ZIMBABWE

ANC ENDORSES MUZOREWA

[AN] Bishop Abel Muzorewa, one of the three African politicians participating in Rhodesia's interim government, has won a vote of confidence from his own political organization, the African National Council (ANC).

The Bishop's leadership has been challenged by four senior ANC officials, who argue that the majority of the country's black population no longer support the interim government and that Muzorewa should withdraw. The ANC dissidents, ousted from the party at the mid-August conference, included Byron Hove, the Muzorewa nominee who served on the interim administration as associate justice minister unitl he was fired for demanding swifter progress towards racial equality.

Hove and the other three ANC members expelled recently have gone to court to contest the legality of their expulsion.

The ANC meeting that gave Muzorewa a renewed mandate to continue in the government followed a rally at which the Bishop presented several guerrillas he claimed had defected from the Patriotic Front.

The black politicians who sit on Rhodesia's Executive Council remain under intense pressure from Prime Minister Smith to bring about a "de-escalation" of the guerrilla war.

Observers feel, however, that Muzorewa's claim to have enlisted the support of a number of deserters from the guerrilla army will carry little weight with Smith. With fighting continuing unabated throughout the country, the evidence overwhelmingly suggests that the Patriotic Front guerrillas have no intention of laying down their arms to join the internal settlement.

Numerous emissaries of Muzorewa and Sithole have been captured or killed by guer-

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SOUTH AFRICA

THE GOLD LINING

[AN] Indirectly, South Africa was a prime beneficiary of President Jimmy Carter's news conference last week (August 17). For after Carter failed to announce any steps to support the ailing dollar, the value of the American currency sagged on world markets, and gold prices rose.

Higher gold prices are a windfall for South Africa, the world's largest producer. "Each time the average annual gold price goes up by $10," the Johannesburg *Financial Mail* reports, "annual export earnings go up by roughly R200 m ($230 million)."

Lower dollar prices also help the economy. The South African currency, the rand, is pegged to the dollar, meaning it goes up or down at the same rate. As the rand drops in value (accompanying the dollar), South African export goods are cheaper in Europe and Japan and can compete more effectively in those important markets. This should contribute towards an improvement in the country's balance of payments problem, even while reducing foreign exchange earnings.

Analyzing the situation recently, the *Financial Mail* concludes "there is now only one missing ingredient for faster economic growth: foreign capital."

But higher gold prices also reduce South Africa's dependence on foreign capital, at least its most pressing need for short-term loans. Economists calculate that if gold remains around the $200 an ounce level where it has hovered in recent weeks, South Africa could earn at least $700 million more from gold sales than previously predicted.

The higher price also increases tax revenues for the government. The *Financial Mail* estimates an additional $300 million could result

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Volunteer cane cutters at Caxito during the 1976-77 harvest. */Guardian (U.S.)*

ANGOLA

THE HARVEST BEGINS

[AN] When Portugal's ruling military junta announced it would consider independence for the African colonies, some observers believed Angola was the one territory that Lisbon would hold onto. Angola possessed enormous economic potential, they argued, not only because of its oil, diamonds and iron ore, but also on account of its agricultural resources—its cotton, coffee and sugar.

Portugal, as it turned out, did grant Angola independence in 1975, but the war that followed ravaged the nation's once healthy economy. Fields lay unsown, factories ran at far below capacity, coffee exports dwindled even while prices on the world market hit unprecedented peaks.

In 1978, the Angolan government's efforts at reconstruction have seen some successes, and "the year of agriculture," as officials of the ruling MPLA party call it, has led to a remarkable improvement in the production of two important cash crops, sugar and coffee.

Hundreds of workers, students, government personnel and peasants joined forces to open the sugar harvest officially on August 1. Since the crop this year is far larger than the regular work force on the four major plantations can handle, however, the mobilization of still more volunteers will be needed.

In the cities, particularly the capital of Luanda and the port of Benguela, people are urged to take harvest jobs or to lend their support to one or more of the organized volunteer days.

Projections are that the sugar yield will hit 60,000 metric tons, a considerable improvement on last year's 50,000 tons but still short of the pre-independence peak of 80,000 tons.

A major reason for the general decline in production has been the sabotage of plantations by owners who departed at the end of the colonial era and the simple deterioration of farms and factories during a year of intense fighting. One of the most severly damaged was the plantation and processing plant at Caxito,