thick, weak "kaffir beer" sold for seven cents per pint at government beer halls.

But law or no law, the Africans seem to get all the liquor they want. The more opulent buy cheap South African brandy for \$3 to \$4 a bottle from white bootleggers who pick it up at \$1.68 in the whites-only stores. The rest drink their troubles away at the illicit drinking parlors of "shebeen queens," wealthy black matrons who serve a throat-scalding, home-distilled brew made by boiling together potato peelings, berries and sometimes a dash of methylated spirits.

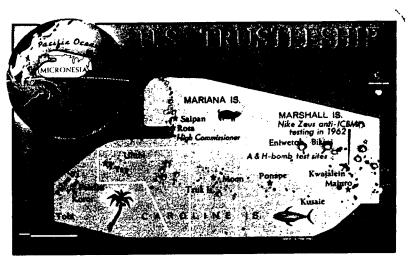
Since such skull-popping potions are occasionally fatal and almost always produce violence, the harried police spend much time raiding the stills, breaking up gang battles and arresting drunks. Some 25% of all arrests and prosecutions in South Africa are for liquor offenses; last year 312,520 liquor cases went to court. including 1.602 arrests of Africans for possessing yeast without a permit.

Out of the blue. Prime Minister Hendrik Verwoerd's government introduced a bill in parliament to open liquor stores to all natives over 18, and authorizing the establishment of cocktail bars in African locations. The police have long been urging the government to modify the anti-drinking laws, arguing that a native allowed to imbibe openly might imbibe more moderately. But some observers concluded that Verwoerd was at last feeling the heavy pressure of African resentment at his harsh apartheid rules, and was trying a minor concession.

Grape farmers and distillers were delighted at the prospect of a vast new market, but most whites were shocked. THE NATION GASPS AT WIDE CONCESSIONS, headlined the Rand Daily Mail, and the head of the temperance movement cried, "I can see only evil arising from this measure... Africans don't drink to enjoy it... they drink to get drunk." Angriest of all were the shebeen queens, whose brimming vats of fermenting rotgut would become unsalable when their thirsty black customers finally could walk around the corner and buy the real stuff.

Locked Stocks

Faced with a steady decline in its foreign-exchange reserves as nervous investors pulled their money out of South Africa. Prime Minister Verwoerd's government last week took drastic measures. It forbade foreign shareholders to sell out to South Africans, prohibited South Årricans from buying stock abroad. Since no sane foreign investor is likely to risk his money in the future on such a oneway street, South African industry will now have to rely solely on the nation's already pinched capital market for new funds. The announcement came only two weeks after South Africa had inserted a lavish. 24-page booklet into the Sunday New York Times, advertising its "favorable investment climate" and pointing out the bargains available, since "stocks have reached new highs on every exchange in the free world with one exception, the Johannesburg Stock Exchange.



MICRONESIA

Trials of Trusteeship

Rota, Truk, Yap, Saipan, Koror, Ponape, Majuro . . . The Marshalls, Carolines and Marianas; they could be the names of seven Pekingese dogs and the families who own them. Actually these islands and archipelagoes (comprising 2.134 other islands and atolls) in the Western Pacific sun make up Micronesia-a tractable, tropical dreamland that the U.S. is not quite sure what to do with. They are the spoils of war, won from the Japanese at the cost of thousands of U.S. lives. The U.S., with little need for them itself but concerned that no one else should take possession, decided not to annex them, instead agreed to a U.N. trusteeship, with the U.S. itself as administrator.

Micronesia became the only "strategic" trust territory in the world. No tourists are allowed inside its borders, and at any time the U.S. can seal off any area from observers if it chooses. In effect, Micronesia is a military reservation. The U.S. maintains powerful naval forces along its western front. A missile range has been set up in the empty spaces between islands farther east. Eniwetok and Bikini served as the site of nuclear tests. But as a self-professed champion of anticolonialism, the U.S. has always been rather embarrassed about its island wards.

Last week a report to the U.N. Trusteeship Council made the U.S. embarrassment more acute. Back from a six-week tour of the islands, a tour-nation (Bolivia, Belgium, Britain, India) committee was full of criticism of U.S. policies and performance. The U.S., charged the committee, has 1) done little to encourage economic development, a) failed to revive island industries launched by the Japanese during their prewar tenure, 3) allowed school buildings to run down and neglecter to provide enough secondary edu-cation, 4) proved reluctant to place Micronesians in top administrative posts. In short, the U.N. mission called on the U.S. to make "greater and speedier" efforts to prepare Micronesia for eventual selfgovernment and independence.

The U.S. can retort that the criticized school buildings would not be there at all if it were not for the U.S. Since 1947. 164 schools have been built with U.S. aid, and nearly all of the islands' 15,000 school-aged children are now in school. And what kind of economic development can be expected where coconut trees and fish are about the only resources? As for the failure to rebuild former Japanese industries, the U.S. could argue that none of them did the natives much good, since they were designed chiefly to help Japanese war plans-alcohol to fuel torpedoes, bauxite to provide the aluminum for airplanes.

The U.S. cannot properly be charged with exploitation, since it takes nothing whatever out of the area, either in profits or produce. As for self-government, how do you form a political community out of 76,000 people speaking nine languages and spread out (see map) over 3,000,000 square miles, demanded one official of the Interior Department, which has jurisdiction over most of the territory. "It's quite probable that you don't," admits Secretary Stewart Udall, "But we are going to have to make a stronger effort to prepare them for economic and political responsibilities."

Actually, the Micronesians represent a tiny drain (about \$6.5 million a year) on the U.S. budget. But the trend of congressional appropriations to Micronesia is down, not up. So is the trend of congressional interest in the area. When asked what we should do about Micronesia, one Congressman answered, "Mike who?"

But if the U.S. seems lackadaisical about its trusteeship, the anti-colonial Afro-Asians were—surprisingly—in no mood to make an issue of Micronesia. Not so the Communists; in the U.N. Trusteeship Council last week, they clucked happily as the mission recitéd its complaints and the U.S. delegates scribbled hasty notes.

Willy-nilly, the islands are a showcase of U.S. "colonial" policy—and the U.S. cannot afford to do less than its best. Conceded Udall: "Our level of performance must be raised."

TIME, JUNE 23, 1961