paddington Garwe and Construction and National Housing Minister Enos Chikwore, whom the Gazette said had officiated three weeks ago at a secret wedding ceremony between Mugabe and Miss Grace Marufu, his secretary.

The Sunday Gazette, the Financial Gazette's sister newspaper, said yesterday Judge Garwe had on Thursday last week also instituted a suit for civil defamation against Modus. The arrest is the most serious action taken yet by the government against the paper, which has maintained a steady stream of criticism of Mugabe's government.
Release of Zim editor ordered

HARARE: Sunday newspapers here hailed the release yesterday of the editor, deputy editor and publisher of an independent Zimbabwe newspaper who were arrested at the weekend in connection with the preceding day's anti-wedding riot.

The newspapers, The Nation and The Sunday Mail, which are owned by Masambe Holdings, a newspaper group owned by First Capital para., have been forced to stop publication since December 1990.

The editor, Mr. Trevor Ncube, was released without bail yesterday, according to a report in The Zimbabwe Herald.

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The Sunday Mail, which is published by Masambe Holdings, has been closed since last year.
Journalists charged for saying Mugabe wed

HARARE — The three Zimbabwean journalists arrested at the weekend for reporting that President Robert Mugabe had secretly married his former secretary and mother of his two children, Grace Marufu, have been released without bail after being held by police since early Saturday.

The Financial Gazette has repeatedly reported that Mr. Mugabe secretly married his former secretary and mother of his two children, Grace Marufu, over the Easter weekend. The president has denied the story and so have High Court Justice Paddington Garwe and Public Construction Minister Enos Chikwore, who officiated and witnessed the wedding, according to Financial Gazette reports.

The State has charged that twice asserting that their reports of Mr. Mugabe’s covert wedding were true, the journalists at the Financial Gazette have marked as lies Mr. Justice Garwe and Mr. Chikwore.

So far the police have taken no action against Horizon magazine, which published the initial report that Mr. Mugabe had sired two children, now aged 9 and 6, with Ms. Marufu. Horizon quoted Ms. Marufu’s father as saying the two had been married in a traditional African ceremony.

Mr. Mugabe’s first wife, Sally, died in 1992.

Simba Makumbe, deputy editor, was released without bail after being held by police since early Saturday.

Elias Rusike, publisher of the Financial Gazette, Trevor Ncube, the weekly paper’s executive editor, and...
Furore over Mugabe's alleged 'secret wedding'

Zim journalists charged

Harare — The three Zimbabwean journalists arrested at the weekend for reporting that President Robert Mugabe had secretly married were charged yesterday with criminal defamation and released until their trial date on June 15.

The case has become a political matter as Attorney-General Patrick Chinamasa, a member of the Cabinet, stopped in late yesterday to reverse the decision reached earlier in the Harare courts when senior public prosecutor Duncan Dingana released the three without charge.

Elias Rusike, publisher of the Financial Gazette, Trevor Nebebe, the weekly paper's executive editor, and deputy editor Simba Makunike were released without bail after being held by police since Saturday morning.

The Financial Gazette reported that Mugabe secretly married his former secretary and mother of two of his children, Grace Marufu, over Easter.

Mugabe has denied the story, and so have High Court Justice Padlington Garwe and Public Construction Minister Enos Chikwore, who allegedly officiated at the wedding.

The State has charged that by twice asserting that their reports of Mugabe's covert wedding were true, the journalists at the Financial Gazette had marked Judge Garwe and Chikwore as liars. — Star Foreign Service.
Mugabe cracks down on press

THE REGION FROM SOUTHERN AFRICA

WORLD
Threat to press freedom

The Argus, Wednesday May 24 1995

The Zimbabwe government's recent arrest of three leading journalists and subsequent use of criminal defamation charges against them raises the larger issue of press freedom in this southern African state.

Is the Mugabe government prepared to allow an independent press to function? The events of the past 10 days add new weight to this question.

Eliaus Ruskle, publisher of the Financial Gazette, Trevor Ncube, the weekly paper's executive editor, and Simba Makunike, deputy editor, were charged and released without bail last week after being held by police for more than 48 hours.

Zimbabwean human rights groups and journalists charge that the Mugabe government is using heavy-handed tactics aimed al intimidating the country's tiny independent press.

The story that gave rise to the subsequent arrest of the three journalists was a sensational one: President Robert Mugabe had secretly re-married and fathered two children, according to the reports. By any normal news standards this was a good story at which any newspaper would want a fair go.

Notable then is that Zimbabwe's government-controlled press -- which includes both daily newspapers, the national news agency and all radio and television networks -- has not touched the fascinating story of the president's alleged marriage to a former secretary, Grace Marufu.

Nor has the "official" press reported anything about Mr Mugabe's two children with Marufu: Robert Junior, who is 9, and Bona, 6, who is named for Mr Mugabe's beloved mother and has recently begun classes at Harare's staid Dominican Convent School.

The only aspect of this controversial story that the government-controlled press has dared touch has been a denial -- by Mr Mugabe -- that he was married in a civil ceremony over the Easter holiday last month. The government newspaper also reported the denials by a High Court judge that he performed the ceremony and a cabinet minister that he witnessed the nuptials.

In the face of these denials Zimbabwe's leading independent newspaper, the weekly Financial Gazette, sadly opened itself to the defamation charges by insisting, in two editions, that its story was true. From this arises the legal case that the paper has labelled an official and two politicians liars.

The court case, set for June 15, will hear the Financial Gazette's defence.

In contrast, no action has been taken against the popular independent monthly magazine, Horizon, which broke the Mugabe marriage story last month and printed a picture of happy little Bona Mugabe going to school.

The Horizon story contained far more damaging information about Mr Mugabe: that he had sired two children out of wedlock before his first wife, Sally, died in 1992. Cannily, Horizon did not suggest that anyone was lying.

But the move against the Financial Gazette has not been taken lightly down. Rights groups have noted angrily that arresting the three over a weekend resulted in them being in jail for more than 48 hours. This, it is charged, was clearly an intimidatory tactic against the independent press.

"It is a return to the Rhodesian Front days when police would arrest people on weekends in order to hold them as long as possible and avoid the obligation to bring the accused to court as soon as possible," commented the journalists' defence advocate Erik Morris.

Zimbabwe's human rights organisation, Zimrights, also protested about the heavy-handed manner in which the journalists were arrested.

From a government perspective, the greatest miscalculation was that this should happen -- and happen so publicly -- just days before Mr Mugabe's visit to the United States. The action drew unwelcome attention to the fact that a free press does not thrive in Zimbabwe and the US State Department issued a formal protest to the Zimbabwe government about the arrests.

A neat measure of Zimbabwe's besieged press freedom lies in the very glaring difference in attitude to this story of the "official" press and tiny independent press. But of arguably greater concern was the depth of political interference in the case when it arrived before the judiciary.

The arrests shackled the freedom of the press; subsequent events made it read on the freedom of the judiciary, when a decision by the Senior Public Prosecutor not to file charges for want of evidence was overturned by the high-political Attorney-General, Patrick Chinamasa.

On his instruction, criminal defamation charges were filed.

Criminal defamation has not been successfully used since 1958 when African Nationalist James Chikerema was found guilty of calling a Rhodesian cabinet minister a thief and was fined £100.

If the Financial Gazette three are found guilty as charged they will be liable for hefty fines and after that they might find themselves open to civil suits which conceivably could force the Financial Gazette publishers, currently under financial strain, to shut down.

It would be a terrible blow, indeed, to Zimbabwe's struggling free press.

Despite the meddling of the A-G, Zimbabwe's judicial system has remained reasonably independent and should be able to cope with the challenge of providing a fair trial to the journalists.

But what about Zimbabwe's press? Far too much of the news media in Zimbabwe remains under state control.

There are numerous examples of how the narrow confines of what is good for the ruling ZANU-PF party determines how news stories will be dealt with in the daily newspapers and on radio and television.

The result is that most Zimbabweans do not look to the official media for the real news about what is going on in their country. Instead they look to the few independent weekly newspapers and handful of monthly magazines. And by acting against the three editors of the Financial Gazette as they have done, the Mugabe government has given a clear signal that even this limited freedom is too much for their tastes.
A question of freedom

Harare — The Zimbabwe government’s recent actions against independent journalists have put Press freedom in Zimbabwe under a harsh spotlight, reports Andrew Mubanga Medium of the Sowetan Foreign Service.

The Mugabe government’s recent arrest of three leading journalists and subsequent use of criminal defamation charges against them raises the larger isue of Press freedom.

Is the government of Prime Minister Mr Robert Mugabe prepared to allow an independent Press to function? The events of the past 12 days add new weight to this question.

Mr Elias Rusike, publisher of the Financial Gazette, Mr Trevor Ncube, the weekly paper’s executive editor, and Mr Simba Makumure, deputy editor, were charged and released without bail last week after being held by police for more than 48 hours.

Zimbabwean human rights groups and journalists charge that the Mugabe government is using heavy-handed tactics aimed at intimidating the country’s tiny independent Press.

The story that gave rise to the subsequent arrest of the three journalists was a sensational one: Mugabe had secretly remarried and fathered two children, according to the reports. By any normal news standards this was a good story at which any newspaper would want a fair go.

Notable then was that Zimbabwe’s government-controlled Press — which includes both daily newspapers, the national news agency and all radio and television networks — has not touched the fascinating story of the president’s alleged marriage to a former secretary, Miss Grace Marufu.

Beloved mother

Nor has the “official” Press reported anything about Mugabe’s two children by Marufu: Robert Junior, who is 9 and Bona, 6, who is named for Mugabe’s beloved mother and has recently begun classes at Harare’s said Dominican Convent School.

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President Robert Mugabe

Bona Mugabe going to school.

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Rhodesian Front

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Official media

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Cancelling of Kariba fishing permits is to force whites out, industry says

The cancellation of fishing permits for Lake Kariba has the Zimbabwe government accused of race-driven political manipulation once again. ANDREW MELDRUM of the Argus Foreign Service reports

Harare — Zimbabwe's fishing industry on Lake Kariba has cried foul and accused the government of attempting to force white-owned enterprises out in favour of black-owned fishing companies.

The Zimbabwe government’s shock cancellation last month of all commercial fishing permits on Lake Kariba has traumatised the kapenta (sardine) fishing industry, which employs nearly 20,000 people and represents investments of $40-million.

"The effects will be catastrophic in terms of lost jobs, in terms of money invested in infrastructure that will lie idle and in terms of the hundreds of thousands of Zimbabweans who depend on our kapenta as cheap protein in their diets," said Malcolm Moodie, chairman of the Kapenta Producers Association.

Controversial

But the explosive political subtext of the row is race. Moodie and his colleagues have compared this action to the government’s controversial Land Appropriation Act of last year which empowers government to redistribute half of Zimbabwe’s white-owned farm land to black peasant farmers; the act allows government to decide on the land price and the farmer has no right of appeal.

The industry under the new spotlight, kapenta fishing, currently sees about 10,000 to 12,000 tons of the tiny fish drawn from Lake Kariba annually.

Notification of the cancellation of all fishing permits, effective January 1, 1996, was sent out on May 10 by the Department of National Parks and Wildlife Management.

President Robert Mugabe subsequently justified the action, saying the lake was being overfished.

But Moodie and other kapenta operators angrily deny this, saying the government is using it as a "smokescreen" to hide its intention to reduce the number of white-owned kapenta enterprises and increase the number of black-owned fishing companies, in line with the Mugabe government’s intentions to increase “indigenous” businesses.

Moodie said that fishing yields are increasing, in fact, and cited a recent study by the Norwegian agency, Norad, that fishing could be increased.

"Redistribution is the reason behind all this," said Moodie. "Promises have been made by politicians that these fishing permits would be redistributed to certain sectors. But who will fund the new indigenous fishermen?"
Investment in mines soars.

Zimbabwe's mining sector continued to soar, with current exclusive prospecting orders standing at a record 200 compared with 151 at the beginning of last year, mining minister Eddison Zvobgo said at an Africa mining investment symposium in Toronto, Canada.
Zimbabwe mining draws the investors

Harare — Investment in Zimbabwe's mining sector continued to soar with current exploration orders up to 135, compared with 131 at the beginning of 1994, mines minister Eddison Zvogomo said on Friday.

Addressing delegates at the second annual Africa mining investment symposium in Toronto, Zvogomo said about 135 exploration agreements were still awaiting gazetting, which was a clear indication that expenditure into exploration was on the increase.

An exploration agreement gives the holder an exclusive right to search for specified minerals in a given geographical location for three years.

Zvogomo said the most sought-after minerals in Zimbabwe continued to be diamonds with 135 exploration agreements currently accounting for the mineral alone.

Some of the companies that had shown interest into exploration included Rio Tinto, Anglo American Corporation, Kimberley, Falconbridge, Zimco, Ashanti Gold and Anglo American Corporation.

Zvogomo said Zimbabwe was now an ideal location for foreign investment because the country had liberalised its foreign exchange climate. — Sapa Ziana.
ZIMBABWE inherited a racially based, unequal educational system which needed transformation when the majority government took over in 1980... Education Reporter ESANN de KOCK reports on the Zimbabwean model of education today, as explained at an international workshop in Cape Town where delegates shared information with local educationists in support of the South African committee to review the organisation, governance, and funding of schools.

A NEW education policy framework, adopted after independence in 1980, has resulted in a reorganised, democratic education system in Zimbabwe, according to Jonathan Mukurazhiza of the Zimbabwean Education Ministry.

He told delegates that today Zimbabwe had a policy of equal opportunity in education for all, principle which had guided all policies and strategies for the provision of education.

However, although the Zimbabwean government accepted over-riding responsibility in establishing, running and financing schooling, it shared this responsibility with private enterprise and community initiatives.

For this reason, explained Mr Mukurazhiza, there was legal recognition in Zimbabwe for schools operated by various corporate and non-corporate bodies.

Under the Education Act, he said, schools were categorised as either government or non-government.

In the case of non-government schools, the owners were the responsible authorities, but these schools were still state-funded.

Mr Mukurazhiza said non-government schools included those operated by local government corporate bodies which included urban councils, district and rural councils.

Other non-government schools were operated by churches or missions, foundations or trusts, farmers, miners, the defence forces, and committees.

Mr Mukurazhiza pointed out that, since independence, the Zimbabwean government had built at least one government-rural secondary school in each of the 58 districts.

As far as school governance was concerned, Zimbabwe had a highly centralised system of administration.

National head office determined all policies pertaining to education and had strong control of public education expenditure and finance, deciding on all major promotions within education.

However, some measure of decentralisation to the provinces had taken place.

Mr Mukurazhiza said the first task of the independent government of Zimbabwe was to dismantle the old discriminatory structures and institutions in education.

To do this, the government established and strengthened the planning capacity of all sector ministries, including education.

The state also abolished all forms of racial discrimination in the provision of education, scrapped the dual system in the administration and replaced it with a unitary system of national education, introduced tuition-free primary education with the objective of making it compulsory; and made provision for all children to get secondary education if they needed it and could afford it.

Teacher education was also drastically expanded to respond more meaningfully to the demand.

Mr Mukurazhiza made it clear that the crisis of expectation was something the education ministry had to cope with from the start of independence.

"Containing the ad hoc establishment of secondary schools became a consuming preoccupation of the ministry throughout the early 80s."

The ministry had to set guidelines and rules for the "rational establishment and registration of schools," to control the expansion process and to improve the quality and effectiveness of schooling.

As far as the governance of schools in Zimbabwe was concerned, Mr Mukurazhiza said the structure comprised most of the categories of stakeholders.

In a government school, the main stakeholders were the state, parents and the school's responsible authority, the parents and teachers.

In Zimbabwe, pupils were not included in the main school governing bodies.

Financing of the education system, explained Mr Mukurazhiza, followed the same pattern as education expansion.

The system was still financed jointly by the state and private enterprise such as local government authorities, private enterprises, communities or households.

The remarkable expansion of the education system after independence was largely due to this joint effort, he said.

Today, the per-capita grant was equal across all categories of schools, but varied according to location including whether a school was located in a low density (former white areas) or high density (former African township) area.

Mr Mukurazhiza explained that the Zimbabwean government felt it needed to give financial support on a sliding scale from the more affluent schools, "because these children were still Zimbabweans" and because it ensured the government had some form of control over these schools.

He pointed out, however, that the Zimbabwean education system supported the underprivileged while asking those with the means to contribute more.
ZIMBABWE - GENERAL

1995

JUNE - DEC
Grip on former SA firms eased

Martin Rushmere

HARARE — Ten years after the Zimbabwean government aggressively acquired majority stakes in key companies from their SA owners, Barlow Rand is poised to become the first to get back at least some of its stake.

Three other companies are also coming under the microscope for possible return to their former SA shareholders — Zimbabwe Newspapers, commercial bank Zimbank and the country’s biggest industrial group, Delta Corporation, which also owns the OK Bazaars supermarket chain in Zimbabwe.

They are the best known of companies taken over by the government in its heyday of quasi-Marxism and hostility to all business links with SA.

President Robert Mugabe’s government did not resort to outright nationalisation, but in the highly sensitive climate of the early 1980s, foreign majority shareholders were left in no doubt they were being made offers it would be politically unwise to refuse.

In hindsight, the experiment in public ownership seems pointless, with the government shareholdings having achieved nothing except an outflow of scarce foreign exchange reserves. The international institutions that support Zimbabwe’s economic structural adjustment programme now insist on privatisation.

Sources say discussions have started for the government to sell its 80% holding in Astra corporation, the new name for the old Barlow group. Its subsidiaries are Dulux Paint Making and Distribution, a Caterpillar earth-moving equipment franchise, electrical equipment manufacturing and an air charter company. Total asset and goodwill value is estimated at R160m.

Nothing is being said officially but it is understood that contact has been made with Barlow Rand.

“The thinking is that Barlow Rand could take up to 49%,” says a source. “But it is also possible the group could be unbundled and specific companies sold to the South Africans.”

Even more significant than this deal is Delta Corporation, Zimbabwe’s biggest industrial company in terms of both assets and sales.

Delta makes Lion and Castle beer, has the Coca-Cola franchise, owns OK Bazaars and is majority owner of Zimbabwe Sun, the country’s biggest hotel chain. Sales are R1,5bn a year, on assets of R1bn.

The group is 35% government owned, by the parastatal Zimbabwe Development Corporation — most of whose shares were acquired from SA Breweries. SAB still owns 25%, held by three offshore companies — Rainier, Tigel and Browning.

In the past two months Mugabe’s government has sold 10% of its stake to a mix of local institutions and foreign emerging market funds, for R35m. One of the local buyers is the Old Mutual, controlled by its SA parent group, which now owns 20%.

Discussions have been held about SAB getting a larger stake, according to stock market sources, but nothing has been agreed as yet.

Zimbank (formerly owned by Nedbank) has been the subject of SA scrutiny from First National Bank. It is understood discussions were broken off after ruling party politicians insisted that managerial control must stay internal.

The most politically sensitive of the lot is Zimbabwe Newspapers, which has become virtually a ruling party propaganda machine.

The government solicited Nigerian aid funds to buy a controlling interest in the former Argus subsidiary soon after independence in 1980, the Zimbabwene News Media Trust which also controls the national news agency, Ziana, was hailed as a guardian of editorial integrity, but parliamentary reports have acknowledged day-to-day information ministry interference with editorial policy.

Any suggestion that Zimnpapers revert to independent ownership is fiercely resisted — but offers have nonetheless been made in the past 18 months, say sources here.

New Argus group shareholder Tony O’Reilly, a personal friend of Mugabe, has been suggested as a probable investor.
US makes friends with Zimbabwe

By ANDREW MELDRUM
ARGUS FOREIGN SERVICE

Harare — The fact that the United States has announced joint military exercises with Zimbabwe, has had a senior general visiting Harare and has earmarked the country as a regional peacekeeping logistics base, signals an unprecedented warmth between the two countries.

In retrospect the protest registered by the US over the arrest of three journalists in Zimbabwe recently looks like a perfunctory gesture.

"I am proud to say that we enjoy very good, warm, cooperative relations with Zimbabwe. It is an honour to have such close relations with a international statesman of the stature of Robert Mugabe," effused US ambassador to Harare, Johnnie Carson, during the Zimbabwean leader's visit to America.

That set the tone. Next came the announcement this week that Zimbabwe will accept a US donation of two large transport airplanes offered a few months back and that joint US/Zimbabwean military exercises will be held.

A further boost still for military cooperation between the two countries was the five-day visit, also this week, of US General Charles Boyd, deputy commander-in-chief of the German-based US European Command.

Boyd announced that Zimbabwe was "set to become a regional logistics base" for the rapid deployment of UN peacekeeping forces in Africa.

The interpretation of these "moves" in Zimbabwe is that the Clinton administration is clearly working to establish Zimbabwe, as well as Botswana and

South Africa (also both recent recipients of US transport plane offers), as friendly stable Southern African allies. Their valuable contributions to regional and continent-wide peacekeeping efforts, will reduce the need for US troops in Africa. In addition, this trio of friendly Southern African countries is expected to be a springboard into new African markets for American firms and products.

Zimbabwean troops have already participated prominently in UN peacekeeping forces in Somalia and a 1,000-strong battalion is currently preparing for deployment in Angola.

Yet, such warm relations with the United States do not please all Zimbabweans. The country's leading independent newspaper, the weekly Financial Gazette, complained in its editorial last week that in its haste to assure friendly relations with Zimbabwe, the Clinton administration was "wilfully overlooking many of the flaws in the Mugabe government."

"While welcoming American investment and goodwill, the last thing we want is a form of American patronage that consolidates the remaining effects of dictatorship and disparages political and economic reform," said the Financial Gazette. By congratulating Mugabe on his recent election victory and making no mention of numerous irregularities, President Clinton makes the task of electoral reform even more difficult, it charged.

"Zimbabwe's hesitant transition to democracy is in serious danger of being sidelined by sanitised support from well-intentioned friends abroad who think they are rewarding progress," said the newspaper.
Bata exports 'to net Z$35m'

GWERU — Zimbabwe's Bata Shoe Co expected to earn more than Z$35m in exports this year, MD Edwin Guthrie said yesterday.

Ziana reports he said had it not been for high tariffs charged by SA, the figure would have been higher.

"SA would have been our major export market if it could only remove some punitive tariffs on our products," he said.

He said the duty on canvas shoes destined for SA was so high that it was not a profitable export market.

Other major export markets were Zambia, Malawi, Botswana and the UK.

Zimbabwe's urban market was stable although the rural one had declined.

"Locally the urban market can be described as stable but the rural people have been struggling.

Bata employs about 800 people and manufactures more than 13-million pairs of shoes each year, 10% of which are exported," Sapa said.
Zimbabwe urged to join customs union

By CHIHIKA

A leading South African farming official has urged Zimbabwe to join a regional customs union to help boost some of its industries, including beef. Beef is threatened by perennial droughts and a small export market.

Piet de Wet, chairman of South African agriculture commodities group Market Link, said at the weekend that Zimbabwe’s backbone farming sector would create a guaranteed export market by becoming part of the Southern African Customs Unions (Sacu).

Sacu is currently made up of South Africa, Botswana, Lesotho, Swaziland and Namibia.

Cattle

Officially opening the annual congress of Zimbabwe’s Cattle Producers Association, De Wet called on governments and various economic sectors in the region to co-operate more on development issues.

He said some of the problems facing Zimbabwean cattle farmers, such as a small regional export market, were partly due to its absence in the Southern African customs union.

“Zimbabwe must become a member of Sacu, an expanded but practical Sacu that would also include Zambia, Mozambique and Angola,” he told about 200 delegates. He said Sacu would offer opportunities for cattle producers to develop a regional beef marketing and export plan. Cattle producers could also import from each other instead of sourcing from the European Union.

Zimbabwe’s cattle farmers produce about 120 000 tons of beef a year against a guaranteed 60 000 ton domestic market and a 9 500 ton export quota to the EU.
Rise in SA tourism benefits Zimbabwe

By AUDREY D’ANGELO

Tourism in Zimbabwe is getting a shot in the arm from South Africa's new popularity overseas. Air Zimbabwe's regional manager in South Africa, Charles Nyakabu, said yesterday:

"It is not easy to market Zimbabwe alone overseas, but we are benefiting from the rise in tourism to South Africa. We have beefed up our services to this country and will be introducing two flights from Cape Town, one also calling at Durban, next month. Flights are being increased from 17 to 30 per week."

"Connections for tourists are improving all the time. "Most of the visitors we get are from Europe, but the Asian market is opening up and we hope more Americans will come."
Zimalloys has outstanding year

Martin Rushmore

HARARE — Zimbabwe's only low-carbon chrome producer, Zimbabwe Alloys, has recorded an outstanding year, with net profit rising 130% to R20m for the year to end-March.

The final dividend for the Anglo-American subsidiary was unchanged at 4c. Zimalloys attributed its good year to higher world prices, with turnover rising 35% to R200m.

However, it voiced concern at rising costs of production, which it called "disappointing". It forecast slim demand this year and said profits were expected to be "substantially better" than last year.
Racial tensions mount as Zimbabwe students protest white controls

(302) 77-1171

BY MICHAEL MANGAN

ANY WHITE settlement and farm continued to rise in Zimbabwe this week despite the award of punitive damages against a local company by black business- men who insisted they were discriminating.

Sunday began a public protest against the sudden rise in the number of white-owned farms being taken over by black settlers. It was the first of its kind in the country.

Bulawayo High Court Justice Patricia Mchunu and Dr. Frank Nkonko, a former member of the ruling National Party, ordered a white businessman, N. N. Dube, to pay $36,000 to a black settler for the loss of his property.

The ruling did little to deter the students who attacked the head of an educational institution and destroyed property. The students called for a boycott of the court and the government.

The students' response was met with a court order banning demonstrations on the streets. However, the students continued to hold protests in the city.

In another recent incident, President Robert Mugabe suggested that Kwekwe farmer Henry Elsworth should be thrown out of the country after a group of women caught them burning firewood on the farmer's ranch. Allegations of abuse had been made against Mr. Elsworth.

A court subsequently found that the allegations were false, but Mr. Elsworth, a Zimbabwean-born citizen, was arrested and charged with murder.

Mr. Elsworth, who had been living in the country for 10 years, was found guilty of the murder of a black settler and sentenced to death.

The murder has led to increased tension in the country, with black and white settlers engaging in violence.

Mugabe, who is facing a growing backlash, has ordered the army to intervene to restore order.
Zimbabwe stokes up tobacco production

HARARE — Zimbabwe intends to increase its flue-cured tobacco output by 10 percent a year over the next three years to take advantage of a steady fall in the Brazilian crop size, a top industry official here said.

Zimbabwe Tobacco Association (ZTA) president Peter Richards told an annual congress of growers that they should aim to raise production to 210 million kg for the 1995/96 season from 190 million kg in 1994/95.

"What the ZTA is appealing for is a sustainable increment of about 10 percent a year over the next few years, resulting in the production of ripe traditional styles of tobacco," he said.

Mr Richards said Zimbabwe, the world's third largest tobacco producer after the United States and Brazil, should take advantage of a slight shortage in riper types of tobacco by gradually increasing output, with emphasis on riper, grainy and oily tobacco.

He added that a steady increase in production should result in a steady price rise.

"Furthermore, there has been a steady slide in the Brazilian crop size, coupled with a rise in the cost of tobacco being offered in that country," he said.

"All this leads me to the conclusion that Zimbabwe finds itself in a very strong position, and stands poised to make further inroads into the performance of our competitors."

Mr Richards said the ZTA was recommending a higher crop size of 210 million kg for the coming season, in spite of water restrictions owing to a drought and a 50 percent cutback to 10,000 hectares in the area likely to be planted to irrigated tobacco.

"The need to move forward is so imperative that I will go so far as to recommend the construction of additional facilities by those farmers who can afford to do so without increasing their borrowings," he said.

Deputy Agriculture Minister Olivia Muchena cautioned farmers against a rapid rise in production, reminding them of losses they sustained in 1993, when there was an over supply of the crop on international markets, which led to "unacceptably" low prices.

She pledged the government would continue working with local banks to help growers.

Zimbabwe's flue-cured tobacco is expected to earn up to Z$2.8 billion in foreign exchange this year, compared with Z$2.4 billion last year.

— Reuters
Plastics technology helps ease Zimbabwe drought

Zimbabwe's chronic drought is to be eased by state-of-the-art plastic moulding technology specially developed for applications in Africa by Pinetown engineering firm Duys Engineers.

Already a forerunner in the field of manufacturing rotomoulding equipment in South Africa, Duys Engineers has developed a R1 million rotomoulding machine which will be used to construct 15 000 litre polyethylene water containers which can be used to store water in remote areas where the drought is particularly severe.

The Duys' rotomoulding machine is well suited to manufacturing operations in Zimbabwe. To fire the burners, it uses liquid paraffin, by far the most economical fuel available in Zimbabwe.

The operation is also fully computerised with a dial-in recipe facility for different moulds.
Falling out with the IMF and the World Bank

In March, when Western donors gathered in Paris for a World Bank-organised donor consultative group meeting, the bank insisted all was well with Zimbabwe's economic structural adjustment programme.

Three months later, the IMF has suspended disbursement of its structural adjustment loans to Zimbabwe, freezing US$120m. The fund has not gone public on the matter but Western diplomats confirm teams from the two Washington-based institutions are in Harare to rescue the reform programme.

The problem is Zimbabwe's budget deficit. A year ago, acting Finance Minister Emmerson Mnangagwa forecast a deficit of 5.5% of GDP. Even the World Bank is now admitting the figure could be as high as 12%. Private-sector economists speak gloomily of 15%.

The figure will be known only when new Finance Minister Ariston Chambati, who took office in April, presents his maiden budget on July 27. Even then, smoke and mirrors will be used.

The IMF has told Harare it will not resume lending until Zimbabwe meets agreed-on targets under a "shadow programme" lasting at least six months. So Chambati must present a credible budget.

Zimbabwe is already highly taxed and, in January, a 5% surcharge was imposed on personal and corporate tax. Sales taxes and excise duties were also raised. Over a full year, the January tax increases will pull in an estimated Z$1,2bn ($150m) — or more than 2% of GDP.

Chambati's budget focus will have to be on cutting spending or raising revenue in other ways — user charges and, most important, privatisation.

It won't be easy to cut spending. At least a quarter of the budget goes on interest charges. The best way to cut spending and raise revenue would be to privatise public corporations. But Mines Minister Edison Zvobgo last week ruled out privatising the State-owned Minerals Marketing Corp, which, he said, does not lose money and so should be retained. Though it does make a profit, it does so without adding value — merely by taxing the exports of the mining houses. For that reason, it should go.

The government has started selling its shares in companies listed on the Zimbabwe Stock Exchange — 20m Delta Corp shares were sold, most to offshore buyers.

Several others could be disposed of in this way: the Finhold banking group (formerly owned by Nedcor), Astra Corp (not listed but once controlled by Barlows), Caps Holdings (pharmaceuticals), the State's 49% stake in Olivine Industries (an unlisted joint venture with Heinz of the US) and its controlling stake in Zimbabwe Newspapers.

The proceeds should be used to repay public-sector debt — estimated at around 100% of GDP. The combination of debt repayment, an end to public corporation transfers, some cuts in military spending and lower interest rates as inflation falls would do wonders for the budget deficit.

There are three snags. First, the political ambivalence over privatisation. Mugeshe is a reluctant privatiser. Then there is the clamour for indigenisation to which Chambati has already tipped his hat by promising that 75% of Delta's shares will be sold to local investors. Because indigenous investors do not have the savings to buy privatised businesses, the government may be forced to provide the money, which defeats one of the main objects of the exercise. The third obstacle is Zimbabwe's highly centralised bureaucracy. It will have to sharpen its act if it is going to restore access to IMF funds.

Now, perhaps, World Bank officials will have to acknowledge it is the absence of political will that caused a crisis. And it will have to admit the problems that have plagued its economic reform programmes throughout Africa have not been resolved in Zimbabwe — not yet, anyway.
Zimbabwes sanctions against SA?
Foreign investors boost Zimbabwe's exchange

JOHN VILJOEN (362) APT 24/16/95

Business Reporter

ZIMBABWE's stock exchange faces a problem familiar to JSE investors - a serious shortage of scrip. But ZSE chairman Mark Tunner believes liquidity will improve as more companies use the market to raise capital.

Foreign investors are also enjoying increasing opportunities in Southern Africa as new exchanges - the latest is in Malawi - open for trading.

The ZSE was opened to unrestricted foreign investment in June 1993 allowing non-Zimbabweans to invest freely, provided scrip is available, without any reference to the central bank.

The impact of foreign investors, coupled with a 15 percent drop in money market rates and cuts to the capital gains and dividend withholding taxes has had a profound affect on the market.

When the first foreign trade took place on June 23, 1993, the Industrial Index stood at 995 and Mining at 138.

The Industrial Index reached 3,532 in March last year, a rise of 285 percent, and has formed at a current level of 3,333.

The Mining Index reached a level of 987 in February last year, an increase of 359 percent. After the South African elections the index strengthened reaching a new high in September of around 1,300, which is where it currently trades.

Turnover has picked up dramatically, reaching about $1 billion in the year to June. About 66 percent of that was on behalf of foreign investors, Mr Tunner said in an interview in Harare this week.

Total market capitalisation is $17.5 billion; about R7.5 billion.

"The interest in the Zimbabwean market on the part of the foreign investor, both individual and institutional, is very strong."

In theory about eight percent of market capitalisation was available to trade, and the R630 million in foreign investment inflows would be higher if there were more shares available, Mr Tunner said.

"If the market was more liquid this figure would certainly be much greater. It is hoped that this situation will be alleviated as the value of market corporate activity increases."

"The trend towards using the market as a vehicle to raise capital should make trading on the ZSE much easier."

Market observers have their eye on what the Zimbabwe government intends doing with its shares in listed companies which amount to 10 percent of the entire market capitalisation.

The first likely sell-off is the state's 28 percent holding in Delta, the national brewery and Zimbabwe's equivalent to SAB.

Mr Tunner and his firm, Edwards and Co, have been involved in the establishment of several exchanges in the SADC region.

After taking part in the opening of exchanges in Botswana and Swaziland, Mr Tunner played a role in the formation of the Namibian stock exchange in 1993 and began assisting the Malawian Reserve Bank in December 1992.

Blantyre Hotels Limited is the first company to apply for a listing on the Malawi Stock Exchange and is expected to be on the board within the next few months.

Press Corporation Limited, one of the most profitable companies in the SADC region, and a substantial contributor to Malawi's GDP, plans a public offer and listing of its shares in January.
A battle for Zimbabwe's ear

By CARMEL RICKARD

STRIVE MASIYIWA is one of Zimbabwe's new generation of black business owners; if the established system is bad for business and bad for the country he does not hesitate to take it on, even if it means becoming the target of intimidation.

Fed up with the inefficiency of his country's monopsonistic telephone company, and what he says is its dog-in-the-manger attitude, Mr Masiyiwa has gone to the country's highest courts to challenge its stranglehold on telecommunications.

Mr Masiyiwa, 35, runs one of the biggest black-owned firms in Zimbabwe. Now he wants to set up a cellular phone system in Zimbabwe.

He invited the government Posts and Telecommunications Corporation to join him in the venture. The corporation declined but refused him a licence to go it alone.

After a series of court cases Mr Masiyiwa found to his cost that the law gives the corporation a blanket monopoly on telecommunications.

But the corporation's limited resources and inefficiency has ensured that less than four percent of people in the urban areas have a phone. In rural areas, only about one in 250 people have access to a phone.

While South Africa supports 30 to 40 pager service companies, the Zimbabwe corporation has prevented a single supplier from operating there. Mr Masiyiwa has decided to challenge what he says is a hopelessly outdated approach.

Earlier this month he took a case to the Supreme Court in Harare to challenge the validity of the law which gives the telephone company powers to maintain a monopoly.

The case, argued by Johannesburg advocate Wim Trengove SC, raised an important constitutional principle. Lawyers said that the Zimbabwe Bill of Rights guarantees every citizen freedom of expression, including the freedom to receive and impart information without hindrance. However, the constitution also says that the government's telecommunications monopoly is permissible unless it is not justifiable in a democratic society.

Mr Masiyiwa's lawyers argued that it was not permissible for the state to monopolize an important medium of communication such as telephones. Mr Masiyiwa commissioned a top US law firm to survey all such monopolies world-wide and discovered that outside the former East Bloc, there was not a single telecommunications monopoly of the kind operating in Zimbabwe.

Commenting after the hearing this week, Mr Masiyiwa said a decision in his favour would open up telecommunications to competition which would benefit the people of Zimbabwe after years of "atrocius service" by the telephone corporation.

He anticipates a demand of at least 100,000 cellular phones over the next five or six years.

Mr Masiyiwa said he had been the target of intimidation, but that he was determined to persist. "I would have preferred to spend my money on other things than legal fees. But I am thinking about my country as well as my company."

He predicts that a successful outcome would have a great impact in the rest of Africa where many states have a similar monopoly in fact even if not in law. "We have had calls from all over the continent. People have been waiting for exactly this kind of challenge."

Judgment has been reserved, and is not likely to be given for at least another month.
Zim media top brass linked to scandal

Harare: Eight senior executives of the government-controlled newspaper group were linked yesterday to a profiteering scandal that has rocked the state media.

The executives were named in allegations by suspended Zimbabwe Newspapers chief executive Mr. Davis Mudzuri, who is on bail. He is facing corruption and money-laundering charges.

Details of Mr. Mudzuri's defence outline appeared in the Sunday Mail, one of five newspapers published by the state-owned group.

He alleged the chairman of the board provided poor quality Chinese newspaper at nearly double the price of locally available paper. Other executives sold cars, computers, printing materials and food to the group at inflated prices.

The editor of the mainly daily newspaper is alleged to have sold the paper, a computer and a luxury car that were for his own use.

Mr. Mudzuri alleged the transactions involved millions of Zimbabwean dollars.
Methane discovered in Zimbabwe: A Zimbabwe mining company has discovered methane gas at a site in western Zimbabwe, in an exercise that could culminate in the country’s first methane gas mine being developed. Paul Tromp, a director of Shangani Energy Exploration, said yesterday three gas-producing test wells had already been drilled over 177km². “We have managed to produce some gas, but I am not at liberty to say how much,” Tromp said, declining to say whether the company would proceed to open a mine.

Joint venture to boost mine safety: HL&H Mining Timber has embarked on an R8 million joint venture with the Swiss-based multinational MBT Holdings. Announcing this earlier this week, HL&H said MBT Holdings would contribute expertise and equipment that would improve mine safety underground.

Britannica goes on-line: Encyclopedia Britannica has announced an agreement with Time Warner’s Pathfinder Internet subsidiary to integrate and market its reference works on the public computer network. Computer owners with access to the World Wide Web portion of the Internet will be able to reach Britannica On-line through Time Warner’s on-line operation, called Pathfinder.

Agricultural co-op chamber formed: The Agricultural Co-operative Business Chamber (ACBC), representing cooperatives with a total annual turnover of R22 billion, was established on Monday at a special congress of the Co-operative Council of the South African Agricultural Union (SAAU). The chamber’s chairman, Charles van der Merwe, said it would replace the council.
Students from the University of Zimbabwe and police clashed on campus here yesterday as the students set fire to grassland and continued their class boycott.

The protest is against government payments to students, which, they claim, are lower than promised.

The fires caused no damage but the students claim about 400 police were reported to have resulted in broken windows in a number of lecture rooms.

The students have vowed to continue their protest.

Source: Sapa
IMF punishes Zimbabwe: The International Monetary Fund, a major financier of Zimbabwe's economic reforms, has withheld some funding in a bid to force the government to show conviction in fiscal discipline. It has delayed disbursing the next tranche of financial support amounting to about $2.5 million.
Campus uproar: We want all our cash, say students

ARG 14/19

Foreign Service

HARARE. — Broken windows, barricades and charred grass mark the University of Zimbabwe, where four days of demonstrations and police action have left 25 students injured, six arrested and 8,000 barred from campus until next Wednesday.

Student unrest has become almost an annual event. Sometimes the inspiration is political, but this year money is at the heart of the trouble.

The university bursary department is blamed by students for starting the uproar by underpaying living allowances. When nearly 2,000 students gathered to protest, riot police sealed off the campus. Daily battles broke out between stone-throwing students and police lobbing tear gas grenades.
Lack of money behind university fracas

Harare — Broken windows, slapdash barricades and charred grass mark the grounds of the temporarily closed University of Zimbabwe, where four days of demonstrations have just left 25 students injured, six arrested and 1,800 thrown off campus.

Disruptions due to student unrest have become almost a yearly event. This year it was money (362) that spurred protest, the underpayment of students' living allowances. Students charge that their grants were only 28000 (R1.175) for the second term and fell short by 28000 (R1.175) of the third term, leaving them unable to pay their rents and living costs.

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Zimbabwe nears a financial Rubicon

Tony Hawkins 90 4 17 95

HARARE — The first part of Zimbabwe’s five-year Economic Structural Adjustment Programme is ending amid controversy about its achievements.

International Monetary Fund officials have confirmed that the fund has frozen disbursements of the final tranches of the country’s “Enhanced” Structural Adjustment Facility following Harare’s failure to meet fiscal and monetary benchmarks.

The root cause of the problem is government overspending and overborrowing, which has pushed the budget deficit for the fiscal year ended June 30 to an estimated 12% of GDP, more than double the original budget forecast of 5.3%.

Despite this, a World Bank official quoted by the Herald newspaper, which supports President Robert Mugabe’s government, insists that the programme remains “on track.”

Private sector economists are bemused.

“If the fund has suspended disbursements because targets have not been met,” asks a bank economist, “how can the Bank continue to insist that the programme is on target?”

The answer is straightforward in the Alice in Wonderland world of international financial diplomacy, words mean what World Bank officials want them to mean, regardless of the facts.

Obfuscation is crucial to reputation.

It has not taken long for journalists, who attended a World Bank-sponsored seminar in Windhoek in May, at which they were told of the Bank’s new commitment to transparency in its dealings with the media, to learn that when push comes to shove, transparency is the first casualty.

Neither IMF nor World Bank officials are prepared to describe the status of Zimbabwe’s reform programme in any detail.

Statements that the programme is “on track,” elaborated by the IMF’s conduct — as well as by its confidential reports, according to diplomats who have read the fund’s latest report — serve no purpose other than to further undermine the World Bank’s credibility in the eyes not just of the media, but of the private sector.

“Economic reform programmes work only where private sector investors believe in their credibility.”

If the business and investment communities are to become increasingly distrustful of World Bank assertions, and as very clearly the case in Zimbabwe, then the Bank is doing itself and its client, Zimbabwe, no favours at all.

Zimbabwe’s 1996 budget, to be presented on July 27, will provide an opportunity for new Finance Minister Arijit Chambati to clear the air and set the record straight.

Chambati’s first budget is going to be an enormously difficult one.

If he takes the advice of the IMF, he will not only have to cut spending substantially — no easy task given the demands on the fiscus — but he will be required to raise extra revenue by increasing or broadening several consumption taxes, such as sales tax, and excise on fuel, drink and tobacco.

A tough budget is needed not just to satisfy the donor community but also to curb inflation, which is set to increase significantly in the third quarter from 26% in May, following increases in electricity rates and transport tariffs, higher food prices and, inevitably, some increase in indirect taxes.

Without fiscal restraint, real interest rates will also remain high — the Reserve Bank of Zimbabwe’s rediscount rate is currently 29.5% — 9.5 points above the inflation rate.

The stakes are high. In the unlikely event of his stunning IMF and World Bank advice, Chambati must know that it will be impossible to put together an internationally-supported second phase of structural adjustment.

Accordingly, it is no exaggeration to say that the future of economic reform in Zimbabwe hangs on the country’s next budget.

For this reason, a tough budget is in prospect on July 27. — Reuter.

Hawkins is professor of business studies and director of the MBA programme at the University of Zimbabwe.
HARARE.—The Zimbabwean High Court yesterday reserved judgment yesterday in the first challenge by three white farmers to the constitutional validity of President Robert Mugabe’s land takeover plans.

Counsel for the farmers, Mr Adrian de Bourbon, said they did not contest the state’s right to acquire property, but its right to acquire it without compensation, and the “designated” procedure under President Mugabe’s 1992 Land Acquisition Act.

Once land had been “designated” it could not be sold, developed, or used to raise capital, but no money need be paid to a farmer until his land was bought by the state years ahead — if ever.

“The purpose of designation is to drive down the price of rural land and to stop development,” he said.
Zimbabwe accuses SA of unfair trading practices

Michael Hartneck

SIMMERING Zimbabwean resentment over the long simmered renegotiation of its SA trade pact boiled over yesterday when Industry and Commerce Minister Herbert Murzwa warned of possible retaliation by President Robert Mugabe’s government for SA’s “unfair trading practices”.

Delays in updating Zimbabwe’s 1964, “most favoured nation” pact, had “caused enormous difficulties for our industries through loss of markets”, Murzwa told the annual congress of the Confederation of Zimbabwean Industries.

Murzwa complained that bankruptcies caused by the loss of SA markets had contributed significantly to Zimbabwe’s unemployment total...now put at more than 2-million.

“The government has a responsibility to protect our own industries in the face of what amounts to unfair trading advantage by SA.”

Business sources said Mugabe could have updated the 1964 pact on the turn with FW de Klerk’s government in return for minor diplomatic concessions, but the incoming ANC-led administration remained preoccupied with its own internal problems.

SA Chamber of Business (Sacomb) president Lee-Well speaking on emerging southern African markets, said to mobilise and use resources at a regional level successfully, there was a need for macroeconomic convergence.

“Coordination of monetary and fiscal policies to ensure the reduction and harmonisation of interest and inflation rates would be the first step towards achieving this in the region.”

Weil said the EU had shown that in taxation, particularly on goods and services, harmonisation was a first step to an integrated approach to regional trade flows.

“Greater investment efficiency is a pre-condition for the mobilisation of resources.”

In most member states of the SA Development Community there were controls on at least capital flows between countries. These controls should be reviewed to facilitate cross-border investment which had the added benefit of counteracting trade imbalances.

Trade between SA and Zimbabwe currently totalled more than R1bn a year, with the balance skewed 70-30 in favour of SA. With SA’s trade with SADC neighbours amounting to only 20% of its international total, Pretoria would stand to lose far more morally than financially from a trade war. A confrontation with Zimbabwe could damage SA’s image in Africa.
World Bank urges Zimbabwe to lower its crippling interest rates

By Babalwa Sithole

Victoria Falls — The World Bank said yesterday that Zimbabwe should urgently contain its high fiscal deficit and lower punitive interest rates, to benefit more from Western-backed economic reforms.

Kapil Kapoor, a senior World Bank economist, said the present interest rates of more than 30 percent were crippling private sector growth.

"Zimbabwe has indeed made remarkable progress during the past five years in liberalising its economic landscape. Economic liberalisation has not only created new expectations and opportunities but has also given rise to new anxieties in the country," he said of the World Bank reforms launched in 1991.

"To capitalise on these reforms, it is imperative that government now focuses its attention on containing the outward orientation of the Zimbabwean economy and bringing down the cost of money," he said.

He cited the country's achievements over the past five years as a boost in economic growth to 5.1 percent last year after negative growth of 8 percent in 1995, the relaxation of controls on investment and agricultural pricing and marketing; and a relaxed foreign exchange regulations.

"The overall environment for business has improved with the exception of fiscal deficit and high interest rates. If government can get a grip on the high deficit there's no reason why Zimbabwe should not have double digit economic growth," he said.

He said the budget deficit had fluctuated between 8 percent and 10 percent of GDP during the past five years. Local economists said it had increased to 15 percent of GDP above a government target of about 6 percent for the financial year ended June 30 this year.

Kapoor said in addition to the central government deficit, public sector companies had also incurred large cumulative losses and this had increased borrowings and crowding out the private sector.

"During the last 12 months or so, credit to the private sector has only grown about 18 percent, which is a decline in real terms," he said. "Compared to this, credit to public enterprises grew by 39 percent, while credit to government grew by about 106 percent."

He said given Zimbabwe's large domestic debt of $3.2 billion (63.25 billion), i.e. $2.45 billion (86.25 billion) economy, it was also essential for it to speed up privatisation of state-owned firms so that it could use the proceeds to retire public sector debt.
Zimbabwe gets $73m in aid: The Commonwealth Development Corporation said yesterday it had so far committed loans and equity funds worth more than $73.7 million to various private sector projects in Zimbabwe. The British-based agency said in its annual report released in Harare the projects included low cost housing programmes in urban areas, electricity generation and transmission as well as expansion of the country's sugar estates. Ziana reported. The development corporation provides loan and equity finance to viable job-creating projects in developing countries.
Zim power crisis looms as Kariba dam level falls

HARARE. — Two power stations at Lake Kariba which provide electricity to Zimbabwe and Zambia are to be temporarily shut because of the lowest recorded rainfall in the Zambezi River basin.

The Zambezi River Authority (ZRA) said in a statement in Harare the level of Lake Kariba was now only 2m above the minimum 475m above sea level needed to turn the turbines of the power stations on the north and south banks of the dam wall.

Without rain, the lake was expected to be only a metre above the minimum level by November. With normal rain, the dam level should now have been 498m.

The power plants would be closed periodically to save water, Zambia Electricity Supply Corporation (ZESCO) said in Lusaka.

No comment was available from Zimbabwe Electricity Supply Authority (ZESA).

The ZRA said power would have to be imported from neighbouring countries. It said rainfall had been "the worst since records were first kept in 1907."
Zimbabwean jobs at risk

FROM SAWAReb. Harare, July 22.

The Zimbabwe Chamber of Mines said yesterday that some mines were considering retrenchments and applying for wage-increase exemptions to remain viable in the face of rising input costs.

A chamber spokesman said costs in the industry had risen by 30 percent since the beginning of last year, yet revenue received by producers of such major minerals as gold and asbestos had not increased, due to stagnant dollar prices for the minerals.

He said the industry was particularly concerned about the recent increase in electricity tariffs. These would further erode viability and put thousands of jobs at risk.

Power tariffs in Zimbabwe went up by more than 26 percent with effect from July 1995.
Zim professor defies protests

Harare: University of Zimbabwe vice chancellor Professor Gordon Chavunduka yesterday defied calls for his suspension.

Prof Chavunduka threatened to act against protesters for disrupting lectures.

Students and lecturers marched to the city centre on Tuesday demanding that he and other high-ranking officials be suspended while allegations of financial mismanagement, corruption and nepotism were investigated.

In a related incident, polytechnic students threatened to stay away if their demands for a 300% grant increase were not met. — Sapa
Students march to demand 300% raise in their grants

HARARE — Hundreds of Harare Polytechnic students boycotted classes yesterday and marched to the higher education ministry offices to demand a 300% increase in student grants.

Students' representative council president Petinlaya Ruhanya said the students would prepare a document with all their grievances and hand it to the ministry so it could be presented to the cabinet.

Ruhanya said the ministry wanted to avoid interfering with the running of institutions of higher learning. Their own administrative procedures should be able to deal with all complaints.

Zimbabwe's higher education institutions have recently been hit by a wave of unrest, the latest being demonstrations at Zimbabwe University, which led to its temporary closure about two weeks ago.

The university has reopened, but students are still demanding an increase. — Sapa.
Imports and poor tobacco revenue hit Zimbabwe dollar

Economic analysts have forecast that the Zimbabwe dollar will further weaken against major currencies by the end of this year, as import demand picks up and foreign exchange inflows associated with tobacco dry up, Ziana, news agency reports.

Mervyn Ellis, a consultant economist, said: "Downward pressures on the exchange rate were also building up in the market as a result of anticipated increased outflows of foreign currency to finance food imports caused by the drought. Estimates show that about $2.5 billion is needed to finance over 500,000 tons of food imports, particularly maize.

Ellis said, shortages of foreign exchange would also worsen as offshore flows to finance tobacco — Zimbabwe's largest export earner — stop flowing into the market towards the end of the year.

He said, these factors, coupled with the anticipated higher inflation in the second half of the year, could result in the Zimbabwe dollar ending the year quoted at nine to the US dollar, the major trade-weighted currency.

Standard Chartered Bank in Zimbabwe said renewed currency depreciation was expected to enable local exports to become competitive in the international market.

Ellis said the extent of currency depreciation "would, however, be limited by the country's meagre international reserves."
Zimbabwe should take a leaf out of SA’s book

Michael Hartnack

HARARE — Zimbabweans should “imitate South Africans, and get on with the job,” charges the quarterly economic guide issued by Anglo’s merchant bank subsidiary, FMB.

The new SA continues to show up President Robert Mugabe’s government by its greater commitment to fiscal reform, efficient use of taxpayers’ funds, prompt payment of state creditors and signing of investor protection agreements, says the latest guide.

In addition, SA’s approach to capital investment in infrastructure has been to set priorities and get on with the job — our approach in Zimbabwe has been to see first if we can get somebody else to pay for whatever is needed.

“We do this even if its importance places it high on the priority list and its cost is well within our means,” says the guide. It cites the building of a pipeline to bring Zambesi water to drought-stricken Bulawayo as the most crucial example.

“While getting things cheaply or for nothing might seem a good idea, our aid dependency is now standing in the way of our accomplishing vital projects that could impact upon the lives of millions of people.”

The cost of the Zambesi pipeline will be 1.5% of total government spending since 1985, so it is well within Zimbabwe’s financial and technical resources, says the FMB guide.

“But because government is still hoping the money will come from somewhere else, it has allowed the project to slip into the clutches of the international feasibility study industry and the newer, environmental impact study industry.”

If the project ever takes off, these studies will slow completion and burden it with fees to external agencies, the bank guide warns.

Referring to Mugabe’s chequered relations with Matabeleland — scene of widespread human rights abuses in the early 1980s — the guide says the government seems yet to be persuaded of the importance of a region that contributes 26% of GDP.

“The whole country will benefit if these areas are assured of dependable water supplies. The expenditure of Z$30bn on a project that will help ensure a continuing flow of Z$1bn a year is readily justifiable,” it says.

The guide says the new South African government has “distinguished itself by dismissing short-term expedients that might have eased its immediate political path, but would have led to深远economic and budgetary problems before long, as happened here in Zimbabwe.”
Zimbabwe's budget is 'a tricky balancing act'

BY RICHARD MUKWONGO

Harare — Zimbabwe's minister of finance will deliver a budget tomorrow which his own people hope will ease their economic pain when in runaway state spending and convince Western donors that reforms are on course.

Economic analysts said yesterday that Ariston Chisibiri, the minister of finance, must perform a tricky balancing act when he unveils the country's budget. The government is coming under immense donor pressure to present a tough, deflationary budget, said Anthony Hawkins, a business administration lecturer at the U of C.

The IMF has withheld disbursing Zimbabwe's enlarged structural adjustment facility (SAF) — a concessional facility for financing projects which would greatly improve the country's balance of payments and welfare prospects. For Zimbabwe, which has one of the world's highest levels of debt and foreign currency reserves, the IMF's freeze on disbursements means funding is pegged at 21 percent from 19 percent last January, diplomats said.

Pre-budget estimates put this year's deficit at more than 12 percent of GDP, way above a target of around 6 percent set out last July.

The country faces economic stagnation with high interest rates, 50 percent unemployment, and ever-rising inflation.

'This is not the IMF and other donor funding that is at stake but a return to macro-economic stability with lower inflation and interest rates. The economy needs a stern dose of deflationary medicine in the coming budget,' Hawkins said.

The foreign debt is estimated at $5.5 billion with a debt-service ratio of 56 percent of export revenue.

Earlier this month, the World Bank urged the government to reduce its budget deficit and lower interest rates to more than 30 percent.

Experts say Zimbabwe, worst hit by the world financial crisis, should take advantage of the sudden abundance of external funds it has never enjoyed in the past.
Government spending frustrates economic activity
Zimbabwe is urged to deliver a tough budget

HARARE — Zimbabwean Finance Minister Arizton Chambati will deliver a budget tomorrow his countrymen hope will ease their economic pains, rein in runaway state spending and convince Western donors reforms are on course.

Economic analysts said yesterday Chambati must perform a tricky balancing act when he presents the 1995/96 budget.

"The government is coming under intense donor pressure to present a tough, deflationary budget," business administration lecturer Anthony Hawkins said.

The IMF has withheld disbursements under Zimbabwe's Enhanced Structural Adjustment Facility loan — a concession for poor countries — which expires in September.

The IMF and other donors were unhappy with Zimbabwe's budget deficit and runaway state spending fuelling inflation pegged at 21% now from 19% in January, diplomats said.

Pre-budget estimates put the 1994/95 deficit at more than 12% of GDP if it was above a target of about 8% set out last July.

People say the country faces economic stagnation, with a harsh business climate of high interest rates, 40% unemployment rate and ever-rising input costs.

"It is not just IMF and other donor-funding that is at stake, but a return to macroeconomic stability with lower inflation and interest rates. The economy needs a stern dose of deflationary medicine in the budget," Hawkins said.

The foreign debt is estimated at $5bn with a debt service ratio of 36% of export revenue.

This month the World Bank urged the government to reduce its budget deficit and lower punitive interest rates of more than 30% threatening its industries for it to benefit more from economic reforms which started in 1991.

The bank's senior economist in Zimbabwe, Kapil Kapoor, said public sector firms had incurred large cumulative losses of more than $21.6bn.

Kapoor said this had increased government borrowing, crowding out the private sector and pushing inflation upwards and resulting in higher interest rates.

Hawkins said: "While the new finance minister has little room for manoeuvre, failure to tackle the ballooning budget deficit will result in sharply higher inflation and interest rates and renewed Zimbabwe dollar depreciation."

Cotswold bank Standard Chartered said inflation was set to rise in the third quarter after averaging 21.5% in the first five months of the year in response to a round of indirect tax hikes anticipated in the budget, higher electricity and railway tariffs and increased food prices.

It said the budget must include public spending cuts, privatisation plans 'to offload state firms and increase in consumption taxes."

In letters to newspapers, readers accused the government of being a burden on the economy.

"And to insult our intelligence even further, the size of government has been increased, arguing that this was necessary to improve efficiency in policy implementation and control," said a letter in the Independent Financial Gazette. — Reuter.
Intelligence chief told of Mugabe's wedding.

HARARE: A Zimbabwean journalist charged with defaming a judge and a cabinet minister in stories alleging President Robert Mugabe had secretly married said yesterday his source for the story was the country's intelligence chief.

Mr Trevor Ncube, editor of the independent Financial Gazette, told a court here he had no reason to doubt the truth of the reports, which were based on information from Mr Elkeck Mashingaidze, head of the Central Intelligence Organisation.

Mr Ncube and two other journalists are accused of criminal defamation in reports that High Court Judge Paddington Garwe and Housing Minister Mr Enos Chikowero presided over Mr Mugabe's alleged secret wedding to his former secretary, Ms Grace Marufu, in April.

The trial continues. — Reuters
Zimbabwe hopes to cut deficit

FROM BEITBR — Ariston Chamati, the finance minister of Zimbabwe, yesterday announced a budget aimed at resuscitating his country's flagging economy.

Chamati, recruited from the private sector after parliamentary elections in April, pledged his government would take measures to cut government spending and cut the budget deficit from 13.4 percent of GDP in the last financial year to 6.7 percent this year.

The minister increased sales tax to 15 percent from 12.5 percent. He slapped a new 3 percent tax on electricity, consumption while raising duties on petrol and diesel by 11 percent and 90 percent.

Total spending for the year was forecast at $2.6 billion. Revenue was forecast at $2.1 billion.
Budget puts the squeeze on Zimbabwe

HARARE — Zimbabwe's Finance Minister, Arison Chamhuri, has unveiled a tough 1995-96 budget that puts focus on consumption tax hikes and squeezes most spending to keep fiscal deficit in check, Ziana news agency reports.

Mr Chamhuri, who took over from acting Bernard Chidhoro in April, estimated revenue would reach $218.3 billion, resulting in a budget deficit of $24.274 billion.

This deficit represents 6.7 percent of gross domestic product compared to an average of 13.4 percent in 1994-95 excluding inflows of international aid grants.

He said the budget deficit would be financed from $2300 million net foreign inflows and $24 billion from the domestic market.

Mr Chamhuri said the 11 percent nominal increase in recurrent expenditure to ministries was "marginal" considering the high rate of inflation of 19.9 percent as of June.

As a result of insufficient resources, ministries had to re-prioritize their activities in line with their provisions.

There is need for a redefinition of missions consistent with availability of resources," Mr Chamhuri told parliament, pointing out that the credibility of his budget depended on a high degree of political commitment.

The government, he said, could no longer afford the "luxury" of overspending.

To avoid recurring massive overruns on expenditure, the treasury would introduce a stop-payment facility at the central payments office.

Sales tax on most goods and services has been increased from 12.5 percent to 15 percent with effect from next month.

A final tax on electricity of five percent was also proposed with effect from October.

Customs duty for petrol and diesel was increased from 75 cents a litre and 20 cents a litre, respectively.

Duty on imported clear beer, aerated beverages, wines, spirits and cigarettes was also increased. The increases ranged from 18 to 50 percent. Sapa
Zimbabwean govt in gay rights row

Zimbabwe, then all credibility has been forfeited.”

Referring to establishment figures linked to the ruling Zanu (PF) party, she said: “It is obvious that some of the book fair trustees have no grasp of the concept of human rights. Some appear to believe that democratically agreed decisions made by a majority of trustees can be overturned by lobbying in high places.”

McMillan said the trust would be “regarded with cynicism and derision”, and confessed “feelings of foreboding” about future book fairs in Zimbabwe.

The week-long row provoked by the information ministry ultimatum to evict the association has led to a prediction that the fair, attended by exhibitors from 48 countries, would be held in SA next year.

Chakaodza was greeted yesterday with roars of laughter when he told writers and publishers in Harare for the book fair that Mugabe’s government did not interfere in any way with the news media.

Justice Minister Emerson Mnangagwa told foreign delegates to the writers’ indaba that they were required to respect local norms, such as observance of homosexuality, when in Zimbabwe.

“In our tradition we do not respect gays,” said Mnangagwa.

In a letter to the book fair organisers last week, the information director expressed shock that the association had been “given legitimacy” by being allowed to have an exhibit.

The government strongly objected, and threatened to withdraw co-operation if the “values of gays and lesbians are forced onto Zimbabwean culture”.

SA Judge Edwin Cameron was permitted to address a meeting convened by the association — the first of its kind — not to be raided by police — but his speech urging tolerance for minorities went unreported by Zimbabwe’s state-controlled media.
Debs cripple
Zimbabwe farms
By Chris Chinara
CTOR 3/8/95

Harare - Zimbabwe's drought-hit farms are under pressure from mounting debts and high interest rates, industry and government officials said.

They told an annual meeting of the Commercial Farmers' Union that the agriculture industry needed major investment, especially in training, management, and water resource development projects to ensure its viability.

"At current high interest rates (above 30 percent), we are paying some $1.8 billion in interest, equivalent to 20 percent of our gross output this year. This is unsustainable," said Peter MacSporran, president of the union.

Agriculture-related industry accounts for 68 percent of Zimbabwe's economic output. The southern African country is self-sufficient in food except in years of drought.
Zimbabwean farmers struggling with debt

HARARE — Zimbabwe's drought-stricken agriculture sector is under pressure from mounting debt and high interest rates, industry and government officials say. They told an annual meeting of the local Commercial Farmers Union that the industry needed massive investment — especially in education, management, water resource development projects and research — to ensure its viability.

"But this cannot happen with the amount of debt the farmers currently have and the high cost of money," union president, Peter MacSporran, said.

The cost of borrowing money was now agriculture's single biggest input cost at around $22m this year. At current high interest rates (of above 30%), we are paying some $22m in interest, equivalent to 20% of our gross output this year. This is unsustainable," MacSporran said.

Hundreds of drought-hit commercial farmers were now laying off thousands of workers as they struggled to repay debts of more than $23m.

Agriculture Minister Denis Norman said that President Robert Mugabe was negotiating with commercial banks to try to introduce concessional interest rates for farmers, the backbone of the local economy.

Some 65% of Zimbabwe's economic activities are agriculture-related and this country has been self-sufficient in food production except in years of extreme drought. Norman urged the industry, whose output of the staple maize crop fell by 64% to 859,000 tons in the season which ended in April, to aim to produce two million tons in the farming season beginning in November to meet domestic consumption and export targets.

"The minister also urged farmers to take advantage of the government's liberalisation of agricultural marketing to boost production of other crops," — Reuters.
A 40\% cut in capital spending — and sharply higher consumption taxes — will halve Zimbabwe's budget deficit in 1995-1996, provided Finance Minister Ariston Chambati can keep control of recurrent spending.

The omens are not good.

Last year, to June 30, government overshot its spending targets by almost a quarter, though Chambati blames this on a one-off "cleaning up exercise" of the vote of credit. This is the fund used as a conduit for donor lending to Zimbabwe for development projects.

On Chambati's calculations — which differ from those in the official financial statements released after the budget last week — the budget deficit of Z\$7bn (Z\$820m), 13.4\% of GDP, will fall to Z\$4.3bn this year (6.7\% of GDP).

Privatisation — the sale of shares in State-owned industrial conglomerate Delta Corporation — brought in Z\$525m and Chambati's budget suggests only another Z\$300m will be raised through privatisation this year. However, economists believe that this is a minimum figure and additional sales of government assets would be used to fund spending overruns or even repay some debt.

In the current year to June 1996, government revenue will rise more than 20\% due to:

- A 2.5\% rise in sales tax, which applies to most retail transactions, to 15\%.
- An 11\% rise in petrol duty, 70\% in diesel fuel duty.
- A new 5\% tax on electricity consumption.
- A 26\% average electricity tariff hike, announced in June.

In all, the budget will take out Z\$33bn (nearly 5\% of GDP) in extra taxes in the coming year, while spending falls 8\% (3\% of GDP) in real terms.

As always, the success of the budget hinges by the slender thread of fiscal discipline. The country's record is dismal, and Chambati will have to change the public sector's corporate culture. He has not started well, threatening to use a stop-payment facility at the finance ministry — implying suppliers may not be paid when ministries
Zim students set offices alight

HARARE: University of Zimbabwe students allegedly set alight a number of offices at the institution on Monday night, it was reported yesterday.

Property valued at about $2,350 was destroyed.

The students apparently threw petrol bombs into the assistant bursar's office, the examinations and records office and the chief security office after ripping off the burglar bars.

They also broke windows in the administration offices.
Gays worse than pigs, says Mugabe

Zimbabwe President Robert Mugabe has renewed a scathing attack on homosexuals, telling thousands of people attending a ceremony honouring the country’s heroes to “hand them over to the police.”

When he opened the fair, Mr Mugabe said Zimbabwe had a “whole formidable” set of morals and taboos which it could not abandon unless its society as a whole decided they were no longer needed.

He said he found homosexuality ‘outrageous and condemned countries that legalised it.

World and local human rights groups have criticised his stance.

Demonstrators staged a placard protest outside the Zimbabwe Trade Mission in Johannesburg yesterday in response to the expulsion of Gays and Lesbians of Zimbabwe (Galz) from the book fair.

The National Coalition for Gay and Lesbian Equality has expressed outrage at the homophobic statements by Mr Mugabe, which have also been criticised by the SA National Gallery, Supreme Court judge Edwin Cameron and Nobel prize-winning author Nadine Gordimer.

In Harare for the fair, Ms Gordimer was moved to instant protest, formulating a resolution describing the expulsion as contravening freedom of expression and calling for Galz’s reinstatement. The theme of the fair was human rights.

Coalition spokesman Kevin Botha said: “Mugabe’s shameless comment at the book fair that he believes gays and lesbians have no rights at all is reminiscent of former South African prime minister B J Vorster, who said blacks had no rights at all. It also rekindles the nazi amendment to the German penal code in 1935 providing for gay men to be deprived of their civil rights.”

The silence of the Zimbabwe press and the vilification of homosexuals gave rise to concern for the safety of Zimbabwe’s gay community.

About 100 protestors in Johannesburg yesterday carried placards reading “Vorster said blacks have no rights, Mugabe says gays have no rights”, and “Zimbabwe needs a queen”.

— Own Correspondent and Reuter
Zimbabwe’s gold production increases by 18% (362)

Harare — Gold production in Zimbabwe, one of the world’s top 20 producers, rose 18 percent to 13,656kg during the first seven months of this year, Ziana news agency reported.

Derek Bain, the chief executive of the Zimbabwe Chamber of Mines, said yesterday the amount of gold produced was valued at Z$1,437 billion compared with the 11,591kg valued at Z$1,14 billion which was produced during the same period last year.

At the present rate of production, output was expected to reach 22 tons this year, bringing in over Z$2,5 billion in foreign exchange.

Gold is Zimbabwe’s largest hard currency earner after tobacco. Last year output reached 2,056kg valued at just over Z$2 billion.

Economic analysts say the bullish sentiment in the gold mining sector and the mining industry in general could help prevent a rapid decline in the Zimbabwean economy. The economy was hit by another drought this year before it had recovered from the devastating 1991/92 drought which slashed the country’s GDP by almost 8 percent in real terms.

The economy is expected this year to grow by between 1 percent and 2 percent from a growth of almost 5 percent last year.

Bain said although the water shortage was getting worse no mines had closed.

“We do not know what will happen in the near future,” he said.

Some mines had, however, taken some contingency measures like drilling more boreholes to sustain production.
Zisco loses millions on idle plant

By: T. Hlakulo / Gaborone

The Zimbabwe Iron and Steel Company is losing millions annually by maintaining the Zd60-million sinter plant which was completed in April last year but is still not being used.

Zambian Members of Parliament were told that the sinter plant could only start operating when the conveyor belt carrying iron from Ripple Creek mine and the blast furnace number four were fully functional.

"We are waiting for Ripple Creek iron ore restructuring project to be completed and for the rebuilding of blast furnace number four whose construction has been delayed," a Zisco official said.

The plant, which was maintained by the Zimbabwe Electricity Supply Authority, was...
Poll cheating, Zim's opposition rare rallying point

Chipinda dares Edgar, Ziyambi, Jairosi to face

Robert's challenge to my party's


election bids

Zimbabwe's election limbo: The opposition and its options

The opposition's challenge to the

Robert's presidency

Zimbabwe's election limbo: The opposition and its options
State plan to buy posh homes rattles the peasants

ANDREW MELDRUM (362) Ar171978195
Foreign Service

HARARE. — A furor has erupted in Zimbabwe over the government’s efforts to buy five posh properties in Harare’s exclusive Borrowdale during a time of harsh austerity.

The five extensive properties, some more than 10 hectares, are estimated to be worth from R8.3 million to R14.5 million — far more than what has been allocated for peasant resettlement in the new budget.

It is believed the government wants to buy the properties because they overlook a residence that is understood to be used by President Robert Mugabe.

Neighbours have observed the presidential motorcade frequently visiting the residence.

They believe Mr Mugabe intends to use the property as a residence for Grace Marufu, his former secretary, with whom, according to the independent magazine Horizon, he has fathered two children out of wedlock.

The 11-hectare property visited by the president is owned by Mr Mugabe’s ruling party, the Zimbabwe African National Union - Patriotic Front (Zanu-PF), through one of its holding companies, M & S Syndicate.

M & S has extensive holdings, including the Zimbabwe Woolworth’s store and more than 50 properties including houses, office buildings and farms.

It is said that the Ministry of Defence wants to buy the huge swath of adjoining properties to ensure security around the party-owned residence.

The owners of the adjoining Borrowdale properties have been approached by a government property evaluator.

They have been advised by lawyers to comply with the government request if they wish to get full market value, according to the independent Financial Gazette. The weekly newspaper has not managed to get government comment about its efforts to buy the properties.
Elephants raid crops in
drought-hit Zimbabwe

OWN CORRESPONDENT

HARARE: An invasion of marauding elephants from Mozambique is destroying crops in drought-stricken north-eastern Zimbabwe, officials report.

While the environment ministry continues to stall on plans to "remove" more than 8,000 elephants by culling or transporting, young bulls have trekked into the Muzarembani area, where they are raiding grazing land and destroying what little grazing remains after a season of patchy rains, locusts and armyworm.

A department of National Parks spokesman said an elephant population count was to be attempted before strategies were devised.

Villagers in the Muzarembani area are reportedly reluctant to talk about the damage because they consider the elephants to be sacred and to have been sent by ancestral spirits.

Last year two people in the area were killed trying to frighten off crop raiders.

Conservationists say the elephants may be attracted by this year's glut of masai berries, a wild fruit. Elephants are raiding fruit spread out to dry to supplement the 10kg maize meal drought relief rations issued by the government.
Zimbabwe to localise tourism

The Zimbabwe Council of Tourism said yesterday it supported the "indigenisation" of the tourism sector and was prepared to help aspiring entrepreneurs enter the industry, Zana news agency reports.

However, David Chapman, the council's chairman, said although meetings had been held with the government on the issue, there were no clear guidelines on how the process would be implemented.

"Indigenisation" is a loose term being used by both pressure groups and the government to explain the as-yet-undefined strategy of encouraging the participation of black Zimbabweans in the mainstream economy.

Some government ministers recently expressed concern about what they said was the lack of participation by black businessmen in the fast-growing tourism sector, one of Zimbabwe's major foreign currency earners.

Chapman, meanwhile, said the council would hold its first-ever congress in Harare on September 27 and 28 to coincide with the World Tourism Day celebrations.

The theme of the congress would be "Towards 2010 and beyond," he said.

"We shall examine the role of tourism in the economy, highlighting its potential to stimulate and lead national growth," he said.

He also said that he expected next year's tourism earnings would continue to grow at a "fairly good rate."
Support for Zim blacks in tourism

HARARE. The Zimbabwe Council of Tourism said it supported the indigenisation of the tourism sector, and was prepared to help aspiring entrepreneurs enter the industry.

However, ZCT chairman David Chapman said although meetings had been held with the government on the issue, there were no clear guidelines on how the process of indigenisation would be implemented.

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Chapman, meanwhile, said the ZCT would hold its first congress in Harare on September 27 and 28, to coincide with the world tourism day celebrations.

The theme of the congress would be Tourism Towards 2000, and speakers and delegates would emphasise the importance of tourism to the Zimbabwean population.

Sapa.
HARARE — Zimbabwe's government has sacked the 42-member ruling council of the country's main university after weeks of disturbances at the campus.

Higher Education Minister Ignatius Chombo told a news conference yesterday that he would appoint an interim council until a new ruling body was formed.

Student demonstrations over grant payments led to demonstrations and looting at the university, causing an estimated $2.5 million worth of damage since June. — Sapa-APP.
100,000 Aids orphans, minister warns

HARARE — More than 100,000 children living on large commercial farms in Zimbabwe may be orphaned in the next five years because of the Aids pandemic, Agriculture Minister Dennis Norman said.

Mr Norman called on farmers to draft a national programme to deal with the problem. More research was needed and the views of farmers were essential in tackling the problem. — AFP 24/12/18

About 15 percent of Zimbabwe's 10.5 million people live on commercial farms. — Sapa.
Zimbabwes Chamisa leads official spending
Zimbabwe is to become a platinum producer
SA company bids for Zimbabwean steel firm

Martin Rushmere

HARARE — SA heavy engineering specialist Steinmuller has become one of the main bidders for a quoted Zimbabwean steel fabricator and engineering company, Zeco, which has been put into provisional liquidation because of massive losses.

Steinmuller, the latest SA explorer to probe the Zimbabwean industrial scene, for 15 years forbidden territory because of political taboos, trading in Zeco shares has been suspended at 10c and the company has warned that the losses are worse than originally thought.

Steinmuller is conducting a "due diligence" analysis of the accounts to ascertain just how bad the situation is, say Zimbabwe Stock Exchange sources.

Zeco’s final results for the year to end-February have been delayed and the company has asked for permission from the exchange to extend the announcement beyond the maximum six-month limit.

If it disappears from the exchange because of bankruptcy, the Bulawayo company will be the first to do so in 26 years.

Although there had been rumours of trouble, no hint was given in the interim report for the six months to August, when the forecast was for a full year’s net profit of R4m. Last year’s net profit was R3.5m on turnover of R55m.
Zimbabwe may rethink limits of ownership

Martin Rushmere

HARARE — President Robert Mugabe's government has been trapped by its own rules limiting foreign ownership in its bid to sell its shares in Zimbabwe's largest quoted company, Delta Corporation, financial sources here said.

They predicted the finance ministry would have to relax the 25% limit imposed on quoted companies at the height of Mugabe's "economic nationalism" phase after 1980 independence.

Foreigners now own 22% of Delta, a brewery, hotel, retail and soft drink conglomerate which has a turnover of R1bn on assets of about R2.5bn. The 25% limit on foreign ownership excludes the percentage held by foreigners as of June 1993.

Market sources in Harare said foreigners were the only serious potential buyers of the government’s remaining 27-million shares in Delta, worth about R180m at ruling market prices.

Speculation by vocal "indigenous" black business groups that the government had banned the sale of any more shares to outsiders was discounted.

The government is hungry for the money and will sell to whoever has it," said a broker in Harare.

"It is now desperate for cash and cannot afford to start going into the credit business. The international lenders are extremely unhappy about the size of government borrowings and are insisting that shareholdings in private companies are sold to get in some money. There are plenty of other quoted companies in which the state has a sizeable holding."

"The limits on ownership will have to be lifted if any sizeable outside interest is sought."
Zimbabwe funds released

Harare - Zimbabwe's central bank yesterday began the release of about US$12 million of profits and dividends belonging to foreign-based companies that have been held in a "blocked funds" system introduced 30 years ago by the former Rhodesian government to prevent the flight of capital.

Leonard Tsamba, governor of the Reserve Bank of Zimbabwe, said in a statement that restrictions on the repatriation of corporate blocked funds would be lifted "with immediate effect".

The release of the funds would be phased in and take place over three years.

The move follows a promise in January this year to release ZS100 million in blocked funds, at the same time that the government announced that for the first time in three decades foreign-based companies could repatriate all after-tax profits and dividends.

Tsamba said that when the balance of payments was permitted, the bank would release "other blocked funds", a reference to an estimated US$35 million in blocked personal accounts.
Zim locals told to seize white land

BULAWAYO: Vice-President Joshua Nkomo has urged his countrymen to seize white-owned land and criticised the slow progress in the government's programme to resettle landless peasants.

Mr Nkomo said land seized by white settlers before independence in 1980 should be returned to its "rightful owners", the Zimbabwe Inter-African News Agency reported.

"I challenge ... young party leaders, government and the black people in general to take back your land. The whites didn't buy it, they took it by force — so do the same," he said.

Ceremony

Mr Nkomo was speaking at a ceremony marking the start of construction of a cultural centre in Bulawayo on Saturday.

In July, the government said that since independence it had given land to less than one third of the 160,000 peasant families targeted for resettlement.

A shortage of money to compensate white farmers and carve properties into peasant smallholdings has held up the programme.

About 4,000 white farmers occupy about the same amount of land as one million indigenous families.

Sapa-AP
Preferential tariffs for Zimbabwe slammed

BY FRANCOISE BOTHA

South African textile manufacturers have slammed the resignation of preferential tariffs on imports from Zimbabwe, saying it will re-open the sluice-gates for dumping by producers from the Far East and will cost the local textile jobs.

The Textile Federation (Textex) said yesterday that it was unable to guarantee adequate control of imports into South Africa. Zimbabwe has bilateral trade agreements with Botswana and Namibia. If customs control of imports is already so weak, how can we ensure conformity to other trade agreements among southern African countries?

"The effect will be the re-routing of cheap goods from the Far East," he said.

The industry said strict safeguards to enforce certificates of origin had failed in the past. South African textile mills said it was well known that falsification of certificates of origin was carried out on a large scale.

Textex said it wanted to know whether this was done in spite of Zimbabwean government efforts to contain it, or whether it occurred with their tacit approval.

The customs sieve would not only let through cheap, re-routed imports, but also cost the local economy jobs, said Brink.

Assurances by government include an investigation of employment implications before the preferences are agreed to on Friday.

John Balladon, the chairman of Textex, said Zimbabwe, had one of the largest textile mills in southern Africa and restoring the trade agreement could result in 25 percent of the South African market being lost to Zimbabwe.
IMF stops loans to Zimbabwe

□ Mugabe told to cut state spending

HARARE. — The International Monetary Fund (IMF) has suspended key loans to Zimbabwe until the Mugabe government reduces expenditure and privatises large, unprofitable state-owned corporations.

The suspended balance of payments loans are estimated to be worth $100 million (Zim $800 million), although neither the IMF nor the government has announced the exact amount.

Unless Zimbabwe successfully cuts its spending the World Bank and other western donors may follow the IMF’s lead and withhold financial support. Further painful measures demanded are a reduction of inflation, currently at 24 percent annually, and the reduction of sky-high interest rates at 25 percent and more.

This economic pressure on Zimbabwe is compounded by the current serious illness of Finance Minister Arison Chamhati, who has been hospitalised for an undisclosed illness twice this month. His condition is serious, according to family members. Mr Chamhati’s current incapacity leaves the government without a strong leader in the finance ministry.

The IMF has placed Zimbabwe on a "shadow programme", which will put the government’s economic performance under surveillance until March 31, 1996.

The IMF suspended loans for support of Zimbabwe’s balance of payment because of its dissatisfaction with the government’s continued high expenditure. Over-spending pushed Zimbabwe’s budget deficit up from the target of six percent of GDP to an astronomical 13.5 percent this year. Zimbabwe’s GDP is estimated at $5 billion (Zim $44 billion). To finance the budget deficit the government has borrowed heavily on the local market, taking up an estimated 60 percent of available capital. The shortage of capital has pushed interest rates up, which is seen as the most serious constraint on new investment, domestic and foreign.

Zimbabwean officials have downplayed the severity of the IMF suspension, but it means that the government will have to draw from its coffers to pay for its imports in foreign currency. This is not disastrous because Zimbabwe’s current balance of payment is relatively healthy.

"We have five and half months’ supply of foreign currency as import cover," said the government’s senior secretary for finance Charles Kuzara. "Yes, they will fall, but with our tobacco and mining sectors doing well, we will be able to cope. We must for the time being be prepared to ride the turbulent waves."

The World bank’s resident economist in Zimbabwe, Kapil Kapoor, agreed that the IMF move should not throw Zimbabwe into an economic crisis. "It is not so serious, but it should prompt the government to keep to its budget pledges to reduce spending," said Mr. Kapoor.

"The government is sending a delegation to Washington next month to talk to the IMF, and hopes to renew the IMF programme in 1996." — Independent Foreign Service.
Tourism hope in Zimbabwe

HARARE—Zimbabwe's key tourism industry expects its earnings to jump to around Z$3.5bn this year from Z$1.5bn in 1994, a top tourism official said yesterday.

Nelson Skunkwe, director-general of the state-backed promotional Zimbabwe Tourism Development Corporation, said tourist traffic to the region had increased significantly due to relative political stability and since SA's elections last year.

Slightly more than 1 million tourists — the majority of them from SA — visited Zimbabwe in 1994, and the figure was expected to rise above 1.5 million this year.

Zimbabwe's main tourist attractions are the Victoria Falls in the north-west as well as its wildlife parks.

Tourism accounts for 5% of the Zimbabwe's GDP. — The Guardian

Libya poised to deport Sudanese, Egyptians

CAIRO — Libya has notified Sudan that 300,000 of its workers must leave the country but has given its neighbour three months to supervise their exodus, a Sudanese official said yesterday.

Meanwhile, about 1,800 Palestinians who were reportedly being deported had been held up at the coastal town of Tobruk, about 100km west of the Libyan-Egyptian border.

An international aid worker said the stopover apparently came amid rumours that Egypt had threatened to close its border with Libya.

But an official at Egypt's interior ministry denied a closure was being considered. He said 150 Palestinians were allowed to cross into Egypt yesterday en route to the Gaza Strip.

On Wednesday 25 Palestinians had crossed the frontier en route to Jordan, residents of the area said. More than 170 Palestinians crossed from Jordan to Israel on their way to Gaza.

Libyan leader Muammar Gaddafi ordered Palestinians to leave to show his displeasure with the Israel-PLO peace process. The latest pact, granting autonomy to Palestinians in the West Bank, was to be signed yesterday at the White House in Washington.

But Libya is also throwing out thousands of other workers, including Egyptians and Sudanese. The government says they lack proper work or residence permits. It has said it wants to open jobs for Libyan workers.

More than 1 million foreigners were believed to work in Libya, including an estimated 450,000 Sudanese and 30,000 Palestinians.

In Khartoum an official at the Sudanese Expatriate Organisation, Salah Amasaeb, said 300,000 Sudanese had to leave Libya, but Libya had given Sudan until December to organise their departure.

"They have appreciated the way we have taken up the matter, which is forming a high-level committee to handle the matter and our sending a team to Libya," he said.

Libya and Sudan signed an agreement in March 1990 for the free exchange of workers, goods and capital and called for their unification in four years. The pact has become practically meaningless. — Sapa-AP.
Mugabe government debt destroying private initiative

HARARE — Private sector credit problems and the need to provide for R2.7bn public sector debt service and R2.2bn capital repayments now “cast a long shadow over the Zimbabwean economy”. Anglo subsidiary First Merchant Bank (FMB) warns in its quarterly review.

In its recent budget “the government yet again appears to be trying to find ways of deflecting the penalties for its own lack of discipline onto the private sector”, the review says.

“Despite certain ministries being totally unnecessary and the serious over-staffing and inefficiencies in many others, the pace of public-sector restructuring has been slow and hesitant.

“As the cost of maintaining each unnecessary government employee on the payroll is probably helping to destroy two or three formerly productive jobs in the private sector under current conditions, government’s concern for the welfare of its own employees is misplaced and unhelpful,” FMB adds.

Debt service now comes to 47% of this year’s total expenditure. Zimbabwe had come to the limit of its debt-carrying capacity before it moved toward market oriented reforms in 1990, said the review.

While the private sector responded to soaring internal interest rates by trying to use money effectively, and by selling assets such as buildings in order to repay loans and avoid liquidation, President Robert Mugabe’s government had continued to spend rather than invest borrowed money.

“By following a similar course and selling state-owned assets as so often promised, government could also repay a large proportion of its debt and relieve the whole country of the consequences of its debt service burden — the high interest rates and a substantial proportion of the high level of inflation that is rapidly eroding the population’s already very modest standard of living,” FMB says.

The latest government figures show a 0.5% rise in inflation to 23.7%.

Maturing special Reserve Bank bills were renewed for 91 days at the end of July at a discount rate of 25.5%, leaving the basic rate structure unchanged since December last year despite increased liquidity levels, FMB notes.

In an article in the latest journal of Zimbabwe’s Institute of Directors, economist John Robertson notes inflation had destroyed half the value of the Zimbabwe dollar (currently 2.4 against the rand) since mid-1982, more than 90% of it since independence in 1980.
Row in Zanu-PF over poll ‘rigging’

HARARE — Fresh protests have rocked Zimbabwe’s ruling party over charges that some of its leaders rigged the latest primaries to choose candidates for municipal elections due later this month.

Some political analysts, while believing the outcry poses no immediate threat to Zanu-PF leaders or President Robert Mugabe, say it could be part of a gradual break-up of their long and cosy dominance of Zimbabwe’s politics.

"The bottom line is that the level of dominance within the party is very high. In many cases the leaders just dictate their wishes, but under the guise of democratic structures, and they will continue to do so as long as the (political) opposition remains weak and divided," said John Makumbe, a political scientist at Harare’s University of Zimbabwe.

"They don’t see any immediate threat from such behaviour or reason to change. But I see it as a process of self-destruction. Resentment is rising around them, and in the long run ranks will break," he said.

Last weekend more than 200 Zanu-PF members charged they were grossly cheated at local government primaries for elections set for October 28-29 because some party leaders “purposely omitted” their names.

Hundreds of party supporters protested, saying the voting venues and voters’ lists were changed without notice or at very short notice in favour of preferred candidates.

Conflicts within Zanu-PF are at the heart of political life in Zimbabwe because the party dominates all others so overwhelmingly that they pose no credible challenge. It holds 148 out of 150 seats in parliament.

Zanu-PF chiefs strongly deny they use democracy, dismissing such charges as either sour grapes by losers or malicious propaganda by opponents.

"To portray Zanu-PF as a dictatorship is a false picture and could be painted by Satan himself," comments the party’s weekly newspaper, The People’s Voice, glossing over "small disputes that are normal of any party".

Earlier this year, Zanu-PF was hit by a series of revolts over the conduct of primaries before April’s parliamentary general elections.

Party leaders reacted coolly to the latest charges. "The party will only carry out investigations (in Harare) if the complaints are aired through the proper channels," said Zanu-PF politburo member Emmerson Mnangagwa.

Last week, Mugabe and his politburo lieutenants threw out all but one of 18 candidates chosen by provincial leaders to fill the newly created posts of town executive mayors.

The 25-member politburo appointed its own candidates, saying: "We were not satisfied with all the people that had applied." — Reuters.
Merger to wrap up world's packaging leaders

Harare — Crown Cork and Carinaud Metal Box (CMB), both international companies, with plants in Zimbabwe, are to merge to become one of the largest packaging companies in the world.

Crown Cork’s regional director, John Tasker, said in a statement yesterday that this would be a combination of the leading players in the North American and European packaging markets, with total sales of more than Z$10 billion.

CMB is a major European packaging manufacturer headquartered in Paris, while Crown Cork is also a leading worldwide producer of metal and plastic packaging products with its headquarters in Philadelphia.

The merger was expected to have a transaction value of Z$85.2 billion and was believed to be one of the largest in the packaging industry worldwide.

Crown Cork said it had already signed an exchange offer agreement with the largest shareholders of CMB, Compagnie Générale d'Industrie et de Participation (CGIP).

CGIP has agreed to exchange its CMB shares for equity securities offered by Crown and would commence an exchange offer in Europe in which each CMB shareholder could elect either cash or equity securities following receipt of all necessary approvals,” said the company.

Meanwhile, Crown’s president, chairman and chief executive, William Avery, said: “We will be the world’s premier packaging company, well-positioned to serve customers that include global marketers of a wide range of consumer products.” He said, they would have a worldwide foundation for continued international growth.

Crown Cork has 152 plants in 42 countries.

No date was given for the formal creation of the new company but it is most likely to be before the end of the year.

No comment could be obtained from CMB.
Key women advise Zimbabwe courts

Staff Reporter

TWO women who play key roles in the running of South Africa's first specialised sexual offences court — in Wynberg — have been asked by the Zimbabwean government to help set up similar courts there.

Former prosecutor Denise Greyling and sexual offences victim support services co-ordinator Elzabe Dürr-Fitschen fly to Harare on Sunday.

Ms Greyling was prosecutor at the Wynberg court from its inception in 1993 until her transfer to the attorney-general's office recently.

Ms Dürr-Fitschen is attached to the Western Cape department of welfare.

They have been asked by Zimbabwe's department of justice to help set up "victim-friendly" courts and, more particularly, to train key personnel.

Cape Attorney-General Frank Kahn said the invitation from Zimbabwe was recognition for a project that had already won "remarkable" support from the community.

"I would submit that the victim of a sexual offence must be provided with a safe passage on the difficult and often frustrating path towards the eventual attainment of justice."

"In this regard the court experience must be made as comfortable as possible, thereby avoiding a double-trauma syndrome for the victim."

"It was with this specific goal in mind that specialised courts such as the sexual offences courts in Wynberg and Cape Town were created," said Mr Kahn.

The establishment of the Wynberg court was preceded by wide consultation between the Attorney-General's office, non-government organisations, social workers and other experts in the field.

A rape forum was established which still meets quarterly to monitor the progress of the court and other matters that might arise."
Gloom as Zimbabwe sinks deeper into a debt trap

ROBIN DREW
Foreign Service

HARARE. — The extent of the debt trap into which Zimbabwe has plunged has been revealed by First Merchant Bank in its quarterly report.

It says the debt and the need to provide for the debt service now casts such a long shadow over Zimbabwe's economy that almost all the country's economic policies are having to be designed to accommodate it.

In the current year debt service will amount to 47 percent of total expenditure and net lending of R116 billion.

Total debt service payments come to almost R14 billion a month, or R14 million a day.

In much the same way that Russia and its East European partners worked themselves deeper and deeper into debt while they were following socialist-economic policies, Zimbabwe was also building up an unsustainable debt burden before it made its move to market economy principles, says the report.

The bank says the question of the limits of its debt-carrying capacity relates much less to the amount borrowed that it does to the way in which the borrowed money was used and the debt service that must be paid, whether or not the money was put to good use.

Because Zimbabwe appears to have used borrowed money so ineffectively, more money has to be borrowed to repay previous loans and recently with the steep increase in interest rates, the debt service burden has grown so quickly that money has had to be borrowed just to pay the interest on outstanding debt.

Urging the government to curb spending by getting rid of unnecessary ministries and serious overstaffing, the bank also suggested that the government follow the lead of businesses that liquidated assets to pay back loans more quickly.

By selling state-owned assets as so often promised, the government could also repay a large proportion of its debt and relieve the country of its debt service burden.
Debt trap takes heavy toll on Zimbabwe

Harare: The extent of the debt trap into which Zimbabwe has plunged has been revealed by the First Merchant Bank in its latest quarterly report.

Almost all of the country’s economic policies have to be designed to accommodate the debt and the need to provide for the debt service.

In the current year, debt service will amount to 47% of total expenditure and net lending of R10.8 billion. Total debt service payments will come to almost R4.14 billion a month, or R14 million a day.

The bank urges the government to curb spending by getting rid of unnecessary ministries and serious overspending.

It also suggested following the lead of businesses that liquidated assets to pay back loans more quickly. – Independent Foreign Service

Star 7/10/95
Zim 'plotter' held

HARARE: The alleged leader of a rebel group accused of plotting to assassinate President Robert Mugabe and overthrow his government has been arrested, it was reported here yesterday.

Mr Simba Mhlanga, 32, appeared in court here on Tuesday.

He was remanded in custody after he was arrested in Mozambique to answer charges of conspiracy to murder and engaging in acts of sabotage and terrorism.

Police have refused to comment.

Mr Mhlanga allegedly leads an 11-member group known as the Chimwenge Freedom Fighters that was trained in Mozambique to kill Mr Mugabe and overthrow the government. — Reuters.
Delta Gold expands exploration activities

HARARE—The Australian developer of Zimbabwe's largest venture, the Hartley platinum mine, said yesterday it had embarked on another major exploration programme of base and precious minerals.

Delta Gold, the joint developer of the Hartley Mine with BHP Minerals, also of Australia, said its subsidiary, Masasa Mines, was concentrating on gold and diamonds in various parts of Zimbabwe.

The diamond programme is in its fifth year and Masasa now holds some of the prime diamond exploration areas in Zimbabwe, Delta said in its 1995 annual report. Three areas were progressing into a detailed evaluation phase following identification of minerals. Diamond exploration activities were also concentrated in the south of the country and at Hartley in the north.

The company said Masasa had expanded its gold exploration activities to the Makonde area, north of Harare, and to the Midlands province. Other gold sites had been identified in Shamva, the Mashonaland Central area, the Midlands and Bulawayo. In addition, Masasa was heavily involved in the exploration of nickel, and had taken a six-month option in the liquidated Kamativi tin mine.

Meanwhile, Delta said the Hartley platinum mine project was on schedule and ore stockpiling had begun. This would be used to commission the process plant now under construction. — Sapa
Rains awaited to revive Zimbabwe's bourse

BY EMELIA SITHOLE

Harare — Zimbabwe's share market should rise steadily in the next month on high hopes of good rains to lift the country's agriculturally based economy out of a drought-induced depression, market analysts predicted.

They said cheap prices on the Zimbabwe Stock Exchange gave scope for a strong rally if there were reasonable rains this year. The rains normally start in mid-November.

Foreign and local demand ahead of the rains had lifted the exchange's industrial index to new highs in recent days. It closed at a record 3874.47 points on Tuesday.

"We should see that trend continuing until the onset of the rains. Once they start and it looks like it's going to be a reasonable rainy season the pace should build up a bit," said Trinity Cashell, the deputy chairman of the exchange.

Agriculture comprises about 25 percent of Zimbabwe's economy. Mike Tumner, the chairman of the exchange, said speculative buying — although in thin volumes — mainly by local investors anticipating good rains, had seen a rise in trade in the past month.

Market analyst Mike Hugget of stockbroking firm Corporate Securities, said that most of the demand had been for heavily weighted stocks such as conglomerate Delta, and Barclays Bank of Zimbabwe.

Many other shares had yet to move and were unlikely to do so until the onset of the rains, he said.

"There has been some buying by local investors but there has not been big money from the institutional investors. Everybody is inclined to wait until the rains come," Hugget said.

The speedy appointment of a new finance minister to fill the post left by Arisot Chambati's death earlier this month could also provide a confidence boost for the exchange.

But Tumner said the market would ease off towards the end of the year due to an expected increase in annual inflation and an attendant rise in interest rates.

Local economists expect annual inflation, which stood at 23.7 percent in August, to rise to about 25 percent by December, forcing up interest rates to over 30 percent.

"To maintain an upward trend in the market, we need to have falling inflation and interest rates in the new year, decent rains and stabilisation of the local currency," Tumner said.
Rains awaited to revive Zimbabwe's once mighty economy.

Companies

CAPE
Election boycott a challenge to Mugabe

Opposition demands change in electoral laws

HARARE.—Most of Zimbabwe’s opposition parties are to boycott local government elections this month as part of their efforts to press President Robert Mugabe’s government to change electoral laws.

Political analysts and critics say the boycott — the second in seven months — is embarrassing to Mr Mugabe and his ruling Zanu-PF party, both facing growing accusations that they are playing a rough electoral game to stay in power.

Zanu-PF won office 15 years ago at Zimbabwe’s independence and has swept three other five-year parliamentary elections in 1980, 1990 and this year’s April polls, which were spurned by some of the main parties.

The April boycott over electoral laws, including those allowing Mr Mugabe to fill 20 seats with presidential appointees and traditional chieftains, left Zanu-PF the winner with 118 seats before polling even started.

It ended up controlling 148 of parliament’s 150 seats after losing just two to the small right-wing Zanu-Ndonga party of veteran opposition leader Ndabaningi Sithole, who was arrested last Saturday on charges of plotting to assassinate Mr Mugabe and to overthrow the government.

The weak and divided opposition believes that whatever chance it may have had of winning seats has been shattered through the allegedly unfair practices, including an annual Z$160 million (US$16 million) state grant to Zanu-PF and the appointment of some “biased” officials to run elections.

Analysts say Mr Mugabe was saved embarrassment in April by the participation of at least two national opposition parties — Zanu-Ndonga and the Forum Party of Zimbabwe.

But only Zanu-Ndonga is contesting the October 29-30 local government elections.

“It is embarrassing to proclaim you are winners in elections in which everyone else says the rules are not fair,” said political analyst John Makumbe of Harare’s University of Zimbabwe.

Zanu-PF political commissar Movinh Mashechi, whose party has already won 172 of 242 seats at stake in the October local government polls without any opposition, says those boycotting are doing so to cover up their lack of support.

“There is no question of us getting embarrassed. Our opponents simply have no support and we cannot answer for them,” he says.

But independent groups, including Zimbabwe Human Rights (Zimrights), which monitored the last general elections, are supporting calls for change.

“It is clear that the framework for the supervision and management of elections has serious weaknesses which ought to be rectified,” Zimrights says. — Reuters.
AIDS kills 300 a week

At least 100,000 Zimbabweans would die of AIDS-related diseases within the next 18 months, Zimbabwean Health Minister Timothy Stamps said at the weekend.

"I am not trying to be alarmist, but this is the reality we are facing. We are burying them (AIDS victims) at a rate of 300 every week," he said.
Bindura expects loss after fire

Zimbabwe's Bindura Nickel expects to lose about 750 tons of nickel production this calendar year after a fire last week damaged a section of the plant's refinery.

A spokesman for Bindura yesterday said repairs would take about three weeks to complete, during which time the refinery would be out of commission.

This would "delay" nickel production by up to 750 tons.

He said the lost production would be recovered in 1996.

The company's four mines and smelter would continue to operate at normal throughput rates while repairs were under way.

In January this year Bindura lost six weeks' production from its Shangani mine following an accident with the ore hoisting system.

 Losses from Shangani, which supplies about 33 percent of the smelter and refinery's feed requirements, were estimated at approximately 400 tons of nickel.

Bindura's start-of-year production target for 1995 was 13 780 tons of nickel.
Anger over Mugabe's Harare airport deal

By Andrew Millar

Angry charges of nepotism and corruption are flying through Zimbabwe faster than a supersonic jet - over the award of the lucrative design contract for the new Harare International Airport.

President Robert Mugabe's cabinet has handed the £757 million (£351 million) airport design contract to a little-known Cyprus firm, Air, Harbour Technologies, whose local agent is the president's nephew, Leo Mugabe.

Mugabe's design was chosen, despite the fact that it was more expensive and has received a scathing report from the government's own transport ministry. Mugabe is also expected to win the building contract worth an estimated £351.2 million (£850 million).

Harare critics have held the success of Mugabe's firm was a 'jail attempt ever since the president's nephew entered the airport sweepstakes.

Two years ago the cabinet approved a design by the well-known French firm Aeroports de Paris (ADP). However, Mugabe managed to convince the politicians to throw it out and re-tender in order to get an airport that is "distinctly Zimbabwean" in style.

The winning designs have been described by transport officials as "an over-scaled and ill-considered control tower.

"Zimbabwe's government will have to finance the airport construction itself.

Although Mugabe's firm pro-claimed it had extensive airport design and construction experience, the transport ministry's report said actual experience was "limited, almost entirely non-profit work and projects mentioned seem largely to be proposals, studies and unbuilt work."
Race on to save starving children

Bulawayo – World Vision International has launched one of the biggest relief operations in Africa to save lives of 250,000 children facing starvation in Zimbabwe's drought-ravaged Matabeleland province.

The relief operation was launched recently in the Tsholotsho district, 115km south of Bulawayo, where 30 children have already died of hunger.

Beside poverty and drought, Tsholotsho is the district where most of the breadwinners were killed by Fifth Brigade soldiers after independence.

According to World Vision International director in Zimbabwe, Maxwell Chigwida, they were alerted to the seriousness of the situation by BBC radio reports.

The operation to feed children younger than five in the province will last for eight months.

Chigwida says 400 feeding centres have been established by his organisation.

"We are greatly moved by the deaths of the children and we decided to approach our donors for help. I am happy that today we are able to launch this programme," Chigwida said.

There were pitiful scenes at some of the feeding centres this week as relief started filtering through to the communities.

At Mvundhana school a few kilometres from Tsholotsho business centre, children fought to be first in the queue to get a plate of staple food – isithwala and beans.

Tsholotsho MP Cain Mathema says 382 children in the district are malnourished.

The drought has become so critical in rural areas that some villagers have resorted to eating roots and boiled tree leaves.

According to Tsholotsho rural council chairman Judah Nthenhu, food supplies do not reach the people in time.

"We have just buried two people who died of hunger.

There are also scores of villagers who have not benefited from the government's grain loan scheme because of poor distribution and food thefts.

At Msamba village a few kilometres from one of the feeding centres, villagers this week held a rain making ceremony.

"In the old days we used to sing and dance for our ancestors and get rains afterwards, but now nothing happens," said 82-year-old Nkili Ndhlovu looking sadly at the clear blue sky. - Sapa.

Shortfall of funds hits ‘green crusaders’

Somerset West — Funding for nature conservation is becoming scarce, leading to the demise of many environmental groups, the director-general of the World Wide Fund for Nature (WWF), Claude Martin, said here yesterday.

Martin, speaking at the WWF’s 11th annual conference in the farming town outside Cape Town, said some analysts interpreted the scaling down of conservation organisations as the “end of the Green Crusade” that peaked with the 1982 Earth Summit in Rio de Janeiro.

"What has been said by many is that the conservation movement is undergoing a rapid change because of the shortfall of funds", he said. "Money is more difficult to get and there is, in fact, a shake down taking place and organisations are disappearing quite frequently."

However, the 35-year-old WWF - the largest private conservation body in the world, with about 3,500 employees - continues to grow, Martin said.

The three-day conference, the first the organisation has held on African soil, was opened by the Duke of Edinburgh, who is president of the WWF.

Prince Philip told the conference that the world recession had struck just as organisations such as the WWF were beginning to make a "significant impact".

"More people are certainly aware of the environmental crisis, but many of them are also beginning to feel that we should have solved the problems by now," Prince Philip said.

However, nature conservation is an ongoing task and will become more challenging as the human population grows and consumes natural resources, he told the meeting. About 100 delegates representing 24 national organisations and affiliated bodies are attending the conference.

Based in Gland, Switzerland, and active in about 60 countries, the WWF conducts high-level lobbying of governments and businesses and funds specific conservation projects.

"The main issue at the conference is the WWF's '2000 Campaign' which aims to set various goals in reversing environmental degradation by the turn of the century.

The WWF has brought in a number of experts to focus attention on climatic changes resulting from human activities, fishing resources and forestry, according to the WWF's South Africa spokesman, Bun Booyen.

The conference, which is being held behind closed doors, ends with a press conference on Thursday to be addressed by Prince Philip, Martin and John Hanks, chief executive for WWF South Africa.

At the end of the meeting, the WWF will announce eight awards to recognise the contribution to conservation by South Africans, according to a statement by the group. - AFP.
Analysts expect robust rise in SAB earnings

By John Soperlund 16/10/95

South African Breweries, while unlikely to maintain the growth spurt shown in its century year, would turn in a robust increase in earnings for the first half of the 1995/96 financial year, analysts said.

SAB's results for the six months to September 30, due on November 8, would be held back by a slightly disappointing growth in beer volumes but other divisions in the group would compensate for much of this.

Analysts polled saw earnings per share rising 19 percent to 29 percent to between 14.8c and 16c, up from last year's 12.4c.

An interim dividend of between 5c and 6c from last years 4.7c has been seen. Earnings for the full year to March 31 would come in at between 23c and 25c a share, 19 to 25 percent up on the 46.5c in its centenary year to March 1995, they said.

SAB hiked earnings per share 20 percent last year.

Analysts said the full dividend for the current year would be raised to between 24c and 25c, from 20c.

SAB's beer interests, which contributed 73 percent of total attributable earnings of R1.3 billion in the last full financial year, would be affected by a recent slowing in growth in domestic private consumption expenditure (PCE), said analysts.

Volumes

SAB forecast its growth in beer volumes with reference to PCE growth. It said earlier this year if PCE grew at a real 3 percent this year, beer volumes would expand by 5 percent.

Despite annualised real PCE growth of 3.5 percent in the first two quarters of this year, beer sales were unlikely to make the forecast 5 percent growth in the period to September 30 and would be closer to 4 percent.

Healthier hotel occupancies in SAB's Southern Sun group and an expectedathing of the loss from wholly-owned subsidiary OK Bazaars would help restore the balance.

SAB's retail and hotel subsidiaries, which include 65 percent of listed Edgars Stores, contributed 19 percent of attributable earnings last year.

OK Bazaars, with a turnover of R5.6 billion last year, halved its attributable loss to R30 million from R93.9 million and analysts said this would probably be cut this financial year to about R5 million.

Southern Sun would contribute an attributable profit of between R100 million and R110 million for the full financial year, up from R71 million.

This would be due to occupancy rates of over 70 percent for the six months under review, from 66 percent last year.

Earnings from major subsidiaries Edgars and Plate Glass and Shatterprufe Industries, which together contributed R332 million to SAB's attributable earnings last year, were expected to show steady growth rates.

Aid to Harare depends on IMF talks

By Andrew Millwood 26/10/95

Harare - Zimbabwe's major western donors will withhold future financial support until President Robert Mugabe's government reaches a new agreement with the IMF, warned Richard Dales, the British High Commissioner to Zimbabwe.

"Future British aid to support Zimbabwe's economic structural adjustment programme will depend on the outcome of negotiations between Zimbabwe and the IMF," said Dales, who was speaking in uncharacteristically blunt language as he finished his three-year posting in Zimbabwe.

Herbert Muherwa, Zimbabwe's acting minister of finance, is in Washington for negotiations with the IMF.

Last month the IMF suspended a $100 million loan to Zimbabwe in protest against the Mugabe government's continued high budget deficit, 13.4 percent of the GDP, which has resulted in prohibitively high interest rates of 35 percent annually and inflation estimated to be well above the official rate of 24 percent.

Dales' statement indicates that unless Zimbabwe reaches a new agreement with the IMF, Britain and other donors could withhold future aid.

Britain is Zimbabwe's largest single donor, having granted R266 million to support Zimbabwe's structural adjustment over the past five years.

Dales, who will be the director for Africa in the British Foreign Office, said Zimbabwe's high interest rates had discouraged British investment.

Mugabe would get no more financial support from the British government for land resettlement until new proposals to maintain agricultural productivity were put forward, he said.

Meanwhile Sapa reports that Zimbabwe's annualised inflation declined 0.7 percentage points to 23 percent between August and September, a development which is in direct contrast to the upward trend in the prices of many goods and services.

According to statistics released yesterday by the Central Statistical Office, the All Items index - a measure of the increase in the price level - had gone up by 2.1 percent between August and September.

Economists have predicted that the inflation rate will rise to about 26 percent by the end of the year.
Zimbabwe to go ahead with airport

(342) CT (342) 27/10/95

BY ANDREW MELETHI

Harare — Controversy continues to rage over the Zimbabwe cabinet's decision to award the Harare international airport tender to a little-known Cyprus-based firm, whose local agent is President Robert Mugabe's nephew, Leo Mugabe.

Five of the 23 cabinet ministers are reported to be opposed to the winning design by Air Harbour Technologies because of strongly negative reports by architectural, financial and engineering experts.

However, it appears that all the drawbacks to the Cyprus firm's design have been swept aside and the airport project is now set to go ahead.

Groundbreaking should take place before the end of the year, according to Simon Kaya Moyo, the finance minister.

In an effort to distance itself from the cabinet's award, the government's Tender Board has requested the transport ministry to put in writing the reasons for the selection of the Air Harbour design.

Payments of $2.75 million have been awarded to two Zimbabwean "facilitators" for the role they played in influencing the cabinet's decision, according to Zimbabwe's independent weekly newspaper, the Financial Gazette.

Although the newspaper did not name the facilitators, it is understood that Leo Mugabe hosted a "victory dinner" before the official announcement of the design award.

Tip-off

Serious breaches in tender procedure took place to help the Air Harbour bid, according to the Financial Gazette report.

After a tip-off, the Cyprus firm redesigned its bid to counter strong reservations about its placement of the control tower far away from the runway.

The interior complexity of the Air Harbour design prevents any easy expansion of the airport. This is especially impractical as the airport is expected to draw significantly increased air traffic by 2010.

The financial drawbacks to the Cyprus tender are serious, according to Harare experts. About 75 percent of the capital cost is to come from export credit agencies with the government of Zimbabwe supplying the remaining 25 percent.

The finance scheme will supply a sovereign guarantee, according to the newspaper report. Such a guarantee will be difficult to get, considering Zimbabwe's problems with the International Monetary Fund and other major Western donors.

The British and French designs, by well-known international firms, came with favourable financial schemes backed by their governments.

The Japanese government also offered financing worth $291 million, but withdrew it when the government scrapped the Tender Board's selection of the design by the Aeroports de Paris.

Although groundbreaking has been promised within two months, industry sources say it is impossible because Air Harbour Technologies still needs to complete final drawings, which could take up to 12 months.

— Independent Foreign Service
Dismal turnout expected in Zimbabwe's local elections

HARARE — Zimbabweans went to the polls on Saturday for local government elections marred by claims of irregularities and widely expected to be won by the ruling party.

"The turnout is tragic; people have just given up in this country as they feel there is nothing they can do to change the system," said Wilbert Mukori, an independent candidate.

Voting to choose executive mayors and councillors got off to a slow start with voters trickling into polling stations by early afternoon.

The opposition Forum party of Zimbabwe (FPZ) made an unsuccessful last-minute attempt to have the vote postponed because amendments to the electoral Bills are still pending.

The FPZ, under the leadership of former chief justice Enoch Dumbutshena, could not have its application heard in the High Court this week because of technical problems.

The case will be heard next week and the FPZ will be able to challenge the validity of the election results.

The polls are expected to be won overwhelmingly by the ruling Zanu-PF party of President Robert Mugabe, which has already secured most of the seats in the 11 urban centres where most of its candidates are unopposed.

In the capital, Harare, Zanu-PF is already assured of 30 of the 42 councillors, while in Bulawayo it already has 14 of the 23 wards because most opposition parties boycotted the poll.

In the central city of Gweru, elections are taking place in three wards and 12 ruling party candidates were declared elected unopposed.

The only opposition has come from Zanu-Ndonga of the Rev Ndabaniyi Sithole, who is facing charges of conspiring to assassinate Mugabe.

Sithole's wife, Vesta, is the only opponent vying with the ruling party candidate in the race for the executive mayoral post in the capital.

With two seats in parliament, Sithole's party is the only one with representation in the 150-seat house.

The rash of new independent candidates, especially those who broke away from Zanu-PF, observers say, is an indication of political infighting in the ruling party. — Sapa-AFP.
Surprise wins for Zanu-PF rebels

HARARE: Rebels from Zimbabwean President Robert Mugabe’s Zanu-PF party scored surprise victories over party candidates in weekend local government elections, although the ruling party still has a firm grip on power.

Fifteen independents — 10 of them Zanu-PF rebels who defected party leaders to contest the polls — won council and mayoral seats, a small but significant victory for Mr Mugabe’s foes, largely denying a political voice in 15 years of Zanu-PF rule.

Notable

The most notable win was notched by independent mayoral candidate Mr Lawrence Mudzvinhwa in Zimbabwe’s eastern border city of Mutare. He beat Mr John Mvundura of Zanu-PF who had the backing of a mammoth party organisational machine.

Mr Mudzvinhwa won by 3,080 votes to 2,735 in municipal polls which were widely regarded by many Zimbabweans as a formality because Mr Mugabe’s party had won most local seats before polling began. Many rival candidates failed to register in time.

Zanu-PF took the remaining 55 local seats, bringing its tally to 227.

Zimbabwe’s weak and fragmented opposition — which fielded 30 candidates — did not win any seats.

Political analysts said the independents’ triumph was a slap in the face for Zanu-PF leaders who had called the 10 defectors “traitors unfit for office and deserving of no support”.

The analysts said the low voter turnout, around 20%, was also an embarrassment to the ruling party which campaigned for a massive endorsement of its dominance.

Zanu-PF has suffered fierce infighting over the past eight months over disputes at primaries to elect candidates for April’s general elections and also in the run-up to the local elections.

Rigging

Ordinary members accuse top party leaders of rigging the primaries to favour their own candidates, a charge the leaders deny and have generally answered by suspending or expelling their accusers. Zanu-PF controls 148 seats in Zimbabwe’s current 150-member parliament. — Reuters
Zimbabwean trade details to be sewn up

John Dludla

GOVERNMENT is to meet business and labour representatives from the clothing and textile industries tomorrow to finalise details for reinstating trade preferences for Zimbabwean exports into SA.

The meeting will focus on establishing a committee to monitor monthly trade flows and a safety mechanism to ensure Zimbabwean imports do not hit local jobs and industry - fears long expressed by business and labour.

Under the terms of the deal, Zimbabwean clothing and textile exports will have better access to SA, under an agreement that lapsed three years ago. Government has recently completed a study aimed at determining the effect of reinstating the trade regime.

Trade and industry department chief director for trade relations Piazel Ismail said yesterday that the meeting would discuss the results of the studies which showed that the effect on SA jobs would be "reasonable".

Representatives of the Southern African Clothing and Textile Workers' Union, the Clothing and Textile Fed-erations and government negotiators would have to decide on the level of import quotas as part of a mechanism to prevent damage to the local industries.

Another key component would be establishing a committee - comprising government, Clofed, Texted and Sactwu - to monitor the implementation of the agreement, Ismail said.

The committee would receive monthly statistics on trade between the two nations, and if a sudden surge of Zimbabwean imports was picked up the safeguards would be activated.

Among concerns about the deal was the fear that Zimbabwean preferential access could become a conduit for cheap imports from Asian countries.

But the arrangement could also strengthen SA's hand in talks with the European Union for better access to the 15-nation single market.

Tomorrow's talks will be followed by another meeting with the Zimbabwean negotiators before mid-November.

The later talks are likely to focus on Sactwu's demand that the agreement includes social clauses, such as workers' rights to strike and collective bargaining, and a ban on discrimination.
Plot to blow up Mugabe: Sithole guard jailed

HARARE: A 41-year-old security guard linked to an alleged treason plot by veteran opposition Zimbabwean politician, the Rev Ndabaningi Sithole was given a 12-year jail term yesterday for possessing arms of war.

Malawian-born William Namakonya, who guards Mr Sithole's suburban Harare home, was told by Harare regional magistrate Mr William Custer that the mention during his trial of armed men crossing into Zimbabwe of acts of violence and assassination plots were not idle threats.

Namakonya was brought into court shackled to a prison officer and did not have a lawyer.

Conspiracy

He was caught with a landmine on August 18 just west of Harare on the road taken by President Robert Mugabe to his rural home.

He was the first of five people arrested in connection with an alleged conspiracy to blow up Mr Mugabe.

Mr Sithole, the leader of the Zantu (Ndonga) Party which is supported by the Shangani people of South-East Zimbabwe is put on trial charged to face charges of leading an aborted attempt.

Namakonya admitted possessing a claymore landmine, M1947 assault rifle and ammunition.

He said Mr Sithole had told him to collect the weapons from the south-eastern border area of Chipinge. He also said Mr Sithole had sent him to undergo military training at a Renamo base in Mozambique. - Sapa
Zimbabwe launches small industries development project

FROM SABA

HARARE: The Confederation of Zimbabwe Industries (CZI) will next week launch a small industries development project intended to promote and facilitate sub-contracting between large-scale industries and small enterprises, Ziana news agency reported.

The director of the CZI secretariat, Patricia Henson, said this week the main purpose of the project was to encourage larger industries to concentrate on core activities and enhance profit, while bringing smaller entrepreneurs into the mainstream of the economy and promoting employment.

The project, called Zimbabwe Enterprise Development Centre, is being funded by the United States Agency for International Development (USAID) as one part of its Zimbabwe equity development programme.

A USAID-sponsored software specialist was already in the country working on the business linkages project, which would initially be based in Harare, Bulawayo and Manicaland.

"A tremendous amount of effort has gone into the project and we have been fortunate in that helpful advice and expertise has been given to us," said Henson.

She said a grant would be made available over a two-year period, after which it was expected the project would be self-financing.

"The project must be practical and our systems must be rigorously monitored to meet the targets we have set for ourselves and participants in the scheme."
by 1995, actually rose over the adjustment period since 1990 to 13.7%. There are no easy solutions, though government apologists continue to claim that the underlying structural deficit is being tackled. But this is masked by the heavy burden of interest charges that account for 10% of gross domestic product and 30% of the budget.

The IMF will have told Harare to cut spending, accelerate privatisation to raise revenue and instigate trade liberalisation, including tariff cuts and harmonisation.

With education, defence and interest charges absorbing almost 60% of the budget — and with capital spending cut to the point that it is almost 100% funded by foreign aid — officials are asking where spending cuts can be made. One medium-term option is to sell assets and repay debts, bringing down interest costs. But more than that will be difficult.

Health Minister Timothy Stamps has forecast 100,000 AIDS deaths over the next 18 months. The latest United Nations Human Development report shows Zimbabwe with 86 aids cases per 100,000 people. It’s clear health spending will rise substantially over the next few years, leaving little room for manoeuvre.

Higher taxes will be needed, along with VAT which will take at least 18 months. Zimbabwe has little choice but to accede to IMF demands. Though the balance of payments position allows some further easing of exchange controls on capital account, the country must have a Fund deal to maintain the flow of donor funds. Organisations like the European Union find it difficult to disburse funds to a country which does not have a fund programme in place.

Furthermore, Zimbabwe’s dependence on aid exceeds 10% of gross domestic product — far more than is coming in either as direct or portfolio investment from abroad.

In September, Harare announced the release of blocked funds of foreign companies — not individuals — over three years. The country’s balance of payments has improved markedly since 1992, with foreign reserves equal to almost six months import cover, while net foreign assets at midyear were only marginally negative at $100m.

From an investment viewpoint the release of funds will help the Reserve Bank re-establish control over the money supply. Governor Leonard Tsvangirai has set a money supply growth target of 20% for next year, and latest numbers show M3 rising 22% in the first seven months of 1995. This is down from 56% a year ago.

However, it is proving a costly strategy. Short-term borrowing by government is an estimated ZS10bn (US$1.1bn), at an average rate of over 25%. Treasury bill and special

Zimbabwe (362)

Rocky road

From all accounts, Zimbabwe’s delegation to last month’s World Bank/IMF meetings has had a torrid time negotiating a “shadow programme” with the IMF.

Despite repeated claims by the World Bank — and Whiteshall — that Zimbabwe’s five-year-old economic structural adjustment programme was on track, the wheels came off in May when the IMF withheld the final US$60m tranche of its loan because it failed to meet agreed benchmarks.

The budget deficit, targeted to fall to 5% in 1994, actually rose over the adjustment period since 1990 to 13.7%. There are no easy solutions, though government apologists continue to claim that the underlying structural deficit is being tackled. But this is masked by the heavy burden of interest charges that account for 10% of gross domestic product and 30% of the budget.

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Manufacturing is in the doldrums. With output running at 1987-1988 levels, it is time to rethink strategy. The new government will have to find new sources of growth and possibly find a way to restructure the sector to make it more competitive.

Following the death of former Finance Minister Arisjon Chambati, after only five months in office, the country cannot afford a re-run of the 1994 situation when there was no substantive Finance Minister. President Mugabe is under pressure to replace Chambati but some political analysts worry the Cabinet seat will be left vacant until after the presidential poll in April.

Mugabe... to replace Chambati

PM 3/1/15

Output issues have led to a slowdown in liquidity, which has in turn led to a slowdown in economic growth. The central bank is trying to control the money supply but it is a battle against powerful forces.

The government is determined to stick to its austerity programme, despite the slow growth and high unemployment. The IMF is watching closely to ensure that the country remains on track.

The authorities are committed to keeping the certificate of deposit rate above inflation (now 23% but expected to move up to over 25% by December). In the last fortnight, money market conditions have tightened markedly, partly because of the rate hike, but also because the latest money supply figures showed a huge jump in M2, which was what the Reserve Bank did not want to see.

Tswana sees 1% growth in the economy this year, at best — largely because of lack of rain last year's drought. But, like most other analysts, expects growth of over 4% in 1996, provided rains are good this year. Latest forecasts are relatively optimistic, pointing to an average, or even above-average year, which means a strong rebound in agriculture with positive knock-on effects for manufacturing, where output fell 9% in the first seven months of 1995.

This year's performance would have been a good deal worse had it not been for a surprisingly strong tobacco sector, buoyant mining, strong growth in tourism volumes and continued expansion in horticulture. In recent weeks, there has been some exchange rate relief for exporters, with the rate easing from $28.6 to ZS9 at the end of October.
Burdon of debt hangs over Zimbabwe

Two million workers in S.A.

sector

work in S.A.
Mugabe's ruling party angry at independents

HARARE - Zimbabwean President Robert Mugabe alleged on Saturday that his ruling Zanu-PF party had been infiltrated by "unscrupulous charlatans" as the party suffered humiliating defeats in last weekend's municipal elections where former party members won as independents.

Three former Zanu-PF party members beat the party's chosen candidates in local elections after they were disqualified or beaten in party primaries.

Some won in the party's strongholds, but probably the most humiliating outcome was the one in the eastern city of Mutare, where the prestigious executive mayoral post for the town was taken by Lawrence Modelwe, an independent who had just been expelled from the party.

Mugabe accused Modelwe, who decided to stand as an independent after the party nominated a former diplomat for the post in primary elections, of lack of commitment to the party.

"A cadre will not go against the word of the party leadership," he said.

Those who want positions only should not be allowed to penetrate our party," Mugabe told a national assembly of his party's women's league.

Party members in Mutare on Friday demonstrated over the polls.

They called for the nullification of the results as they charged that the elections had not been free and fair.

They said they did not want to be led by an independent in the town. - Saps AFRP
Mugabe needs to find quick replacement for late Finance minister
Zimbabwe's "starvation" threat to eastern neighbors

Zimbabwe's staple food, maize, has been disrupted by drought and disease, leading to a food crisis in the region. In eastern neighbors such as Zambia and Malawi, the severe drought has reduced maize production, and the disease spread among livestock has further depleted food supplies.

The United Nations Food and Agriculture Organization (FAO) has warned that the crisis could have regional implications, with many countries in the region facing food shortages. The FAO has urged international support to help alleviate the situation.

The crisis has also highlighted the need for more effective food security measures in the region, including better disaster preparedness and response mechanisms. The international community has been called upon to provide financial and technical assistance to help affected countries.

The situation is particularly dire in Zimbabwe, where the government has been criticized for its mismanagement of natural resources and its failure to address the root causes of the crisis.

In conclusion, the food crisis in eastern Africa is a critical issue that requires urgent attention from the international community. It highlights the need for greater investment in food security and the importance of addressing the underlying causes of the crisis, such as climate change and poor governance.
Zimbabwe 'missing the telecom boat' (362) (CE) BLHS

FROM REUTER

Harare - Zimbabwe risks lagging behind the rest of Southern Africa in the mobile telecommunications revolution because of government refusal to open the industry to private sector competition, according to South Africa's Vodacom.

Lionel Naude, the head of international business for Vodacom, told an investment conference that the country could install a mobile telephone system for a fraction of the cost of a fixed network.

Zimbabwe, with a population of 10.5 million, could achieve 10 per cent telephone penetration at a cost of $80 million via a wireless system, compared with $1.7 billion using a fixed network, he said.

"But we have to see some regulatory changes. Zimbabwe is the only country in the region hanging on to the state as sole supplier."
Smith reflects about
UDI thirty years on

Foreign Service

HARARE — Thirty years ago today Ian Smith and 15 Rhodesian cabinet colleagues met to sign the unilateral declaration of independence (UDI).

They had in fact agreed to do so at a meeting the day before, but Mr Smith said in an interview years later that he wanted to give the members time to reconsider.

"I said we should go home and have a good night's sleep," he recalled. "On the 11th we all met and I asked if anybody wanted to say anything. No one did."

Shortly after 10am the declaration was signed and the deed which was to have a traumatic effect on the lives of many thousands of people was done.

Mr Smith went home after recording a broadcast which informed the world of the Rhodesian decision to go it alone. While many white Rhodesians celebrated UDI that night, Mr Smith stayed alone in his room.

For the next 15 years, the Rhodesians battled on, aided at first by South Africa and Portugal, without whose support the story would have been different.

Petrol rationing, Press censorship and shortages marked the early days of sanctions and the propaganda battle raged. But from the end of 1971 the guerrilla war began in earnest and before too long all white men up to the age of 50 were called up, escorting convoys of civilian traffic, guarding key posts and backing up the farmers on "bright lights duty", the name given to town people posted to farms as extra defenders.

For Rhodesia's rural blacks life became tremendously hard. Squeezed by pressure from the security forces and the guerrilla units, subjected in many areas to martial law, thousands were moved into "protected villages" in an attempt to deny the guerrillas the support they needed.

"Thirty thousand people, perhaps more, perished."

Mr Smith, now 76, puts the blame for the eventual collapse on South Africa and then Prime Minister John Vorster.

"It failed," he said, "because our friends, and we only had a few, turned against us. In the end it was John Vorster who decided our fate when he said, "We can't go on supporting you."

It was in 1976 that Mr Smith accepted the Kissinger package which would have led to majority rule in two years. It was, as one analyst called it, an astonishing volte face.

Although that package fell by the wayside, Mr Smith saw it as the beginning of the end.

After a couple of false starts with internal settlements and the short-lived Muzorewa-led Zimbabwe-Rhodesia reign, independence finally came to Zimbabwe in 1980 with the rise to power of Robert Mugabe.

Mr Smith, the farmer, stayed on, active in politics for the first few years, and later working behind the scenes to unite whatever opposition there was to Mr Mugabe.
Hawkers flood Zim market with SA products

Bulawayo – Street vendors and hawkers selling South African goods in Bulawayo are threatening to put many established shops out of business.

For many there is no need to travel to South Africa to shop for luxury or imported goods as these are obtainable right on their own pavements. Small shops range from travel agents to industrial hardware. Women who once shunned pavement buy South African goods from the pavement sellers.

The vendors, who include young boys and women, are found on the pavements selling mainly South African products. The government has agreed to act against the vendors, although it was the ruling party that allowed them to operate in the first place. Supra
No agreement on Zimbabwe textile tariffs

The Zimbabwe and SA governments failed to reach agreement yesterday on the reinstatement of preferential tariffs on Zimbabwean exports of textiles and clothing to SA, Ziana news agency reports.

Zimbabwe's industry and commerce ministry said a meeting held in Harare had "examined the draft proposals, and agreement could not be reached on the minimum level of the local content requirement of 75% as proposed by SA and also on the extent of the envisaged preferential rebates and quota levels."

The ministry said the meeting had agreed that SA should consult further regarding outstanding issues, and that the implementation date for the proposed tariff arrangement should not be later than February 1, 1996. — Sapa.
Impasse disappoints Zimbabwe

FROM SAPA

Harare — The Zimbabwe National Chamber of Commerce (ZNCC) is disappointed that Zimbabwe and South Africa failed to reach an agreement on Monday to reinstate the preferential tariffs on Zimbabwean exports of textiles and clothing to South Africa.

Ziana news agency reports that the head of the ZNCC economic division, Edmore Tobaiwa, said yesterday that the stalemate was a major blow to the future of the local textile and clothing industry, which is going through a serious viability crisis.

Imports of clothing and textile products into South Africa attract a punitive 90 percent duty.

Figures showed that in 1994 Zimbabwe exported goods worth Z$1.9 billion to South Africa and imports from that country stood at Z$6 billion.

South Africa was also exporting close to Z$40 billion to the rest of Africa with imports pegged at Z$4 billion.

"These statistics show that trade is lopsided in South Africa’s favour, a situation that is unsustainable in the long run," Tobaiwa said.

"There is need for South Africa to open up its borders" and to avoid "milking the rest of Africa to death," he added.

This week’s meeting followed one held in Pretoria in August, but could not agree on the minimum level of the local content proposed by South Africa or the extent of the envisaged preferential rebates and the quota levels. South Africa wants a local content of 75 percent.

The meeting agreed South Africa should consult further on the outstanding issues, and the proposed tariffs should be implemented no later than February 1 1996.
Amalia joins forces with Commonwealth

AMALIA Gold Mining has teamed up with British-based Commonwealth Gold to develop its interests in Zimbabwean company Minehead Mining.

The SA Reserve Bank's requirement that Minehead had to be funded from outside SA had prompted the joint venture.

Amalia said at the weekend that Commonwealth would pay it R3m in cash, followed by expenditure at Minehead, which would give Commonwealth equity in the joint venture on a pro-rata basis.

Amalia's contribution to the joint venture in the Zimbabwean company was R10m.

It said development at its SA gold mine was proceeding according to the prospectus, with No 3 level accessed at the Goldplats section, and No 2 level development values increasing steadily.
Cluff board confirms takeover approach

Harare — The Zimbabwean subsidiary of British-based Cluff Resources confirmed market reports yesterday that a takeover bid for its parent company had been made in London, Ziana news agency reported.

Cluff Resources' Zimbabwe deputy chairman David Long, and the managing director, Godfrey Gomwe, quoting a statement issued in London, said that an approach had been made to buy Cluff Resources, and that consultations were taking place with the company's financial advisors, Samuel Montagu.

"The board of Cluff Resources announces that it has received an approach that may or may not lead to an offer for the entire issued share capital of the company.

"The board is consulting its financial advisors, Samuel Montagu. The company will keep its shareholders informed of any material developments, but a further announcement is unlikely to be made for several weeks," they said.

Led by Algry Cluff, the British company has been one of the single largest investors in Zimbabwe, and is the majority shareholder in Cluff Resources Zimbabwe, which owns the country's largest underground gold mine, 80km northwest of Harare. — Sapa
Pep closes takeover deal in Zimbabwe

BY MAGGIE ROWLEY

Cape Town — Pep, which remains the greatest single contributor to the profit of the Pepkor group, has concluded a takeover in Zimbabwe which is awaiting ratification, Pepkor chairman Christo Wiese said.

The group, he said, believed southern Africa offered substantial opportunities for growth and although the rest of the region represented only 7 percent of the clothing, footwear and textile market, it already constituted 18 percent of Pep's turnover. It has also recently expanded into Zambia where it hopes to have 14 stores fully operational by the end of next year.

Wiese said some manufacturing activities would be moved across the border because the group was no longer able to manufacture low added value items competitively at the present locations.

However, the group was investigating the possibility of relocating some of these operations to other areas within the country where cost structures were still competitive.

Shoprite, with turnover of more than R7 billion, is the group's largest operating company in terms of turnover. It showed a 72 percent increase in interim profit before extraordinary items at R38.9 million, in spite of its higher tax provision at R9.6 million (R1.7 million).

However, he said margins would unavoidably come under pressure as the company defended market share in the face of expected fiercer competition.

In addition, two areas had hampered growth: the high crime level had forced Shoprite to spend an additional R15 million on security measures in the past six months, and the uncontrolled growth of informal trading which could be the death of conventional shopping.

Regarding Pepkor's acquisition of Walhold, Wiese said, rather than diluting the group's focus, Walhold offered important areas of synergy with other subsidiaries and strong growth opportunities in the face of the emphasis on education.

Tax rates may decline

BY ROY COHAIN

by the Cabinet that it had set a limit
Zimbabwe farm help still poor

BULAWAYO — Zimbabwe's estimated 320,000 farm workers are reported to be living in squalid conditions, some even subjected to physical beatings by their employers, Zambia News Agency reported yesterday.

According to a report compiled by the British-based Panos Institute, farm workers are the lowest paid formal sector workers. Most live far below the poverty line for a family of six.

The report will be released in Harare on November 28.

The country's 4,500, mostly white commercial farmers own up to 80 percent of arable land.

Although the report acknowledged government and trade union efforts to improve workers' living standards, it said economic reforms initiated by the International Monetary Fund and the World Bank have eroded labour protection and aggravated the farm workers' plight.

"They just want us to be down, down, down until we die," the report quotes a farmworker.

"The uneven balance of power between farm owners and their workers stems from unequal access to land and other resources, a reality which is fundamental to all other issues," said author Dede Amann-Wilks.

Although Zimbabwe was the leading food exporter in the Southern African Development Community outside South Africa, and a world class producer of tobacco, sugar and coffee, commercial farmers' visible wealth starkly contrasted with the slum-like conditions of most farmworkers.

"Rising unemployment as a result of government reforms means that farm workers will be worked even harder with little hope of improving their income and living conditions," the report said.

The ministers of agriculture, Dennis Norman and public service, labour and social welfare, Nathan Shamuyarira, will be present at the launch of the report, Sapa.
Sithole asks Mugabe to quit

BULAWAYO: Zimbabwean opposition leader the Rev Ndabaningi Sithole has asked President Robert Mugabe to step down and “save our country from the destruction of your own making”, the Ziana news agency reported yesterday.

“As a senior citizen and organiser and commander-in-chief of the armed struggle, which effectively brought independence to our country, I plead with you to abandon the presidency, bearing in mind that Zimbabwe did not begin and will not end with Robert Mugabe,” wrote Mr Sithole in a letter sent to the president last Friday.

Yesterday he added that Zimbabweans demanded the president step down because for 15 years he had led a corrupt government.

The letter described Mr Mugabe as a non-elected leader who is solely responsible for the country’s socio-economic hardships.

Mr Sithole said elections in 1980 and 1985 had been rigged by the British government to prevent the war from flaring up again.

The Zanu-PF ruling party had rigged the 1990 and 1995 elections while Sithole’s house arrest, related to claims he was planning to assassinate Mr Mugabe, was a ploy to stop him from challenging the president, he said. — Sapa
Zimbabwean media try to break stranglehold

Spearheaded by the new Willie Musarurwa Trust, formed in memory of one of Zimbabwe's most respected journalists, and the Zimbabwe Union of Journalists (ZUJ), the Zimbabwe Media Council (ZMC) is pressing for an overhaul of rigid colonial laws that have hamppered the free flow of information in Zimbabwe.

"While freedom of expression is guaranteed in the constitution the freedom of the media to operate freely is sadly lacking," says John Manyarara, a retired journalist and High Court judge.

Mr. Manyarara is the first chairman of a 16-member group, including eight representatives from the media and eight from the public. The council, which has already drafted amendments to 11 acts to facilitate the free operation of the media, intends to extend its mandate to the protection of journalists from abuse by officials and the public and vice versa.

Outstanding acts of contention include the Official Secrets Act, Powers and Privileges of Parliament Act, the Censorship and Entertainment Control Act and the Printed Publications Act and laws on defamation.

But doubts prevail whether the council will be able to effect the changes as the Zimbabwean government has insisted on imposing restrictions to promote self-responsibility. During a freedom of expression discussion last July, Justice Minister Emmerson Mnangagwa, while admitting that media laws were flawed, required amendment, nevertheless reinforced the government's rigid position.

"The enjoyment of any freedom entails responsibility. This has called for the imposition of restrictions in order to balance the different rights and freedoms of different persons within a nation," he said.

This is the difficult starting point of the council: how to move the government to change the array of laws inherited from the colonial era. Though the laws are rarely invoked, on a few occasions they have been used when they have had serious repercussions on the freedom of the media.

An outstanding example included the right by parliament and the courts to demand the revelation of journalistic sources. Two journalists working for an independent weekly, Trevor Neube and Simba Makunike, were forced by parliament and the courts respectively to reveal their sources, while a third, Basilden Peta, was arrested for breaching the Taxation Act after an investigative piece alleging tax evasion by ruling party-owned companies.

Contempt of parliament and criminal defamation laws also leave the media vulnerable to attacks as journalists can be sued for reporting defamatory statements made by legislators who enjoy parliamentary immunity. It is also illegal to publish certain facts which turn out to be incorrect even if the editor did so in good faith and in the public interest.

Moves to democratise the Zimbabwean media are currently underway amid foot-dragging by a government that has enjoyed virtual media control during 15 years of independence, reports Lizwe Moyo from Bulawayo.

The law on criminal defamation was used with devastating effect for the first time in 1995 when courts invoked it to convict Mr. Makunike after a publication of a story alleging President Robert Mugabe's secret marriage to his former secretary.

These are just a few of the constraints journalists have to endure. But the public, which has at times been wronged by the media, has questioned whether journalists need special protection when they are expected to operate within an ethical framework.

"There are a lot of people who cannot pursue matters in court who have been abused by the press and yet editors protect their journalists. Will the council discipline errant journalists?" asked Sheila Cameron, an educationist and music promoter.

An independent publisher, Munzel, and the country's news agency, Ziana, have put together a code of ethics for independent journalists that the appointments of public relations programmes with the media must be approved by the minister concerned. The few independent newspapers, in the council's view, are "publishing the wrong material" and "should face bankruptcy for publishing against the government's policy."
Former guerrilla takes on ruling party Goliath

ROBIN DREW
Foreign Service

HARARE — A political battle in the David and Goliath mould is being fought in Harare this weekend in a parliamentary by-election, the outcome of which will have repercussions for the ruling party which is already suffering serious internal strains.

David is in the form of the slightly-built Independent candidate Margaret Dongo, who has taken on the giant of the Zanu (PF), political machinery represented by Vivian Mwasha.

It was Mrs Dongo, the 35-year-old mother of three boys, who caused a stir when she challenged the result of the April general election in her constituency — which she lost to Ms Mwasha on grounds of irregularities in the voters' roll. The High Court upheld her appeal and nullified the result.

That was a blow for Zanu (PF), which had won all but two of the 120 elected seats. Party heavyweights have been sent to Harare South constituency to back Ms Mwasha again and Robert Mugabe has made it clear he will be most unhappy if the result does not go in favour of the party.

At least five Politburo members have spoken at meetings in support of Ms Mwasha, who is regarded in political circles to be an operative with the feared Central Intelligence Organisation.

Margaret Dongo was up until the runup to the general election a staunch member of Zanu (PF). She worked for the party at one time and also served for several years in the president's office.

Articulate and outspoken, she made enemies during her five years in parliament when she campaigned strongly for the welfare of war veterans, on gender issues and the promotion of black economic empowerment.

An ex-combatant herself, she went to Mozambique as a 15-year-old girl for military training and became a medical assistant.

"It was the experience in the bush which gave me the strength to operate the way I do," she said.

"Disillusioned with the road the party has followed, she said, "I hate dictatorship. I believe allegiance must be to the people, not to the party."

"Fighting elections as an independent has been terrible," she said. She has found halls booked for meetings locked. She believes she is under constant surveillance and her telephone is tapped.

She said Zanu (PF) wanted control of everything. What the leaders want is power.

"Of President Mugabe as a leader, she said: "Either he has been misinformed or he is part of the game. I doubt if he could be misinformed after 13 years in power.

"Her opponent, also an ex-combatant, was a close friend, she said. "We had ideological soulmates."

Ms Mwasha is a faithful party cadre and has left most of the speech-making to party leaders."

ARG 25/11/95
Mugabe death plot - 'Sithole involved'

ROBIN DREW
Foreign Service

HARARE. — Zimbabwean opposition leader Ndabaningi Sithole was directly involved in a plot to assassinate President Robert Mugabe, the High Court has been told.

The court was also told that the alleged commander of a group of Zimbabwean dissidents in Mozambique allied to Mr Sithole received military training in South Africa and Malawi.

Details of the military training were contained in an agreed statement of facts in the trial of Simba Mhlanga, who has pleaded not guilty to charges of arms of war.

The court was also told yesterday that Mr Sithole was directly involved in plans to assassinate Mr Mugabe by blowing up his motorcade.

William Namakonya — who has already been jailed for 12 years after being convicted of possessing arms of war — made the allegation.

Namakonya said he and Mr Mhlanga carried out reconnaissance alongside a road regularly used by Mr Mugabe. He said they reported to Mr Sithole, the Zanu (Ndonga) leader, that they had found a suitable spot and that six mines would be needed for the attack.

He said Mr Sithole — who is facing charges in a separate trial of plotting to assassinate Mr Mugabe and overthrow the government — sent a letter via Mr Mhlanga to rebel leaders in Mozambique asking for three pistols, three AK-47 rifles and six mines.

Mr Mhlanga, who was arrested in Mozambique in October this year, said he joined Mr Sithole's party in 1978. He was sent to Malawi with 60 others and trained for six months by the Young Pioneers.

In 1980, he went to South Africa and received instruction in the use of AK-47 rifles and Tokarev pistols. He returned to Zimbabwe where he worked as a security guard for Mr Sithole until 1983, when he was sent to Mozambique and joined the dissident group known as Chimwenge.

They were told to fight alongside Renamo against Frelimo before returning to fight in Zimbabwe. However, after peace was reached in Mozambique, he and his colleagues were instructed to return to Zimbabwe.

In his defence outline, Mr Mhlanga, 32, said the Chimwenge group, numbering only 43 by 1992, were told to arrange their own return. He made efforts to get Mr Sithole (who then had returned to Zimbabwe from exile in the United States) to arrange their repatriation. All his visits since then were in connection with this and he had no intention of fighting the Zimbabwe government.

He decided to stay in Mozambique, had married and up to his arrest had been living as a peasant farmer.

The trial is continuing.

Mr Sithole is currently on bail after appearing in court over the alleged assassination plot.

He was ousted by Mr Mugabe from the leadership of the now-ruling Zanu-PF party in 1974 during Zimbabwe's independence struggle, and is one of only two opposition members of parliament.

The 76-year-old Methodist minister is on bail and is due in court again on December 1. — Sapa-Reuters-APP.
Fiery Independent David Takes on Goaltah in Zimabwe by-election
Dissidents trained in SA and Malawi, Zim court told

Harare - The alleged commander of a group of Zimbabwean dissidents in Mozambique owing allegiance to Zuma (Ndonga) leader the Rev Ndabeni Sithole received military training in Malawi and South Africa.

The High Court in Harare was told this in an agreed statement of facts in the trial of Simba Mhlanga, who this week pleaded not guilty to illegal possession of arms of war.

Mhlanga, who was arrested in Mozambique last month, said he had joined Sithole's party in 1978. He was sent to Malawi with 50 others and trained for six months by the Young Pioneers. In 1980 he came to South Africa and received instruction in the use of AK-47s and Tecarre pistols.

Peace accords

He returned to Zimbabwe where he worked as a security guard for Sithole until 1983, when he was sent to Mozambique and joined the dissident group known as Chimuweje.

They were told to fight alongside Renamo against President Machel before returning to fight in Zimbabwe. However, after the peace accords in Mozambique, he and his colleagues were ordered to return to Zimbabwe.

In his defence outline, Mhlanga (32) said he had decided to get married and return to Mozambique. Up to the time of his arrest, he was living as a peasant farmer, he added.

The trial is continuing.

Sithole is currently on bail after appearing in court on allegations of attempting to assassinate President Robert Mugabe.

Independent Foreign Service
Water crisis threatens two major African cities

\[ \text{UN predicts problem widespread in 30 years} \]

HARARE. -- Acute water shortages threaten two of southern Africa's main industrial centres, the Zambian copper-belt city of Ndola, and Bulawayo in neighboring Zimbabwe, with both being forced to introduce rationing.

In Bulawayo, Zimbabwe's second largest city, industries have been allotted only three-quarters of their average water use.

"This amount is not enough for running industry," said a spokesman for the Matabeleland Chamber of Industries.

The scarcity has forced at least one company, a towelling manufacturer, to relocate 50 percent of its operations across the border to Francistown in Botswana.

Only two firms, the meat processing Cold Storage Company and Bulawayo Abattoirs, have been exempted from the tight water restrictions.

The rest, including the leather, textile, food and beverage industries -- the backbone of the city's industrial sector -- have been denied concessions by local authorities.

"The situation is serious, but there is no panic yet," said Eric Bloch, an economist and a leading water campaigner for the city and its 600,000 population.

Similarly in Ndola, the heart of Zambia's copper, textile and engineering industries, some firms have not had water supplies for the past three weeks. While there is talk of forced closures, others are considering moving out.

Zambia Telecommunications, the country's sole telecommunications company, confirmed it was shifting its head office from Ndola to the capital Lusaka, 360 km south.

Town clerk Emmanuel Chenda fears Zamil's move may be followed by other companies in the city of about 800,000 people.

"We may witness the death of a city in the very near future if the situation persists," he said.

The two cities are victims of a decade of poor rains. Ndola and Bulawayo are in difficulty now, but cities in Botswana, Namibia and South Africa will face water shortages within 30 years, the United Nations Development Programme predicts.

Bulawayo's woes however are not related only to the climate, Ndebele politicians from the area claim. Ethnic politics also play a role, they say, and as a minority group they are neglected in development plans by a Shona-dominated government.

In 1983 Mr Bloch, himself from Bulawayo, stunned delegates at a Harare water conference when he said: "Nothing will be done until 3 million Shonas, or the president, are relocated to Bulawayo."

The Shona, President Robert Mugabe's ethnic group, make up 80 percent of Zimbabwe's 14.4 million people.

For years Bulawayo has pinned its faith on a long-proposed 450 km pipeline to tap the waters of the Zambezi River to the north. Activist Arnold Payne and many a Bulawayo resident accuse the government of misplaced priorities by refusing to allocate funds for the project.

To emphasise his point, Mr Payne pushed a wheelbarrow with an empty water drum from Bulawayo to Harare in September to coincide with the high-profile All-Africa Games, and then left it parked outside the parliament building.

Dismissing the criticism, Minister of Lands and Water Resources Kumahari Kangai said funds had not been allocated for the proposed pipeline because a feasibility study to determine its cost had not been completed.

Kenneth Small of the Matabeleland Zambezi Water Trust is working on plans for the pipeline and dam system for urban, industrial, mining and agricultural usage.

The present water resources system for Bulawayo is primarily based on five dams 50 km to 80 km south-east of the city. The catchment areas for the dams is small, ranging from 36 sq km to 1600 sq km, and is now insufficient.

"This system performed well during the period of good rains through the latter part of the 1970s," Mr Small said. "However, it has proved inadequate to the growing water requirement of the city with the coming of the dry years from 1983."

Mr Small said there had been no new major water supply built for Bulawayo in the past 20 years, except a pipeline for tapping one of the dams in emergency. -- Sapa-IPS.
Sanctions -
Zim waits for guidance

Mugabe says he has to take his lead from monitoring committee

By Khathu Mamile

ZIMBABWEAN PRESIDENT Robert Mugabe says his government will be guided by the decision of the monitoring committee of Southern African states on whether sanctions should be imposed on Nigeria.

Addressing the media shortly after opening the new Limpopo bridge together with President Nelson Mandela on Friday, Mugabe said his country and South Africa were part of the monitoring committee charged with putting pressure on Nigeria.

However, he said while he was in favour of sanctions, the committee had not met and he did not want to preempt its decision.

Mugabe was among the first African leaders after Mandela to call for the expulsion of Nigeria from the Commonwealth and it was expected that his country would take the lead in imposing sanctions on Nigeria.

As he was backing down, as sanctions could have an adverse effect on Zimbabwe, Mugabe said: "We do not buy oil from Nigeria. How will we be affected?"

He said world powers such as Britain and the United States should take the lead on sanctions because they had strong trade links with Nigeria.

Fires of resistance

Meanwhile, in an interview with a weekly newspaper, Mandela said the time had come for the Nigerians themselves to light "the fires of resistance" in their own country.

"It is of no use for Nigerian leaders to shout from abroad and not to ensure that the fires of resistance are burning inside Nigeria. To say that they (pro-democracy Nigerians) are dealing with a brutal government is no answer at all. In our case ... international support was subordinate to what we were doing inside. That is what is lacking in Nigeria," Mandela was quoted as saying.
'Attacks harm Zim tourism' (362)

BULAWAYO:Constant attacks by state-controlled media against the country's 80,000 whites harm tourism, Zimbabwe's Association of Tour and Safari Operators says.

"Altogether 90% of the high paying tourists are whites and easily get scared off," chairman Mr Ronald Yeatsman said at the group's meeting at the weekend.

CT 28 Nov 96
Zim rulers lose crucial by-election

HARARE: An outspoken opponent of President Robert Mugabe has won a parliamentary by-election which Mr Mugabe’s ruling ZANU-PF party had declared it could not afford to lose.

Ms Margaret Dongo won the weekend poll with 3,075 votes to 1,430 votes for Ms Vivian Mwahini of ZANU-PF.

The by-election was ordered by the high court after Ms Dongo, a former ZANU-PF MP, complained she had lost the election to Ms Mwahini in April through rigging and gross irregularities.

Mr Mugabe had the support of ZANU-PF, its proxy, for the past 15 years and control of 147 of 150 seats, could not afford to lose the Harare South constituency.

(862) CT 28/11/95
Zimbabwe’s inflation falls to 22.4%.

HARARE — Zimbabwe’s annual inflation rate fell by 0.6 percent to 22.4 percent last month.

The Reserve Bank of Zimbabwe said last month’s decline followed another reduction of 0.7 percentage points in September.

The major contributors to the decline in inflation included foodstuffs, rent, rates and fuel, as well as miscellaneous goods and services, said the bank.

Food items recorded the largest decline of 1.6 percentage points last month.

Analysis, however, expected annual inflation to soar to 25 percent by year-end following a spate of price rises, the latest being the sales tax hike, from 20 to 25 percent, which comes into effect on December 1. — Sapa
Zimbabwe inflation dips

HARARE — Zimbabwe’s annual inflation rate fell by 0.6 percent to 22.4 percent in October, Ziana news agency reports. (S62)

The Reserve Bank of Zimbabwe said the decline in October followed another, reduction of 0.7 percentage points in the previous month.

On a monthly basis, the inflation rate declined by two percentage points to 0.1 percent in October, the bank said.

According to the bank, food items recorded the largest decline of 1.6 percentage points during October, followed by decreases of 1.3 and 0.6 percentage points for furniture and household stores, and clothing and footwear, respectively.

But analysts expect the annual inflation to soar to 25 percent by year-end after a spate of price rises, the latest being the sales tax increase, from 20 to 25 percent, which comes into effect tomorrow.

The bank said the decline in inflation during the period under review was characteristic of the present depressed domestic demand. — Sapa.
Zimbabwe asks for Z$1 billion to buy out white-owned farms

HARARE: Zimbabwe's cash-strapped government yesterday appealed for Z$1 billion (about US$390m) from donors to help it buy most of the white-owned farms to resettle thousands of landless peasants.

The appeal by Lands and Water Resources Minister Mr Kumbalangai Kangai followed remarks by President Robert Mugabe last weekend that his government should be allowed to seize white-owned farms for resettlement with or without compensation because the government had no money.

Analysts said the president's remarks could seriously damage Zimbabwe's already ailing economy and lead to the loss of crucial donor support for its second phase of economic reforms due to start in 1996.

Mr Kangai told reporters: "The ministry is appealing to donor agencies to enable the resettlement programme to see the light of day. We need one billion (Zimbabwe) dollars for the next 10 years to complete the programme. There are a lot of farms we are offered ... but there's no money for land."

He declined to say if the government would take farms without paying the owners if it failed to raise the money.

The Zimbabwean government has sweeping powers under the Land Acquisition Act of 1992 to use private farms to resettle thousands of landless blacks forced off their land by previous white governments. But under existing laws it has to compensate the owners.

— Reuters
First execution in Zimbabwe since '88

Harare - Zimbabwe has hanged a man sentenced to death in 1995 for murdering a policeman - the country's first execution in seven years.

Deputy Sheriff Charles Nyutonga said in a statement: "Following the decision of the executive ... not to grant pardon to or to reprieve or to exercise the prerogative of mercy in respect of the condemned prisoner (Morgan Dikwe), the sentence of death was carried out upon him today, 30th November, 1995, at 8.30 am."

Nyutonga declined to answer any questions on executions in Zimbabwe but court officials said there had been a moratorium on hangings in Zimbabwe since 1985.

Local human rights groups have been lobbying in vain for the country's legislators to emulate South Africa and repeal the death sentence.

Reuters
### Zimbabwe resumes hangings

HARARE. — Zimbabwe has carried out its first acknowledged hanging since 1988.

Morgan Dikwi, who shot a police inspector during an attempted robbery in 1992, was led to the gallows at Harare Central Prison at 8:30 a.m. yesterday, according to a justice ministry announcement.

In 1993 High Court Judge George Smith noted that 120 Zimbabweans were on death row, some lingering for years before final decisions were taken.

Zimbabwe's last known executions, shortly before the visit of Pope John Paul in 1999, were kept secret for months afterwards to dampen church protests and have not been fully confirmed.

The Pope vainly appealed to President Robert Mugabe for clemency in 1992 when two former French mercenaries in the Rhodesian army were hanged for murdering a storekeeper.

The Roman Catholic Commission for Justice and Peace believes that up to 35 people have been hanged since Mr. Mugabe came to power at independence in 1980, when the former white-ruling Rhodesia became Zimbabwe.

Mr. Mugabe initially declared himself opposed to the death penalty but stopped reprieveing condemned criminals during an upsurge of political violence in western Matabeleland province.

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**Zanu leader in court**

HARARE. — Opposition Zanu (Ndonga) leader Rev. Ndabaningi Sithole, accused of plotting to assassinate Zimbabwe's President Robert Mugabe, was today warned to appear again on February 17 when he appeared before an Harare magistrate.

Mr. Sithole, also facing allegations of recruiting people to undergo illegal military training and conspiracy to sabotage, is on bail and has surrendered title deeds to his Waterfalls home as surety.

Ziana news agency reported.

Police have arrested a number of people in connection with the alleged plot.

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**ARG 11/2/95**
Zimbabwe development trust leaves a trail of controversy

Michael Hartnack

HARARE — Zimbabwe's self-styled "black broderbond" is the driving force behind the toll bridge over the Limpopo River, which gives a private consortium a 20-year monopoly on all direct road contact between Zimbabwe and SA.

The bridge, costing between R20m and R140m, according to conflicting figures, was said to be reverting to the ownership of the Zimbabwean government, which owns 50%, in 20 years' time. Former SA finance minister Barend du Plessis was believed to be a member of the consortium which arranged finance for the project.

After months of official denial, it was confirmed just before last week's official opening that the second-hand bridge, imported from Bulgaria, was the brainchild of the Development Trust of Zimbabwe, an organisation formed in 1989 to spearhead black advancement. The exact amount of DTZ shareholding was not disclosed.

Under the chairmanship of Vice-President Joshua Nkomo, the trust has left a trail of controversy since it acquired its first asset in 1989 — the vast 350,000ha Naunetsi Ranch, now embezzled in a land dispute with neighbouring tribe estates.

The DTZ sought a rescheduling of the R6m state-guaranteed loan with which it bought the ranch when it revealed in 1993 that 20,000 head of cattle had "gone missing".

Critics allege the DTZ operates more like a monopolistic corporation than a charitable trust, but it remains free from the requirements of Zimbabwe's Companies Act, and was permanently exempted from taxation under the 1995 Finance Act. It is not required to publish accounts or disclose any details of its operations.

In 1990, Zimbabwe's state-controlled Herald newspaper said a cabinet report had described the DTZ as "a broderbond that would give Zimbabwe a much needed stimulus for economic independence", and had urged it be given wide latitude. Its "natural deed" was deemed to have the force of law.

Beitbridge and Matobo rural councils have recently voted to block attempts by the DTZ to start large-scale mechanised gold mining along the Umzimkulu, Shashane and Tuli Rivers in partnership with a Russian consortium, claiming this would cause massive environmental damage.

To Nkomo's fury, Bulawayo and Gwanda municipalities have forced the DTZ to hand back millions of rand's worth of commercial and industrial stands, awarded to the DTZ at concessionary rates, when these lay undeveloped for years. Beitbridge rural council also claimed the DTZ had used Nkomo's "political muscle" to frustrate development by rival, and more effective, enterprises.

In northern Zimbabwe, the Muzarabani district council claims it lost thousands of rural development projects when the DTZ took over the district's council in 1993, and was also refused permission to export tobacco.

Zimbabwe's commercial farmers were outraged when 20,000 head of cattle mysteriously "disappeared" from the DTZ. They said they would be designated for government takeover if they showed similar managerial incompetence. Police said they were withholding details of their investigation "because of the status of the complainant" (Nkomo).

Nevertheless, the DTZ is pressing ahead with a tourist project at Kariba, a coffee plantation outside Mutare, and plans with the Russian Ogoe company to exploit six exclusive prospecting orders for diamonds, gold and platinum. The orders cover a huge area of southern and western Zimbabwe.

President Robert Mugabe's personal lawyer, Robert Stumbbles, drew up the initial notarial trust deed on June 12, 1989, with Mugabe as patron in his specific capacity as head of the Zimbabwe PF party.

Ironically, the only white among the seven initial trustees (and head of the finance committee) was the former Rhodesian deputy prime minister David Smith, who broke with Ian Smith's Rhodesian Front soon after Zimbabwe's 1980 independence. He retired in 1993.

The trust's "head of corporate affairs" (chief executive) was Simon Moyo, who in 1984 became minister of transport. Wellington Chando, currently running the DTZ in an acting capacity, said Moyo last year became a full member of the trustee board chaired by Nkomo.

The deputy chairman is Liberty Mhlanga, head of the parastatal agricultural and rural development authority. Other trustees include ZANU-PF party mogul Didymus Mutasa, Eddison Zvabo, Enos Chikowero, Dzikamai Mavhire and John Nkomo. Prof Reg Austin, former Zimbabwe University law lecturer, joined the trustees in 1990 but has been out of Zimbabwe on UN work for the past three years.

The problems of the DTZ parallel those dogging Nkomo in his personal capacity. Matabeleland contractor Henry Grobler last year died insolvent after years of being unable to enforce his claims against Nkomo for a R13.800 debt. High court officers said Nkomo's armed bodyguards stopped them enforcing attachment orders.

Nkomo has made repeated attacks on Zimbabwe's financial institutions, as well as its white, coloured and Asian business communities, for their alleged "conspiracy" to drive emergent blacks into bankruptcy. He has also demanded municipalities donate land to the DTZ.
Zimbabwe to clean up its act as far as pollution goes

HARARE - Zimbabwean vehicles that exceed maximum pollution levels will be pulled off the road next year as part of a campaign started by a local conservation group and the police, to clean up the environment.

Environment 2000, an outspoken charity that for years has lobbied for a cleaner environment in Zimbabwe, says it is concerned about the murky urban skyline.

Under the proposed scheme, people would report defective vehicles to the police and call for their removal from the country's roads in an attempt to check rising pollution in urban areas.

Stationed at Environment 2000 headquarters in Harare, the police would receive and react to complaints about vehicles belching out smoke.

Zimbabwe has one of the oldest fleets of imported and poorly serviced vehicles in the world.

The move by Environment 2000 comes in the wake of public pressure to curb the rising levels of pollution from vehicles in urban areas.

Excessive smoke from vehicles is a major contributor to air pollution, says Environment 2000.

Zimbabwean laws empower the police to fine drivers and impound vehicles with unsafe smoke emission levels.

"We are sad to observe that very little or nothing is being done to enforce this law, allowing for unbridled pollution," says Don Mendumo, chairman of Environment 2000.

Removing dangerous vehicles from the streets is the latest in a series of projects launched by Environment 2000 in Zimbabwe in the past two years.

Zimbabwe first joined the Clean Up The World campaign in August 1993, when Environment 2000 launched a local version, the Clean Up Zimbabwe campaign.

-- Independent Foreign Service/Africa Information Africa
Mugabe's plan to curb demos 'will erode rights'

HARARE: Plans by President Robert Mugabe's government to introduce laws clamping down on protests are aimed at strengthening its power and eroding civil rights, political analysts and opponents say.

They claimed yesterday that the laws, announced by Home (Interior) Affairs Minister Mr Dumiso Dabengwa, were another sign of the government's growing intolerance of criticism.

"They want to rewrite the constitution in a way that some of the pillars of democracy — freedom of expression and movement — will be eroded," said Mr John Makumbe, a political science lecturer at the University of Zimbabwe.

He said the new laws would be tantamount to banning protests, a move Mr Mugabe has said his government is considering.

The move follows riots here three weeks ago in which protesters torched vehicles and looted shops after a demonstration against the deaths of two bystanders, allegedly killed as police chased thieves.

"The opposition Democratic Party said there would be more violence if the laws were passed as this would be the only way people would find to express themselves," Mr Makumbe said.

Mr Makumbe said the planned measures failed to deal with the real reasons for demonstrations:

"It's an underestimation of the anger of Zimbabweans at the cost of living, high unemployment and all the hardships under Zimbabwe's economic structural adjustment programme," — Reuter
Mugabe's plan to curb demos 'will erode rights'

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"It's an underestimation of the anger of Zimbabweans at the cost of living, high unemployment and all the hardships under Zimbabwe's economic structural adjustment programme." — Reuters
Zimbabwe's wilderness threatened by mining

By BRIAN LATRIM

GURUVE, Zimbabwe — In Guruve, northern Zimbabwe, small-scale miners are destroying vast tracts of land. Along the environmentally unique Great Dyke and in Mavurudonha wilderness area, mine workers have left a trail of destruction that may never be undone.

Mavurudonha is being administered by Zimbabwe's highly successful organisation which helps villagers to benefit financially from protection and regulated use of the environment and wildlife in their areas.

In their search for chrome, the miners have felled thousands of trees and moved tons of rock. The Great Dyke, which has very little top soil and a sub soil poisoned by an excessively high mineral content, is also being strip-mined, a practice universally denounced by environmentalists.

Bulldozers are driven up steep inclines to loosen the Dyke's top soil. Afterwards, workers with wheelbarrows collect the chrome.

Once the Dyke's top soil has been removed, grass does not grow again. When Zimbabwe's rains arrived in November, trees of soil and rock were washed into the Dyke's streams, silting up narrow gorges and dams.

The damage being done to the environment will not only hurt tobacco farmers in the Guruve and Centenary districts, affecting Zimbabwe's primary foreign currency earner, but it will also devastate Zimbabwe's flagship project, the Mavurudonha wilderness area.

An official from Guruve's intensive conservation area committee says that Zimbabwe's Natural Resources Board had seen the devastation themselves.

An order has been slapped on the miners in an effort to make them comply with Zimbabwe's strict environmental laws.

But the miners, many of whom are members of Zimbabwe's Small-Scale Miners' Association, have ignored the regulations and deny they are breaking any laws. Gilles Munyoro, who represents them, says he is an environmentalist and that no laws are being broken.

"Every white man has got very emotional," says Munyoro, alleging that the local tobacco farmers, who are predominantly white, want to shoot the miners. "We'll denounce the foreign press," he said, "and get President Mugabe to take those farmers from the whites so we can mine there. We don't want to grow tobacco, we want to mine."

Mine workers complain they are paid infrequently by their bosses in Harare. Many say they have not been paid for four months, despite a promise of Z$800 a month. And their village has turned into a sprawling campsite of, bush with a meagre water supply and poor sanitation.

Workers claim the managers, who market the chrome to the Japanese, use lack of money as an excuse for not paying wages. In Zimbabwe, it is an offence under labour legislation not to pay a worker within 14 days of his normal pay day.

The Japanese are alleged to be buying the chrome, and exporting the unrefined product to Japan.

"With no value being added to the ore in Zimbabwe, it is likely the country could potentially lose millions in foreign currency."

But it is the destruction of the Mavurudonha wilderness area that is likely to cause the greatest outcry. Until recently, no humans lived in the sprawling local council-managed reserve.

Now the presence of hundreds, and perhaps thousands, of miners and their families is causing erosion, deforestation and contamination in an environment that has remained pristine for millennia.

The wilderness area, which provides development funds for 60,000 peasant farmers in the nearest communal lands could well be choked to death as all its water becomes polluted by miners.

Mr. Mugabe, the general manager of the Japanese Iron Corporation in Harare, the company buying chrome through the Mineral Marketing Corporation of Zimbabwe (MMCZ), says there is nothing his organisation can do about the environmental degradation or the non-payment of workers in Guruve.

"Our contract is with the MMCZ," he explained. "There is nothing we can do."

- Independent Foreign Service/Africa Information Agency
Ministers divided on tobacco

SOMERSET WEST: Tobacco and its associated health risks has left delegates to the 8th Commonwealth Health Ministers’ conference divided, with Zimbabwe saying yesterday it had no "moral problems" with continuing to harvest the cash crop.

Zimbabwe’s Health Minister Dr Timothy Sutari said he found it "offensive" that many of the countries complaining about tobacco-related health risks benefited hugely from taxes on cigarette sales.

The British government earned £3.5 billion (about $4.75bn) from taxes on the same amount of tobacco which earned Zimbabwe only $200 million in foreign exchange, he said.
Zimbabwe mining sector sees steady growth

HARARE — Zimbabwe's key mining sector boomed this year and was expected to grow steadily next year on increasing local and foreign investment, a top industry official said.

"I think we will continue in the current trend of steady growth. "If we get good rains and world mineral prices are good, we may even see some phenomenal growth in some areas," said Chamber of Mines CEO Derek Bain.

He said 90% of the southern African state was under mineral exploration, mainly for diamonds.

Local and foreign mining companies were sniffing around, individually or jointly, for new investments.

He cited Britain's Reunion Mining, which, jointly with the state-owned Zimbabwe Mining Development Corporation, this year commissioned a copper mine in northwestern Zimbabwe.

"We have seen tremendous and sustained interest in our mining sector in the past three years," he said, pointing at rising new and rollover applications for exclusive prospecting orders.

Eighty-six of these orders were granted in 1993, 116 last year and more than 100 by September this year.

Zimbabwe's annual mining production, Bain said, was expected to rise by 20% this year, the same as last year.

But foreign exchange earnings, he said, could rise to up to $46bn from $40bn last year, surpassing the initial official estimate of $35bn, which is due also to a 9% fall by the Zimbabwean dollar against major world currencies.

"Although we are still compiling our figures, we have already seen (production) rises in a number of minerals such as chrome, iron ore and gold," he said.

Gold output rose to 20,16 tons in the first 10 months of this year, up 3,18 tons over the same period last year.

It is expected to rise to 24 tons for the whole of this year from 20,5 tons last year, and to climb higher to about 26 tons next year.

"We could probably reach the 1916 record high of 27 tons (of gold) by 1997," the Chamber of Mines chief said, adding, however, that production could be affected by drought.

Mining contributes more than 40% to national export earnings.

Zimbabwe is the third largest producer of gold on the African continent after SA and Ghana.

"Our developments may be hampered by lack of water ... and that is why we are all praying for rain," Bain said.

Production on some mines was affected by water problems this year when some dams and rivers ran dry and the underground water table fell down further down to a severe drought.

Weather experts say that Zimbabwe seems likely to get good to average rain during the farming season, which began last month. — Reuters.
Letters

Michael Hartnack

Christmas prospects dim for Zimbabwe's poor

The World Food Programme says it is experiencing its worst drought in 20 years, leading to a 60% increase in the number of people facing food insecurity. The organization is calling for urgent action to prevent a humanitarian crisis.

"The drought has pushed many families to the brink," said the WFP's country director. "We need urgent funding to provide emergency food assistance and support for smallholder farmers."
Sales tax squeeze is on for cash-strapped Zimbabwe

HARARE — The squeeze is on for cash-strapped Zimbabwe following a sales tax hike, the second in a year, aimed at improving the government's dismal finances.

Sales tax on luxury goods went up from 20 to 25 percent with effect from December 1

In a country that has witnessed real incomes eroded to their lowest level in 25 years.

In January, the government of President Robert Mugabe raised the general sales tax from 10 percent to 12.5 percent, motor vehicle tax from 15 to 20 percent and excise duty on alcoholic beverages went up by a whopping 40 percent.

Then acting Finance Minister Emmerson Mnangagwa said the increases were necessitated by the fact that government is in a "paradoxical situation" under which it has to borrow to finance interest payments on vital projects it cannot abandon.

The tax increases were proposed by the World Bank.

The Bank and the International Monetary Fund (IMF) are supporting the country's economic reforms after a decade of socialist policies.

On average, prices of bread, school uniforms, alcohol and soft drinks have climbed by between 10 and 40 percent since the beginning of the year.
Zimbabwean economy hit as AIDS ravages workforce
Zimalloys’ metal deal on course

Harare - Zimbabwe Alloys, one of the world’s main low-carbon ferrochrome (LCFC) producers, had reached basic agreement on a joint venture to produce the metal for major Japanese manufacturer Japan Metals and Chemicals (JMC) it was announced yesterday.

Bill Smart, the managing director of Anglo-African-owned Zimalloys, said that by the middle of next month, agreement was expected to be concluded with JMC and Japanese trading house Mitsui and Company, the third partner in the joint venture. If the agreement is concluded Zimalloys will sell JMC between 10,000 and 14,000 tons of LCFC a year, in exchange for JMC’s superior production technology.

Smart said JMC’s plant in Japan, which produces the same volume of LCFC for the Japanese stainless steel and specialty steel market, would be shutting down in the second quarter of next year, at the same time that the agreement was scheduled to come into effect.

Zimalloys would replace JMC’s production, he said.

Smart said the announcement was preliminary and that the agreement was subject to approval by the relevant authorities.

He expected to be able to provide further details in mid-January. He said the deal was in line with similar agreements being made by Japanese producers with cheaper producers in countries like South Africa.

The supply would be conducted by a company in which Zimalloys would have 50 percent share and JMC and Mitsui 25 percent each. The name of the company has not been decided.
Zimalloys’ metal deal on course

Harare — Zimbabwe Alloys, one of the world’s main low-carbon ferrochrome (LCFC) producers, had reached basic agreement on a joint venture to produce the metal for major Japanese manufacturer Japan Metals and Chemicals (JMC), it was announced yesterday.

Bill Smart, the managing director of Anglo American-owned Zimalloys, said that by the middle of next month agreement was expected to be concluded with JMC and Japanese trading house Mitsui and Company, the third partner in the joint venture. If the agreement is concluded Zimalloys will sell JMC between 10,000 and 14,000 tons of LCFC a year, in exchange for JMC’s superior production technology.

Smart said JMC’s plant in Japan, which produces the same volume of LCFC for the Japanese stainless steel and speciality steel market, would be shutting down in the second quarter of next year, at the same time that the agreement was scheduled to come into effect.

Zimalloys would replace JMC’s production, he said.

Smart said the announcement was preliminary and that the agreement was subject to approval by the relevant authorities.

He expected to be able to provide further details in mid-January. He said the deal was in line with similar agreements being made by Japanese producers with cheaper producers in countries like South Africa.

The supply would be conducted by a company in which Zimalloys would have a 50 percent share and JMC and Mitsui 25 percent each. The name of the company has not been decided.
ZIMBABWE

Achilles heel

After a year of little, if any, real economic growth, the Zimbabwe economy is set to grow by more than 5% during 1996 if the reasonably good recent rains are maintained through to March.

Most forecasters predict zero or only marginally positive growth this year, attributable largely to last season's drought and a sharp decline in manufacturing.

Though some analysts argue the economy's difficulties are purely drought-related, the 14% fall in manufacturing output in the first nine months of this year suggests the underlying causes are more fundamental.

SA's share of Zimbabwe's imports has risen from almost a third, in 1994, to an estimated 35%—plus this year. This import penetration is hurting manufacturing, and some economists predict the 1996 rebound in industry will be less robust than optimists (forecasting growth of 8%) predict. The economy would have suffered more had it not been for the strong performance of:

- Tobacco, where output rose more than 40% in value;
- Record production in mining; and
- Continued rapid expansion in horticulture and tourism.

In mining, exploration activity is at record levels and there are hopes for strong growth in diamonds, gold and platinum, with the Delta Gold-BHP Huntley platinum project coming on stream in 1997.

The rains have perked up in the past fortnight and most areas are now approaching normal seasonal falls, though the real test will come in February-March when, in the last two seasons, drought set in.

Maize plantations have been cut and the rebound in this sector will be weaker than in past years, but cotton output is forecast to double to 200 000 t, while tobacco and horticulture continue to expand strongly.

Manufacturing and construction are the problem. With government having cut its capital budget to the bone, to curb the budget deficit, the construction sector is facing a thin period. Manufacturing will recover somewhat, on the back of stronger domestic demand. But unless it can revive its export markets — textile production is down more than 60% — and compete with imports from SA and elsewhere, it will take until 1995 to regain its 1991 peak in output.

Inflation, which averaged 22.3% during 1994, is estimated to have been slightly higher (about 23%) in 1995. If government can make its public spending cutbacks stick — problematic in a presidential election year — inflation should slow to about 16% next year, which will open the door to a fall in interest rates.

Prime overdraft rates now exceed 30%, but should fall to 25% or lower during 1996. The Zimbabwean dollar fell an estimated 6% in 1995. As long as inflation is above 20%, the currency will have to depreciate at least 10%-15% a year. It is probably overvalued today and further depreciation is expected in the first half of 1996.

Much is going to depend on who inherits the poisoned chalice of Minister of Finance and his ability to curb big-spending Cabinet colleagues. The Finance post has been vacant for three months following the death of Arisont Chambati. But President Robert Mugabe has not been in any hurry to appoint a successor.

The president, who has spent a lot of time away recently, is facing re-election in March-April. To date, no opposition candidate has declared himself and it is possible Mugabe will be returned unopposed — possibly the most effective way the opposition could demonstrate its disapproval of the one-party nature of Zimbabwe.

Last April, the ruling Zanu-PF party won 148 of the 150 parliamentary seats in the general election. After the courts found the ruling party had stuffed the ballot boxes in one Harare constituency, government was forced to call a rerun. The second ballot went to independent candidate Margaret Donge. This incident raised doubts about the fairness of last year's poll, but there is no gainsaying the party's popularity.

Though unemployment continues to escalate at an alarming rate and, despite a 35% fall in real wages since 1990, the party retains its stranglehold over the electorate.

If opposed, Mugabe will win a crushing victory in April, though the turnout is likely to be lower than he would like.

Zimbabwe is now on a so-called shadow programme with the IMF. Provided it meets fiscal and monetary targets over the six months to March 1996, it will be able to resume borrowing. And donors, who had suspended disbursements in mid-1995, will resume payments.

To satisfy the IMF, spending cuts are being imposed, bills are being paid late, workers are being laid off and the army is being trimmed (to 35 000 from 51 000 a few years ago).

Sales tax on luxury goods has been raised 5% and further tax increases — probably on petrol — are in the pipeline.

Privatisation will move up the policy agenda in 1996 when a second phase of the Economic Structural Adjustment Programme is launched. This ought to include public sector reform, a policy for industry, a strategy for beating unemployment and measures to integrate with the rest of the region.

These are all formidable structural problems. But the signs are that, after 15 years in office, Mugabe's tired, played-out team lacks both the commitment — and certainly the ideas — to tackle them.
Wits Council in do-or-die session today

By Pamela Dube and Khangale Makhado

THE WITS University Council meets this afternoon in a do-or-die session that has to lift the suspension on deputy vice-chancellor Professor William Makgoba or face Government intervention and mass action by students.

Also, black council members have threatened to walk out if today’s meeting fails to review the suspension. One of them, the Reverend Frank Chikane, said he had declined reappointment to the council but refused to confirm that this was because of the Makgoba issue.

On Wednesday two prominent businesswemen, Mr Nhato Motsama and Dr Enos Maluzza, quit citing differences with council over Makgoba’s suspension.

The South African Students Congress (Sasco) yesterday threatened to embark on mass action when the university reopens in February unless Makgoba is reinstated.

Sasco president David Makura said Makgoba’s suspension “should be lifted. It is unjustifiable.”

Makgoba was suspended a week ago by Wits vice-chancellor Professor Robert Charlton for “abusing his position” by obtaining and publishing information from the files of his 13 accusers.

Makgoba has maintained silence over the furor and attempts to get comment have been fruitless. Sasco also called on Bhengu to intervene saying the conflict at the university had reached destructive proportions.

Bhengu on Wednesday issued an ultimatum to Wits authorities to resolve the current crisis or face government intervention.

“I urge them (the council) to resolve the matter as I have proposed.” While silent on specifics of Government plans, Bhengu said “we have already discussed what we are going to do if the council does not agree to our proposal.”

Fun Africanist Student Organisation general secretary Mr Clarence Hadebe said Bhengu should be “decisive on the matter because Wits owes accountability to the nation since it is a public institution.”

Sasco general secretary Mr Oupa Bodibe said government and the university fail to resolve the matter, Sasco would mobilize students to embark on a National Day of Action on Wits in February next year.

Holiday traffic set to peak

By Charity Bhengu

TRAFFIC flows on national routes are expected to increase by up to 75 percent over the next two days as a result of the start of company and industrial holidays.

According to the chief directorate roads of the Department of Transport, traffic volumes monitored on the N1 to date have shown a steady increase of about 100 vehicles per day going towards the Cape.

The National Traffic Information Centre said at least 348 people had died in 276 fatal collisions on South African roads since the start of school and business holidays on December 1.

NTIC said “according to the police, of the fatalities, 35 were in the Western Cape, 40 in the Eastern Cape, nine in the Northern Cape, 43 in the Free State, 76 in KwaZulu-Natal, 16 in North West Province, 87 in Gauteng, 24 in Mpumalanga and 12 in the Northern Province.”

The fatal collisions to date have cost the country more than R40 million. NTIC said that it was costing the South African economy about R120 000 per fatal accident. This included insurance, funeral costs, emergency and medical services.

Although traffic flows are expected to increase, NTIC has measured roadblocks that the authorities will be stepping up ground and air patrols as part of specific routes.

Rich civil servants’ kids get scholarships

HARARE – Children of highly-paid Zimbabwean civil servants are among 68 students granted R1.4 million in state funds on Cabinet instructions after their parents claimed they were unable to pay for overseas studies.

The Financial Gazette named some of the students as the children of President Robert Mugabe’s secretary Charles Ueta, former Zimbabwian Air Force commander Jotiah Runyamirira, former ambassador to Washington ‘Stan’ Chigwedere and former high commissioner to Kenya Lucas Tavaya.

The scholarships are for institutions in Britain, Australia, Canada and the United States.

The largest sum requested, R65 000, was for the son of James Chiثرo, permanent secretary in the Ministry of Higher Education.

Chiثرo had pleaded with the Cabinet for the funds after being turned down by the Finance Ministry which had demanded a clear policy on the awarding of scholarships.

The newspaper said in its editorial that civil servants were now satisfied with the fact that they had got a chance after years of being squeezed into public coffers.

The news comes after Mugabe and his government said they would pay taxes of more than 100 percent every year.
Rich Zim students supported by state

Harare – Children of highly paid Zimbabwean civil servants are among 68 students granted the equivalent of $1.4 million in state funds to continue their education after their parents claimed they were unable to pay for overseas studies.

The Financial Gazette weekly newspaper named some of the students as the children of President Robert Mugabe's secretary, Charles Utete; former Zimbabwe Air Force commander, Josiah Tungamirai; former ambassador to Washington Stan Chipzvede; and former high commissioner to Kenya Lucas Tavaya.

The scholarships are for institutions in Britain, Australia, Canada and the United States.

The largest sum, requested, $65 000, was for the son of James Chimayo, permanent secretary in the ministry of high education.

The newspaper, in an editorial, said the civil servants were "not satisfied with the fat salaries and perks they have showered upon themselves." The revelations come two weeks after Mugabe, his ministers and MPs were awarded pay rises of more than 100%.

-SAPA
HARARE.—President Robert Mugabe urged his Zimbabwe African National Union-Patriotic Front (Zanu-PF) party to pressure the Zimbabwe government to take over white-owned farms to redress land imbalances, regardless of whether the government had the money to pay for them.

Speaking to applause and ululation from 4600 delegates at a two-day conference organised by Zanu-PF, Mr Mugabe criticised government officials for doing too little to obtain land for the landless.

"I know that people are complaining about the delay by government in acquiring commercial farms owned by whites, I agree that there is nothing being done to resettle people."

"The government did not have the money to compensate farmers for their land," Mr Mugabe said, but added: "We want you at this conference to agree to resolve that government should take farms whether or not it has money."

"These farms must be taken from the white capitalist farmers," Mr Mugabe said, speaking in Shona.

Government had to get the message that white farmers should leave their farms to the indigenous inhabitants, he said.

Some government officials were still trying to appease whites and still appeared to be afraid of them, Mr Mugabe said.

Since independence Zimbabwe had failed to meet its resettlement targets. Only some 60,000 families have been resettled. — Sapa.
Govt shock for Zimbabwe sports clubs

BY ROBIN DREW

Harare - Sports clubs in Zimbabwe are holding urgent meetings to discuss the impact of far-reaching shock regulations introduced by the government to ensure that black membership will increase.

The regulations enable the Sports and Recreation Commission to fix entry fees and subscriptions at no more than ZS200 (R20) unless the club obtains permission from the commission.

They also lay down that anyone refused membership can appeal to the commission. Clubs with under-used facilities can be forced to rent them out to other clubs with inadequate facilities.

The regulations requiring clubs to open their membership to all will apply only to those registered with the commission.

But members of unregistered clubs will not be allowed to compete in any district, provincial, national or international event without the personal approval of the Minister of Sport. Appeals over rulings by the commission lie with the sports minister and with the administrative court.

Commenting on the issue, The Herald newspaper said a measure of panic seemed to have set in among members of established clubs and there were mutterings about closing down rather than obeying the regulations.

"Certainly, if the regulations are properly applied, a certain way of life will end forever, and not before time. For too long some sports clubs have been regarded by too many of their members as social havens insulating them from modern Zimbabwe," said the paper.

It pointed out that those who wanted exclusive constitutional right to use their own land and set these up - Independent Foreign Service.
HARARE. — Zimbabwe's telephone system is so bad it infringes on the constitutional right of citizens' to freedom of expression, according to a Zimbabwe Supreme Court ruling.

The court found that because the government's Posts and Telecommunications Corporation monopolised the industry, the introduction of a cellular telephone network owned by PTC could not be reasonably justified in a democratic country.

The PTC had argued that private control of such a system would cream off the corporation's profits in the urban areas and thus make it more difficult for the PTC to fulfill its mission of taking telephones to all parts of the country — even unprofitable rural areas. — Sapa-AFP.
Zimbabwean phone system unconstitutional

HARARE—Zimbabwe's phone system was so bad it infringed citizens' constitutional right to freedom of expression, according to a Zimbabwe Supreme Court ruling released yesterday.

Sapa-AFP reports the court found that as the government's Posts & Telecommunications Corporation monopolised the industry, the introduction of a cellular telephone network owned by it could not be justified.

Five Supreme Court judges, headed by Chief Justice Anthony Gubbay, agreed that private cellular-phone company Retrofit should be allowed to introduce a cellular-phone system.

The state corporation had argued that private control of such a system would cream off its profit in urban areas, making it difficult to take telephones to all parts of the country, including unprofitable rural areas.

While describing this as "a commendable endeavour", Gubbay said it was not enough to justify the monopoly and rejected the corporation's plea for a five-year delay on lifting its monopoly to enable it to become competitive.

Michael Hartnack reports that the court heard evidence that thousands of subscribers had phones that did not work while thousands more waited for years to have phones installed. It was argued that this situation violated constitutional guarantees of freedom of expression.

Retrofit's Strive Masiyiwa was awarded costs but may not compete with the state's normal telephone service, which Gubbay called "notorious" and "delinquent". Legal observers said they believed the test case opened the way for challenges to state monopolies in many sectors of the economy.

Earlier this year some Zanu-PF party members imported Swedish equipment with the aim of pre-empting Retrofit's move into the market, but cancelled their bid in the face of litigation threats and pressure from international financial institutions.
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Zim gets private cell phone network

Harare — Engineers are busy installing relay stations for Zimbabwe's first cellular telephone network, following a private entrepreneur's landmark court victory this week ending a state monopoly on communications services.

Steve Masiyiwa, chairman of Rextel, the company in whose favour the court ruled, said yesterday an experimental service would be working by February, and a commercial service would be running in April.

The Supreme Court ruled on Monday that the refusal by the state-owned Posts and Telecommunications Corporation (PTC) to allow Masiyiwa to apply for a licence to run a private cell phone network was an infringement of Zimbabweans' right to freedom of expression.

The court said the PTC had failed to meet its responsibility for providing Zimbabweans with a reliable and accessible telephone system.

"At present, callers are forced to make about four attempts to get through with each call, and there is a waiting list for telephones that would take 14 years to meet."

The PTC also planned to establish its own cellular system, but ran into trouble earlier this year when Norwegian communications corporation Ericsson was caught rigging the tender for the supply of the system with the help of top officials of the ruling Zanu (PF) party.

Ericsson's name is not among the six companies Masiyiwa says have been contracted to supply telephones.

The first phase of the system, run by Econet, a wholly owned subsidiary of Rextel, would involve setting up a network between Harare and Bulawayo, and the urban centres on the highway between the two cities at a cost of about $100 million.

Work had already begun in Harare, although the necessary license had still not been received from the PTC, Masiyiwa said.

"I don't think we shall have any difficulties on this issue. The PTC knows that the people of Zimbabwe have had enough of their past," he added.

The second phase, scheduled to be commissioned by December 1998, would set up services south from Harare to Beitbridge, and east to Mutare.

The entire system would cost about $200 million. — Sapel.
Zimbabwe to get cell phone network

HARARE — Engineers are installing relay stations for Zimbabwe's first cellular telephone network, after a private entrepreneur's landmark court victory this week ended a state monopoly on communications services.

Strive Masiyiwa, chairman of Retrotel, the company in whose favour the court ruled, said yesterday an experimental service would be working by February and a commercial service would be running in April.

The Supreme Court ruled that the state-owned Posts and Telecommunications Corporation's refusal to allow Masiyiwa to apply for a licence to run a private cell phone network was an infringement of Zimbabweans' right to freedom of expression.

The court said on Monday the corporation had failed to meet its responsibility of providing Zimbabweans with a reliable and accessible telephone system. Callers had to make about four attempts to get through with each call, and the waiting list for telephones would take 14 years to meet.

The corporation also planned to establish its own cellular system. But earlier this year it ran into trouble when Norwegian communications corporation Ericsson was caught rigging the tender for the supply of the system, with the help of top officials of the ruling Zanu (PF) party.

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Work had already started in Harare, although the necessary licence had still not been received, Masiyiwa said.

"I do not think we shall have any difficulties on this issue. The corporation knows the people of Zimbabwe have had enough of their past." Talks with the corporation would start "very soon".

The second phase, scheduled to be commissioned by December 1998, would set up services south of Harare down to the border town of Beitbridge, and east down the highway to the eastern border town of Mutare, as well as in provincial capitals.

The entire system would cost about $200m and provide a capacity for 60,000 subscribers.

The PTC has 145,000 working lines, but Chief Justice Anthony Gubbay said the recent installation of a multimillion-dollar digital system had done little to improve the "delinquent service".

Econet also planned to provide a paging service and radio connections to rural areas.

Masiyiwa said the K100m for the first phase had been raised from 40 companies. Econet would be floated on the Zimbabwe Stock Exchange in 1999. — Sapa.
Mugabe runs the gauntlet of protesters

HARARE - President Robert Mugabe was yesterday confronted by the first mildly critical demonstration in his 15 years of power, when supporters of independent MP Margaret Dongo catcalled his arrival at parliament.

Dongo, a former guerrilla, was expelled from the ruling Zanu (PF) party when she refused to accept deselection as candidate for Harare south constituency. She won her seat back last month in the first by-election defeat of its kind for the government.

Dongo, apparently acting on a request from police, later emerged and led her supporters away before Mugabe had to confront them again after delivering his state of the nation address.

Previously, the riot police invariably dispersed demonstrators with baton charges and tear gas before they came within sight of Mugabe, 71.

Mugabe chronicled Zimbabwe's economic and social woes in his speech, blaming last season's patchy rains which devastated all crops except the money-spinning tobacco grown by white commercial farmers.

There was a moment of confusion when Mugabe, after saying inflation was already 26%, said it was "expected to rise to 25% by the end of the year".

"Oh, I have already said it is 25%," the president exclaimed.
Zimbabwe to get cell phone network

HARARE — Engineers are installing relay stations for Zimbabwe's first cellular telephone network, after a private entrepreneurial landmark court victory this week ended a state monopoly on communications services.

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The Supreme Court ruled that the state-owned Posts and Telecommunications Corporation's refusal to allow Masiyiwa to apply for a licence to run a private cell phone network was an infringement of Zimbabweans' right to freedom of expression.

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Masiyiwa said the R100m for the first phase had been raised from 40 companies. Econet would be floated on the Zimbabwe Stock Exchange in 1999. — Sapa.
Aids virus is biggest killer in Zimbabwe

HARARE: About 90% of deaths in Zimbabwe were now thought to be human immunodeficiency virus-related, Health and Child Welfare Minister Dr Timothy Stamps said yesterday.

Speaking at a police parade here, Dr Stamps said the most vulnerable age group was 18 to 25.

Meanwhile, the Zimbabwean National AIDS Co-ordination Programme said yesterday that estimates showed up to 25% of sexually active adults in the 15 to 49 age group might be infected with the human immunodeficiency virus (HIV) thought to cause AIDS.

An NACP report was quoted as saying about 10% of Zimbabwe's 10.4 million people were infected with HIV and one in three babies born to HIV-positive women carried the virus.

"Almost all those with HIV are expected to develop Aids in time," the NACP said. "Average life expectancy may be shortened by perhaps 20 years, with a shortage of young and middle-aged productive adults and huge numbers of orphans — possibly one in three of all children — by the year 2010."

"Sex ratios will change as women die younger than men, and dependency ratios will worsen. All sectors of society and the economy will be affected."

The NACP said population growth would slow down and the population might even contract for a period although it would gradually recover. By mid-1995, there were 40,000 reported Aids cases in Zimbabwe. It is generally believed about two-thirds of cases go unreported." — Sapa
HARARE — Zimbabwe's largest merchant bank said yesterday that the country's unemployment crisis posed a serious threat to political stability.

First Merchant Bank urged the government to implement policies that would help stimulate investment and employment.

"First Merchant Bank said that in the past six years, 820,000 people had completed school with four years or more of secondary education, yet less than 100,000 jobs had been created. In the next five years, another 750,000 would complete four years at high school and more than 50,000 would stay on to write A-levels.

"We can already see signs of a potentially destructive course as the river of unemployed becomes a flood of angry, disillusioned people," the bank said. — Sapa."