

Economic ties with SA even closer

One of the many ironies of the southern African situation is the love-hate relationship between South Africa and Mozambique. The one country which on present form would never contemplate entering into any form of association with the rest of southern Africa, Mozambique would virtually collapse if it were not for the economic umbilical cord that binds it inextricably to South Africa.

If it were not for the pompous speeches vilifying the Pretoria government which Frelimo leaders feel obliged to make at international gatherings, people would think South Africa and Mozambique were the best friends in the world.

Indeed, the prophets of doom who believed any form of co-operation between the two countries was unthinkable after Mozambique became independent and turned overnight into an orthodox Marxist-Leninist state, were proved utterly wrong. If anything, co-operation between communist Mozambique and

high-powered mission of South African businessmen, industrialists and financiers paid a visit to Maputo as personal guests of President Samora Machel. Communist Mozambique gave the visitors a most capitalistic welcome.

Co-operation and understanding reached a new peak last February when the top executives of the railways, harbours and airways of the two countries met in Johannesburg to sign an agreement bringing up to date the 1970 document which has continued to be in force since independence in 1975.

Both Dr J H G Loubser, general manager of South African Railways, and Alcantara Santos, national director of the Mozambique Railways and Harbours Administration, stressed the importance of the new agreement which was widely acclaimed as "history-making".

During a nationally televised Press conference, Santos announced that the rail line between Maputo and the South African

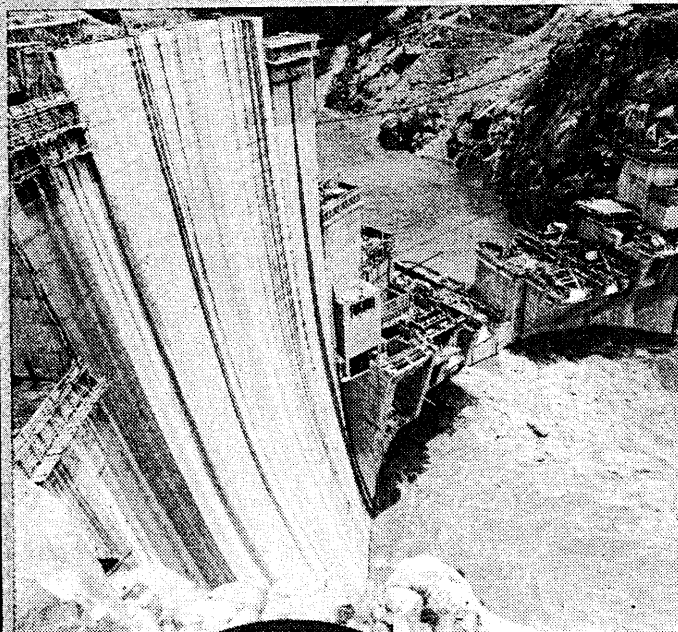
border is being renewed to reach the same standard as that of SA Railways in the eastern Transvaal. He described the southern Mozambique ports of Maputo and Matola as "the natural ports of the Transvaal".

For Mozambique, the boosting of rail traffic from last year's six million to 12 million tons in 1980-81, would mean a big step towards the recovery of its ailing balance of payments.

The same applies to the huge payments being made to Mozambique for the supply of Cabora Bassa power to South Africa, currently running at a rate of 1470 megawatts.

Although the number of Mozambique mineworkers in the Republic has fallen sharply from more than 90000 in 1975 to the present 30000 and payments in gold have been revalued, the supply of labour still represents a substantial source of revenue to the hard-pressed Maputo government.

Political problems have so far only arisen in the revival of the tourist flow from South Africa to Mozambique which authoritative sources estimate to have a foreign currency earning potential of some \$100 million. The Maputo government shows reservations in allowing tourists to move freely in a country still politically unstable.



Cabora Bassa being built: power at half cost of SA production

capitalist South Africa is, in certain fields, much closer than it ever was when the Portuguese ruled.

Cabora Bassa power keeps flowing undisturbed to the Apollo sub-station near Pretoria; more than 30000 Mozambicans work in the Rand gold mines; rail traffic from the Transvaal to Maputo is to be doubled from about 15000 tons a day to 30000 in the next two years; and South Africa is providing the finance and know-how for spectacular improvements to the Maputo port and the Mozambique railways network.

Although there were never any interruptions in the two-way traffic of trade and technical delegations, relations at non-official level got a tremendous boost when a