

South Africans bring revival to Mozambique

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SOUTH Africa, which for years backed right-wing rebels in a war that has crippled Mozambique's economy, is now being welcomed as the sponsor of a business revival.

The once-hated South Africans appear as farmers in far-flung provinces, managers of restaurants, businessmen seeking contracts in everything from plastics to ship-building.

Hot dog seller Niel van Niekerk, a white South African from Johannesburg, came to the Mozambican capital Maputo last November and says he is glad he made the decision.

"We are making a very good profit," he said, taking the equivalent of little more than R3 for a South African style boerewors hot dog smothered in tomato sauce, mustard and onions.

"People doing the same business in Johannesburg would never make the turnover that we do in a little thing like this. Never, never, never."

David Ankers, who works for the South African hotel company Karos, is equally enthusiastic about doing business in Mozambique.

For the last two years he has been manager of Maputo's Polana Hotel, an ageing but elegant relic of Portuguese colonial days.

The hotel in the tree-lined Avenida Julius Nyerere was nationalised soon after Mozambique won independence from Portugal in 1975 and still belongs to the State, but the business is now effectively under South African control.

"We have a lease agreement for a period of 20 years and for two subsequent periods of 20 years — in other words a total of 60 years' lease," said Mr Ankers.

Karos is also the biggest single shareholder in the local company, Hotels Polana Ltd, with 32.5 percent of the shares.

Some are fixing up hotels, some breed cattle, some sell hot dogs. But all are South Africans hoping to reap a financial harvest from newly accessible Mozambique. **IAIN CHRISTIE** reports from Maputo

Mr Ankers said that since Karos won the lease agreement with the Mozambican Government in 1990 it had spent R38 million on refurbishing the hotel.

The cash for this investment — large by Mozambican standards — was raised by borrowing, but Mr Ankers says he is confident hotel profits will repay the loan.

"I have no fear of competitors. I think people will come to the Polana for the sake of nostalgia," he said.

"Looking at our forward projections, we feel that we won't have a problem. We have an average occupancy of 70 percent."

Mr Ankers is planning an inauguration party for the revamped hotel, to be attended by "certain personalities" from both countries, in late June or early July.

He won't say who the personalities are but Maputo business sources say invitations have been sent to President F.W. de Klerk and President Joaquim Chissano.

Maputo does not have diplomatic relations with Pretoria. But the South African trade mission, a sprawling modern complex down the road from the Polana, is regarded as an embassy by many Maputo residents.

David Laubscher, chief of the mission, said Mozambique was attracting considerable attention from the business community in South Africa for a variety of reasons.

"Mozambique is known from the past to a lot of South Africans and many have links here. The flow is being aided to a certain extent by the economic recession in South Africa." —Sapa-Reuter