some faith in Japan as an alternative supplier.

Equally, Zambia hopes to see a rail outlet built that would run through the territory of its African nationalist neighbour, Tanzania, to the Indian Ocean. It is having some difficulty in finding the money ; even if the railway were eventually given the blessing of either the West's treasuries or the Chinese it would take at least seven years after that for the line to be completed and put into service. Thus Zambia's dependence on its white southern neighbours will be a fact of the whole area's political life for many years to come.

Yet Dr Kaunda has some strengths of his own. If he needs his 70,000 whites (the largest white population in black-governed Africa, a good many of them Afrikaners), they, for their part, depend for their continued comfort in this high-wage, luxurious copperbelt economy on his government's protection. It is surprising how few racial incidents there have been in Zambia since independence ; some whites have been prosecuted for insulting Africans in pre-independence language. But a lot depends upon the ability of Dr Kaunda and his colleagues to keep things cool.

This in turn will largely depend upon his government's ability to provide its people with more jobs and school places. It has the money, at least by African standards, with which to do this. It went into independence on a booming copper price and, with a population of around the same size as Malawi's, has a budget surplus this year of £16.7 million (compared with Malawi's £6¼ million deficit), and an estimated government revenue for the coming financial year of £84 million (compared with Malawi's £9.8 million).

In its first year (its budget runs from July to July), Zambia's gross national product increased by 16 per cent ; African earnings by an average of 19 per cent, gross fixed capital formation by 15 per cent, and employment by 10 per cent—while building plans are running at double the 1964 rate this year. The money thus made available has been turned to use in an interim development budget presented last January, in which the most ambitious feature was a one-year crash programme to double (to 8,453) the number of places for African children in the first year of secondary school. By July this year a start had been made on all 21 of the projected new secondary schools ; work on 1,200 new primary school classrooms was going slower.

Being thus in a stronger economic position than Dr Banda, President Kaunda can sound the tougher of the two about the struggle against white rule further south. He doubtless feels that a southern African settlement involving what would amount to a deal between the West and Dr Verwoerd would be a wicked abandonment of principle. Yet the links between his republic and the Afrikaners' remain. With luck, one day a Zambian government may feel sure enough of itself to be able to join in some kind of economic community with the South Africans, especially if this was done in the hope that it would lead to an erosion of the granite face of apartheid. Such a policy would be angrily rejected in Zambia today. But it might very well carry the Africans in the south a few steps nearer a tolerable life than would a policy of cutting Zambia's links with South Africa while waiting for a revolution.

Mr Smith's Rhodesia

When negotiations between the British and Rhodesian governments are still in progress it is dangerous to make anything like a prediction of the immediate future for Rhodesia. The negotiations are about whether or not Rhodesia should become independent, and on what terms ; the Rhodesian government's strongest card is the threat to declare independence unilaterally (even if that means ruining its own, and Zambia's, economy in the process) ; the British government's ace is its undoubted ability to squeeze Rhodesia's economy (and thus be forced to save Zambia's) if such a rebellion did, in fact, take place.

But " independence " is not really what the argument is about: the government in Salisbury has been able to do as it pleases inside Rhodesia for forty years. By banning the African nationalist parties, banishing the African nationalist leaders, and asserting control over the state radio and television stations, it is demonstrating that it can still do as it pleases.

But during the past ten years of its existence, Rhodesia has been under constant pressure from the British government to remove the colour bar to African progress (a bar very like South Africa's of twenty years ago) and to move towards African majority rule. Since the Africans outnumber the whites in Rhodesia by 18 to 1, this policy of Britain's has created such fear in Salisbury that almost every government elected there since the war has been to the right (on racial matters) of its predecessor.

Now even the present prime minister of Rhodesia, Mr Ian Smith, is reported to be under pressure from his own right wing, on the ground that he has not pursued hotly enough the trappings of independence that white Rhodesians seem to want so much. Their belief is that, once their own flag is flying, they will be free from pressure to give the Africans a slightly better place in the sun. In fact, this pressure is certain to continue (and to come from Britain as much as from any other country) right up to the day when Africans are effectively in the government in Salisbury.

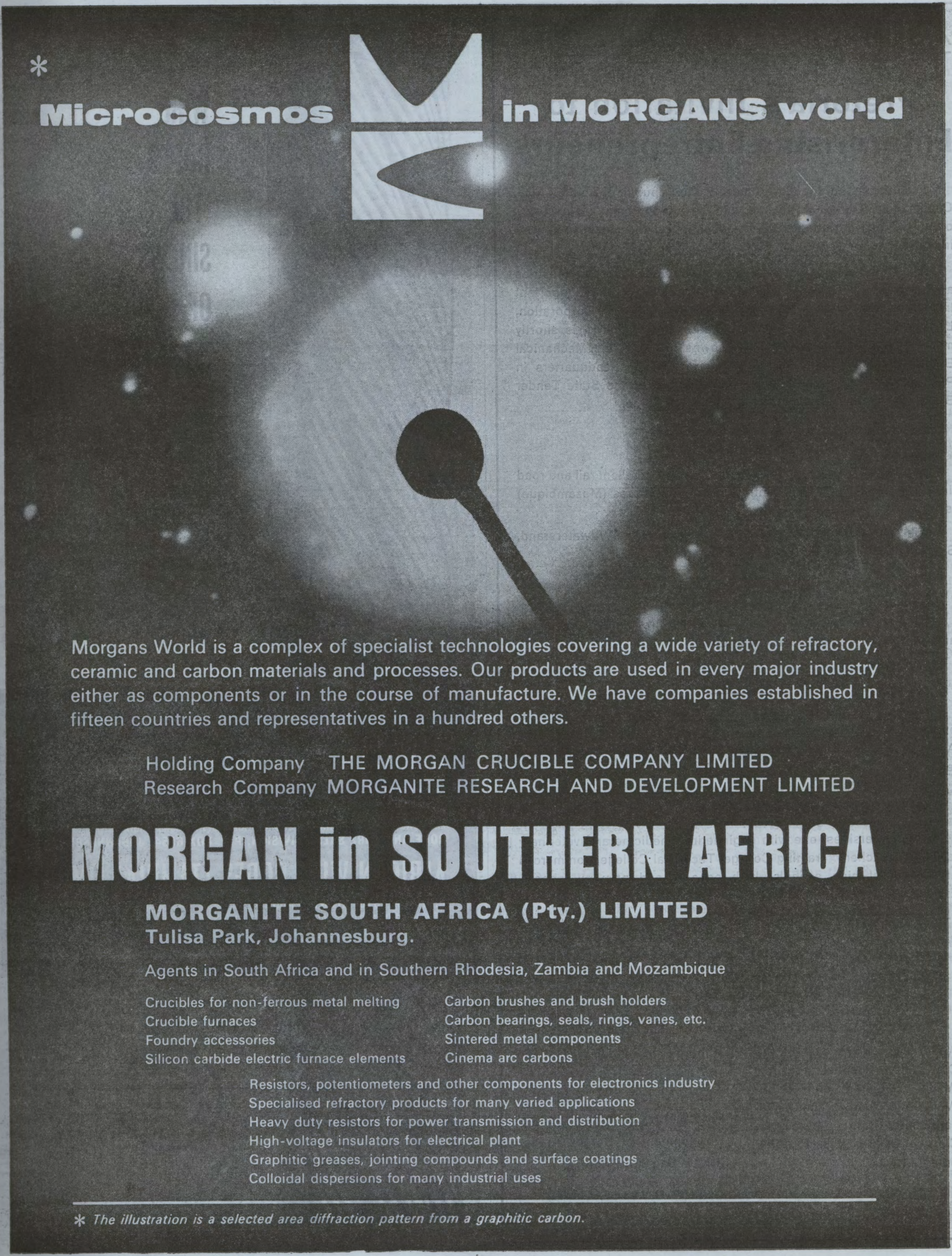
The white Rhodesians' strength has always been that they are backed by South Africa and the Portuguese. They concluded a fresh trade agreement with South Africa last November ; they are now seeking out new markets in Spain, France and Portugal. Their weakness has always been their dependence on Zambia and Malawi to buy the products of their expanding secondary industry, and the small proportion of white men in their territory.

When the federation broke up in 1963, the outflow of whites seemed alarming: altogether about 30,000 whites left the country in anticipation of the break-up, or as a result of it. But during the last quarter of 1964 the tide turned ; many Rhodesians who had fled to South Africa came back, and in the first six months of 1965 there was a net gain of 2,500 whites, making a total white population of 219,500. The increase in the African population in the same period, however, was 60,000, to reach a total of 4,020,000.

It is these figures that, in the coming few years, are the truth for Rhodesia. The economy is doing better than expected at the time of the federation's disappearance. Exports have increased ; there is a small budget surplus ; business confidence is creeping back. The air force and army, under Salisbury's control, could easily take on any likely African rebellion or invasion, in spite of being much smaller than South Africa's. Yet, with the whites far more overwhelmingly outnumbered than they are in South Africa, and with a far closer British involvement, Rhodesia has a fifty-fifty chance of being moved, somehow, towards majority rule quite soon.

Even if this were to happen, Rhodesia's economic involvement with the areas around it would make it as susceptible to the influence of the great white magnet as are the other southern African territories. Rhodesia could thus be the *casus belli* in a general black-white conflagration in southern Africa ; or it could take part in a general settlement of the region, maybe with some of its territory left as a white-controlled " white reserve " ; far more desirably, as a black-governed state.

Southern Africans, practising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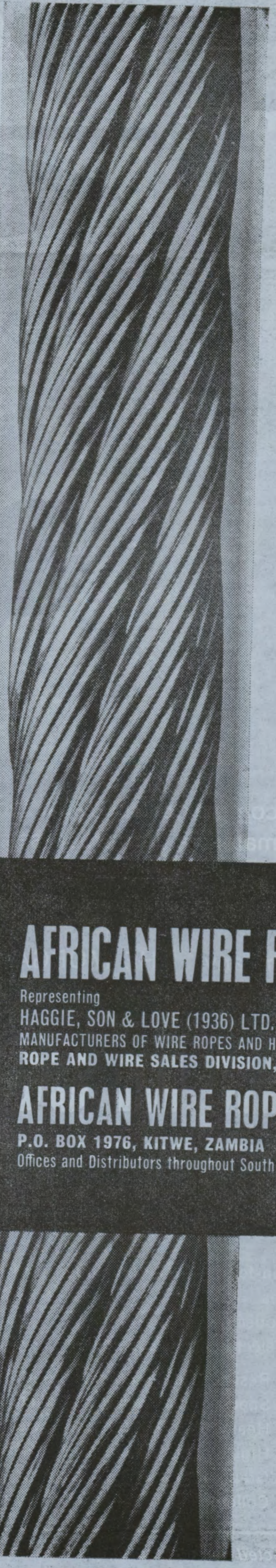

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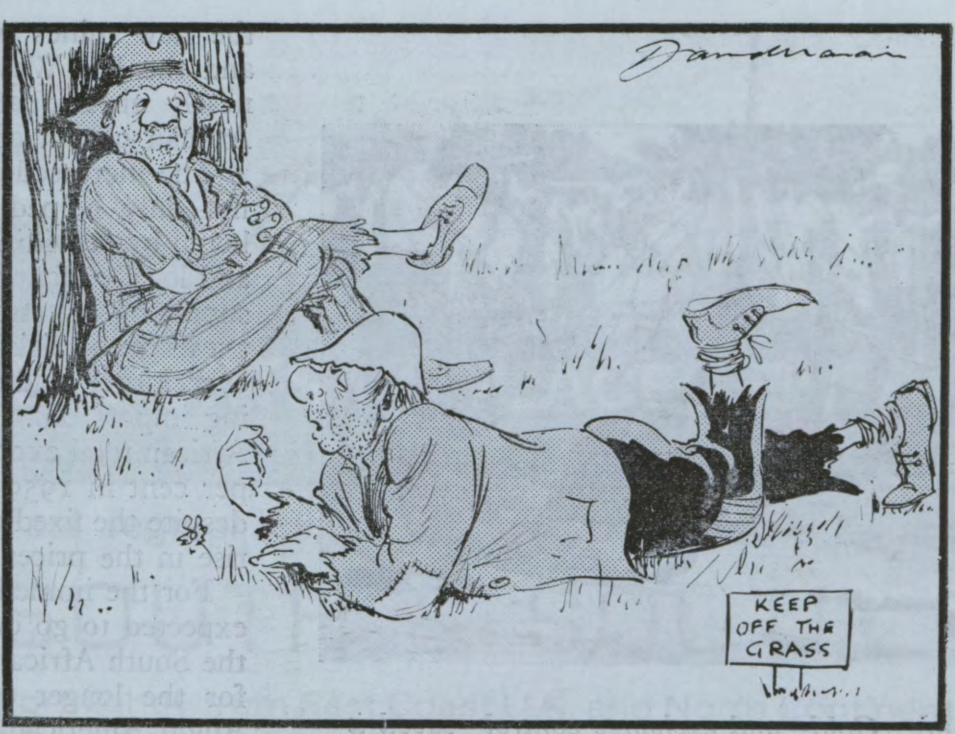
Marais's Free Press

SOUTH AFRICAN newspapers still condemn the government, but may print less and less of the evidence for their opposition. One man who soars triumphantly above these obstacles is Mr David Marais, the political cartoonist of *The Cape Times*. He escaped the frustrations of a parliamentary reporter by teaching himself to draw. His new medium gives him a freedom few of his editorial collegues enjoy. His world is one of sharply delineated, uncompromising rights and wrongs. Apartheid is a fraud and Dr Verwoerd a pious humbug. Mr Vorster, the minister of justice, positively bristles with the instruments of oppression. The countryside crawls with police narks, and likewise with puritan clergymen busily sousing vinegar over life. It is exaggerated. But not enough for comfort.



"I may be poor, but, thank God, I'm white"

ANATOMY OF AN ECONOMY

Two uncertainties face South Africa's economy. The immediate one is whether the present boom will be succeeded by a mere pause in expansion, or an actual downturn. The long-run question is whether racial barriers will be lowered not just unofficially (as they have been recently—see next page) but formally.

FOR the moment, economists' attention in South Africa is riveted on the last spasms of the boom that began in mid-1961. It is taking the devil's own time about its operatic death. Like nearly everyone else, the government underestimated the sheer strength and runaway momentum of this expansion. It thus missed the best moment for intervention, which was probably at some point in the last quarter of 1964. The restraints that were finally applied in the early months of this year failed to get the economy off the boil in time; up to the beginning of the second quarter employment, manufacturing output, retail sales, consumer prices, bank credit and mortgage loans were all still rising to record or near-record levels. Despite a disinflationary budget and complementary credit restrictions, the obstinate boom has continued to attract a flood of imports and the official reserves have been run down at an alarming rate to pay for them. The reserves fell by some 30 per cent between last November and the beginning of June, when they were down to £177 million, or the equivalent of about two months' imports.

The South African government is thus neatly trapped in a classic dilemma. If a balance-of-payments crisis is to be averted this year, there is no longer much time left in which to discover whether the existing restraints will suffice. On the other hand a further tightening of the screws now carries the risk of turning a proposed easing off into a real recession. Saving only the possibility of a sterling-rand devaluation (which would instantly transform South Africa's economic situation) the only certainty is that the major cyclical expansion that began in 1939 is about to be interrupted for a sixth time since the war.

If the last five occasions are any guide, the coming slack could last for a year to eighteen months. The underlying strength of the economy and its capacity for sustained growth is by now taken for granted by South Africans, whose confidence has been steadily reinforced by each of the previous swift recoveries, and most of all by the dramatic revival a year after the shootings that took place at Sharpeville in 1960.

Yet the economy still leans very heavily on two very special props: gold and the restraints on the repatriation of foreign assets that were introduced in 1961 (it was only after these were imposed that the last turnabout began). Even so, there has been a significant though diminishing net outflow of private capital in each of the past five years, and if the restraints were ever lifted it is highly likely that the initial reaction would be a flood of capital out of the country for fear that they might be reimposed. Yet this grave risk may have to be taken at some stage if the net capital inflows of the ten years to 1956 are to be resumed.

Since the war, the government has tried to lessen the country's very heavy dependence on gold and its reliance on imports of consumer goods by stimulating secondary industry and the exploitation of other resources, such as iron ore and phosphates. But the process still has some way to go. The proportion of the economically active population in mining has declined since the war by only about 2 per cent, to 10 per cent; the proportion in manufacturing has risen undramatically to about 12 per cent from $8\frac{1}{2}$ per cent. The process has been equally unremarkable in the rise from 20 to about 26 per cent in manufacturing's contribution to gross national product since 1946, compared with a rise of only 1 per cent to 13 per cent in mining's.

But it is the government's contribution (including spending on the large defence and police apparatus) that has boosted the gross national product even more than the growth of manufacturing; indeed, at over 30 per cent, government spending makes by far the largest single contribution. Thus the postwar period has seen a small increase in the relative importance of mining, a somewhat larger increase in the relative importance of secondary industry, and a larger expansion still in the public services. The result is an economy deriving almost half its total domestic product from a combination of gold and a heavily swollen public service, with over 40 per cent of the income needed to pay for imports provided by gold alone. On this concentrated basis, South Africans, like Australians, achieved a 47 per cent increase in real national income a head between 1946 and 1963.

A further broadening of the base of the economy is a major target of South Africa's first economic development plan, published last December. This envisages for the six years to 1969 an annual growth of $5\frac{1}{2}$ per cent in real gross national product, and a further increase, to 28 per cent, in manufacturing's contribution to it. The target compares with an average annual growth of just over $4\frac{1}{2}$ per cent in the 18 years to 1963, $7\frac{1}{2}$ per cent in 1963 itself, and about 6 per cent last year. The government's part will be confined, in the main, to stimulating the envisaged expansion by fiscal means; the actual development will be up to the private sector.

The biggest hurdle ahead is the supply of labour. The planners have conceded that, even assuming a net white immigration of 20,000 a year, there will be 239,000 unemployed non-whites in 1969 and 47,000 vacant posts for whites. The government's officially stated policy is to overcome the problem by encouraging industries to establish themselves in the African "homelands" or on their borders, where the use of non-white skilled labour would be permissible. Yet this is unlikely to be a practical solution for those industries (building among them) where labour scarcities have been causing the worst bottlenecks.

SOLID GOLD

The shootings at Sharpeville rocked the economy. Gold—and exchange control—saved it

SOUTH AFRICA has golden foundations. Gold mining has always had an important stabilising influence on business fluctuations in the republic. It came to the rescue again after controls on the repatriation of foreign assets stopped the 1960-61 drain on the reserves; the subsequent increase in the output of gold soon led to a sharp rise in the reserves which shot up from £75 million in mid-1961 to a record of £260 million by September 1963.

As bank liquidity rose, interest rates fell sharply in 1962 and 1963. Easy money, coupled with a revival of confidence, helped bring about the spectacular recovery and boom that is now having to be slowed down. The large part that gold production played in this recovery can be seen in the rapid rise of output from £250 million in 1959 to £365 million by 1964, an increase of 46 per cent. In addition to its monetary stabilising influence through the balance of payments, there was also the impetus given by the increasing demand of the mining industry for supplies, equipment and labour.

Normally gold mining, with the fixed price of its product, tends to slacken when the economy as a whole expands; this is because of the attendant rise in costs and competition from other industries for scarce resources, particularly labour. And in the latest boom several mines on the old Rand did close down. But the loss of output from them was more than offset by increased production at new high-grade mines that were able to absorb rising costs. Production in the new mines of the Orange Free State and the Far West Rand now accounts for nearly three-quarters of the total South African output of gold.

The increased production of these mines not only helped to sustain the economic boom by providing extra demand for labour and locally manufactured goods, but also by supplying investment capital for local industry from the rising profits of mining. Moreover, larger gold sales helped pay the growing import bill. Gold as a share of South African total exports rose steadily from 38.8 per cent in 1959 to 43.6 per cent in 1964, despite the fixed price of gold and the rapid rise in the prices of most other exports.

For the immediate future, gold mining is expected to go on giving strong support to the South African economy, but the outlook for the longer term is less certain. The Anglo American Corporation predicts that output will reach its peak within five to ten years and then begin a steady decline. A more pessimistic forecast published recently in the magazine *World Mining* suggested that a decline in production may begin as early as 1968 and that output could fall very rapidly to only 8½ million ounces by 1987, from over 29 million ounces last year.

But South Africa's mining industry confidently expects a rapid expansion of world demand for uranium by about 1970. If this comes about, it would go far to offset any decline in the output of gold. More important is the expansion and diversification of South African industry, which has steadily lessened the country's dependence on mineral and primary production in the years since the war. It is expected to go on doing just this.

WHERE THE BLACKS ARE MARCHING IN

If there is one thing white South Africans need, it is the thing they most fear: more Africans in the towns

IN industry, the thin white line is daily being breached. South Africa's government is still keeping all the legislative apparatus of economic apartheid carefully intact, but it is turning Nelson's eye on a steady influx of Africans, Coloureds and Indians into spheres of activity formally labelled, either by statute or convention, "whites only." It does not relish what is happening and the Afrikaner trade unions oppose it. But neither can stop the process. It is no longer possible to squeeze the skills required for the development of a country of 17 million people from the inadequate upper crust of 3½ million whites, especially while economic development is seen as the surest safeguard against foreign interference.

Thus the non-white advance in industry is surreptitiously being encouraged. In the rapidly expanding metals industry, which employs 250,000 workers and accounts for nearly half of South Africa's industrial activity, all orders reserving specific jobs for specific races have been suspended. In the gold mines, where traditionally the job colour bar is most rigid, an experiment in allowing Africans to do some supervisory work (over other Africans, not whites) underground has been going on for nearly a year, with the government's approval. Africans now drive more than half the earth-moving and other machinery used in road-making.

Even in the government-operated railways 14,000 non-whites have taken over unskilled jobs formerly kept strictly for the now diminishing pool of predominantly Afrikaner poor whites; some have even moved into the semi-skilled grades, where they repair trucks and do rough carpentry and simple welding. Mr J. H. Liebenburg, the president of the Railways' Artisan Staff Association, says: "The takeover is still very slight, but the tempo will increase in the next three or four years if economic development continues at the same pace."

It is hard to estimate how many Africans have broken through the industrial colour bar, since the bar itself is as much the working of an unwritten code of discrimination as an actual legal barrier. Mr Tom Murray, the former president of the Trade Union Council of South Africa, reckons that some 12,000 non-whites have taken over skilled and semi-skilled industrial jobs that were closed to them only two or three years ago. And all are earning equal pay with whites: the white trade unions insist on this to protect their members from undercutting.

The most striking gains have been made by the mixed-blood Coloureds of the Cape Province. Fifteen years ago probably not more than a dozen Coloureds in the western Cape earned £500 a year; now there are an estimated 17,000, with a further 5,000 earning £1,000 or more. Better educated than the Africans and less restricted by law and custom, the Coloured people now con-

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stitute three-quarters of the area's industrial labour force. Everything eaten in Capetown has been sown, harvested, processed, packed and possibly even sold by Coloureds. Almost all the city's new houses and office blocks are being built by Coloureds. It is becoming rare to see a white man on a western Cape factory floor; frequently only the top managers are white, while at least one factory has a Coloured supervisor with whites working under him.

It is in the factories, too, that the Africans are advancing most rapidly. In the large motor assembly plants of Port Elizabeth they are putting vehicle bodies and even engines together; a bicycle factory in the Transvaal town of Springs has 105 African men minding machines under four white supervisors. Mr E. H. McCann, secretary of the 20,000-strong Amalgamated Engineering Union, says: "It can stop only when there are enough white workers available."

But will there ever be enough white workers? The present rate of economic growth is far outpacing any possible rate of white population growth (immigration included), while white productivity is falling as inefficiency enjoys the protection of shortage, and need rather than merit dictates the appointment of foremen and supervisors. The National Federation of Building Trade Employers has gloomily observed that South Africa is now reaching a stage where the building industry "will have to rely increasingly on [white] recruits of a

Afrikaners who Mean Business

NOT the black African word *uhuru* but the white Afrikaner word *vryheid* was the first slogan of freedom in Africa. After winning political control in 1910, the Afrikaner trekkers of South Africa sought economic equality with capital that had originated from abroad, and whose English-speaking owners inspired an economic inferiority complex in most Afrikaners. Now that they are becoming big businessmen themselves the hope is that the Afrikaners will one day feel strong enough to work with the still dominant English-speaking capitalists. Perhaps this will help spread a more flexible approach to race relations, at least in the economic sphere.

The conscious desire of the Afrikaners to secure higher economic stakes was expressed at a special conference in Bloemfontein in 1936. It was realised then that identifiable Afrikaner capital could be accumulated only through the savings of people who, largely, were farmers, white collar workers and labourers. Insurance and small savings banks were the best for this. One life insurance company, Sanlam (Suid Afrikaanse Nasionale Lewens Assuransie Maatskappy), led by Mr C. R. Louw and Dr M. S. Louw, which stemmed from this way of thinking, went vigorously ahead. During the war Sanlam funds went into Federale Volksbeleggings, an investment company, and Bonuskor, another investment company that derived its capital from the cash bonuses that Sanlam paid to its policy holders.

When Dr Malan's Nationalist government took power in 1948 Sanlam's total assets were £15½ million; its income was £3.7 million a year. The opportunities provided by patriotism and patronage were many. By 1964, Sanlam's assets amounted to £121.8 million, with an income of £26 million a year. Thus over the past two decades, and possibly the past five years in particular, Afrikaner capital has stimulated development to a degree not reflected in balance sheets. Its entrepreneurs have set up privately owned new industries; the government's Industrial Development Corporation, which operates with and through private capital, has also marched ahead. Such nationalist-inspired capital is concentrating on secondary industry, which perhaps has a longer future than mining.

The aristocrat of Afrikaner finance is 49-year-old Anton Rupert. He was the first Afrikaner industrialist to challenge and beat an entrenched overseas-controlled monopoly, the United Tobacco Companies, a subsidiary of the British America Tobacco Company; he went on to new conquests abroad. His Rembrandt Tobacco Corporation, financed by Sanlam and its associates, bought Rothmans and Carreras in Britain, extended the Rothmans operation into other countries and launched Peter Stuyvesant cigarettes on the world market. Mr Rupert is the inspiration behind the £7½ million Oude Meester Cellars, a new liquor grouping which, together with Whitbreads of England and Heinekens of Holland, is challenging the beer monopoly of South African Breweries—itself a leading distributor of wines and spirits. In this enterprise Mr Jan Pickard, a former Springbok rugby player, is closely associated.

Motors, long dominated by the subsidiaries of overseas companies, is an industry under challenge from both Mr Albert Wessels, whose company Toyota (South Africa) has the franchise to build in South Africa the Japanese Toyota vehicles, and the Bekker brothers who hold the Datsun-Nissan franchise. Mr Wessels, warm and understanding (his intenseness has mellowed), is welding Afrikaner capital, mining finance capital from the English-originated Johannesburg Consolidated Investment Company, and public money into a group with a future. Toyota S.A. will also assemble the French Unic trucks; this might ease Leyland's grip on the market.

Afrikaner industry has even acquired a stake in mining through the combination of Federale Mynbou and General Mining. This is led by 56-year-old Mr Willem Bedford Coetzer, a gracious man who moves as easily in the Rand Club as he does on a Bushveld farm. He is assisted by the brother of the minister of foreign affairs, Mr Tom Muller, a mining engineer and a competent organiser. South Africa's large fishing industry is dominated by the aggressive personality of 45-year-old Mr Andre Pierre du Preez who, backed by Bonuskor and Sanlam, has made a million for himself in the process of welding small companies into larger ones and by exploiting efficiently the fishing concessions given by the government. He is tough, chunky, a rugby forward in business. Afrikaner finance is moving into sugar, once the jealous preserve of the English colonials of Natal; into fertilisers, once a monopoly controlled by ICI and De Beers; into building aeroplanes for the government; into shipping, engineering, textiles and construction. Behind many of these projects are Sanlam, Federale Volksbeleggings and the Afrikaners' own American-style Trust Bank.

Mr A. D. Wassenaar is today the mainspring in Sanlam. He is an actuary with a business sense, ambitious, acquisitive, a professional manager spurred on by patriotism and profits. Mr Hendrik Brink has built Federale Volksbeleggings into a £20.2 million corporation whose funds percolate everywhere. Rotund, he is a school teacher turned accountant. And the man of the future is Mr Jan Marais, 46, an urbane extrovert of extraordinary charm, who has shaken the banking structure of South Africa to its foundations by taking the stuffiness out of it. Not for him the stodginess of English banking, which had been translated to South Africa almost without change. He chose the American approach and, backed by the resources of the floating cash in the Sanlam-Federale Volksbeleggings coffers, he has led the Trust Bank through hire purchase finance, personal lending and loan finance for companies until it has now become the country's third largest bank, with assets exceeding £135 million. One day all this new business is going to find that it needs richer Africans to be its customers, and more skilled ones to do its work.

poor type as far as mental capacity and educational standards are concerned."

In the building trade Africans have not yet been able to advance very far: the gap that separates skilled from unskilled jobs is too wide. Yet the industry expects its labour requirements to increase by 52 per cent over the next four years. It will not find these extra men in the white population.

It is not enough for the government simply to turn a blind eye on the colour bar: it is asking too much of industrialists to expect that they can go on planning costly expansion programmes on nothing more than a vaguely understood assurance that the laws will be bypassed and the labour actually forthcoming when it is needed. And even if the statutory barrier were to be scrapped altogether, this woul be largely meaningless unless it wer accompanied by a prodigious state pro gramme to help Africans acquire technica skills. An infinitesimal 0.1 per cent of th economically active African population i educated to matriculation standard—a hand ful that cannot provide for the limited need of the Bantustans, let alone the broade needs of the whole South African econom Moreover, although the apprenticeship law do not contain racial restrictions, Africar are not allowed to attend white technic colleges and so cannot obtain theoretic instruction; employers will not indentur them and white artisans will not give the training.

If Africans are to meet the manpowe shortage—and there is no one else who ca —the government will have to remove suc obstacles. It will have to overhaul th "Bantu education" system, throw out th present inferior syllabuses and step up i financial support so as to raise dramaticall the present inferior standards. It will hav to preach against prejudice and provide fo the training of African artisans. It wi have to allow African admission to the tech nical colleges and readmission to th universities formerly open to all races. I might have to remove discriminatory law and give Africans full trade union right But has there ever been a government cap able of repudiating its own entire history

EVEN THE PORTUGUESE

Dr Salazar is 76: after he leaves office the still-stubborn Portuguese might become willing to move their African colonies towards independence. "Domination" is not such a horrid pros pect as for the South Africans. Their attitude to blacks is differ ent from the Afrikaners'; and they have a homeland in Europe.

Two military events in the past year, both of them tiny by the big world's standards, have changed the political balance within Africa. The first was the tough nonchalance with which a few hundred white-skinned hired soldiers brought the north-eastern Congo to heel after its rebellion against Mr Tshombe. The second is the fact that since last September the Portuguese—even the Portuguese, is how Afrikaners put it—have been calmly coping with three "rebellions" at the same time. Of the two, the second is the more important. Since 1961 the Portuguese have been challenged three times by insurrections supported by black neighbours: in 1961 in Angola; in 1963 in Portuguese Guinea; and since September 1964 in Mozambique. Hardly anybody thought they could hold their own in all three. Yet they seem to be managing; if they can, what have the whites further south to fear?

In Angola, the rebels of the Bakongo tribe have been penned up for nearly three years inside a sack-shaped stretch of forest in the north of the country touching the Congo border. The coffee is growing again around Carmona, and one bounces along the red-dirt roads near the rebel jungle with only a small itch in the small of the back. Stalemate has also descended on Portuguese Guinea, with somewhere between 20 per cent (the government's admission) and 40 per cent (the rebels' claim) of this little territory in insurgent hands; the exact figure is not very important because most of the occupied area is swamp and jungle.

In Mozambique there have been three outbreaks of fighting since trouble began last September. One, on the Malawi border, has now died away, with the rebels (or invaders, according to the Portuguese version) having pulled back into Malawi after some brisk skirmishes with a Portuguese-officered company of African troops. In the far north-west of Mozambique, along Lake Malawi, rebels continue to make occasional forays from training camps in Tanzania; among the recent casualties was a black Anglican missionary. But the main centre of disaffection is the area inhabited by the Makonde tribe in the north-east. Here the rebels, with more camps in Tanzania to fall back on, are in much the same position as the Bakongo insurgents in Angola.

They can deny a fair stretch of country to the Portuguese, and ambush intrudi patrols, but they have had little or no su cess in spreading outside their prese pretty narrow area of control. The Port guese, with a couple of battalions of troo in the northern trouble areas and reserv waiting further south round Beira a Lourenço Marques, look pretty unruffle Their highly efficient police rounded up tw or three hundred members of African opp sition groups in Lourenço Marques at t turn of the year; some of these have sin been shown to visitors, including a poet a a painter who say, which may or may n be true, that they have been allowed to on writing and painting in prison. T total number of Portuguese troops killed action between September and June in three Mozambique trouble areas is 2 according to the official figures; one fin no reason to doubt them. All in all, it loo as if any potential rebellion in the tow has been cut off at the roots, and the insu rection in the north can be contained unle somebody puts a lot more effort into it.

Unlike the South Africans, then, t Portuguese have had to face an armed ch lenge to their power. Unlike the Sou