

SIGNING OF AN AGREEMENT WITH THE DEVELOPMENT BANK  
OF SOUTHERN AFRICA FOR A PILOT RICE-GROWING  
PROJECT IN THE INGWAVUMA AREA

10TH SEPTEMBER 1985. ULUNDI

A FEW REMARKS ON THE OCCASION OF THE SIGNING OF AN AGREEMENT WITH  
THE DEVELOPMENT BANK OF SOUTHERN AFRICA FOR A PILOT RICE-GROWING  
PROJECT IN THE INGWAVUMA AREA  
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INKATHA AND CHAIRMAN, THE SOUTH AFRICAN BLACK ALLIANCE  
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Dr. Zulu, Dr. Brand, Members of the KwaZulu Cabinet, Dr. Spies,  
distinguished guests, ladies and gentlemen.

Let me say at the outset that I regard today's signing ceremony to mark the formal beginning of the research project for rice-growing in the Ingwavuma areas as a very important event. This is not only so because it is one of the first agreements the KwaZulu Government is signing with the Development Bank of Southern Africa. It is also important because it is a rice-producing project which will be located in an economically depressed area which will both provide badly needed local employment opportunities, and save South Africa foreign exchange currency.

It is becoming increasingly clear that our South African economy is under siege from within and from without. Even if the economic recession is bottoming out, there is every indication that it will remain bouncing on the bottom for some time to come. There is also every indication that the economic recovery we need in South Africa will have to take place in a world very much more hostile to us than has been the case in the past. All this we can trace to the door of apartheid and to the recalcitrance of the Government when it comes to demands for meaningful political change. However true that it is, it is ordinary Black South Africans who are feeling the brunt of things. In times of economic repression it is the poorest of the poor who suffer most and this rice-growing project is exciting because it is one in which we will have to rely on Black labour and it is also one in which we can save on foreign exchange.

South Africa is currently solely dependent on imports for the rice which is consumed by South Africans. The country is currently importing about 175 000 tonnes a year, the vast bulk of which comes from the United States of America. These imports are costing South Africa more than R100 million a year. By any standard, that is a lot of money.

There are many who rub their hands in glee because our country is now in dire economic straits, and particularly those who are vendors of death and violence benefit from the harsh economic circumstances through which we are now passing. The deeper the economic recession, the greater the unemployment, the greater the hardships and the greater the starvation, the greater the

desperation of ordinary people is. It is this desperation which the vendors of violence and death attempt to exploit. Development projects such as the one you are talking about therefore not only provides employment for the desperately poor in an economically depressed area, and not only has the advantage of cutting down the amount of money South Africa has to spend abroad on food, but it makes its own contribution towards establishing the circumstances in which the politics of non-violence can achieve more through negotiation.

The research project we are officially launching today is a preparatory step to establishing a project which is designed ultimately to replace some of the rice we now import with locally grown rice. I have been informed that should the trials be successful, the rice-growing project could be expanded to cover 20 000 hectares, which at a yield of four tonnes per hectare, could produce 80 000 tonnes of rice per year. That would represent about 46 per cent of our current imports. But since it would take quite some time to produce 80 000 tonnes of rice per year, by the time we have reached this target we can realistically hope to be producing about 25 per cent of our rice requirements. Our rice consumption is increasing at about the rate of 10 per cent per annum so by the time we produce our target tonnage of 80 000 tonnes per year, South Africa will be importing more rice than it is today. That means that we could be saving South Africa at least R25 million a year in foreign exchange at today's prices. As a South African, I must welcome such a development and KwaZulu will thus do everything in its power to ensure that the scheme will be as successful as possible.

As I mentioned earlier, the project will not only save foreign currency, but will generate local employment where it is needed most. I am told that once the project is in full production it would offer employment to about 600 people on a permanent basis, while a further 600 would find seasonal employment during planting and harvesting. My people are desperately in need of jobs and I must thus welcome any projects that create new opportunities for employment.

Dr. Zulu, Dr. Brand, ladies and gentlemen, there is a further issue that I wish to address here today and it is my hope that people will take careful note of what I say. I am fully aware that this project is going to take place in an ecologically sensitive area against the backdrop of what is without doubt one of our most beautiful natural areas. The Manguzi area with its Kosi Lake system is to me, and hopefully other South Africans, a jewel beyond price.

What I have said so far about the importance of saving foreign exchange and creating jobs falls in the realm of economics and I would thus have been speaking in my capacity as Minister of Economic Affairs of KwaZulu. But there is within that Department a

Bureau for which I am also responsible and which I regard as crucially important. It is our Bureau of Natural Resources.

I should like to make it very clear that I fully support the implementation of thorough and on-going environmental impact studies to monitor the impact of this project on the Musi and Kosi systems. We need fully to understand what impact the influx of people, the use of fertilizer and herbicides and the removal of indigenous vegetation will have on the environment.

Our knowledge of the area in which the project will be established must be made more detailed than it now is. Not only must we know more about the environment where the project will be started, but we must be prepared to continue monitoring the impact which the project will have on the environment and that monitoring must commence with the predicted impact it will have when the project begins as planned in 1988. The beauty of the Kosi Lake system in particular is eternal, and our vigilance must be eternal. If we do not do this, we shall be failing future generations of South Africans and that is something which I and the KwaZulu Government will certainly have no part of.

I would therefore like to repeat publicly here that I shall fully support my Bureau of Natural Resources whose responsibility it is to ensure that when we have to exploit our natural resources, this is done on a sustained yield basis. I know that both the Industrial Development Corporation and our own KwaZulu Finance and investment Corporation who will be jointly implementing this scheme share our concern for the protection of the environment and was thus pleased to formally take note that considerable sums of money will be spent on environmental impact studies.

It remains now for me formally to thank the Development Bank for the R756 000 it has made available in the form of a technical assistance grant for the first two growing seasons. We are indeed grateful for this grant, Dr. Brand, and I ask that you convey our sincere gratitude to your Board of Directors.

The balance of the cost of the research project amounts to R504 000 and this will be borne jointly by the IDC and the KFC. I welcome this partnership with the IDC and believe there will be co-operation between the IDC and the KFC.

It is my sincere hope that we will find a balance and a compromise being achieved by those whose responsibility it is to guard our natural heritage, and those who have to look to the economic needs of all our people.

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