

OPENING ADDRESS BY HIS EXCELLENCY PRESIDENT KGOSI LM MANGOPE

Read by The Hon A M Kgomongwe at the FSSA Twenty-second Ordinary General Meeting, Sun City: 5 March 1981

Vergun my om in die eerste plek die verskoning van Sy Eksellensie, President L M Mangope, aan te bied. Sy Eksellensie het met verwagting uitgesien na hierdie geleentheid om u, as verteenwoordigers van 'n bedryf wat ten nouste gemoeid is met die ontwikkeling van ons jong land, by hierdie geleentheid te ontmoet. Ongelukkig is hy weens dringende Staatsake verhinder om vandag hier te wees. Hy het my egter versoek om sy allerbeste wense aan u oor te dra vir 'n suksesvolle en aangename jaarvergadering en konferensie.

Dit is dan ook vir my 'n groot eer en voorreg om u vandag hier namens die Regering en die volk van Bophuthatswana te verwelkom. Ons voel geëerd deur die feit dat u besluit het om u jaarvergadering hier te kom hou. Dit is ook betekenisvol en bemoedigend dat u as tema die landbou-ontwikkeling van 'n ontwikkelende gebied soos Bophuthatswana gekies het.

We live in a hungry world. At this very point in time, it is estimated that more than half of the total world population does not have access to, or cannot afford, a well-balanced diet. As many as 500 million people are, in fact, suffering from malnutrition or lack of food to the point of starvation.

These facts, as well as the ever-widening gap in economic development between most of the so-called First World countries and most of the Third World countries has, over the past few decades, led to increasing world tension. A conflict between two worlds — the one rich, the other poor — is developing and the battlefield is the world itself.

A previous Minister of Overseas Development in the United Kingdom called this a "time bomb for the human race". Many of the anomalies and contradictory situations in modern world politics can be directly or indirectly related to this conflict between haves and have-nots. This probably prompted Albert Einstein to say that "an empty stomach is not a good political adviser".

Bophuthatswana and other less developed areas in Southern Africa cannot, without qualification, be classified as Third World areas. On the other hand, the Republic of South Africa cannot, without qualification, be classified as a First World country. There are, however, enough similarities in the situation to justify my using some of the arguments to compare our relationship.

A few years ago Time Magazine did an in-depth survey of the Poor versus Rich world situation. The writers tried to formulate plans of action which might de-fuse the growing tension. Their message to the Developed or so-called Rich countries was:-

- 1. Increased financial assistance at low interest rates should be provided to developing countries.** Such aid should be based on viable projects and should basically follow the examples set by the World Bank — well planned, financially sound and properly managed development projects.
- 2. The emphasis in aid programmes should be on increased food production** and at the same time attention should be given to storage and distribution facilities. It is a well-established fact that those developing countries that gave the necessary initial priority to the development of well planned agricultural programmes, have had measurably more economic and social benefits than those that stressed prestige industrial and other projects.

3. Developed countries should eliminate barriers to the imports of the less developed areas' goods. In this respect the problems that the Bophuthatswana farmers experienced in the past to find a suitable market for their cattle is a classic example. The present quota of 150 head of cattle per week that we may market in the Controlled Areas of the RSA — which was only recently obtained through the efforts of Agricolor — represents less than 20% of the total number of cattle marketed. For the other 80% the farmers are still largely at the mercy of speculators who buy the cattle cheaply at our auctions — often to be resold in the RSA at a profit.

4. The technology and research that is exported to less developed areas should be specifically suited to local conditions. Where unemployment is still a serious problem in Bophuthatswana, potential investors should take a serious view at creating labour-intensive undertakings. The short term advantages of highly-mechanised installations creating only a few new job opportunities should be carefully weighed against the long term social unrest and possible revolution inherent in a system where large-scale unemployment exists.

Whilst we in Bophuthatswana are, to a large extent, at the receiving end in the development process, people might reason that it is not for us to judge whether the "donor country" conforms in all respects to the four stated criteria. It would be an easy task to cash in on and obtain some cheap political publicity from mistakes made by the Republic of South Africa in the past in the process of developing an area such as Bophuthatswana. We have, however, set our eyes on the future. We have hope for the future and therefore I am of the opinion that today it should be sufficient to appeal to everyone involved in the development of Bophuthatswana to evaluate their strategies against these logical requirements which I have just quoted.

Time Magazine, however, also addressed itself to the developing areas and suggested six norms which should logically lead to a narrowing of the gap between the two Worlds. In this respect, I feel free to comment, because it is our own policies that will be weighed and judged. I will leave it to you, my audience, to decide whether we, in the short period since independence, have succeeded in conforming to these requirements.

1. First and foremost is the requirement to stress agricultural development.

Not only must the countryside help to feed the nation, it must also provide savings to fuel future growth and it must be able to consume more and more goods produced by the developing industries of the country. In this particular field I can boldly state that my government has passed the test in no small measure. Since independence it has been our stated policy that agricultural development receive the highest priority in our development budget. We have even gone to

the extent of creating a special State Corporation, namely Agricoor, to give its full-time attention to this task. The fact that maize production has increased tenfold in recent years speaks for itself. Our first 50 000 ton silo complex was filled to capacity with our crops during the previous season and we had to make use of facilities in the RSA for the storage of the balance of the crop.

The construction of the second, even bigger, silo complex has been started and should be in operation during the coming season.

At this point in time, with a bumper maize crop on the lands, we have high hopes that Bophuthatswana will, after the harvest season, be self-sufficient as far as maize is concerned.

2. Population growth should be limited.

My government is well aware of the fact that, as the American economist Rawle Farley puts it, "we are in an anxious race between demography and development". Our Department of Health and Social Welfare has, therefore, over a number of years, been active in an educational programme to explain the benefits of family planning to the broad public. I must, however, quote the fact that throughout the world, with a few very rare exceptions, it has been the experience that unless such educational programmes go hand in hand with an improvement in the general standard of living, the effort is often wasted.

3. The educational systems should stress vocational training.

Because students preferred to major in the humanities, arts and social sciences, most poor nations have plenty of lawyers and graduates in literature but woefully few engineers, technicians and mechanics. The Bophuthatswana Commission on Education which my government appointed in 1978 immediately recognised this same weakness in the system we inherited and concerted efforts are now being made to rectify this situation. Our Department of Education is giving priority to technical education and our new university will be unique in this respect: It will be strongly biased towards vocational training. In the desperate times we live in, we can no longer afford the luxury of training merely for the sake of training.

4. Private entrepreneurship should be encouraged.

Because of a widespread ideological and often emotional commitment to the need for an "equitable" distribution of income, entrepreneurial initiative is often discouraged — and with it the dynamics needed to spur economic development. Although incomes are unevenly distributed during the early stages of industrialisation, they gradually become more equitable as development increases. Realising the inescapable truth of these facts and also aware of the fact that the free enterprise system offers the best opportunity to provide a rapid improvement in the general standard of living of the nation, I have stated on numerous occasions that my government is firmly committed to the principle of free enterprise. It is, however, our wish that the harsh driving force of the profit motive always be tempered by a sincere sense of social responsibility towards those who make these efforts possible, namely, the ordinary worker.

5. Prestige projects should be avoided.

With the possible exception of the city nucleus of Mmabatho, our capital, you will find very little evidence

of so-called prestige government projects in our country. There is a complete absence of golden beds and baths. The Mmabatho development must be seen in the light of the fact that any nation with pride in itself has the wish to also have pride in its national capital. Although it can be regarded as a prestigious project, any careful examination will prove that everything is planned to be functional and practical. Our budgetary emphasis on development aspects such as agriculture, mining, industry, commerce and tourism should suffice to prove our commitment towards a sound and balanced economic strategy.

6. Foreign investment to be encouraged.

Bophuthatswana encourages and welcomes foreign investment. We have committed ourselves to a policy of ensuring the safety of any outside investment. I have dealt with this aspect at several investment conferences and will therefore not elaborate on this well-known fact today.

Having discussed the six criteria mentioned by Time Magazine, allow me to add another factor, which is perhaps of even greater importance in our particular circumstances: the aspect of mutual trust.

We all are, or should be, acutely aware of the ever-increasing inter-dependence between Bophuthatswana and the RSA. Unless there is a strong element of trust and faith in one another it would not be exaggerating to state that we, who have been thrown together in this part of the world, are surely doomed.

This element of trust works both ways.

We, in Bophuthatswana, through the act of opting for independence, have in fact placed a tremendous amount of trust in both the Government and the Private sector of South Africa. We do not, as other developing countries, have access to the World Bank and other international development funds.

We do not have United Nations agencies to render all types of supporting services in the immense development programme with which we are faced. We assumed and accepted the fact that these essential requirements would have to be met, at least initially, by the more developed economy of South Africa.

On the other hand, the South African industrial and trade sector cannot expect to continue regarding Bophuthatswana merely as a labour reservoir and a lucrative market for their products. We still offer our labour to industry, mining and agriculture — but to combat the evils of a migratory system, we prefer to offer it within our borders. We also prefer, where possible, that the merchandise be, in fact, produced within our country.

How do these facts relate to the fertilizer industry? Whereas the South African fertilizer market expands largely as a result of higher applications of fertilizer per unit area, the Bophuthatswana market is increasing by leaps and bounds as a result of both high applications and the expanding of new areas brought into production. An annual increase in fertilizer consumption of at least 30% has been maintained over the past few years and should continue into the foreseeable future.

Although the volume of fertilizer consumption in Bophuthatswana does probably not warrant the establishment of a full-scale manufacturing facility at this stage, the nucleus of a fertilizer industry could possibly be established, for instance by transferring the mixing and bagging functions to a facility in

Bophuthatswana. Furthermore, with vast deposits of lime in our area suitable for agricultural use and a growing demand for this commodity, another agricultural related industry seems to be more than feasible.

Bophuthatswana has the opportunities and the need for development. The fertilizer industry has the know-how, the skills and the capital resources. Let us join hands in developing our wonderful resources to the benefit of all

the people on this sub-continent.

Alvorens ek afsluit, Mnr die Voorsitter, wil ek die geleentheid gebruik om u vereniging te bedank vir die waardevolle tegniese en opleidingshulp wat u gedurende die afgelope jare aan Bophuthatswana gelewer het en nog steeds lewer. Hierdie onbaatsugtige diens word hoog op prys gestel.

Dit is nou my voorreg om hierdie byeenkoms amptelik geopen te verklaar.