SANCTIONS - 1990

MAY
Double bite of sanctions

By David Braun,
The Star Bureau

WASHINGTON — South Africa's economy might have been 20 to 35 percent larger today had the Government not implemented policies to withstand anticipated sanctions.

The threat of economic sanctions has therefore cost South Africa a lot more than actual sanctions have. The lost economic growth is estimated at between $15 billion (about R40 billion) and $27 billion (about R71 billion).

These findings, released yesterday, were made by the Washington-based Investor Responsibility Research Centre (IRRC) in a major investigation into the impact of sanctions on South Africa.

According to Dr Charles Becker, the major contributor to the study on the economy, the South African economy could have and should have performed like that of one of the Asian Tigers (Taiwan, Japan and Korea) over the past 20 years, with sustained spectacular economic growth.

Instead, because of the deliberate restructuring of the economy to batten the hatches for sanctions, it today resembles that of a typical Latin American economy, with low sluggish growth.

Furthermore, to the extent that the structural distortions were long term, even a shift in world opinion may not give rise to rapid growth in the economy.

Dr Becker said that while the economy remained vulnerable to further sanctions, the restructuring ordered by the Government had reached a stage where there was now no realistic Achilles' heel.

While South Africa would have difficulty responding with import-substitute production to embargoes of many petroleum-based products, some chemicals, computers and some transport equipment, only a collapse in demand for South African gold or an effective oil embargo would be likely to have crippling effects.

Agriculture

Neither of these sanctions appeared imminent or realistic.

"In short, the economy is much less vulnerable than it was 20 years ago, or even 10 years ago."

The IRRC study found that the South African state had managed to spread the cost of evading sanctions, and that the cost of sanctions actually applied fairly evenly throughout society. Blacks and whites had suffered about the same.

However, it noted that agricultural sanctions, the ban on South African food imports, had the effect of hitting the poorest black communities the hardest. On the other hand, the ban on investing new capital in South Africa hit the modern sectors of the economy hardest, depriving mainly whites of access to Western goods.

The IRRC investigation found that in the short-run both selected and comprehensive sanctions packages would mean black South Africans would suffer a somewhat larger proportionate decline in real income than would whites. Embargoes on the sale of computers and oil, conversely, reduced whites' incomes by a higher percentage than they reduced blacks' incomes.

Computers were used by a limited portion of the economy that was capital and skilled-labour intensive. Oil, similarly, was used intensively in modern sectors where capital and skilled labour shares were high and which produced goods consumed by the relatively wealthy.

Measures that restricted capital inflows were far more effective than existing or likely trade sanctions in targeting whites. However, this was valid only if one assumed Pretoria would allow capital outflows to continue after sanctions restricted capital inflows.
The Argus Foreign Service
WASHINGTON. — South Africa's economy might have been 20 to 35 percent larger today had the government not implemented policies to withstand anticipated sanctions.

The threat of economic sanctions had cost South Africa a lot more than actual sanctions.

The lost economic growth was estimated at between $15 billion (R40 billion) and $27 billion (R72 billion).

These findings were made by the Washington-based Investor Responsibility Research Centre (IRRC) in a major investigation into the impact of sanctions on South Africa.

The survey was released in Washington yesterday in two parts.
Study shows fear of sanctions cost SA R72bn

WASHINGTON — Import substitution arising from the fear of international sanctions has cost SA up to $27bn (R72bn) over the past 20 years, according to a report released yesterday.

The influential Investor Responsibility Research Centre claims its report is the most comprehensive analysis ever of the impact of sanctions.

However, having paid this price — representing 15% of lost real income growth a year — SA presents “a realistic Achilles heel” to further sanctions. “The economy is much less vulnerable than it was 20 years ago, or even 10 years ago.”

This does not stop the IRRC from suggesting certain forms of sanctions — on oil, computers and capital inflows — as ways of inflicting pain on whites without disproportionately harming blacks. That such pain has already been effective is indicated by a poll of 1,800 whites conducted for the study last May by UCT’s Jan Hofmeyr.

The survey shows a plurality of 45% favouring compromise with sanctions advocates, while only 9% opt for total intran- sistance. Of those interviewed, 41% said government should ignore sanctions.

Colorado University economist Charles Becker, one of the report’s authors, says: “In the early ‘90s, SA had all the opportunity to grow like one of the Asian tigers. Instead, it restructured its economy to look like a sick Latin American country.”

The need to run an economy “exceptionally” closed to imports — in constant dollars, SA’s imports grew by only 14% between 1987 and 1995, compared with 185% in the case of the US — has “greatly curtailed” SA productivity growth.
Oxfam investigated for ‘political activity’

The Star Bureau

LONDON — Oxfam is to be investigated by the Charity Commission here over its “increasing political activity”, including a campaign to increase sanctions against South Africa.

The commission, a watchdog body, is concerned that Oxfam’s high-profile campaigns throughout the world may be breaking the law which says no charity can have "political objects".

The inquiry will focus on Oxfam’s Front Line Africa campaign, which is preparing this weekend to press the British government to introduce new sanctions against South Africa "until apartheid is abolished and democracy has been achieved”.

Complaints

Front Line Africa, which is trying to raise £1 million (R4 million) for work in southern Africa, follows work by Oxfam in Nicaragua and Palestine which brought complaints from critics that the campaigns were "politically motivated".

Oxfam lobbied the US government to end the Contra war in Nicaragua.

The charity and the commission have been discussing for some time its alleged political stance.

The commission announced: "In the light of recent campaigns by Oxfam, the Charity Commissioners have decided to hold an inquiry into whether in advertising and campaigning for political change whether in this country or abroad, the trustees of Oxfam are acting in accordance with their trusts and the restrictions of the charity law.

"In advocating and campaigning for those changes, the question arises as to whether the charity has stepped too far from its objects and engaged in undue political activity."

Oxfam’s bank accounts could be frozen if the investigation finds it has overstepped the law.

Oxfam director Mr Frank Jud, a former Labour MP, said "Oxfam has a charitable duty to educate the public about the causes of suffering. "As a responsible charity we strive to ensure that our important advocacy always remains within the charity law."
Many whites prepared to compromise, survey finds

The Argus Foreign Service
WASHINGTON.—Nearly half of white South Africans are prepared to compromise to get sanctions lifted, according to an in-depth survey by the Washington-based Investor Responsibility Research Centre (IRRC).

The survey, the first systematic, in-depth research into how white South Africans react to these pressures, was released in Washington yesterday.

The survey of 1,600 whites, conducted in May last year, pioneered the use of public policy focus groups in South Africa, according to the IRRC. The project was conducted with the help of Mr. Janne Hofmeyr of the University of Cape Town.

The study found whites perceived sanctions to be the most serious form of external pressure. However, most ranked economic sanctions as a secondary concern in relation to the other problems, such as prospects for the economy and rising black resistance.

The survey found 18 percent of whites believed South Africa could cope easily with total sanctions. A further 62 percent believed the country could cope, though with some difficulty. Only 16 percent believed it would handle the situation badly.

When asked whether the economy could withstand such sanctions indefinitely, 41 percent believed it could, 40 percent believed it could not, and 12 percent were undecided.

Most whites accepted reforms like the removal of the Group Areas Act (52 percent) and the inclusion of moderate blacks in government (54 percent). Up to 80 percent believed such reforms would get sanctions lifted.

At the time of the survey, only 24 percent of whites would accept negotiations with the African National Congress and the Pan-African Congress (PAC), and only two percent a transfer of power to the black majority. (More recent surveys suggest a huge change in white thinking, with 57 percent of whites now supporting negotiations with the ANC, according to the IRRC).

The compromise group, according to the IRRC, is largely English-speaking and nonracial in its political orientation. Most of the supporters of the Democratic Party are found in this group. However, the National Party is split right down the middle, with 47 percent of its supporters backing a compromise and 42 percent saying South Africa should do what is right.
Sanctions ‘could shut down motor industry’

From DAVID BRAUN
The Argus Foreign Service
WASHINGTON. — An international embargo of the vulnerable South African motor industry would result in all seven passenger car assembly plants stopping production within seven months.

Within two years, however, at least three manufacturers would be able to produce nearly 100-percent South African-content cars, probably at a cost no higher than 20 percent above present prices.

These are the main findings of an in-depth case study of full sanctions against the motor industry conducted by Professor Trevor Bell of Rhodes University in Grahamstown, on behalf of the Washington-based Investor Responsibility Research Centre (IRRC).

The case study forms part of a report of an investigation into the impact of sanctions on South Africa, released by the IRRC in Washington yesterday.

Overseas groups
The detailed paper on the motor industry analysed the effects of disinvestment and trade sanctions to date, then discussed the impact further sanctions might have.

The South African motor industry has been targeted for further sanctions by certain groups overseas.

The study concluded that if a full-blown trade embargo was applied to the motor industry, it was likely that in the short term there would be a reduction in the number of motor vehicle assemblers from seven to about three.

In the assembly, component manufacture and retail sectors, there would be a loss of about 120 000 jobs, affecting the Eastern Cape region particularly severely.

Within seven months at the most, all motor vehicle assemblers would have to shut down.
Sanctions have cost R70 billion
— IRRC

Own Correspondent

WASHINGTON. — Import substitution arising from the fear of international sanctions has cost SA up to R70 billion over the past 20 years, the highly influential Investar Responsibility Research Centre finds in what is claimed to be the most comprehensive analysis ever of sanctions' impact.

But having paid this price — representing 1.5% of lost real income growth a year — SA presents "no realistic Achilles heel" to further sanctions. "The economy is much less vulnerable than it was 20 years ago, or even 10 years ago," the report states.

This does not stop the IRRC from suggesting that certain forms of sanctions — on oil, computers and capital inflows — might still be practical ways of inflicting pain on whites without disproportionately harming blacks.

SA 'will pay for apartheid'

That such pain has already been effective is indicated by a poll of 1,600 whites conducted for the study last May by UCT's Mr Jan Hofmeyr. The survey shows a plurality of 48% favouring compromise with sanctions advocates, while only 9% opt for total intransigence. Forty-one percent said government should ignore sanctions pressures and "do what is right".

SA will be paying for the structural distortions caused by apartheid and the sanctions threat for many years to come and "even a shift in world opinion may not give rise to rapid growth in the SA economy".

"In the early 60s, SA had all the opportunity to grow like one of the Asian tigers," said University of Colorado economist Mr Charles Becker, one of the report's authors. "Instead, it restructured its economy to look like a sick Latin American country."

The need to run an economy "exceptionally" closed to imports — in constant dollars, SA's imports grew by only 14% between 1967 and 1985, compared with 28% in the case of the US — has "greatly curtailed" SA productivity growth and led to "technological stagnation".

It has also prevented SA from developing those sectors where it has the greatest comparative advantage over its trading competitors, leading to further "invisible" losses.

Using an input-output model to assess the short-term effect of further sanctions, IRRC finds boycotts of SA goods either selectively or comprehensively to be "somewhat regressive". This also applies to embargoes on sales to SA.

"Black South Africans will suffer a somewhat larger decline in real incomes than will whites."

Exceptions to this include bans on the sale of computers and oil to SA because both are used intensively only in "modern sectors where capital and skilled labour shares are high, and which produce goods consumed by the relatively wealthy."

Likewise, capital sanctions "are far more effective than existing or likely trade sanctions in targeting whites" because they chiefly hit "high-income urban groups" that are mainly white and Asian. They also have "desirable income distribution effects".

The report, published yesterday, has been delayed for several months. It was to have included an overview by economist and former IRRC analyst Mr Merle Lipton. This was missing because of "editorial problems".
Genscher named in subs deal with SA

LONDON. — A Cape Town-based arms dealer has implicated West Germany’s Liberal Foreign Minister Mr Hans Dietrich Genscher in the alleged illegal sale to South Africa of secret hunter-killer submarine blueprints.

Spiegel magazine says Mr Karl Friederich Albrecht, the first “insider” to talk about the revived submarine scandal, had said in Cape Town that despite his repeated denials, Mr Genscher was involved in an alleged arms boycott-busting operation from the outset.

An official investigation into allegations that the Bonn government secretly approved the sale to South Africa in 1963-64 of blueprints for the deep-running diesel-powered subs, was suspended in 1968 because of lack of evidence.

A delegations of MPs from right-wing parties in the Bonn coalition visited South Africa last month to investigate claims that the submarine work was under way in Durban. They said they found nothing but added last week that a site they visited was locked and equipment had been removed from it.

The official inquiry was reopened last week on the instructions of Economics Minister Dr Helmut Haussman, under pressure from MPs who claim there is substantial evidence that the deal involving high-level corruption and complicity was approved by the federal government.

‘SA building submarines’

The reopened inquiry has been ordered to investigate evidence that the submarine blueprints were smuggled out of West Germany in the South African embassy’s diplomatic bag.

Greens MPs Mr Ushi Eid and Mr Engelka Beer maintain that South Africa is now equipped to build the submarines, and may already be building them.

The MPs told Spiegel that Mr Albrecht had supplied them with irrefutable evidence that a shipyard, Ingenieur Konor of Lebeck (IKL), paid Mr Albrecht to lobby for political support for the sale of the blueprints. The other claim by the MPs is that the state-owned military shipyard Howaldswerke Deutsche Werft (HDW) was deeply involved.

Mr Albrecht told Spiegel he was given 2.2m D mark (about R3,4m) to bribe politicians to assist the sanctions-busting submarine deal in 1983.

Together with opposition MPs, he claims that the most senior figures in the Federal government in Bonn including Mr Genscher, Chancellor Mr Helmut Kohl and Defence Minister Dr Gerhard Stoltenberg are trying to cover-up the facts of a deal.

Mr Albrecht alleges that Mr Kohl, Mr Genscher and the late pro-South Africa premier of Bavaria, Dr Franz Josef Strauss, had “trilateral talks” in Bonn on June 1, 1983, to discuss the submarine deal.

He says that during mid-1983 Mr Genscher repeatedly negotiated with his party colleague Mr Siegried Zoigmann “who also worked as a lobbyist for the South African project”.

He says that in October 1983 Genscher received a memo, which showed “illegal details” — the delivery of the blueprints to South Africa through the diplomatic bag.

Mr Albrecht claims that at least one meeting between Mr Genscher and the Minister of Foreign Affairs, Mr Pik Botha, to discuss the submarine deal was detailed in the files of the HDW company.
UK: 56% say yes to SA sanctions

LONDON. — Fifty-six percent of the British public support sanctions against South Africa, according to an independent survey commissioned by the Anti-Apartheid Movement (AAM).

The Gallup poll of a sample of 1,090 people after the Nelson Mandela pop concert here on March 16, which was attended by more than 70,000 people and watched worldwide over satellite television, showed that only 44% of those interviewed were against sanctions.

The ratio was unchanged from responses to an identical question posed in a survey after the 1988 Mandela 70th birthday concert at the same London venue.

The AAM said the poll's results also showed that 52% of those sampled believed British Premier Mrs Margaret Thatcher should not visit South Africa yet. Only 31% supported the visit, which Mrs. Thatcher has indicated she will make later this year; when she judges the time is right for her to play the most effective role in promoting a peaceful, negotiated settlement in SA. — Sapa
End isolation — university president

The Argus Foreign Service

NEW YORK. — The president of one of America's premier universities has appealed to academia to end their ostracism of South Africa's "open" universities, which, he says, have been given scant credit for leading opposition to apartheid for many years.

It was odd, said Dr Jean Mayer, president of Tufts University, that "supposedly liberal academics outside South Africa who claim to favour a nonracial society had ostracised the educationists and researchers fighting an anti-apartheid war on the academic front lines in South Africa.

"If South Africa is to build a multiracial society that ostracism must end," he added.

Dr Mayer said that by refusing to acknowledge the battle against apartheid waged by the administrators of South Africa's five nonracial universities and forcing them to operate in intellectual isolation, the world's academic community had done them a disservice.

With high-quality, integrated higher education the key to a multiracial society, South Africa needed a critical mass of educated blacks to take part in government and to improve the primary and secondary systems for all people of colour.

"Western universities have largely ignored the fact that the open universities — Cape Town, Natal, Witwatersrand, Rhodes and the University of the Western Cape — have fought apartheid since it was imposed on them, often at great personal risk to the administrators."

South African researchers, he said, were not invited to conferences vital to staying abreast of developments. Some professional journals returned manuscripts from researchers unread. Many publishers refused to supply journals and textbooks.
Shift seen in ANC's stand on sanctions

WASHINGTON — Two New York city councillors have returned from a trip to SA, paid for by the Johannesburg City Council, calling for tougher sanctions — but with a twist that indicates the ANC's position on sanctions may be shifting.

The councillors, Abraham Gerges and Noach Dear, want the immediate introduction of a Bill that would tighten New York's existing law against granting contracts to firms that have even non-equity ties to SA.

However, on what they claim is the advice of the Rev Beyers Naude, they are leaving open the question of whether the legislation should be enacted.

Gerges, chairman of the city's government operations committee, which has principal responsibility for drafting the Bill, said "the threat of sanctions alone is a chip that can be used by the ANC to get talks (with the SA government) moving".

He said the idea of readying, but not necessarily passing, the Bill was suggested by Naude shortly before he joined the ANC negotiating team in talks with government this week.

This did not sit well with ANC New York representative Themba Ntanga, who charged that the two men were "apologists" for Pretoria in its efforts "to stave off new sanctions".

Ntanga said he had signalled ANC officials in SA not to see the two, but the message had evidently failed to get through.

But a representative of the American Committee on Africa, a leading sanctions lobby which heatedly attacked the trip, admitted yesterday that his organisation might be asked by the ANC to reassess its sanctions stance after the Cape Town talks.

He noted that Naude had recently given a speech voicing concern over the possible impact of sanctions on a post-apartheid economy.

Three black councillors were dissuaded from joining Gerges and Dear.

One, Archie Spigner of Queens, said he regretted having to drop out, but his constituency "went crazy".
Times report on subs was wrong

A report in the Cape Times of May 2, 1990, concerning the alleged illegal sale to South Africa of submarine blueprints, contained incorrect information concerning Cape Town businessman Mr Karl-Friedrich Albrecht and also wrongly attributed it to the German magazine Der Spiegel.

The magazine in fact published that Mr Albrecht had tried for 10 years to sell West German submarines to the Cape (sic), but that his efforts foundered because of the arms embargo.

The magazine reported that Mr Albrecht had told it that he had never spoken to any German politician about the sale and that only on one further occasion had he come forward with "tips".

That was when new ideas emerged in SA to acquire at least the blueprints for the submarines. At that stage he recommended to the SA government—so Der Spiegel reported—that this would only be possible, if at all, through German Foreign Minister Mr Hans Dietrich Genscher and the Federal German government.

The magazine did not allege that Mr Albrecht had said, as reported in the Cape Times, that Mr Genscher was involved in the alleged arms boycott-busting operation from the outset. Nor was it published that Mr Albrecht had supplied Greens Party MPs with evidence that a shipyard paid him to lobby for political support for the sale of the blueprints or that he had said that he was given 2.2 million Deutschmarks to bribe politicians to assist the sanctions-busting submarine deal.

The Cape Times regrets the error and apologies to Mr Albrecht and accepts that the information as published regarding him was incorrect.
Security fears could lead to white exodus

From SIMON BARBER

WASHINGTON. — Concerns about personal safety could cause more than half South Africa's white population — including 49% of Conservative Party adherents — to consider emigrating, according to a survey released yesterday by Investor Reponsibility Research Centre.

Administered by Mr Jan Hofmeyr of UCT as part of a major new IRRC study on sanctions, the poll of 1,020 whites found considerably less concern, especially among Afrikaners, about lowered living standards or threats to social and cultural ways of life.

A large number — 44% — said they favoured a "power-sharing system with minority protections" as the "best political option" in a new South Africa; 19%, the next-largest group, opted for the removal of racial discrimination but the maintenance of white control over the economy and defence.

Sixteen percent wanted the maintenance of residential apartheid, allowing blacks into white areas only to work.

Only 9% favoured majority rule with built-in protections for whites; 3.5% wanted universal suffrage and a Western-style parliamentary system in which the decision of the majority determined the laws of the country.

At the time the poll was taken — last May — 72% of whites (85% of Afrikaners and 55% of English-speakers) said they had given no thought to leaving during the previous five years.

Questioned about what circumstances might make them change their minds, 64% overall and 48% of Afrikaners said they would think "seriously" or "very seriously" about getting out if they sensed a "decline in personal safety" for themselves and their families.

Seventy-two percent of DP supporters said security fears might make them jump ship. Among CP faithful the figure was 49%. Nats were slightly bolder. Only 42% might fly, while 59% remained determined to stay.

A fall in living standards would make 48% of English-speakers consider emigration — as opposed to 23% of Afrikaners.

In response to "a threat to your social and cultural way of life", 26% of Afrikaners said they might start looking for an exit. The figure was 44% among English-speakers.
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A fall in living standards would make 48% of English-speakers consider emigration — as opposed to 25% of Afrikaners.

In response to "a threat to your social and cultural way of life", 28% of Afrikaners said they might start looking for an exit. The figure was 44% among English-speakers.
No easing of pressure on SA govt

LONDON. Commonwealth countries, with the sole exception of Britain, will renew calls for specific mandatory sanctions on South Africa when they meet in Nigeria on May 14-15, officials here said yesterday.

The Commonwealth meeting is also expected to endorse the demands of the ANC for the release of all political prisoners.

ANC barrister Ms Frene Ginwala said the National Party itself had set a precedent for the release of all “political prisoners” by releasing convicted pro-Nazi “sympathisers, saboteurs and terrorists” when it came to power in 1948.
Don’t let up on SA sanctions, urges Tutu

Own Correspondent

LONDON. — Archbishop Desmond Tutu made further pleas late on Thursday night for no let-up in the sanctions war on South Africa.

The campaigning Archbishop of Cape Town, on a four-day visit to Britain, told a capacity audience of 600 at Essex University that the argument that sanctions do not work and just hurt those they are designed to help was “twaddle”.

“We are committed to work for a new dispensation in South Africa and we are equally committed to do so non-violently. That is why we have advocated the application of sanctions on the South African government.

“Sanctions have been the strategy of those who do not have the power of the ballot box. We call for the international community to maintain a sanctions policy in place at the present level until the process of dismantling apartheid and the process of installing a new democratic system is irreversible.”
SKILLS OF RETURNING EXILES WILL ENRICH SA
SOFTENING OF EC SANCTIONS IS UNLIKELY, SAYS IRISH OFFICIAL.

JOHN BENTLEY

LONDON - The Irish foreign minister, John

Bentley, warned the European Union that

softer sanctions against the UK could lead to

further economic damage. He added that such

measures would undermine the integrity of

the union.

Bentley said: "The imposition of additional

sanctions on the UK would be counterproductive

and would not serve the interests of the whole

EU. It is essential that we work together to

address the challenges we face, not create new

problems for our citizens."
Spain to drop air ban on SA

Daniel Feldman

The Spanish state airline Iberia has agreed to resume freight flights to SA in the near future, a spokesman for the airline said in Madrid yesterday.

She said the partial lifting of sanctions reflected progress in negotiations between the Pretoria government and the ANC and was connected with a forthcoming visit by President FW de Klerk. Spain suspended its flights to SA three years ago.

A Spanish Embassy spokesman in Pretoria said cargo flights were scheduled to resume within two months.

If they were successful "there would be a strong possibility of passenger flights resuming as well".

The specific date of the resumption, the frequency of the flights, and the possibility of Iberia re-opening a SA office are still being discussed.

"The Spanish government wants SA to know we are happy with the political changes occurring here. While we cannot make big gestures without speaking to the other EC nations, this is one of the small gestures we can make on our own", he said.

A Foreign Affairs spokesman confirmed the decision and said Spain was also considering lifting a ban on sport and entertainment visits.

Additionally, she reported that Madagascar was considering the resumption of air links and economic ties with SA.

Though SA had not been officially approached, Madagascar's President Didier Ratsiraka had said recently he was willing to resume the links to encourage De Klerk's move away from apartheid.
Spain is slated over SA

THE African National Congress chief representative in Zimbabwe, Mr Max Mlonyeni, yesterday condemned as "hypocritical" Spain's decision to resume freight flights to South Africa and to consider lifting a ban on sports and entertainment links.

He said the decisions put Spain in the category of countries condemned by Zambian President Kenneth Kaunda for putting economic gain before the need to end apartheid.

"South Africa has done nothing materially so far to be rewarded - apartheid is still 100 per cent intact," he said.

President FW de Klerk's current trip to Europe was an attempt by Pretoria and the ANC and was connected with the forthcoming visit to Spain by President FW de Klerk. - Sapa.
Sanctions cost
US billions of $.

WASHINGTON. - Washington's propensity to impose economic sanctions on offending nations has cost the US economy billions of dollars and hundreds of thousands of jobs while rarely achieving the intended objective, according to a new study.

The study, prepared by Georgetown University economist Gary Hufbauer for the National Foreign Trade Council, is the basis of a lobbying campaign by US companies to restrict the use of sanctions as a foreign policy tool.

In 1987 alone, Hufbauer concludes, US firms lost $7bn worth of exports due to sanctions, translating into 175,000 jobs, while other Western nations and Japan took the opportunity to increase their market share in most of the targeted countries.

Between 1984 and 1973, the US resorted to sanctions on 29 occasions and was at least partially successful in 13 cases. Since 1973, sanctions have been imposed 45 times, with only ten successes.

Hufbauer scores SA as one of the successes but notes that the US has "carried a disproportionate share of the costs" compared with the European Community and Japan.

He notes that between 1985 and 1987 US exports to SA remained steady while exports from other developed countries expanded by over 30%, from $68bn to $85bn.
Dutch plan for EC to lift sanctions

The Argus Foreign Service

THE HAGUE - The Dutch government has drafted a plan under which the European Community would lift sanctions against South Africa in six stages.

The details have already been circulated to EC foreign ministers and will probably be discussed at their next meeting in Dublin on May 19.

The news comes within 48 hours of the Spanish government's announcement that it was lifting a number of trade sanctions against the Republic.

The Dutch proposal, which is dependent on certain developments in South Africa, was presented by Dutch foreign minister Hans van der Brook to his EC counterparts three weeks ago.

First stage

The first stage would be for the EC countries to shelve sanctions they have imposed individually. The Dutch, for example, could lift their strict visa policy for South African visitors and re-establish the suspended Dutch-South African cultural treaty.

The other five stages refer to sanctions imposed jointly by the European Community.

The second phase would be lifting the embargo on new investments in South Africa. Mr. van der Brook feels this step could be taken as soon as Victoria has released all political prisoners and has ended the state of emergency.

This phase would also include revoking the ban on imports of South African arms and steel, and gold coins. This could take place as soon as the negotiations on a ban on new investments are completed.

The next stage would include the full lifting of the community embargo on exports of Mr. to South Africa and the abolition of restrictive measures in military fields.

Final stage

The final stage would be dropping the ban on supplying arms to South Africa. This step, the Dutch feel, might be taken once the government has irrevocably abandoned all apartheid policies.

Mr. Van der Brook gave another indication of the Dutch government's new line on South Africa when he said President F W de Klerk would be welcome to visit the country on his next European tour.

SHOOTING STAR: Shooting the rapids is one thing, but shooting a waterfall? Phillip Lloyd, a University of Cape Town student and top white water canoeist, dares what few others would even consider. This picture was taken on the Dwars River near Ceres after heavy rain at the weekend. After he plunged into the maelstrom at the bottom of the waterfall, it took more than a minute for paddler and canoe to resurface, unscathed.
The Argus Foreign Service

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This phase would also include revoking the ban on importing South African iron and steel, and gold coins. This could take place when negotiations between the government and the ANC resume.

During this stage the Dutch government would reissue legislation on a ban on new investments.

The next steps would include the full lifting of the community's embargo on exports of oil to South Africa and the abolition of restrictive measures in military fields.

**Final stage**

The final stage would be dropping the ban on supplying arms to South Africa. This step, the Dutch feel, might be taken after the government has irrevocably abandoned all apartheid policies.

Mr Van der Broek gave another indication of the Dutch government's new line on South Africa when he said President F W de Klerk would be welcome to visit the country on his next European tour.

When the itinerary was drawn up for the present visit, Mr de Klerk was "not yet welcome" in Holland.

The Dutch foreign minister said he had changed his stance after the first set of "talks about talks" between the government and the ANC.

Spain announced earlier this week that it would lift certain trade sanctions against South Africa and that Iberia is to resume freight flights to the Republic. A resumption of sport and cultural ties with the Republic is being considered.
Sanctions

The Hague: The Dutch government has drafted a plan, under

which the European Community would lift sanctions against South
Africa in six stages. The details have already been circulated to EC
Foreign Ministers and will probably be discussed at their next
meeting in Dublin on May 12th...
Dutch govt proposes lifting of SA sanctions

LONDON — The Dutch government has initiated a proposal whereby sanctions against SA will be lifted in recognition of fundamental moves away from apartheid.

The policy, currently being discussed at a high level within the European Community, could be adopted by August.

And President F.W De Klerk has been invited to visit the Netherlands later in the year.

The EC plan differs from Britain's unilateral decision to reward SA which followed the release of political leaders and unbanning of groups such as the ANC.

The EC plan makes the lifting of sanctions contingent on fundamental steps leading to the abolition of apartheid.

A Dutch Foreign Ministry spokesman said yesterday Dutch Foreign Minister Hans van den Broek introduced the working paper to the EC the day after President F.W de Klerk's "important speech" to Parliament on February 2.

De Klerk had announced the unbanning of the ANC and PAC and the release of ANC deputy president Nelson Mandela and other political prisoners.

While these changes were "recognized as a good step", he said, the EC and groups within SA still awaited the release of all prisoners "held on the basis of apartheid laws", the ending of the state of emergency and internal dialogue which went beyond the "talks about talks" of last week.

Required were "real talks about the future of SA" culminating in "the complete abolition of apartheid".

He stressed the EC was not imposing blueprints.

There is a lot to be filled in by the South Africans themselves, whites and blacks.

Turning to the significance of De Klerk's opening of Parliament speech, he said it had prompted the Netherlands, for years one of SA's most vehement critics, to defy voting on a Bill that would have banned new investment in SA.

Holding off on the investment Bill was a "signal, a recognition that we are not telling what is developing in SA." It would have sent a "counter-productive signal" had the Dutch government proceeded with the legislation at a time when SA was changing.

Working groups

But there remained a "gentlemen's agreement" with Dutch firms not to invest in SA.

He said the working paper proposing the lifting of certain sanctions in response to democratic changes, had to "follow procedures".

It had been introduced to working groups in the European Political Co-operation and was currently being discussed in the Comité Politique — political directors who advise the foreign ministers.

The foreign ministers would discuss it "soon", possibly in the next three months, he said.

Turning to Van den Broek's speech earlier this week, he said because of the successful "talks about talks" with the ANC, there was now an open invitation to De Klerk to visit the Netherlands later in the year.
Dutch govt moves on sanctions

The Hague — The Dutch government has drafted a plan under which the European Community would lift sanctions on South Africa in six stages.

The details have already been circulated to EC Foreign Ministers, and will probably be discussed at their next meeting in Dublin on May 19.

The Dutch plan, dependent on developments in South Africa, was presented by Dutch Foreign Minister Hans van der Broek to his EC counterparts three weeks ago.

The first stage would be for the EC countries to shelve sanctions they have imposed individually. The Dutch, for example, could lift their strict visa policy for South Africans. The other five stages refer to jointly imposed EC sanctions.

The second phase would be lifting the embargo on new investments in South Africa. This step could be taken as soon as Pretoria releases all political prisoners and ends the state of emergency.

This phase would also include revoking the ban on importing South African iron, steel and gold coins. This could take place when negotiations between the South African Government and the ANC recommence.

During this stage the Dutch government would retract a ban on new investments.

The next steps would include the full lifting of the EC’s embargo on exports of oil to South Africa and the abolition of restrictive measures in military fields.

The final stage would be dropping the ban on supplying arms and might occur after all apartheid policies have been abandoned.

Mr van der Broek gave another indication of the Dutch government’s new line on South Africa by saying President de Klerk would be welcome to visit the country. He said he had changed his stance after the first set of ANC-Government “talks about talks”.

Spain announced earlier this week that it would lift certain trade sanctions.
Business must carry out its social responsibility

By Thabo Leshilo

The business world must break with the immoral practices of the past and carry out its social responsibilities to improve the quality of life of all South Africans, the internal leader of the ANC, Walter Sisulu, said last night.

Mr Sisulu was delivering the keynote address at the 1990 Corporate Banquet of the Black Management Forum.

He said the ANC was committed to a mixed economy in which the private sector would be free to operate so long as it co-operated with the State in the sphere of social responsibility and the realisation of the Freedom Charter.

Mr Sisulu said developments in the country had made it possible to believe that a new phase, in which the process of negotiations could bring about desired fundamental change.

The conditions within which negotiations can take place have yet to be met. However, we hope that, following the talks between the ANC and the government, the situation will become conducive to a climate for negotiations.

He said the perspectives of the ANC had not changed and the organisation would not be diverted by anything which fell short of a "united non-racial democratic South Africa".

"We mean to bring about an integrated non-racial society in which the rights of every individual are protected," he said, adding that proponents of "group rights have enjoyed the fruits of minority group domination for too long."

He said representatives of capital in South Africa had recently also voiced support for a non-racial South Africa, but they placed great emphasis on the need to avoid concentration of political power in the hands of any one particular group.

He said that concentration of political power was only one side of the coin: "What about the existing concentration of economic power in the hands of a tiny section of the population which has developed out of the system of national oppression and exploitation of South Africans," he asked.

He said a whole range of mechanisms, of which nationalisation was one, had to be employed to diffuse such concentration of economic power.

"Just as political power must be shared by all South Africans, so must the wealth of the country."

At the same time, said Mr Sisulu, there was a need to recognise that "our potential to truly share in the economic life of the country and to reap its benefits to the fullest is limited to some extent by the low level of education and experience in managerial and technical skills of the oppressed black majority."
Under Siege: Sanctions Report Has Serious Flaws

The report on sanctions and their impact on businesses and individuals has been widely criticized for its flaws and inaccuracies. Many experts believe that the report is biased and lacks proper evidence to support its claims. The report's conclusions are often based on anecdotal evidence and assumptions rather than concrete data. As a result, the report's findings are not always reliable and may not reflect the true impact of sanctions. It is important to critically evaluate the report and consider alternative perspectives before forming any conclusions.
France to think again on sanctions, says a happy FW

PARIS. — France is re-evaluating sanctions against South Africa and the rest of Europe could follow within months, President F W de Klerk said last night.

The dramatic breakthrough flowed from his "most friendly" and "very positive" separate meetings here yesterday with President Francois Mitterrand and French Prime Minister Mr Michel Rocard.

"Sanctions are crumbling because of the momentum of the situation," said Mr De Klerk.

Beaming and confident, he told a press conference it was clear that France — "and indeed Europe" — stood ready to re-evaluate relations with South Africa.

Asked if relations between France and South Africa could improve as a result of the talks, Mr De Klerk responded: "They have already improved dramatically and will improve further in the short term."

He said the French leaders had apparently realised that the process of reform was an "irreversible process", adding that "within months great strides will be made towards the absolute normalisation of relations. There is no turning back".

Mr Mandela for president?

PARIS. — Mr Nelson Mandela said in a French radio interview he had no objection to the warm welcome France gave President De Klerk and hinted he himself might run for the presidency one day.

He said: "Our policy of isolation of South Africa is clear. But Mr De Klerk has started dialogue with credible leaders of the country."

Mr Mandela played down the prospect of his eventual candidacy for the presidency.

"In the future, my vote will not depend on me but on the ANC and the South African masses," he said. IDP
Beaming and confident, he told a press conference it was clear that France — "you indeed Europe" — stood ready to re-evaluate relations with South Africa.

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He said the French leaders had apparently realised that the process of reform was an "irreversible process", adding that "within months great strides will be made towards the absolute normalisation of South African relations. There is no turning back!"

He said he used the two meetings — which both lasted for about an hour — to emphasise that the government did not intend backtracking on constitutional change to a system which would be free of racism and "it is clear that this is not being doubted."

The positive role being played by the South African government was "recognised and accepted".

In another important development Mr de Klerk said he had found a receptiveness from the French leaders that both France and South Africa "should play a constructive role in the necessary rebuilding of the economies of Southern African countries."

Mr de Klerk's talks at the Elysee Palace with President Mitterrand took place against a background of pomp and ceremony that belied the "private" status of the visit.

When President Mitterrand finally escorted Mr de Klerk from the building to his car — another positive signal — a smiling President de Klerk told journalists that the talks were "constructive and very positive."

Earlier, President de Klerk met top French industrialists, bankers and businessmen over a working lunch.

It also emerged yesterday that Mr de Klerk had dined with the French Minister for External Trade, Mr Jean-Marie Rausch.

After the press conference Mr de Klerk met Mr Jacques Chirac, the mayor of Paris and former prime minister.

A group of about 80 anti-apartheid demonstrators protested outside the South African embassy here yesterday and released balloons when President de Klerk's party drove past.

FW gets a good press. — Sapa

Mandela for president?

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Mr Mandela said: "Our policy of isolation of South Africa is clear. But Mr de Klerk has started dialogue with credible leaders of the country."

Mr Mandela played down the prospect of his eventual candidature for the presidency.

"That does not depend on me but on the ANC and the South African people," he said. — UPI

Pig trips out through tunnel

PAARL.—Motorists using the Huguenot tunnel near Paarl could be excused if they thought the tunnel was built on Old MacDonald's Farm.

Traffic was almost brought to a halt this week when a big black pig strolled out of the tunnel at the Paarl end.

The pig, thought to have fallen from a farmer's truck, was taken to the Paarl municipal pound where officials were waiting for the owner to claim his bacon. — Sapa

Speeder snaps up ‘snail’ plate

LONDON.—A British motorist with a taste for speed paid R64 500 yesterday for the car registration number SNA 1 L.

"I want to be pulled over by the police for speeding and see their reaction when they ask my registration and I say: ‘Snail,’" Ms Christine Priest said after buying the number plate at a government auction.

A two-day sale of special number plates has raised more than R5.6 million. — Sapa

Reuter

Sports award for Greyvenstein

CAPE TIMES assistant editor and sports columnist Mr Chris Greyvenstein won a merit award at the annual sportswriters awards last night.

The three sportswriters of the year were Boiki Mothe of City Press, Edward Griffiths of Business Day and Johan van Wyk of Rapport. — Sapa
Success

The South African party received strong signals in Paris this week that such steps would make it possible for the 12 countries to ease up on sanctions.

The EC, potentially SA's biggest foreign marketplace, began imposing punitive measures against SA arms, gold, citrus, coal and agricultural products in 1986. Major new investments in SA were prohibited by some countries.

It is likely that the first changes will come in the fields of sport, culture and science — to be followed by economic measures.

President De Klerk's carefully timetabled European tour — a resounding success after the first two calls in Paris and Athens — is proving a critical factor.

As a deliberate strategy, he has refrained from asking European leaders to lift sanctions. He has down-played the issue to avoid giving the impression that he

PARIS POP CONCERT
HONOURS FW! Page 9

is hedging his bets and is content to let the facts of reform speak for themselves.

"I have not come to Europe hat in hand," he told journalists.

But his meetings are all taking place at a time when there have been clear signals from European diplomats that the EC is eager to normalise trade with SA.

As the 12 nations move towards becoming a single market in 1992, sanctions are a deadweight and a subject of discord.

Nevertheless, sanctions became a central issue in discussions both in Paris and Athens.

And it is no accident that eight of the nine countries he is visiting — France, Greece, Portugal, Spain, Germany, Britain, Belgium and Italy — are members of the EC. Switzerland, also on the itinerary, plays a major role in European affairs.

Acceptance

French and Greek leaders, as well as Mr De Klerk, handled the sanctions issue gingerly in their public remarks this week.

But Mr De Klerk made a point of using a key phrase.

He said he had found acceptance in both Paris and Athens that the process of change in SA was now "irreversible".

This is the yardstick the EC has set for reviewing sanctions.

The ANC deputy leader, Mr Nelson Mandela, will follow President De Klerk to Europe and will meet President Mitterand on June 8.

Mr Mandela is expected to call on the EC to maintain sanctions until full negotiations are under way.

• JEREMY BROOKS reports from London that Nelson Mandela's cold war against South Africa showed signs of thawing this week — 16 years after its inception.

Although The Hague is not on Mr De Klerk's itinerary, arrangements are being made for a later visit.

Foreign Minister Hans van den Broek signalled the first reversal of policy by saying Mr De Klerk would be welcome.

The following day, Dutch newspapers revealed the existence of a Hague proposal to lift sanctions in six phases.

The proposal will be discussed at the Dublin meeting. Meanwhile, a visit to South Africa by British Prime Minister Margaret Thatcher — tipped to take place later this year — has been shelved.

Officials said she should wait until South Africa was further down the road towards transition.

She is due to meet President De Klerk at Chequers this week. Her much-delayed meeting with Mr Mandela has been set down for July.

CB

Mrs itself at a filling

Johannesburg's

bus on October

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Sources

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woman may have

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syringes of "Reooler's"

who were not

phone call to the

Page 2

...
FW has six weeks in which to win EC concessions

whites-only election, but some, at present only a few, fear that if he fails to show the benefits of reform quickly he could lose control of the government. If the European Community does not judge in June that Mr De Klerk deserves a reward, it will be at least six months before the 12 leaders get another chance to grade his performance and issue a more favourable report.

Mr De Klerk flies to Lisbon today, then travels to West Germany, Britain, Belgium, Spain and Italy in his bid to muster an EC majority for a softening of the community's anti-apartheid restrictions on South Africa.

Sources travelling with him said Greek Prime Minister Mr Constantine Mitsotakis would back EC moves to relax the curbs and Portugal is expected to do the same.

And British Prime Minister Mrs Margaret Thatcher, who has already unilaterally suspended some sanctions, favours a co-ordinated move to reward Mr De Klerk for what he has already done.

But it is French President Francois Mitterrand, the sources said, who could be the key to a South African victory in the court of EC opinion.

"He has an established anti-apartheid track record and he has more credibility in Europe than Thatcher," one South African said. "He could emerge to be a pivotal player on our behalf." — Sapa-Reuters
C'wealth Focuss on SA

Talks this week on changes needed before sanctions shift
LUANDA. — While President De Klerk tours European capitals informing leaders of recent talks to end apartheid, African National Congress leader Mr. Nelson Mandela urged the West not to ease sanctions.

"Our policy is very clear. We have called on the international community to isolate South Africa and that is still our position," Mr. Mandela told a news conference in the Angolan capital yesterday at the end of a three-day official visit.

Asked whether he intended to run for President in future democratic elections, the veteran leader said: "I have no such ambition. I will do what the ANC and the South African people require me to do."

SUPPORTED PLEA

Angolan President Jose Eduardo dos Santos, whose Soviet-backed government gave the ANC prominent military support from the mid-1970s to 1988, supported Mr. Mandela's plea for the West not to ease sanctions.

"Economic sanctions were introduced with the view of reaching an objective, the abolition of apartheid, and until that has been realised it doesn't seem proper to ease them," Mr. Dos Santos said.

Mr. Mandela indicated that the ANC was prepared to compromise on several points, but demands for one man, one vote were not negotiable.

"The demand of one-person, one-vote is one on which it is unconceivable to expect us to compromise. Otherwise what has this fight been all about?" he asked.

He promised the ANC would address white fears about the extension of suffrage to blacks.

"We beg to remove any concerns... because it is absolutely necessary for the future of South Africa to retain white expertise and skill," Mr. Sapa-AP...
Updaring SA firms in world trade

Michael Chester reports on the quest but determined South Africa to get back onto world economic markets.

They have been placed all over the world in over 30 countries, on every continent of the world and in nearly every market. The South African economy is now in a state of flux, with the global economy in a state of crisis.

South Africa's economy is now in a state of flux, with the global economy in a state of crisis. The South African economy is now in a state of flux, with the global economy in a state of crisis. The South African economy is now in a state of flux, with the global economy in a state of crisis. The South African economy is now in a state of flux, with the global economy in a state of crisis. The South African economy is now in a state of flux, with the global economy in a state of crisis.

Visit will strengthen spe

The President in Europe

The Six President, P.W. de Klerk, arrived in Portugal today for a two-day visit to Portugal, where he was received by President Mario Soares. The Six President, P.W. de Klerk, arrived in Portugal today for a two-day visit to Portugal, where he was received by President Mario Soares. The Six President, P.W. de Klerk, arrived in Portugal today for a two-day visit to Portugal, where he was received by President Mario Soares. The Six President, P.W. de Klerk, arrived in Portugal today for a two-day visit to Portugal, where he was received by President Mario Soares. The Six President, P.W. de Klerk, arrived in Portugal today for a two-day visit to Portugal, where he was received by President Mario Soares.

Background

Angela, a trading partner, is not very interested in this visit. She said, "The Six President is not very interested in this visit. She said, "The Six President is not very interested in this visit. She said, "The Six President is not very interested in this visit. She said, "The Six President is not very interested in this visit. She said, "The Six President is not very interested in this visit.

"We export products to Africa because they are interested in our products. They want to import our products and we want to export our products to Africa."

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Strategy

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They go bearing gifts of skins, gold cufflinks and

Political Staff

Athens — The sale of President de Klerk’s chartered Boeing 707 is another blow for the South African economy. The sale of President de Klerk’s chartered Boeing 707 is another blow for the South African economy. The sale of President de Klerk’s chartered Boeing 707 is another blow for the South African economy. The sale of President de Klerk’s chartered Boeing 707 is another blow for the South African economy. The sale of President de Klerk’s chartered Boeing 707 is another blow for the South African economy.

Krugerrands, paintings by South African artists and cases of South Africa wines especially selected by the state.

In charge of the troops is the special chief at the Department of Foreign Affairs, Lwellyn Cross, from the Prime Minister’s office.

His task was to find something acceptable to the Europeans that had an African flavour. Gift choices were careful, not too expensive to be a burglary, and not too modest. Gift exchanges are tricky, and allow the other state of to...
US governor urges R2-bn disinvestment

By David Braun, The Star Bureau

WASHINGTON — Governor Doug Wilder of the State of Virginia has directed all state agencies and institutions to sell about R2-billion in investments in companies with South African links.

Addressing a graduation ceremony at Norfolk State University at the weekend, Mr. Wilder, the highest elected black official in the US, said people should support the efforts of South African blacks to break the chains of apartheid with the same enthusiasm that they supported the aspirations to freedom of people in Eastern Europe.

The total amount of investment money involved has been estimated by state officials at $760 million (R2 billion). Most of it has been invested on behalf of pension funds.

Although Mr. Wilder does not have any statutory authority to direct Virginia's education and other institutions how to invest their money, his call is expected to have an impact.

There is growing speculation that Mr. Wilder, who recently became the first black American to be elected governor of a state, may be positioning himself for a bid to be the Democratic Party's candidate for president in 1992.
Mandela urges West not to ease sanctions

LUANDA — ANC deputy leader Nelson Mandela yesterday urged Western nations not to ease sanctions against South Africa.

"We have called on the international community to isolate South Africa and that is still our position," Mr Mandela told a news conference in the Angolan capital at the end of an official visit.

Asked whether he intended to run for president in any future democratic election in South Africa, Mr Mandela said: "I would like to indicate that I have no such ambition. I will do what the ANC and the South African people require me to do."

Mr Mandela indicated that the ANC was prepared to compromise with President de Klerk on several points, but demands for one person, one vote were not negotiable.

Mr Mandela pledged a Bill of Rights to "guarantee fundamental human rights to all sections of the population".

Mr Mandela is scheduled to attend the fifth meeting of the nine-member British Commonwealth Foreign Ministers' committee on South Africa, which opens in Lagos tomorrow.

• PAC president Zeph Mothopeng
Coal exports delay expected at Richards Bay

JOHANNESBURG. — The possible lifting of French coal sanctions on SA from France and subsequent export of coal to France could be bottle-necked in the short-term by the present capacity of the Richards Bay coal terminal.

Last week the French newspaper Liberation reported that French businessmen were anticipating the lifting of coal sanctions against SA.

And the French and Spanish governments seemed in favour of the gradual lifting of sanctions.

A Frankel Kruger Vinderine analyst said the lifting of sanctions would be welcomed by the industry, but the Richards Bay coal terminal, through which SA exports most of its coal, was running at a full capacity of 46m tons.

However, the terminal was being upgraded. By the end of 1991, capacity would be 53m tons, Richards Bay Coal Terminal Co MD M Dunn said at a recent conference on coal.

Our London correspondent reports, that according to a report in London's Financial Times, Indonesia’s developing coal industry is threatening to become a major rival to exporters such as SA and Australia in the 1990s.

Plans to develop export terminals off the southeast coast of Borneo, mean that Indonesia should be able to export 20m tons of steam coal a year by 1994.

By 2000 Indonesia could be shipping 38m tons — making it the world’s third biggest exporter after SA with 46m tons last year, rising to 53m tons when Richards Bay is expanded.

What makes Kalimantan coal attractive in the “green age” is the low sulphur content — normally defined as 1% or less — and being as little as 0,01%. SA steam coal contains between 0,3% and 1,2%.

Indonesia’s competition will be felt chiefly because of its closeness to the big growth markets of the Pacific Rim.
Portugal wants all sanctions dropped

LISBON — Portugal believed all sanctions against SA should be lifted and would be pushing for at least a partial easing of restrictive measures when the EC met in Dublin on June 25, Prime Minister Anibal Cavaco Silva said last night.

Addressing a press conference at Sao Bento palace, his office and official residence, Cavaco Silva said Portugal was in favour of a re-evaluation of sanctions.

Cavaco Silva met President F W de Klerk for about 90 minutes yesterday.

Portugal, he said, was "very open" to the suggestion that there be some change in sanctions applied to SA. The EC, he said, should send a message to encourage De Klerk to "continue his positive work and in some way facilitate his job.

"Portugal is in favour of a re-examination of sanctions but that requires consensus among the 12 EC countries. We are in favour of removing some sanctions and eventually all sanctions but this is a matter to be discussed among the members of the community," Cavaco Silva said.

Asked whether Portugal would be prepared to go it alone, Cavaco Silva said he would prefer to await discussions in Dublin before commenting.

De Klerk said his government was not introducing changes in SA because it wanted to please the international community but because it believed there was no alternative for SA. Whether the EC decided to lift sanctions or not, government would press ahead with its reform measures.

However, the lifting of sanctions would enable SA to achieve the growth rate necessary to provide employment for an expanding population and to redress imbalances.

Government had embarked on irreversible changes in SA and it was time for the EC to encourage rather than pressure.

Asked whether he believed SA should implement more reform measures before the Dublin meeting to assist those arguing for the lifting of sanctions, Cavaco Silva said De Klerk knew what needed to be done and had stated he intended doing it.

He added: "There are reasons for the EC to re-evaluate sanctions. I think that may happen. There are new facts that must be re-examined — not with passion but seriously."

At a banquet hosted later by Portuguese President Mario Soares, De Klerk said if Western countries wished to see the political evolution they had so long been looking for in SA, they would have to change their stance towards the country.

"We are asking: If you accept that the process is irreversible — and all the leaders I have met thus far do so — then the time has indeed come for re-evaluation of policies and attitudes."

De Klerk said foreign capital was needed in SA for "without a strong, vibrant economy, the odds against political success are greatly increased."

De Klerk noted that Soares had recently suggested the time had arrived for Portugal to resume its traditional strong tie with Africa. SA would welcome that be-

Portugal

cause Africa needed bridges to modern day Europe.

Government, De Klerk said, was committed to creating a dynamic, new, just and equitable SA in which there would be neither discrimination nor domination.

Good progress had been made. "Stumbling blocks in the way of negotiations are being removed methodically."

Only smaller, extremist groupings still wished to resort to violence, he said.

Soares saluted both De Klerk and ANC deputy president Nelson Mandela for their political courage in getting talks started.

Soares said he realised SA still had a long way to go, and there were forces trying to erect obstacles to a resolution of the country’s problems.

"But Portugal knows that the negotiation process which has started is irreversible and therefore Portugal asks the great majority of the SA population to give peace a chance," he said.

De Klerk's two-day visit to Portugal was heralded by pomp and ceremony.

From Page 1

On entering Portuguese airspace yesterday the presidential Boeing 707 was met by four US-built Cessna fighter jets of the Portuguese airforce to escort it to Lisbon’s Portela airport.

The SA presidential couple were met at the foot of the gangway by Soares and his wife. In a black Mercedes stretch limousine the two heads of state were driven to the Praca do Imperio, where De Klerk was greeted by a military guard of honour and a 21-gun salute.

During an exchange of gifts ceremony, Soares said De Klerk was admired throughout Portugal for his courage. He believed De Klerk to be a leader who could make a contribution not just to peace in SA, but to world peace.

The SA presidential pair are staying at the Palace of Queluz, the official state guest house. This is another honour accorded by Soares as the palace is usually reserved for heads of state on official visits. It has previously hosted Ronald Reagan and Queen Elizabeth.
three people dead and 20 injured.

Sanctions
ATHENS - Commonwealth foreign ministers are likely this week to refine their conditions for the lifting of sanctions against South Africa, Canadian Foreign Minister Joe Clark said.
Portugal in bid to ease sanctions?

From ANTHONY JOHNSON
Political Correspondent

LISBON. — Portugal favoured the lifting of sanctions against South Africa and would push for the partial removal of such punitive measures at next month's European Community summit in Dublin, Portuguese Prime Minister Dr Anibal Cavaco Silva said yesterday.

Dr Cavaco Silva told an international press conference that the EC should find a positive method to stimulate the positive reform already undertaken by President F W de Klerk and "to facilitate his job".

Speaking in the gardens of the Sao Bento Palace after 90 minutes of talks with Mr De Klerk, he said reforms introduced by Pretoria warranted a re-examination of the sanctions question by Europe.

Portugal's latest bold stand on the sanctions issue represents an important breakthrough for Pretoria — but any major easing of sanctions will depend on a consensus decision of all 12 EC members.

Mr De Klerk, who received a rousing welcome from the Portuguese government here, said: "The time has come for encouragement and not pressure."

Dr Cavaco Silva said he wished to congratulate Mr De Klerk for the reforms he had already implemented.

● Red carpet treatment greets FW — Page 3
Lifting of sanctions
‘a boon for growth’

GRETASTEYN

THE lifting of financial sanctions had the potential to add at least one percentage point to SA’s average annual growth rate over the next decade, economists said yesterday.

Financial sanctions put a brake on growth in the last five years by forcing SA to become a net exporter of capital — to the tune of R30.5bn.

If the capital haemorrhage was stopped, potential for growth and job creation would be enhanced, economists said.

This would take place even if there were no net inflow of capital.

TrustBank’s Nick Barnardt said the assumption that the capital account was zero instead of a huge negative figure, yielded a projected average annual real growth rate of 3% to 4% a year over the next few years, instead of 2%.

All other assumptions, for instance on the gold price, remained the same.

“New job creation at this higher rate of growth is roughly five times more than at a growth rate of 2% per annum,” Barnardt said.

An econometric model run by the Reserve Bank last year showed that, with no need to yield a surplus on the BoP every year, real GDP should be able to grow at an average rate of about 3% per year.

If the SA economy experienced a net capital inflow equal to about 4% of GDP — a reversal of the current situation — an average growth rate of between 4% and 5% per year could be achieved.

Nedcor economist Edward Osborn said the present constraints limited SA to an average annual growth rate of about 1.5% and that this could be lifted to a growth potential of about 3% — if the position of SA as a net exporter of capital was stopped.
PORTUGAL’S SANSCTIONS PLEA

Mario Soares accepts invitation to visit SA

From Anthony Johnson

President do not agree with President's stance

PORTUGAL’S SANSCTIONS PLEA

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CAT. TERM. R/26/90
Commonwealth optimistic, but sanctions stay

ABUJA (Nigeria) — Commonwealth Foreign Ministers end a two-day meeting today determined to maintain sanctions against South Africa, but cautiously optimistic that its Government is on the way to abolishing apartheid.

Commonwealth Secretary-General Shadrach Ramphal said the ANC's deputy president, Nelson Mandela, had developed a rapport with President de Klerk based on mutual respect and trust.

"There are delicate issues which could be serious stumbling blocks ... but in general we find the mood optimistic," Mr Ramphal said. — Sapa-Reuter.
Mr Botha said if the international community did not respond, the white electorate would start saying, "the violence has increased, Mr De Klerk has done all these wonderful things, and the only thing the Europeans are doing is giving him a pat on the shoulder and saying 'very nice, a step in the right direction'... like a goose on the way to its doom." Earlier, Mr Botha told the 60 parliamentarians that Mr De Klerk's delegation had been given an excellent reception, particularly in France, but also in Greece, Portugal and now Belgium.

In his address, Mr De Klerk said, "What has happened in South Africa deserves a fundamental re-examination of attitudes... not half-hearted, not a shifting of goalposts... what has happened has already changed the face of South Africa. "We are asking you to help create an international atmosphere which will be conducive to negotiations." He said: "There is no turning back. However vociferous the opposition may be, we are going ahead and we want to do so with the greatest possible speed." "We are talking of weeks and months, not years." — Sapa-Reuters

Sir Shridath said that despite Britain's "minimalist" approach, sanctions had forced President de Klerk to make major policy changes. But he said the main legislative pillars of apartheid remained intact. He predicted Mr de Klerk's tour of nine European countries to persuade the European Community to lift sanctions would fail.

Mr Mandela told the Foreign Ministers Committee he was amazed at the suggestion that sanctions should be eased. "The unbanning of the ANC and release of some political prisoners is not what the liberation struggle is all about," Mr Mandela said. "It is about getting rid of apartheid."

He said his talks with Mr de Klerk earlier this month had done no more than begin removing obstacles to real negotiations.

Yesterday in Brussels Mr Botha said President de Klerk could not indefinitely continue his rapid pace of change without some reward from the international community.

Addressing the multi-party Belgian-South African Parliamentary Association with Mr de Klerk, Mr Botha said his president had only held the post since September.

"In that brief space of time he has taken the imagination of the world. "(But) he cannot continue like this indefinitely at this rapid pace without some reward or some recognition which we can show to the white electorate, which is our electorate (in South Africa)."

OWN CORRESPONDENT

BRUSSELS. — Foreign Minister Mr Pik Botha yesterday appealed to Belgian parliamentarians to reward President F W de Klerk's reforms while in Nigeria Mr Nelson Mandela urged Commonwealth foreign ministers not to relax sanctions.

Mr Mandela was addressing the Commonwealth Foreign Ministers Committee in Abuja with Common...
Trade sanctions. Do they really hurt?

The lifting of trade sanctions in European countries has been mooted, in response to the move towards reform by the government, after State President FW de Klerk’s European tour.

France has suggested that its coal sanctions, apparently more symbolic than anything else, may be lifted.

European sanctions, where they have had an effect, have opened new markets in the East. Detailed export figures are not released but it is reliably claimed that coal exports to Europe last calendar year rose 37 percent by value, while exports to Osmania rose around 58 percent and to Asia by 27 percent. Exports to Africa also rose, by about 40 percent. By contrast exports to America dropped by 11 percent. Sanctions imposed by the US and Canada have been more effective than Europe’s.

European trade sanctions have barred three important South African exports: coal, steel and Krugerands.

The ban on Krugerands had little effect. By the time these were banned from Europe, they had had the desired effect of spurring investor interest in gold coins and by attracting more individual investment in gold, broadening the market. The contraction of the Kr market outside South Africa coincided with the creation of other gold coins such as the Canadian Maple Leaf. It matters little whether the gold South Africa sells makes its way into the world as ingots or bullion.

The ban on basic steel products co-

FW de Klerk’s tour of Europe has raised hopes of sanctions being lifted. REG HUMNEY looks at the possible spinoffs.

incided with an excess capacity to produce steel at European steel mills. Keeping South African steel out of Europe may have been a form of protectionism. Should European sanctions be lifted there may be demand for South African steel.

But iron, South Africa’s major primary steel producer which is producing to capacity, has been cut loose by the European market for five years, said an iron representative. The overcapacity in the European market was starting to decline when sanctions were imposed, though it was always a competitive market.

South Africa’s market is more one of pricing than capacity. The loss of the US market was severely felt because it was particularly lucrative. And the price iron’s steel can command depends more on the world supply-demand equation of steel than on demand from individual countries. Iron has for years exported 35 to 40 percent of its production and isn’t considering increasing liquid steel production.

The imposition of International sanctions would give to the total economy would boost local demand, and this could contribute to the economy.

Similarly, the lifting of coal sanctions by France and Denmark would go way with the “political discount” they could have to sell their coal. Like iron, coal exporters found new markets when the US, France and Denmark were closed.

Professor Dawid Kotze, of the Institute of Energy Studies, considers there are at least two hurdles to be cleared before South Africa can take advantage of any possible lifting of sanctions by European countries.

One is the constraint on the amount of coal that can be taken out of the Richards Bay coal terminal. Capacity at Richards Bay is now being expanded from 44-million tons to 53-million tons. This is only scheduled for completion in 1992.

Since South African coal exporters won’t drop newly developed markets to supply Europe, new mines will have to be developed. But Kotze says the present coal price provides insufficient incentive for investment in greenfield coal mines. He believes the capital expenditure required over the next two years at R50 a ton will mean the cost of a ton of coal from a new mine by the time it is open to the ship at Richards Bay will be R85. The international cost of a ton of coal is around R85 to R85 a ton — not enough to entice new investment, Kotze says. South Africa is not in a position to supply new markets unless the international coal price surges.

According to a report in the London-based newsletter Southscan, coal exports to Europe from South Africa have increased by 7.2 percent from 19.5-million tons in 1997 to 26.6-million tons. Southscan quotes European Community figures to show that France, despite its decision in 1986 not to renew any supply contracts for South African coal, has for the second year increased its purchases, paying 892,000 tons, 9.7 percent more than in 1988.

Total coal exports did increase last year. In 1989 total South African coal exports were 46.7-million tons compared with 43.7-million tons in 1988, according to Am coal chairman Graham Boustead, in his review for the year ending March. He says foreign exchange earnings from coal exports rose from R2.8-billion in 1988 to R3.3-billion last year. Only R270-million of the R300-million increase arose from higher volumes of exports, with R120-million coming from higher prices and R410-million coming from the lower value of the rand against the dollar.

Boustead stated that while the Rich-

South African socio-political issues espe-

cials, business and church areas are special fields.

South African socio-political issues expe-

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alions: 25th May 1990.

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Presidents Field Day and the Progression of Oversight Series

The global focus on sanctions and their impact on international trade has increased in recent years. The recent increase in sanctions has led to a renewed interest in the role of the regulatory authorities in ensuring compliance with international laws and regulations. The role of regulatory authorities in overseeing the implementation of sanctions has become increasingly important. The purpose of this article is to discuss the role of regulatory authorities in overseeing the implementation of sanctions.

The article begins with a brief introduction to the history of sanctions and their role in international trade. The article then discusses the role of regulatory authorities in overseeing the implementation of sanctions. The article concludes with a discussion of the challenges facing regulatory authorities in overseeing the implementation of sanctions.

Investment Partners

As sanctions recede,

Political Correspondent Mike Robertson reports from

Progress is on the horizon for the talks

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As sanctions recede,

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Progress is on the horizon for the talks

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Tale of two tours flips double-side coin of SA sanctions

By GAVIN EVANS

STATE President FW de Klerk touched down in London yesterday for the final week of a trailblazing European tour which has produced much in terms of international kudos but few concrete rewards.

After 10 days of the most significant international visit ever by any Nationalist head of state, De Klerk prepared himself for his meeting with his closest European ally, British Prime Minister Margaret Thatcher.

Before arriving in London, he met European Community president Jacques Delors and Belgian Premier Wilfried Martens.

Meanwhile Nelson Mandela was winding up his 12-day African tour, which has served in part to offset some of De Klerk’s diplomatic gains.

The ANC deputy president attended the meeting of the Commonwealth Foreign Ministers Committee in Abuja, Nigeria on Wednesday and Thursday — something no South African minister has achieved in three decades.

Mandela told ministers from 10 countries that he was “amazed at the suggestion that sanctions should be eased” and called for the international community to keep up the pressure.

He called for the immediate relaxation of sanctions, which are expected from the Commonwealth, while in Oslo, foreign ministers from the Nordic and frontliners states agreed that “despite recent positive developments in South Africa,” sanctions would not be lifted.

Norwegian Foreign Minister Kjell Magne Bondevik said Pretoria had yet to give a “firm commitment” to end the State of Emergency.

De Klerk’s tour has seen him receive several tithis from Europe, but the real test will come at the meeting of the European Community’s heads of state meeting in five weeks’ time.

By then the government will need to show that substantial moves towards eliminating apartheid, ending the Emergency and releasing political prisoners have been made.

De Klerk however can return home with several promises and symbolic gains in his pocket:

• Later this year Portuguese President Mario Soares will become the first Western head of state since 1948 to officially visit South Africa.

• Portuguese Prime Minister Anibal Cavaco Silva assured De Klerk that Portugal would move for the easing of sanctions at the EC meeting on June 25.

• Greek Prime Minister Constantine Mitsotakis said the EC would re-examine its policy towards South Africa, but stressed that further bi-

Highest award... Nelson Mandela receives the Order of Niger from Nigeria’s President Babangida

PRESIDENT Chahid Benjedid yesterday presented African National Congress deputy president Nelson Mandela with Algeria’s highest award in recognition of his struggle against apartheid.

Mandela was presented the Wissam al-Attir medal of distinction for his “courageous struggle to free South Africa from exploitation”. Mandela last visited Algeria in 1961 after he received military training from Algerian guerrillas fighting against France.

lateral links could not be created “because the right climate does not exist in South Africa”.

• French President Francois Mitterrand said he accepted the “irreversibility of change in South Africa”. He said that sanctions would be re-evaluated and relations would improve as soon as the steps outlined in the ANC-SA government “Grootte Schuur Minute” were implemented.

• According to a report in the left-leaning French daily Libération, French businessmen are now anticipating the lifting of coal sanctions against South Africa.

• De Klerk is expected to receive positive feedback in Britain and Switzerland, but his team is clearly pressing for more substantial breakthroughs than those achieved to date.

• Foreign Minister Pik Botha said on Wednesday that his government could not continue with the rapid pace of change in South Africa without “some reward from the international community”.

He warned that without such “rewards” the white electorate would say: “De Klerk has done all these wonderful things and the only thing the Europeans are doing is giving him a pat on the shoulder and saying, ‘very nice, step in the right direction’, ... like a goose on the way to its doom.”

Botha added that De Klerk and gold were South Africa’s best exports, “with the only difference being that his value is going up.”

Shortly before leaving Brussels yesterday de Klerk said his impression so far was that the European Community “had a broad understanding and acceptance of the dynamics in South Africa” as well as of “the irreversibility of the process” which his government had started.

SA Institute of International Affairs director Professor John Barratt said that while De Klerk’s visit might not extract much in terms of sanctions being lifted, “it has definitely enhanced his position and given him much greater international credibility”. “There’s no question that this is the biggest and most significant visit by any South African president since the days of Smuts.”

Barratt added that he believed Mandela’s African tour was also of considerable significance, and that it had been underplayed in the media.

Professor Peter Vale, director of the University of the Western Cape’s Institute of Southern African Studies, says the past 10 days of foreign travel indicate a two-track policy on the part of the international community.

“The one track is into Pretoria and the other into the ANC. The De Klerk and Mandela visits are indications of the maturation of both of these.”
The screws stay tight

Commonwealth ministers vow to maintain pressure on SA

The Argus
FW visit to US ‘okayed by ANC’

WASHINGTON. — An official of President George Bush’s administration says the ANC leadership has assured the US government that it has no objection to President F W de Klerk seeing Mr Bush next month.

The administration sought this assurance from the ANC after its local representatives endorsed demands by anti-apartheid activist Mr Randall Robinson and the Reverend Jesse Jackson that Mr De Klerk’s proposed visit be stopped.

It was reliably learnt that the ANC’s chief US representative, Mr Lindiwe Mabuza, has been instructed to back away from statements that Mr De Klerk’s visit, coming only a week before ANC deputy president Nelson Mandela’s arrival in the US, was an “insult”.

However, this does not appear to have eased the election-year concerns of leading senators and congressmen who believe they will have to take a tough line with Mr De Klerk if he comes on June 13.

A number of key legislators have informed the White House that if Mr De Klerk comes after Mr Mandela, they will be able to give him the far warmer welcome they feel he deserves.

Amid expectations that the State of Emergency will not be fully renewed on June 13 and that Pretoria may soon accede to the Nuclear Non-Proliferation Treaty, the lawmakers have indicated this welcome could include a number of concrete benefits to SA.
BRUSSELS. — Sanctions were having an inhibiting effect on "imaginative developments" concerning social and economic programmes in South Africa, President P W de Klerk told a news conference here yesterday.

Mr De Klerk added that sanctions were also undermining the constructive role South Africa could play in Southern Africa.

He said the aim of his European tour was not particularly to get economic sanctions lifted, but to ensure EC leaders would be "fully aware of the dynamic situation in South Africa, of all the facts as they are ..."

He wished to emphasise that present restrictions were asking a heavy toll in a field where they could be the least accommodated — in the field of social and economic development. "I did not come to Europe with a shopping list. I come on a mission to correct wrong perceptions and to bring across the fact of the new realism in South Africa," he said.

He had found "acceptance of the new dynamism, of the irreversibility of the process, and full understanding of the steps taken."

"That all South Africans have a vote of equal value, that's our goal," he said.

He emphasised that he was determined to do away with all statutory discrimination in South Africa.

"In the short term there will be recognition also by the EC of the dynamic process taking place in South Africa," he said.

"We will deal with it in an orderly manner. We will not allow ourselves to be put off by vociferous minorities."

"We cannot allow that people arm themselves in an unlawful way or that private armies are brought into being. That is against the law ... if they break the law they will be prosecuted," Mr De Klerk said.

He admitted there was uncertainty among the population now. "I hope my trip can contribute to remove that uncertainty and to an international atmosphere of understanding that will have a stabilising effect," he said.

Mr De Klerk rounded off his two-day visit to Brussels with talks with Belgian Prime Minister Wilfried Martens and EC president Jacques Delors yesterday before leaving for London last night. — Sapa-Reuters-AP and UPI
From ANTHONY JOHNSON

BRUSSELS. — President F W de Klerk last night said he had "no doubt" the European Community (EC) would soon recognise the dynamic changes taking place in South Africa.

Mr De Klerk told an international press conference: "I am really not looking for gestures — I am looking for a basic re-evaluation of policy and attitudes by the EC."

Mr De Klerk was speaking after in-depth discussions with the Belgian Prime Minister, Mr Wilfried Martens, which were described by sources close to the talks as "very, very positive".

It is reliably understood that the South Africans attending the talks "could agree with virtually everything" Mr Martens said.

He is believed to have reiterated that the lifting of the state of emergency, the release of political prisoners and the return of exiles would have to take place before Europe could reconsider lifting sanctions.

The SA delegation were also "delighted" with the discussion late yesterday with EC president Mr Jacques Delors.

As a group of about 25 activists chanted "Apartheid must go, sanctions stay" outside the International Press Centre, Mr De Klerk told journalists that his European tour would "contribute towards wise decisions".

Mr De Klerk said that while the main purpose of his visit was not to get sanctions lifted "as such", he was confident that Europe would give acknowledgement for changes taking place in SA in a matter of "weeks and months". Europeans had "believed" the SA government representatives when they had been told that the issues of exiles and political prisoners were being "dealt with".

Mr De Klerk said SA had "some experience" in Namibia in dealing with such matters and procedures would be needed to deal with borderline cases.

Mr De Klerk said the under "constant review". Asked whether he felt his meeting in Brussels with the chairman of the Ministers Council of the EC, Mr Gerard Collin, would produce a positive report, Mr De Klerk said he was certain the Irish Prime Minister would bring out a "balanced report" on changes taking place in SA.

Mr De Klerk said that in the "in depth" discussions with the cross-section of political and business leaders in Belgium, he had "found throughout understanding for the depth and width of the process of change" that is taking place in SA.

Mr De Klerk said he had found his visit to Belgium "productive and constructive" and had encountered recognition for the "very important economic role" SA had to play in developing the Southern African sub-continent "as a partner" with the European community.

Mr De Klerk meets the British Premier and long-time opponent of sanctions, Mrs Margaret Thatcher, at Chequers tomorrow.

- Sanctions 'inhibiting' plans for SA — Paga 5

FW is sure EC will take note of change in SA

AWB shock at 'drastic' defection

PRETORIA. — The AWB has reacted with shock to the announcement by Blanke Veiligheid leader Mr Hennie Muller that he had joined Inkatha.

"Is he not aware of the fact, and the lessons from the past, that Zulus would definitely not protect Boer women and children?" AWB chief secretary Mr CA "Kays" Smith said in a statement yesterday.

The AWB executive committee had learnt with surprise and shock of Mr Muller's drastic step to join Inkatha, Mr Smit said.

Inkatha recently denied that Mr Muller, leader of a white group in Welkom said by many blacks to be vigilantes, had joined the Zulu nationalist organisation.

State of emergency was

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ANC stays firm on sanctions

LONDON. — The ANC yesterday reiterated its commitment to the retention of sanctions, as President F W de Klerk prepared to discuss the issue today with British Prime Minister Mrs Margaret Thatcher.

While Mr De Klerk might be discussing the issue with European leaders, the ANC believed it was premature to consider dropping sanctions, ANC secretary-general Mr Alfred Nzo said yesterday.

"There is certainly no irreversible progress in the elimination of the apartheid system."

Mr Nzo believes a political settlement will be reached within the next five years.

Asked what time-scale he expected before negotiations ended in a settlement and a democratic system, he said that before the talks with the government he thought it would be "an impossible task to arrive at any agreement."

However, they had already agreed on the Groote Schuur Minute.

"There is a sense that people want it settled."

He said Mr De Klerk and the NP had spoken in terms of a five-year programme, but it was not certain they would stick to it. His feeling was that they would.

"I do not think it will be a protracted process."

While President De Klerk was yesterday preparing for today's talks with Mrs Thatcher, the Anti-Apartheid Movement promised a substantial demonstration by hundreds of supporters outside the Prime Minister's Chequers country house, where they will meet.

A rally featuring leading anti-apartheid speakers, including Cape Town's rebel former policeman Lt Gregory Rockman, was scheduled in London last night, and an AAM spokesman said about 300 protesters armed with banners and placards would be bussed to the entrances to Chequers this morning.

A special committee of Commonwealth foreign ministers said in Abuja, Nigeria, yesterday that they would appeal to leaders of the European Community and the world's seven richest nations not to halt sanctions against South Africa.

After a two-day meeting that ended on Thursday, the ministers agreed with appeals from South African nationalist leader Mr Nelson Mandela and Nigerian military leader President Ibrahim Babangida that President De Klerk had not done enough toward ending his country's system of legal race segregation. — Sapa
FW's tour of Europe biggest in decades

Political Correspondent
CAPE TOWN — President de Klerk embarks next week on a tour of nine European countries in which he will meet two kings, seven presidents, nine Prime Ministers and five Foreign Ministers.

It will be the biggest international tour undertaken by a South African leader since the National Party came to power in 1948.

Although it will inevitably be something of a lap of honour for Mr de Klerk after his major reforms, he also hopes to translate the present goodwill into tangible results.

He will be visiting Europe at a time when the European Community is weighing up whether or not to begin lifting sanctions and the visit could tip the scales.

The countries he will visit are Britain, France, West Germany, Switzerland, Belgium, Italy, Portugal, Spain and Greece.

Expected

Mr de Klerk is expected to cast his net as wide as possible, since South Africa will be dealing with an economically united Europe in 1992.

The South African Government is expected to play down the sanctions issue. It is presenting the tour as merely an opportunity for Mr de Klerk to fully inform European leaders on his reform plans.

Mr de Klerk is said to have made a good impression on several Foreign Ministers and leaders during a flurry of meetings in Windhoek during the Namibian independence celebrations.

The Government believes that European leaders will be equally impressed.

Mr de Klerk talks this week with the African National Congress about removing the obstacles to negotiations are expected to boost his credibility on the tour.

Some sort of agreement with the ANC emerging from the talks today would be a bonus.

See Page 11.
PAC wants more sanctions

SANCTIONS against South Africa should be comprehensive and mandatory to be effective and therefore should be intensified, said PAC president Zeph Mothopeng this week.

He was speaking at the funeral of a former senior PAC official, Synod Madzeli lebo, who died at the age of 71 in Umtata.

Mothopeng attacked the ANC for holding talks behind closed doors. The ANC and the government "exclude points on which they differ and publish those on which they have common ground".

He said that after the recent talks between the ANC and the government it was likely State President FW de Klerk would obtain financial and investment assistance during his tour abroad to boost South Africa’s ailing economy.

He would now be able to finance a big army and build a large police force.

Speaking on behalf of the New Unity Movement, ZK Mzimba warned people to guard against developing a leadership cult. He said leaders should not be worshipped but respected.

He had earlier warned of the danger that people’s demands could be compromised or subverted, not because of the people, but because of the leadership of the people.

"In this country both imperialism and ‘Herrenvolkism’ have got to go. But the old danger of divide and rule has become apparent," said Mzimba.
Britain expects more reforms

BRITAIN is confident President FW de Klerk will be able to push through more reforms, a British official said yesterday.

"There will be further substantial progress on all fronts in the near future," an aide to Prime Minister Margaret Thatcher said after 90-minute talks with De Klerk, which he said took place in a "very friendly atmosphere."

The British leader, who broke ranks with the European Community by easing sanctions against Pretoria, congratulated De Klerk for having taken "substantial" steps towards abolishing apartheid.

Thatcher now believes the task of the international community is to help South Africa create wealth and have access to the international finance nec-

essary for a successful post-apartheid policy, the aide said.

Meanwhile, Mandela said during his visit to Algiers on Friday that he would follow De Klerk through Europe next month to plead for sanctions. On Friday the Commonwealth also urged the EC not to lift them.

On Friday he met Libyan leader Muammar Gaddafi during his North African tour. He was greeted with a 21-gun salute upon his arrival.

Mandela, who has a grandson named after Gaddafi, was received with his wife Winnie and members of his delegation by the Libyan leader. Last year, Libya awarded Mandela a human rights prize. The prize, named after Col. Gaddafi, was presented to Mandela's daughter Zenani as he was still in prison. — Sapa-AP
EC meeting vital for SA

De Kerk tour: Unstoppable momentum of success
Thatcher eases way to new loans

Europeans set to step up SA interests

BONN — Leading European industrialists with interests in SA are ready to start expanding their operations in the country, senior officials accompanying President F W de Klerk on his tour of Europe believe.

They are also confident about securing new loans after British Prime Minister Margaret Thatcher said at the weekend: "The task now is to help SA to create the wealth, and have access to the international finance necessary, to create a successful post-apartheid society."

The presidential party arrived here last night after a highly successful visit to Britain where, in addition to being warmly received by Thatcher, De Klerk held talks with top bankers, industrialists and businessmen.

Tonight, after meetings with Prime Minister Helmut Kohl and Foreign Minister Hans-Dietrich Genscher, De Klerk will fly to Frankfurt to address a dinner attended by 50 West German industrialists and bankers.

While in Britain De Klerk met businessmen on three occasions, with one meeting arranged by former Anglo chief Harry Oppenheimer. Top businessmen, including publishing magnate Rupert Murdoch, attended a lunch hosted by Thatcher in De Klerk's honour at Chequers on Saturday.

Before lunch De Klerk and Thatcher had a 90-minute meeting that a No 10 Downing Street spokesman described as "extremely friendly."

A senior SA official said the business meetings were as important as those with the heads of state. He said there had been a dramatic shift in attitude on the part of those businessmen with investments in SA. Whereas six months ago the tendency was to restrict any new investment, there were now strong indications that companies were prepared to expand their operations in SA.

The disinvestment threat had receded significantly.

After meetings with bankers, SA officials have also begun to reassess initial fears that Europe's emerging democracies will suck up any new loans available for developing countries.

One official said bankers felt that the former East bloc countries, while politically exciting, were "hollow shells" with no purchasing power and the "wrong mentality" when it came to business.

"We need not suffer a liability. If our political climate is right and our risk factor manageable, they won't push us out of the market," the official said.

SA officials said European industrialists appreciated SA's strategic mineral advantage.

They added that although some European governments believed they needed time to swing public opinion around before dropping sanctions, there was — and would be — an increasing erosion of restrictive measures.

To Page 2
EC ready to reassess policy on sanctions

SNEEM (Republic of Ireland) — Foreign Ministers of the European Community (EC) confirmed yesterday that they were ready to reassess their policy of limited sanctions against South Africa in recognition of reforms initiated by President de Klerk.

The Ministers, many of whom have met Mr de Klerk on his present tour of Western Europe, gave a clear indication that they may offer some softening of the EC's stance to Pretoria when they next meet in Luxembourg on June 19. Any decision taken there would probably be endorsed by the EC summit a week later in Dublin.

The apparent change of mood is a clear boost for British Foreign Secretary Douglas Hurd, who in January stood alone in recommending a relaxation.

Dutch Foreign Minister Hans van den Broek indicated he might support some easing of sanctions, but only if they were linked specifically to new reform measures.

The apparent shift from full sanctions came in spite of the Ministers receiving a letter from the Commonwealth urging maintenance of sanctions. — The Independent News Service.
Thousands march in anti-sanctions rally

DURBAN. — Between 5,000 and 8,000 Inkatha followers jammed the streets in Durban's city centre at midday on Saturday, to present memoranda to the consuls of the United States, Britain, West Germany and Italy.

The marchers chanted and toyi-toyiied their way to the offices of the British consul, where memoranda were handed to representatives of the four countries.

The memoranda, read out in public, expressed the appreciation of the black communities of Natal-KwaZulu to the governments for their stand against discriminatory government practices in South Africa.

However, a call was made to these governments to start restoring South Africa's economy by lifting existing barriers to free trade and investment.

The memoranda also expressed approval of the exploratory talks held recently between the South African government and the ANC. — Sapa
Praise for FW from British newspapers

Own Correspondent

LONDON. — President F W de Klerk received a good press here yesterday and the Sunday Times said he was “the first Nationalist leader who does not create embarrassment abroad”.

But, warned the paper, his big test would come next month when the EC considered its stand on sanctions at its Dublin summit.

The Sunday Correspondent quoted Mr De Klerk with approval under the headline: “De Klerk admits apartheid racist”.

Reporting on Mr De Klerk’s press conference on Saturday night, it said: “He astonished journalists by declaring: ‘We are all born equally before God Almighty. Racism is bad because racism is a form of discrimination in itself. We are against that. Racism, and also apartheid, is the allocation of duties, rights and privileges on the basis of membership of a specific race. That is what we have undertaken to eliminate in South Africa’.”

Resignation

The Sunday Express said Mr De Klerk had “delivered a historic pledge to Mrs Thatcher that he aims to end apartheid within two years”. It said he told her he would drive through reforms for one man, one vote and that he considered the reform programme “irreversible”.

He would demand acceptance by his fellow whites of one man, one vote, with legitimate protections for whites — and was “said” to be prepared to resign if his proposals, following negotiations with the ANC, were blocked by his fellow white leaders.

Left-wing commentator Martin Kettle of the Guardian said on Friday that Mr De Klerk had “unjammed the agenda” in South Africa. He was seeking international support “in an increasingly desperate attempt to face down growing white opposition at home”.

“It is hard, in the circumstances, to see what is so objectionable about that. Those who believe that racial civil war is inevitable in South Africa can legitimately argue that De Klerk’s concessions should be rejected.

“Those who believe that a negotiated end to apartheid and minority rule is achievable have, at some point, to negotiate. This, increasingly, looks like the point.”

He added that it was “no longer good enough for policy towards South Africa to consist simply of sanctions and isolation. The aim now, surely, must be to do everything which makes a unitary multiracial South Africa a viable proposition”.

In a feature article in the Daily Mail on Saturday, South African correspondent Peter Younghusband wrote: “Already the white conservative backlash against De Klerk’s reforms is such that if an election was held now, his ruling National Party would be unlikely to win it.”

His European tour was, therefore, crucial to his political standing and the continuance of reform.

“If he returns to South Africa without recognition of what he has achieved and without at least a partial lifting of sanctions, his situation will deteriorate.”

This would prevent him pushing ahead with reform.

“He has to go back to South Africa and show that the world is recognising his integrity and determination. They have to give him something to assist in the complex battle to achieve a historic change.

“Failure to give him that recognition by removing sanctions may well have the effect of sabotaging the one hope that South Africa has for peaceful and democratic change.”
Mandela optics a nice

Cop for FV

Investment

Welekomo

3 short dead

Welekomo — Viyose Reza in the

11-day consumer boycott of the
mass meeting declared so far on an
"end illegal siege."

People dead and scores injured

Picketing farmers' rights for their

Small and
cup game

Nagas miss

Small and
cup game

Kenya's first— The press has not been

satisfied with the information put

forth to them by the government.

"We will do our best to get to the

truth," said a government official.

Several people were killed in the

province and many others injured.

A few others were arrested and

handed over to the police.

The police are now investigating

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Away from the cameras, protests greet De Klerk

From MOIRA LEVY

LONDON. — The strongest statement on last week's talks between State President FW de Klerk and British Prime Minister Margaret Thatcher came from the British public itself, remarked an ANC official.

It was summed up in the huge difference between De Klerk's reception of protests and demonstrations and the rapturous welcome given to Mr Nelson Mandela last month at Wembley, he said.

Despite assurances received by De Klerk from world leaders that sanctions would be reviewed, the demand from ordinary members of the public was for the continuation of sanctions and the isolation of apartheid until there was evidence of irreversible political change in South Africa.

While De Klerk was feted by leaders such as President Francois Mitterand of France and President Mario Soares of Portugal, protests and demonstrations — largely unreported in the mainstream media — dogged him throughout his nine-country European tour.

Placards

In Athens, Paris, Brussels and Lisbon, groups of demonstrators chanted and held placards registering their protest against the visit.

In London, Lieutenant Gregory Rockman, president of the Police and Prison Civil Rights Union (Popcro), was the keynote speaker at a major rally the night before De Klerk met Thatcher at her holiday residence, Chequers.

The protest rally, also addressed by the general secretary of England's Trade Union Congress, Mr Norman Willis, and the president of the Anti-Apartheid Movement (AAM), Archbishop Trevor Huddleston, reiterated the call made by the ANC to uphold sanctions.

The theme of the three days of protest echoed the ANC's determination that sanctions remain in place "until there is irreversible progress towards ending apartheid", commented the ANC's secretary general, Alfred Nzo.

At a press briefing on the eve of De Klerk's meeting with Thatcher, Nzo said: "Sanctions were adopted as part and parcel of the struggle for the elimination of apartheid, which is still in place.

"As Nelson Mandela said, he went to prison for 27 years and came back to find he still had no vote. Therefore, it is too early to talk in terms of suspending sanctions."

Opposed

In a joint statement, the AAM expressed "deep regret" at the welcome extended to De Klerk by their governments.

"We are opposed to De Klerk's visit to Europe because we believe it confers an unacceptable degree of respectability on the head of state of the apartheid regime and because we believe it will undermine the prospect of achieving a political settlement in South Africa.

"Anti-Apartheid movements are protesting across Europe to remind the people the pillars of apartheid remain firmly intact and, in the words of Nelson Mandela, apartheid continues to kill and maim."

On the day of De Klerk's arrival in London, a leading national newspaper ran a huge advertisement calling for the dismantling of apartheid. It was paid for by hundreds of ANC and AAM members and supporters.

The advertisement quoted Mandela as saying: "To relax our efforts now would be a mistake which generations to come will not be able to forgive. The sight of freedom looming on the horizon should encourage us to redouble our efforts."

The British government said after the Chequers talks that sanctions should be a thing of the past. UK Foreign Secretary, Mr Douglas Hurd, said: "I believe there has been a clear shift in the attitude of most European Community governments and there is a desire to give some encouragements to the South African government."

Begging

The EC is expected to review its sanctions policy when it meets in Dublin next month.

At a press conference after the talks, De Klerk said he had not come "just in hand", begging for the lifting of sanctions.

He said: "I found across Europe an understanding of a new reality in South Africa and an acceptance of the sincerity of the government in aiming for the goals of a new just South Africa where all will participate in government, every person will have the right to vote and will have a vote of equal worth."

"Sanctions have become irrelevant as we have moved beyond the old agenda for South Africa," De Klerk said.
The Argus Foreign Service

LONDON. — There is "no place now" for sanctions against South Africa, Prime Minister Mrs Thatcher has told the House of Commons.

In a strongly worded reply to a question yesterday she said sanctions were "irrelevant".

"Those who want South Africa to have a prosperous economy cannot justify supporting continued sanctions," she said.

Her statement would appear to signal another European Community disagreement over sanctions when heads of state meet for a summit in Dublin on June 25.

Unstopable

Other European leaders have indicated to President De Klerk that they plan to reconsider and possibly relax sanctions — but most have stopped short of promising to scrap them.

However, Mrs Thatcher, long at odds with the EC on this question, made it clear yesterday that she believed change in South Africa was unstoppable.

President De Klerk outlined his plans to her during a lengthy discussion on Saturday and clearly convinced her that there was no turning back.

Responding to cue in the form of a question from rightwing Tory Mr John Carlisle, the British leader told the Commons that everyone who had met and heard Mr De Klerk had "admired his integrity and courage".

Sport links

She described the reform, process as "irreversible", saying it would end apartheid and lead to a fully democratic South Africa.

"I believe he (Mr De Klerk) deserves support and that there is no place now for sanctions, which are irrelevant."

In his written question Mr Carlisle asked whether she would give the go-ahead to a British withdrawal from the Gleneagles Agreement and the restoration of sporting links with South Africa. Mrs Thatcher's reply indicated that she would.

Downing Street said the statement did not represent any departure from Mrs Thatcher's traditional line. But it is one of her clearest indications of her total opposition to sanctions in any form.

No place for embargoes against SA, Thatcher tells Commons

Irrelevant
SA to return to fold within months—FW

Peter Fabreius, Political Correspondent

BERNE — President de Klerk has predicted here that South Africa’s international relations will normalise “whether it happens now or in six months”.

He was addressing a news conference yesterday and airing far bolder tones towards European leaders than previously on his nine-country tour.

Officials saw Mr de Klerk’s brasher attitude and crisper utterances as a sign of gaining confidence, with only visits to Spain and Italy remaining.

The remark on normalising relations, saying that it would definitely happen, was seen as part of a new assertiveness after a pattern of delicate, more circumspect, replies from him.

President de Klerk was scheduled to rest today and fit in a shopping walkabout in Zurich. This evening, after more off-the-record meetings with influential Swiss financiers, he is scheduled to make a keynote off-the-cuff address to the Swiss/South Africa Association.

Officials accompanying the De Klerk mission have indicated the president’s address to the male-orientated, media-sensitive and strongly pro-South African organisation, which counts powerful money figures in its membership, might well turn out to be a watershed in his European mission.

Mr de Klerk was involved in a minor collision here when a car in his motorcade ran into his.

He was not hurt. But Foreign Minister Pik Botha received a light whiplash to the back of the limousine they were sharing.

At his press conference yesterday, Mr de Klerk said the time had come for Europe to decide if it would back communism or free enterprise in South Africa.

“The time has come for the world to take off its apartheid glasses through which it is looking at South Africa,” he said.

Mr de Klerk said the European Community must analyse which policies it wanted growing in southern Africa, because it would become an important region to the world.

Apartheid was going, and “if the world is to judge, then it must judge on the merits of policies and philosophies”.

If the irreversibility of the change process did not get international support — not interference, but recognition of constructive events in South Africa — “then that lack of recognition will play into the hands of the radicals, those who do not want to see a peaceful solution in South Africa”.

Swiss police clashed violently in Berne yesterday with a handful of stone-throwing demonstrators protesting against the visit. Police fought back by firing scores of teargas canisters. A battle raged for about 20 minutes as trams rolled through the firing line.

Human chain

One policeman was injured when he was hit in the back of the neck with a stone from a catapult.

The demonstrators returned to the fray wearing gas masks but were eventually dispersed after police reinforcements arrived.

Several hundred people formed a human chain in central Madrid yesterday to protest at Mr de Klerk’s visit to Spain tomorrow.

Mr Ben Mohlalhe, Madrid representative of the African National Congress, said the invitation had been a serious mistake.

“Mr de Klerk has the ability but he has changed nothing,” he said as he linked hands with anti-apartheid demonstrators in the chain stretching 300 m from the central Puerta del Sol to the Foreign Ministry.
Britain's Labour firm on sanctions.

The Argus Foreign Service

LONDON. — The Labour Party's national executive committee has reiterated its commitment to keeping sanctions on South Africa in place until apartheid has been eradicated. The committee says it "completely rejects" Prime Minister Mrs Thatcher's statement to the Commons that there is "no place now" for sanctions of any kind.

It issued a statement re-stating its position on South Africa.

Labour is reviewing a policy aimed at capitalising on its lead in the opinion polls and putting it in power.

NO RELAXATION

The committee said pillars of apartheid were still in place and Labour could not countenance relaxation of pressure until they had fallen. "Only by accepting a democratic, united and nonracial South Africa can the South African government convince the world that it is working towards the end of apartheid."

"To stop any sanctions now would only strengthen the hand of the Pretoria regime and undermine the prospects of progress towards democratic change, since the minority rulers of South Africa would have received the rewards of the end of isolation without making significant and irreversible advance to the complete end of apartheid."
From DAVID BRAUN
The Argus Correspondent
WASHINGTON. — The lifting of sanctions against South Africa was not being considered, United States Secretary of State Mr James Baker has said.

Briefing the White House Press corps yesterday, Mr Baker said the Administration thought the issue at this stage was what the US could do to help the De Klerk government, Mr Nelson Mandela and others to start serious negotiations.

The secretary’s remarks reflect no change in US policy towards South Africa on the issue of sanctions. The conditions for suspending or repealing punitive measures have been determined by the Comprehensive Anti-Apartheid Act (CAA) which was passed by Congress in 1986.

Mr Baker’s comments come in the light of speculation in Washington that President De Klerk’s visit to the city next month may be preceded by a lifting of the state of emergency and an announcement that prisoners convicted of crimes committed with political motives will be released.

These two actions could be expected to count heavily in favour of the suspension of at least one of the sanctions imposed in terms of the CAAA, probably the lifting of the ban on South African agricultural produce.

ANC appeal

The African National Congress has appealed to the US government not to lift any sanctions. Mr Mandela is expected to endorse this appeal when he meets President Bush and Congressional leaders next month.

Virginia Governor Mr Doug Wilder has been criticized for exceeding his authority by ordering state institutions to disinvest from companies doing business with South Africa.

Mr Wilder, the first black American to be elected a gov-
error in the US, ordered the disinvestment two weeks ago. His decision is expected to affect investments to the value of close on R3-billion, held by Virginia universities and other institutions.

Virginia Senate majority leader Mr Hunter Andrews has challenged the legality of Mr Wilder’s order, while the Republican opposition has asked the state’s Attorney-General to give an opinion on whether the governor has the authority to order the disinvestment.

Mr Andrews told Mr Wilder, a fellow Democrat, the Attorney-General should decide whether the disinvestment order took precedence over state laws that left investment decisions to independent boards and commissions.

Mr Andrews has expressed doubts about Mr Wilder’s disinvestment policy because, he says, it will jeopardise the pension funds of state employees.
SA democracy first, cash later

Swiss banks

ZURICH. — When President De Klerk went shopping along Zurich's famous Bahnhofstrasse he walked just a few metres above huge stores of gold — much of it South African — in Swiss bank vaults.

However, the bankers are unlikely to recycle much of this wealth to South Africa in fresh loans until they are convinced political peace has cemented chances for stable economic development in a post-apartheid society.

One banker said last night: "The economy in South Africa will develop magnificently as soon as an agreement is reached that guarantees democratic rights for all.

"A political solution has to come first. Economic development will follow."

Mr De Klerk, nearing the end of his nine-country European tour, spent his first day in Switzerland talking to government officials and met business leaders privately.

On Bahnhofstrasse Mr De Klerk and his wife Marike window-shopped at stores crammed with South African gold and diamonds.

POLICY NOT CHANGED

Switzerland has never imposed sanctions on South Africa. However, it limits new loans to R550-million a year to prevent Swiss banks being used to circumvent sanctions other countries have imposed.

Mr De Klerk raised this subject at yesterday's talks, but had no response.

Swiss government spokesman Mr Michel Pache said: "He mentioned it and then it was finished. Things will stay the same. It is too early to speak about this."

Bankers said they were glad Mr De Klerk had had the chance to outline his vision of a new South Africa in person, but his trip would not change their lending habits.

Mr Daniel Mollet, deputy-director of Switzerland's fourth-largest bank, said: "I cannot speak for the banking world generally, but as far as Swiss Volksbank is concerned, our policy has not changed as a result of his visit. We are not discussing a change."

Trade between the two countries has grown in recent years, but is still well below its peak in 1982, though trade figures exclude gold, of which Swiss banks are major buyers. — Sapa-Reuter.

— Pik's interview, page 4.
Parsons on sanctions
Pierre du Preez

The sanctions and disinvestment tide was beginning to turn, SA Chamber of Business (Sacob) director-general Raymond Parsons said in Bloemfontein on Wednesday.

Addressing the Free State Chamber of Commerce and Industries, he said: "External economic pressure on this country for political reasons is becoming increasingly irrelevant to the new realities."

There were also positive indications that overseas companies might be prepared to expand SA operations. However, there was still a long way to go before SA's external economic relations could be entirely normalized.

[3.7.14]
Invisible costs

The proportion of intermediate goods imported is unusually high — as much as 59% of the value of total imports in a year — says a report on The Impact of Sanctions on SA, by the Washington-based Investor Responsibility Research Centre.

But growth in total imports, says the report, including intermediates, is "stunningly small." It rose 14% between 1967 and 1985 while SA's real GDP rose 87%.

This can be accounted for only by "dramatic import substitution," says the report. "Excluding the petroleum sectors, SA has made extraordinary strides in import substitution . . ." making the country far less vulnerable to sanctions than it was 20 years ago.

A summary of the report points out the adjustment was possible because of "Western nations who have long threatened to apply sanctions but have resisted imposing stringent sanctions."

SA's success with import substitution has incurred a significant opportunity cost, says the report, as resources were diverted from sectors in which the country had a comparative advantage to less productive activities. Though invisible, the costs are real — possibly as much as 35% in additional GDP growth which researchers believe would otherwise have taken place between 1967 and 1985. (This estimate is too simplistic, say some economists, as it is based on a straight-line projection from growth in earlier decades. This is not valid, they argue, as this rate of growth would anyway have slowed because of factors other than import-substitution.)

The dominant intermediate import since the mid-Seventies has been the category other mining, which excludes gold and coal. "About 90% of these imports go into one sector — fertilisers and petroleum products. In other words, the most important single import is crude petroleum. In 1985, unrefined petroleum imports alone comprised roughly 22% of intermediate imports and 13% of total imports . . . In contrast, in the cheap oil days of 1967, unrefined crude comprised only 2% of all imports."

The changing composition of imports over the years demonstrates the maturing of the economy. Transportation and communication equipment, was the major import until 1981 — "the leading final demand good and the second most important intermediate import." As domestic capacity increased, however, machinery became the most important final import and third leading intermediate.

"The most important sectors involved in import substitution . . . were the glass and non-metallic minerals industries, metal industries, textiles, food, transport and communication equipment. Significant import reductions due to import substitution were also recorded in gold, services, utilities and agriculture."

The centre was established in 1972 as an independent, non-profit corporation financed primarily by annual fees paid by about 400 investing institutions for the SA Review Service, the Social Issues Service and the Corporate Governance Service.
A CLEAR position on the international cultural boycott is expected to be formulated this weekend at a three-day cultural workers' conference organised by the National Interim Cultural Desk in Johannesburg.

Once a position has been formulated, a national cultural workers' delegation will meet up with the head of the African National Congress Department of Arts and Culture, Barbara Masekela, to brief the United Nations. The meeting, which begins this evening, will be attended by about 100 delegates from all parts of the country, including the 'homelands'.

Delegates will focus on the cultural boycott in the light of recent political developments in the country.

"We need to come up with a clear position and review certain aspects of the cultural boycott," said cultural desk member Sydney Tshangela, the conference co-ordinator.

Masekela said a delegation of the ANC arts and culture section will visit the country soon after the conference to consult with local cultural leaders.

"The meeting will focus on the cultural boycott and its application," said Masekela.

For some time, it was not clear who was affected by the boycott, aimed at isolating South Africa from world cultural events, as the strategy was applied selectively.

The desk maintained that overseas artists wishing to perform in South Africa should first consult "progressive" structures inside and outside the country. This also applied to local artists who wished to perform abroad.

"We have to work out whether we continue with the cultural boycott or not," said Tshangela.

The form and continuation of the cultural boycott caused controversies when artists like singer Ray Phiri featured in concerts outside the country "without properly consulting" cultural structures.

The return of exiles will also be high on the agenda. There will be discussions on what their return would mean for the cultural boycott and how it would be monitored thereafter.

"We will assess the role exiled cultural workers would have to play and whether they would assist in building a non-racial culture," said Tshangela.

Masekela said they would like to see artists returning in an "organised" fashion in order to be welcomed by the people of South Africa.

"We owe it to our exiled artists who over the years contributed to our struggle by making people understand what South Africa is like," she said.

She said a series of concerts would be organised throughout the country for the returning artists although she did not say how soon will the artists be coming.

The meeting will discuss preparing for a musical tour of exiled musicians like Miriam Makeba, Hugh Masekela and Abdullah Ibrahim (Dollar Brand).

ANC constitutional expert Albie Sachs, author of the paper Preparing Ourselves for Freedom, which has aroused much debate in cultural circles, is expected to address the cultural workers on some of the issues he raised in his paper: whether art should be seen as "a weapon of the struggle", whether objective standards should be applied to art which is seen to "advance the struggle".

*To PAGE 25*
Disinvestment rule challenged

The Star Bureau

WASHINGTON — Governor of Virginia, Doug Wilder, has come under fire for exceeding his authority by ordering state institutions to disinvest from companies doing business with South Africa.

Mr. Wilder, the first African American to be elected a governor in the US, ordered the disinvestment two weeks ago. His decision is expected to affect investments by Virginia universities and other institutions to the value of about R3 billion.

But Virginia Senate majority leader, Hunter Andrews, has challenged the legality of Mr. Wilder’s ruling.

And the Republican opposition has asked the state attorney-general to give an opinion on whether the governor has the authority for the order.

Mr. Andrews told Mr. Wilder, a fellow Democrat, that the attorney-general should decide if the disinvestment order took precedence over state laws, which leaves investment decisions to independent boards and commissions.

Mr. Wilder said he was well aware that certain institutions operated autonomously, and they could make independent judgments on whether they should follow his mandate.
US 'not debating sanctions'

By David Braun,
The Star Bureau

WASHINGTON — The issue of lifting sanctions against South Africa was not before the US government, Secretary of State James Baker said yesterday.

He said the Administration thought the issue at this stage ought to be what the US could do to promote negotiations.

His remarks reflect no change in US policy towards South Africa on the issue of sanctions.

Mr Baker's comments are interesting in the light of speculation in Washington that President F W de Klerk's visit to the city next month will probably be preceded by a lifting of the state of emergency and an announcement that prisoners convicted of crimes with political motives will be released.

These actions could count heavily in favour of the suspension of at least one of the curbs imposed in terms of the Comprehensive Anti-Apartheid Act, most probably the lifting of the ban on South African agricultural produce.
Dutch firms face new pressures

Dutch multinationals in South Africa are facing new pressure on disinvestment and labour practices after the signing of a key deal between the Chemical Workers Industrial Union (CWIU) and a major Dutch trade union.

The CWIU and Holland's 250,000-strong Industriebond have finalised a set of demands which will soon be presented to Shell, Unilever and Philips.

These include demands for a fair procedure in case of full or partial disinvestment and the resolution of labour conflicts.

At a press conference in The Hague, Industriebond president Be van der Weg warned of possible joint action over the demands. His union had held talks with Royal Dutch Shell.

CWIU general secretary Rod Crompton said the aim was to give local workers the same rights as their Dutch counterparts. The standards were in some cases more advanced than those agreed between Cosatu's metal affiliate and German multinationals.

They included internationally accepted health and safety standards, a duty to negotiate parental and retirement benefits, and a ban on dismissals in official strikes.

Mr. Crompton said the demands looked forward to a post-apartheid South Africa. The union was developing a comprehensive policy on multinationals "if they are allowed a presence in the post-apartheid economy", he said.
Protection of minorities

West Germany has accepted the need for 'acceptable' protection of minority rights in South Africa.

And Dr Juergen Warzke, West German Minister of Economic Cooperation, may visit South Africa.

These developments emerged in statements by West German ministers who met Mr De Klerk in Bonn.

Mr De Klerk flew to Berne, Switzerland today for meetings with Swiss President Mr Arnold Koller and other politicians, financiers, industrialists and journalists.

Mr Kohl said Mr De Klerk had informed him about the steps which had been taken by his government on the abolition of South Africa's racial policies.

"Mr De Klerk said an irreversible process had been started in South Africa which will not only open new political perspectives for his own country but also for the whole of Southern Africa.

"I encouraged him on the road to a negotiated solution for far-reaching, extensive constitutional reforms leading to equal political rights for all citizens of South Africa, making acceptable provision for the recognition of the rights of the minorities."

Mr Kohl stressed the value of Mr De Klerk's visit "at a time when the European Community was on the point of reviewing its policy towards South Africa on account of the change already undertaken and their justified hope for a long-term peaceful solution of the present conflicts."

German observers believe this should be read as a hint that Mr Kohl is in favour of some lifting of sanctions to encourage Mr De Klerk.

Vocational training

Mr Kohl said the discussions with Mr De Klerk and ANC deputy president Mr Mandela — who will be visiting Bonn on June 11 and 12 — were aimed at supporting a peaceful solution.

West Germany would continue to assist vocational training and development of black and coloured South Africans.

West Germany was also prepared to help fund the return of South African political exiles "in as far as can be determined that they would be prepared to pursue their present political activities by peaceful means in South Africa."

Dr Warzke said he had been invited to South Africa and would consider accepting the invitation after Mr Mandela had visited Germany.

He welcomed South Africa's willingness to contribute to regional co-operation in Southern Africa.

The German government would support this process since it was becoming increasingly important, especially in the context of the European Community.

It was important that South Africa's willingness to co-operate in the region should lead to membership of African organisations such as the OAU, the African Development Bank and the SADCC.

West German foreign minister Dr Hans Dietrich Genscher told Mr De Klerk and Foreign Minister Mr Pik Botha of European developments...
Mandela vows to scupper tour gains

Political Correspondent

Mr Nelson Mandela vowed at the weekend to scupper President F W de Klerk’s drive to ease South Africa’s international isolation and make him “regret” his nine-nation tour of Europe.

But SA diplomats believe that Mr Mandela may be in for some surprises when he begins his own European tour later this week as he is likely to be critically questioned by political and business leaders about the ANC’s continued commitment to armed struggle and nationalisation.

Diplomats also point out that the President has been inundated with invitations to visit other countries and that further visits to Africa, Israel, Holland, Eastern Europe and North America are on the cards.

After earlier welcoming Mr De Klerk’s European tour, on Saturday Mr Mandela vowed to torpedo efforts by Mr De Klerk to urge Europe to rethink policy towards SA and accept Pretoria’s commitment to “fundamental reform”.

Mr Mandela told a rally at Atteridgeville: “I am visiting Europe next week. I am visiting almost every capital he visited, and I can assure you that after I have spoken there he will regret his visit to Europe.”

Mr Mandela said that sanctions and other pressures were designed to force the government to abandon apartheid and had to be applied “until the whole structure of apartheid is brought down”.

SA diplomats believe Mr Mandela will get a good reception in Europe and that the process of “ionising” him was far from complete.

But they believe it will not be all plain sailing for the ANC leader, particularly during his contacts with business leaders who are considering investing in SA.

During his European tour, Mr De Klerk said he did not see himself in conflict with Mr Mandela on the sanctions debate.

Rather, given the changes that had already taken place and the government commitment to eliminate apartheid, sanctions “simply do not make sense anymore”.

SA officials accompanying Mr De Klerk on his tour said that because he had carried out the reforms he promised during his visit to Europe last year, European leaders regarded what he said this time around as credible.

While officials were cautious about making predictions, they were adamant that “positive things are going to happen for SA.”
Mandela attacked by top DP men

TWO senior Democratic Party members have criticised the stance of African National Congress deputy-president Mr Nelson Mandela on sanctions and South Africa's isolation.

Speaking at Pretoria's Atteridgeville township on Saturday, Mr Mandela was reported to have said President De Klerk would regret his visit to Europe after his (Mr Mandela's) tour of Europe next week.

Mr Mandela was further reported to have said: "The government and its apologists are trying to convince the world to leave sanctions and South Africa's world isolation."

Addressing a municipal by-election meeting in Boksburg last night, Dr Denis Worrall said he believed Mr Mandela underestimated the moral case against apartheid and the determination of a majority of South Africans — black and white — to address the injustices of the past, to rectify the deficiencies of the present and to build together a new nonracial democratic South Africa.

Speaking in the House of Assembly yesterday, Mr Harry Schwarz (DP Yeoville) called on Mr Mandela to re-think sanctions.

He added that he joined millions of South Africans in tribute to President De Klerk on his overseas trip.

If Europe now accepted that the process of change was irreversible and would lead to a universal franchise in a nonracial multiparty democracy, "then South Africa should also accept that is an irreversible process."

He did not think it presumptuous to ask Mr Mandela: "Is this not a time for you also to make a gesture? Why don't you tell the world now to let go of sanctions?"

If he was wrong about President De Klerk's intentions, nothing would stop Mr Mandela from asking for sanctions to be reimposed, Mr Schwarz said.

But if he was right about President De Klerk, people were going jobless and hungry unnecessarily — "and why should they?" — Political Staff and Sapa.
DP has high praise for FW

Political Staff

CAPE TOWN — The Democratic Party has praised President de Klerk for the success of his overseas trip, and has called on ANC leader Nelson Mandela to rethink sanctions.

The Democratic Party also voted with the Government to pass two white own affairs budget votes.

Harry Schwarz, chief DP spokesman on finance, said the DP had come to an agreement to vote with the Government.

"We don't support own affairs, but the money must be made available for the departments to carry on.

"If one wants to show disapproval of a Minister, it must be done in a different way. There are certain rules and we will abide by our word."

Mr Schwarz (DP Yeoville) said he wanted to join the millions of South Africans in paying tribute to President de Klerk on his overseas trip.

President de Klerk's personality and his approach to people and problems would make European leaders attach sincerity and integrity to the words he used, Mr Schwarz said.

If Europe now accepted that the process of change was irreversible and would lead to a universal franchise in a non-racial multi-party democracy, "then South Africa should also accept that is an irreversible process."

If Mr Mandela accepted Mr de Klerk's integrity and sincerity, then he had to accept that he would eventually sit in the highest legislative body," Mr Schwarz said.

Therefore, he did not think it presumptions to ask Mr Mandela: "Is this not a time for you also to make a gesture? Why don't you tell the world now to let go of sanctions? Why don't you help your own people to get work and improve living standards?"
Call on Mandela for sanctions gesture

Mr. Harry Schwartz, ANC leader in Natal, has praised the action of MK deputy president. He says it is not necessary to hold on to the idea of sanctions to press for a political solution.
Swift action ahead of EC summit

‘Intense’ reform moves imminent

By Peter Fabricius,
Political Correspondent
CAPE TOWN — The Government is expected to get down to intense reform activity over the next few weeks to try to persuade the European Community to begin lifting sanctions next month.

Following President de Klerk’s European tour, it seems that the Government will address three main areas — the Separate Amenities Act, the state of emergency, the release of political prisoners and the return of exiles.

Although it seems that the European leaders made no specific promises to Mr de Klerk, they did indicate that if he took a few “practical reform steps” some easing of sanctions would be possible at the EC summit in Dublin on June 26.

The Government’s view is that since it is committed to certain reform steps anyway, it might as well try to show substantial progress before June 26 if this can swing the EC.

Mr de Klerk said in Europe that on his return he would give immediate attention to the report on the release of political prisoners by the joint SA Government/ANC working group.

He announced there that the group had reached agreement on a definition of political prisoners who qualified for release. This definition would also apply to exiles.

Mr de Klerk also said last week that legislation to scrap the Separate Amenities Act would be introduced within days of his return.

It is also understood that the Government is considering at least partial lifting of the state of emergency when it comes up for renewal on June 9. This depends very much on the security situation on the ground.

One major obstacle looming is the visit to Europe next week of Nelson Mandela, who has made it clear he will strongly oppose any changes in the EC sanctions policy until reformist promises become deeds.
The contention of some British politicians and sportspersons that politics and sport must be kept apart finally collapsed when the rebel English cricket tour of South Africa was recently abandoned in the face of mass demonstration.

However, a similar view is now being voiced in Britain, but in a different field; that charity must not mix with politics.

The Charity Commission has warned the British charity organisation Oxfam, it could lose its charitable status as a development agency (and therefore have to pay taxes) if it campaigns in favour of retaining sanctions against South Africa until Pretoria agrees to end apartheid in the ongoing negotiations with the ANC.

**Backed down**

Because of the warning from the Charity Commission, the development agency has now backed down on its sanctions campaign.

However, it has released a book, "Front Line Africa: The Right to a Future", which it was to publish as part of the sanctions campaign.

For a charity established to relieve famine and poverty around the world, the book is certainly political — and not charitable to British policy on South Africa.

The British government favours lifting sanctions as a reward for unbanning the liberation movements. But the ANC and others insist sanctions must continue until a deal is made.

As Oxfam puts it: "We believe that (maintaining sanctions) is the best way to achieve peace and development in South Africa." — GEMINI NEWS
Agency may help promote political campaign

PR drive for the ANC
SA sanctions: Call for more

SANCTIONS

BY MATRUBE

SOWETAN (JRB) APRIL 20, 1990

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New trade doors being opened, says De Klerk

VEREENIGING — South Africa's difficult years of international isolation, boycotts and sanctions were being replaced by negotiation and greater cooperation, State President FW de Klerk said yesterday.

Speaking at the official opening of Dorbyl's seamless tube project at Vereeniging, he said doors which had been closed for many years were being opened and new trade opportunities were in operation with traditional and new partners.

The aim of broadening democracy was futile unless it was accompanied by developments in other fields. This included the sound creation of wealth and employment to ensure social peace, stability and improvement in the general quality of life.

The Government's role in the economy had been set out clearly in the annual Budget speech, the emphasis being primarily on achieving the highest rates of balanced economic growth, job creation and investment.

The creation of wealth, investment and opportunities fell mainly in the domain of the business fraternity.

"That being so, the Government's responsibility is to create a climate conducive to investment in industrial expansion and in new business by international and local entrepreneurs in accordance with the principles of a market economy."

He said it was imperative that the country's mineral riches were used to their full potential. Admittedly, the shortage of capital was often an inhibiting factor.

"The question which concerns me is whether all the available internal capital is optimally used for productive projects and development," said Mr de Klerk.

"We must become more competitive."

Local manufacturers should be able to compete better with imports. It was necessary to ask whether they had literally priced themselves out of the market.

Effective management, improvement of quality and better productivity in all facets of production should be the aim.

"In future, less dependence will have to be placed on subsidies, protection and other forms of state help." — Sapa.
Oxfam to launch sanctions drive

The Star Bureau

LONDON — The charity Oxfam will on Sunday launch a new campaign for British sanctions against South Africa — a move which some believe breaches Charity Commission rules.

Oxfam will mark the start of the campaign with the publication of a report entitled: "Front Line Africa: The Right to a Future", written by their former field director in Zambia and Malawi, Ms Susanna Smith.

It contains an overview of developments in southern Africa and calls for sanctions as a way of stopping alleged South African destabilisation in the region.

Appeal for peace to aid transition

By Clyde Johnson,
Lowveld Bureau

MATSULU — Unless South Africa swiftly adopts and adheres to an orderly and constitutionally-based transition of government we run the risk of perpetuating instability and creating conditions for an authoritarian state, Deputy Minister of Constitutional Development Mr Roelf Meyer said here yesterday.

Speaking at the opening of the second session of the fourth Legislative Assembly of kaNgwane, Mr Meyer appealed to all kaNgwane’s leaders to work towards the realisation of a new dispensation, to promote the negotiation process and to help get it off the ground.

Violence, he added, was no solution to South Africa’s political problems.

"The current situation of widespread violence poses a problem, not only for the government, but to all parties committed to negotiation.

"It’s not possible to talk and negotiate when violence and unrest prevails. Nor can the Government be expected to show restraint by not taking action against the perpetrators."

"Real negotiations can only start once all parties entrench real democracy by restoring order and containing violence," he said.

In a new South Africa, Mr Meyer said, the time ahead placed great responsibility on the shoulders of all leaders.

All of them would also have to take their followers with them in the process of change.

"The time has come for words to be translated into deeds in order to realise the ideal of one South Africa, one patriotism and one nation," he said.

Thanking Mr Meyer, kaNgwane’s Chief Minister, Mr Enos Mabuza, said the South African Government had travelled a long way down the road to meeting many demands, enabling talks to take place.
Reinvestment idea discussed in US

By David Braun, The Star Bureau

WASHINGTON — United States companies, which have been pressured into disinvesting from South Africa in recent years may find themselves obliged to reinvest in the country once a democratic government is in place.

While there is no formal planning for this, the idea of putting pressure on companies to meet an affirmative social obligation by reinvesting in a new South Africa has been raised in the US.

Mr Charles Powers, a former religious studies professor who now runs a consulting firm in Boston, was recently quoted in the Washington Post as asking this very question.

If a company was in South Africa before 1986 (the year when US legislation made it illegal to make any new investment in South Africa), did it have an obligation to reinvest in South Africa, even though the business opportunity was not that attractive?

Effective mobilisation

The majority of the more than 100 American companies which have disinvested from South Africa in recent years undoubtedly did so because of mounting pressure on them in the US.

Churches have been particularly effective in mobilising pressure on large corporations.

The effect of the anti-South African campaign has been that nearly 200 American companies adopted the Sullivan Principles, a set of guidelines for corporate conduct in South Africa, while more than 50 US cities and states now have selective purchasing policies that prohibit purchases from companies which do business in South Africa.

As social pressure on US companies increases, not just on the South African issue but also on matters such as the environment, affirmative action, donations to charity, treatment of minorities, promotion of women and many other items, executives are increasingly sensitive about their image. If the trend continues, it may not be far-fetched to imagine that US companies which previously operated in South Africa might some day be called upon to reinvest and do their bit towards building a new country.
HARARE - The president of the Association of West European Parliamentarians for Action Against Apartheid (AWEPA), Mr. Jan Nico Scholten, yesterday called on the West not to lift sanctions against South Africa under the current circumstances.

Speaking at the opening of a four-day conference in Harare on how to counter the effects of SA destabilisation on children in the Frontline states, Mr. Scholten predicted that a renewed bid by Britain’s Margaret Thatcher to gain the support of other European Economic Community member states in relaxing sanctions would be thwarted at the EEC council’s next meeting in Dublin.

**Members**

AWEPA draws its members and associates from national parliaments in Western Europe, the United States, Canada, New Zealand, Australia and Japan and from the European Parliament.

Scholten said it would be a contradiction for the EEC to lift sanctions, after the unanimous adoption by the United Nations general assembly of a resolution which called for upholding sanctions until profound changes had taken place inside South Africa.

Sanctions, he said, worked, as evidenced by Namibia’s independence and the important though not decisive changes in South Africa.

He added the West had at its disposal instruments of economic, financial and arms embargoes that could lead to one-person-one-vote.
US company to enlarge operation in Boksburg

US-BASED Baker Hughes Inc said it would increase its SA operation, with an eye on export markets, by producing a new range of products at its factory in Boksburg.

John Allich, president of the company’s mining tools subsidiary, said the new range would help keep production costs to the mining industry down.

“The skills and expertise are available in this country to do a first-class job. The local company has even been engaged in significant export contracts for not only countries in Africa but other parts of the world,” he said.

Allich gave no details of the size of the increased investment in the SA operation.

“With the positive political moves in the region we see the SA company becoming even more involved in the manufacture and export of high quality products,” he added.

Visit

Allich said that Baker Hughes had increased the local content of its components to surmount the anti-apartheid sanctions that were aimed at strangling foreign involvement in the SA economy.

Allich made the announcement during his current two-week visit to SA from Dallas, Texas, where Baker Hughes’s headquarters is based.

Baker Hughes is one of a dwindling number of foreign companies which have spurned international pressures to disinvest in SA.

A total of 201 US companies have disinvested since 1994.

This leaves 123 firms with direct investment or employees in SA, according to recent figures released by a US-based research institute. — Reuters.
Don't give in to Thatcher, West is urged

By Robin Drew
The Star's Africa News Service

HARARE — Western nations should resist efforts by British Prime Minister Mrs Margaret Thatcher to get them to agree to relax sanctions on South Africa, parliamentarians from 10 countries were told today.

The President of the Association of West European Parliamentarians for Action Against Apartheid, Mr Jan Nico Scholten, said he expected Britain to be isolated on this issue which would come up at the next meeting of the EEC Council meeting in Dublin.

Mr Scholten said the West had at its disposal the instruments of economic, financial and arms embargoes that could lead to one person, one vote in SA.

The parliamentarians are attending a conference on how to counter the effects of South African destabilisation on children in Southern Africa.

Destabilisation has caused the deaths of 900,000 children in the past decade.
Thatcher to hear ANC sanctions views

UMTATA — ANC deputy president Nelson Mandela will raise the question of sanctions with British Prime Minister Margaret Thatcher when he meets her on July 6 this year.

Mandela, addressing a rally of about 50,000 people in Umtata yesterday, said the ANC was upset that Thatcher had unilaterally decided to ease sanctions.

The armed struggle would continue until the minimum demands of the Harare Declaration had been met by government, he said.

The ANC had been called upon to abandon the armed struggle, but it would not discard any of its methods or strategies until the right climate for negotiation had been created.

The government had to control the security forces before there could be any talk about the ANC abandoning its strategy.

He told the rally Conservative Party leader Andries Treurnicht and other right-wingers belonged to the past and in the future SA there would be no room for advocates of racism and racial war.

On Saturday Mandela told a function at the presidential palace in Umtata ANC president Oliver Tambo had told him he might never recover fully from the stroke he suffered about two years ago and which has confined him to a clinic in Stockholm.

Military Council chairman Maj-Gen Bantu Holomisa, addressing the Umtata rally, said there were fears among blacks that government’s plans for power-sharing were nothing but a ruse to entrench political privilege for the ruling party.

The only way a democracy could be brought about in SA was for the majority party in an election to become the government. — Sapa.
Sanctions have cost SA R10bn

Own Correspondent

LONDON. — A study by the Trust Bank reckoned that the "multiplier" effects of sanctions severely depressed the SA economy, causing higher interest rates and inflation, and lower growth, employment and wages.

It concluded that unemployment was 500,000 higher than it might have been, mainly affecting black school leavers and calculated that sanctions have cost the country £10bn since 1985, roughly equivalent to halving the gold price. Resources have been diverted from health and education to law and order.

However, Michael Louw, a sanctions specialist at the University of South Africa, says the loss of market was only about 2% of all exports, and that was regained within two years.

SA now has a supply problem to meet the export demand for coal and steel. "If trade sanctions were to be lifted tomorrow it is unlikely that exports would increase dramatically," he says. In other words, sanctions have only been a marginal influence on trade and investment patterns that have been changing for other reasons.

Meanwhile in Britain Prime Minister Margaret Thatcher's lifting of the ban on investment in late February — with tourism and cultural links, the first of the sanctions to go — has been greeted in London as an interesting political gesture but little to do with the realities of international business.

In Johannesburg, the response has been equally blunt. "Those foreign businessmen," observed one laager-hardened stockbroker, "who have for years been calling for the 'normalisation' of South African politics have headed for the hills in no uncertain manner."

Like all exporters of capital since ships first sailed the oceans, the international business community will invest if there is stability, freedom to make a profit and freedom to control that profit. Stability is first. Indeed, it is the favourite word of the banker abroad.

No one in London expects, or even admits to wanting, the sort of business climate that has in the past attracted the buccaneers to the Third World to seize the fast buck, and all agree that a major redistribution of wealth is an essential starting point to a sound future. It is accepted that the interests of blacks in SA will be at the top of the agenda.

But, in the words of a banker, "the simplistic solutions" of socialism and nationalisation will be met by the sound of cheque books slamming firmly shut — and Mandela and his colleagues still talk widely of nationalisation.

For the immediate future, there is a remarkable uniformity of business opinion, with serious investment considered to be an unacceptable risk.

Everyone agrees SA has huge potential both in markets and resources. But while the optimists believe it will retain an economic climate unique in Africa, and so be worth developing, the pessimists fear it will be absorbed into the ways of the continent that have proved disastrous for foreign capital.
World contest ban unkind cut for hairdressing team

SOUTH AFRICA’s top hairdressing team is ready to curl up and dye after being harred from the world hairdressing championships.

But members are hopeful the ban will not prove permanent - the goodwill generated by President F W de Klerk’s reforms has ensured the matter is not cut and dried!

Problems arose when the World Hairdressing Council, organiser of the world championships in Rotterdam later this year, wavered in the face of opposition from the Dutch Government. 

It did not impose a cleancut ban on the SA contingent but the bald fact is that they will not be allowed to compete unless they are shorn of their nationality and do not compete under the South African flag.

SA Hairdressing Association secretary Brian Martin denied the team had been banned.

“The door has not been closed in our faces — there are simply a few small political issues to be overcome before we can participate,” he said.

“Obviously, if people can obtain visas they are not banned. They simply don’t want us there as South Africans.”

But Intercoiffure’s Natal PRO Deanne Grewe believes Mr Martin is splitting hairs.

“The council say the visas will be provided if we sneak in the back door, unannounced and not representing South Africa,” she said.
Suing Sweden

Western governments have long forced business to foot the cost of sanctions against SA. Companies lose heavily when they’re compelled to sell off their SA subsidiaries at bargain basement prices or to search for another supplier when their SA imports are prohibited.

Now a Swedish firm, the Transatlantic Shipping Co, which had served SA for nearly a century, is suing the Swedish government for US$14.56m for forcing it to stop calling on SA ports. The line’s two roll-on, roll-off ships, the Koisanen and the Eigeren, built specifically for the SA trade, had to be sold at a loss of about $6m. Retraining the ships’ staff cost Transatlantic another $3m.

The 21 000 tonne vessels were built as a back-up for the container ships that began serving the Europe-SA trade in 1977 (Business March 16). Two years ago, with the ships’ annual turnover exceeding $15m, the Swedish government banned them from operating in SA. Negotiations on compensation ended in a stalemate and the legal process began. The final verdict is not expected for years.

The ships, among the most advanced liners on the route, were bought by the French company, Compagnie Maritime. One continues to serve SA, wearing the Tricolour when it pulls into port, the other is trading in the Pacific.
Steel exports to US "are not illegal"

BRENT MELVILLE

IT WAS because SA was the world's major producer of ferrochrome that US doors were still open to its steel products, SA producers said yesterday.

In response to reports that US President George Bush's administration was apparently circumventing sanctions and allowing SA iron and steel imports into the US, several steel industry spokesmen yesterday said prefabricated items were definitely being exported to the US.

"We are, however, acting with the knowledge of US customs and most are downstream, value-added products — strictly speaking not covered by the Comprehensive Anti-Apartheid Act (CAAA) of 1988," said a spokesman for one steel producer.

The CAAA, passed by Congress over former President Ronald Reagan's veto, prohibits new lending and investment, bans flights to and from SA and prohibits US imports of SA coal, textiles, uranium, farm products and gold coins.

The spokesman said, however, that exports of raw iron and steel had effectively been cut off.

Estimates

Although alternative markets had been located in Europe and Asia, margins had been affected.

"What we are also doing is selling to US companies for use in projects outside the US," he said.

Iscor spokesman Piet du Plessis said yesterday Iscor had exported no primary steel products to the US since 1986.

"We are not geared for using devious, roundabout ways of sanctions-busting," he said.

However, reacting to estimates that almost a million tons of SA iron and steel products had entered the US over the 1987-1989 period, spokesmen for Highveld Steel & Vanadium and Iscor said the bulk would have been in ferroalloys and products not subject to regulation.

Highveld GM, marketing Robert Herbertson said there was no evidence to suggest SA's exports to the US did not conform to US regulations.

He declined to specify Highveld's volume of exports, including in ferromanganese and ferrochrome.

Seifsa chief economist Mike McDonald said because SA was the world's major producer of ferrochrome — used extensively by the US in its armaments industry — the US could not afford to import the product from the other major producer, the Soviet Union.
Six Killed in Passanger Train Crash

FAS up on SA - Maggie

Sanctions are debate

Thatcher says
Thatcher says sanctions are yesterday’s debate

ON THE eve of Nelson Mandela’s visit to Britain, Margaret Thatcher has dismissed the issue of sanctions against South Africa as “yesterday’s debate” and called on the international community to acknowledge progress in South Africa.

At the same time the European Community delegation visiting South Africa has said that European sanctions would probably be lifted once it was clear the process of negotiations was irreversible and major changes had taken place.

The leader of the delegation, Irish Foreign Minister Mr. Gerard Collins, said this after his meeting with President de Klerk and several senior Ministers on Thursday.

The delegation is visiting South Africa to evaluate steps towards a political settlement and the current political climate prevailing in the country.

But Mr. Collins warned yesterday: “The EC is committed to the elimination of apartheid and will maintain sanctions until irreversible changes are implemented.”

Mr. Mandela is certain to call for sanctions to be maintained when he addresses a rally in Wembley, north London, on Monday.

In a letter to Archbishop Trevor Huddleston, president of the Anti-Apartheid Movement, the British Prime Minister says: “President de Klerk has opened the way for negotiations on a new constitution in which apartheid will have no part.”

The African National Congress and the Anti-Apartheid Movement, however, do not believe that the South African Government will agree to the complete abolition of apartheid unless international pressure is maintained. They are demanding the retention of sanctions until there has been “profound and irreversible change” in South Africa.

FEARS

Mrs. Thatcher, who called for a limited lifting of sanctions when Mr. Mandela was released, appears to confirm their fears in her letter.

She says that the issue of a nonracial voters’ roll — one of the ANC’s touchstones for the ending of white domination — “is not a matter for us: it is for South Africans themselves, all of them, to determine the future constitution for their country”.

“Sanctions can belong to yesterday’s debate,” she writes. “We need to focus now on how best we can encourage all parties to enter negotiations.”

Her blunt dismissal of the ANC’s concerns was

PICK’6 FEVER COULD RUN HIGH

DAN SIDE

ALTHOUGH hordes of Sigmund dwellers have headed for Natal beaches and the eastern Transvaal bush for the Easter weekend, Pick 6 fever is expected to run high at Turffontein racecourse today.

The pool at the Vaal was not won on Wednesday, resulting in a R504 976 carryover to this afternoon’s meeting, which has the R100 000 S4 Oaks over 2 450 m as its feature event.

Because of the annual exodus, Turffontein does not expect the Pick 6 net pool to soar as high as the R2.9 million record attracted at the Star Sprint meeting on March 24. This was the last time a carryover occurred.

Excluding that carryover, the gross pool was a record R3 055 913, the first time the R3 million plateau had been breached.

A Turffontein spokesman expects today’s gross pool to be between R2.2 and R2.5 million.

“Punters see it as a chance to literally get something for nothing — take out a share of somebody else’s contribution, so to speak.”

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Sanctions

FROM PAGE 1

condemned on Thursday by Mr Mike Terry, executive secretary of the Anti-Apartheid Movement.

"What Mrs Thatcher is saying is that Britain is prepared to tolerate a negotiated settlement in South Africa which falls far short of the ending of apartheid," he said. "She has turned her back on last year's unanimously agreed United Nations declaration on South Africa and the international role in achieving a settlement."

Mrs Thatcher also criticised the ANC for cancelling exploratory talks planned with President de Klerk on April 11, and said that the recent increase in violence increased the need for such talks.

Will anger

The tone and timing of her letter will anger the ANC and make it more difficult for Mr Mandela to persuade his colleagues to allow him to meet Mrs Thatcher in the near future. He is understood to favour a meeting, but other voices in the ANC are urging him to visit first those governments which have supported the ANC.

Mr Mandela has not yet replied to the invitation to visit Downing Street. The ANC has issued a list of nine countries, including France and West Germany, which Mr Mandela will be visiting before July, but Britain is not on it, and there appear to be no discussions between the ANC and the British government about a possible date for his visit to the Prime Minister.

She will, however, be receiving President de Klerk, who is expected to meet her on May 19 at the beginning of a European tour.

Mr Collins is accompanied by the Italian Secretary of State for Foreign Affairs, Mrs Susanna Agnelli, and the French Secretary of State for International Cultural Cooperation, Mr Thierry de Beaute.

He told journalists that the EEC had no interest in becoming directly involved in the negotiation process.

"The solutions for the problems in South Africa must be found within South Africa. We are not interfering, but urging and exhorting all sides to start talks."

Mr Collins expressed the hope that the "good relationship that is in existence between Mr Nelson Mandela and the President will percolate down through both sides", enhancing the prospect of talks.

The EEC was also considering increasing financial aid for education. Various proposals were being considered.

Pan Africanist Congress President Mr Zeph Mothopeng said yesterday that not until the Government stopped demanding unique solutions for whites and not until land was equally distributed could South Africa hope for a political solution.

The PAC was one of several political organisations and liberation movements to meet the EC delegation.

"There can be no question of a communal solution for blacks and a unique solution for whites in South Africa - PAC is committed to forging one African nation. Anything short of that will not get our support," PAC general secretary Mr Benny Alexander said after his meeting with the delegation.

On the issue of a political settlement in South Africa Mr Alexander said PAC would not stop the talks but neither would it promote them. "Our external armed wing remains operational until Azania has been liberated."

Moral

The leader of the South African Bishops' Conference, Archbishop G P Daniel, said after meeting the EC delegation yesterday that moral pressure should be applied on the ANC to persuade the organisation to negotiate with the South African government.

He said although economic pressure should be applied on the Government, other means had to be found to motivate the ANC. Bishop Daniel said it was a pity that Mr Mandela, seemed to be losing support, especially from the black youth, as this could delay the talks. - The Independent, Own Correspondent, Sapa.
Optimism in Brussels that EC sanctions may be lifted soon

BRUSSELS — The end to European Community sanctions against South Africa could be only days away if the EC delegation visiting the country gets the assurances it is seeking on negotiations to end apartheid, according to diplomatic observers here.

The delegation of 14 ministerial representatives arrived in Johannesburg yesterday and held talks with Mr Walter Sisulu and an ANC group.

The EC delegation is headed by Mr Gerard Collins, the Irish Foreign Minister.

One Brussels diplomat said that the sanctions on coal, steel and Krugerrands from SA and new investment could be lifted at a Foreign Ministers' meeting on April 21, or possibly earlier.

He said: "The information from the mission will flow through the political co-operation net immediately after they return.

"It does not necessarily have to be decided at a ministerial meeting. It could just be announced by the Irish presidency."

The EC mission was set up at a Foreign Ministers' meeting in March after the 12 EC states moved in favour of removing sanctions. The UK had been alone in favouring their removal when

Ministers discussed the issue in February.

Mr Collins is accompanied by senior Italian and French diplomats on his visit to SA.

Key to the easing of the EC stance on sanctions is the readiness of the SA Government and the ANC to start the process of negotiation.

In spite of the optimism over the possible lifting of sanctions in Brussels, the EC delegation in SA has taken a more cautious stand.

Speaking after yesterday's meeting with the ANC, Mr Collins said he was pleased with the discussions which focused on housing, education, health, sanctions and political changes.

Encourage dialogue

He said the delegation wanted to encourage dialogue between the Government and the ANC and "help the victims of apartheid in a positive way". He added that the two parties had agreed that sanctions should remain until fundamental changes had taken place.

Mr Collins welcomed changes made in SA.

Earlier yesterday, the delegation met Mr Nelson Mandela at Jan Smuts Airport on his arrival from Zambia. Today, it will meet President de Klerk in Cape Town.
EC to boost aid for black development

"The EC is to increase aid to "victims of apartheid" in the areas of education, health and housing, Irish Foreign Minister and head of the EC "troika" mission to SA Gerrard Collins said in Johannesburg yesterday. He was briefing the media after the delegation's first appointment in SA — a meeting with an ANC/UDF/Coastal delegation headed by the ANC's Walter Sisulu. Collins described the visit as more than a fact-finding one; its purpose was specifically to promote dialogue in SA.

Other senior members of the EC delegation include Italian Secretary of State for Foreign Affairs Susanna Agnelli and French Secretary of State for International Cultural Co-operation Thierry de Beaucé.

Sisulu — accompanied by Eric Molobi, the UDF's Mohammed Vally Moosa and Cosatu's Sydney Mafumadi — described the talks as generally very fruitful and said he had "forcefully indicated" to the EC group the need for assistance in the areas targeted.

Collins said Sisulu had urged very strongly that the EC maintain existing sanctions until irreversible change had occurred in SA. This, he said, was EC policy, although it had welcomed very warmly the initiatives of President F W de Klerk.

Collins said earlier the delegation's basic message was that the EC believed apartheid was unjust and had to be replaced by a democratic, non-racial SA achieved through peaceful means.

"There now exists an opportunity... for this to occur, and the responsibility for seizing this opportunity rests with all involved. The 12 EC nations are anxious to assist with this process, and we will be asking those we meet how best we can help," he said.

He said the EC believed the retention of the state of emergency and the continued incarceration of political prisoners remained an obstacle to dialogue.

De Beaucé, commenting on the possibility of the EC amending its sanctions policy, said: "When we go back and discuss our visit, it is possible we will take a new view on what is going on. Speaking as a French government representative, we are very interested in the measures De Klerk has taken and in the renewal of dialogue."

He pointed out this was the first official visit to SA by a French government representative since 1978.

The EC delegation left for Cape Town last night. Today it is to meet De Klerk, Constitutional Development Deputy Minister Roelf Meyer and Foreign Affairs Minister Pik Botha in separate meetings. Other Cabinet Ministers will then host a meeting with the troika at the Tuyishas.

In the afternoon the group is to meet World Alliance of Reformed Churches moderator the Rev Allan Boesak, and then the House of Delegates leader J N Reddy, business community representatives, CP leader Andries Treurnicht, and finally, Urban Foundation president Jan Steyn.

Also on its agenda for meetings in Cape Town and Durban later are the SA Catholic Bishops Conference, PAC president Zeph Mothoeng, DP leader Zach de Beer, Kagiso Trust director Ashmiad Dangor, Labour Party leader Allan Hendrickse, KwaZulu Chief Minister Mangosuthu Buthelezi and ANC deputy president Nelson Mandela.

* Pictures: Page 3
Goodyear USA defeats proposal to break SA ties

A FORMAL proposal that Goodyear USA sever its ties with Tycon (formerly Goodyear SA) was defeated at the AGM of shareholders in New York yesterday.

College Retirement Equities Fund (CREF) -- which owns 2-million Goodyear shares worth about $73m, yesterday proposed to Goodyear shareholders that SA ties be severed. CREF is the largest single shareholder in Goodyear USA, with a 3% stake.

Piet Neethling, group MD of Anglo Vaal's Consol, which purchased Goodyear SA for R176m, confirmed the defeat of the proposal, saying "it would appear the majority of shareholders and certainly management of Goodyear are opposed to the idea".

Neethling said CREF had regularly, over many years, made calls for Goodyear to disinvest and was now calling for a severing of all ties.

The acceptance of the proposal would have disruptive effects on Tycon's technology and brand name agreements with Goodyear, Neethling said.

"Such a move would be a sad event as we are certainly dependent on Goodyear technology and also use the Goodyear and Kelly-Springfield brand names."

Tycon is also tied in with Goodyear USA's international supply networks. Neethling said Tycon would probably be able to continue for about 12 months and would then need to make alternative arrangements.

CREF spokeswoman Claire Sheahan said: "We are delighted that Nelson Mandela is now free, and that is a significant step forward. However, it would be premature for (CREF) to change its position until we see the actual dismantling of the apartheid system."
EC visit may set new policy on SA

A HIGH-POWERED EC delegation is due to arrive in SA tomorrow morning on a three-day fact-finding visit, the outcome of which could decisively affect the future of European sanctions policies against SA.

The 20-strong delegation, headed by Irish Foreign Minister Gerald Collins, whose country chairs the EC, is to meet a wide variety of SA organisations ranging from the ANC and PAC to CP leader Andries Treurnicht.

Their visit was decided upon at a meeting of the Council of Ministers of the EC in Brussels on February 20.

The EC “troika” — as the composition of the delegation is described — will also include, as the immediate past and future chairs of the EC, representatives of France and Italy. They will be French deputy foreign minister Thierry de Beaucé and his Italian counterpart Susanna Agnelli.

The other senior politician in the delegation is EC Commission vice-president Frans Andriessen. The delegation is scheduled to arrive tomorrow on separate flights from London, Paris and Rome.

Italian Embassy second secretary Alessandro Cortese said yesterday the purpose of the visit was for EC representatives to meet all in SA concerned with constitutional development.

The delegation would report back to Brussels on its findings on events in SA since President F W de Klerk’s February 2 speech at the opening of Parliament.

It was hoped the visit would assist the EC in developing its policy on SA, he said. He expected that, with 12 countries having to reach agreement on the question, this would be a lengthy process. But, depending on the delegation’s impressions, it could be the beginning of a process of changing or refining EC policy.

Tomorrow afternoon has been set aside for meetings in Johannesburg with the ANC, UDF and Cosatu. An ANC spokesman said at the weekend deputy president Nelson Mandela would be arriving back from his Lusaka trip in time to meet the group.

On Thursday the delegation flies to Cape Town, where it will meet De Klerk and other government representatives.

In the afternoon it is scheduled to see the SA Council of Churches, House of Delegates head J N Reddy, and Treurnicht. It will also meet various members of the business community including, it is understood, a delegation from the SA Chamber of Business.

On Friday the EC group returns to Johannesburg, where it will see Labour Party chief the Rev Allan Hendrickse, the DP leader and the PAC.

It will also meet representatives of the Kagiso Trust — the body through which much of the funding for anti-apartheid organisations has been channelled.

The delegation plans to meet KwaZulu Chief Minister Mangosuthu Buthelezi on Saturday morning before flying home.

In 1986 the EC banned the import of SA iron, steel and Krugerrand gold coins, and barred new investment in SA. British non-compliance with aspects of EC sanctions has already caused dissent in the EC.

The UK regards the iron, steel and coin embargoes as mandatory, but not the investment ban. Prime Minister Margaret Thatcher has indicated her intention to phase out certain sanctions.

Before 1986 the EC froze scientific and cultural relations with SA. Britain has already announced it is no longer observing the scientific and cultural embargo.
Bush keen to retain sanctions, says Baker

WASHINGTON. — United States Secretary of State Mr James Baker said yesterday that the administration of President George Bush wanted to retain sanctions against South Africa despite changes in that country's treatment of blacks.

Mr Baker told a congressional panel that the invitation from Mr Bush to South African President F W de Klerk to visit the White House was an adequate gesture because it ended South Africa's diplomatic isolation.

Meanwhile, South African Minister of Constitutional Development Dr Gerrit Viljoen held talks in Washington with Mr Baker and other US officials.

A spokesman for the SA embassy in Washington said Dr Viljoen was in the American capital after attending the Aspen Institute conference on South Africa in Bermuda last weekend.

SA ambassador to the US Dr Piet Koornhof and the embassy's minister Mr Errol Montille were part of Dr Viljoen's delegation. — Sapa-AP
US allows SA steel imports

NEW YORK — The US government has allowed almost a million tons of SA steel into the country despite an anti-apartheid law forbidding its importation, the New York Times reported on Sunday.

The newspaper, quoting Commerce Department officials, said the administration had bypassed a 1986 law stating that no iron or steel produced in SA could be imported into the US.

It said Treasury Department lawyers had excluded fabricated steel products like girders, beams and plates from their definition of the metal, thus allowing the importing of more than 900 000 tons of the material, worth at least $350m.

It quoted Bryce L Harlow, assistant secretary of the Treasury, as saying that “bridge sections, structures and parts of structures”, even if they were manufactured from SA steel and iron, were not subject to the embargo.

The New York Times quoted Harlow as saying that the Treasury’s explanation was based on “established legal principles”.

Neither Commerce nor Treasury Department officials could immediately be reached for comment.

The 1986 law, which aims to apply economic and political pressure on SA to end apartheid, also forbids imports of items grown, produced or manufactured by companies owned, controlled or subsidised by SA.

The Bush administration has said it will consider lifting or modifying such sanctions if the Pretoria frees all political prisoners and moves toward the banning of apartheid. — Sapa-Reuters
Mandela hits out at bid to lift sanctions

LONDON - Only those who supported apartheid argued that the South African Government should be rewarded for what progressive steps it had already taken, ANC deputy president Mr Nelson Mandela said last night.

Seventy thousand people packed into Wembley Stadium to pay tribute to the ageing African National Congress leader heard him call for a continued worldwide campaign to isolate the Pretoria Government.

They should not listen to anyone who said they should give up the struggle against apartheid, he told the crowd.

"Reject any suggestions that the campaign to isolate the apartheid regime should be wound down," he said.

In a clear reference to British Premier Mrs Margaret Thatcher, lifting some sanctions measures, he said:

"It is only those who support apartheid who can argue that the Pretoria Government should be rewarded for the small steps it has taken, such as our release and the unbanning of the ANC and the other organisations.

"The reward the people of South Africa, of southern Africa and the rest of the world seek is the end of apartheid and the transformation of our country into a non-racial democracy.

"That prospect will only become reality as a result of struggle, including the struggle represented by the international sanctions campaign.

Mandela said the gathering was to "celebrate the victory represented by the release of some of us".

"We must remember however that only a few have been released.

"A greater number remain in prison. We should therefore treat this day as one of rededication of the continuation and intensification of the struggle for the emancipation of all the remaining political prisoners.

"We must also view it as a day of renewed commitment to the furtherance of the struggle against the system which keeps those outstanding sons and daughters of our people in jail.

"Together we must pledge to continue our united offensive for the abolition of the apartheid system."

Mandela said the apartheid crime against humanity remains in place.

"It continues to kill and maim. It continues to oppress and exploit. Its blood-stained offspring continue to rain death and destruction on the peoples of Mozambique and Angola.

"Every day it produces orphans throughout southern Africa."

- Sapa
'Black Pimpernel', 'Iron Lady' could meet this weekend

Mandela likely to reiterate stand on sanctions in UK

BY SUE LEEMAN, FOREIGN STAFF

LONDON - The picture is familiar from Nelson Mandela's biographies: it shows the ANC deputy president under the tower of London's Big Ben, a happy shot taken on a summer Sunday in 1962.

The "Black Pimpernel" had been smuggled out of South Africa to spread the ANC's message that it would take up arms to fight apartheid to the death.

On that trip Mandela visited several African countries, along with the United Kingdom, where he took the chance to tour Westminster and the "Mother of Parliaments".

He was surprised at his respectful reception abroad, telling biographer Mary Benson that "wherever I went, I was treated like a human being".

This weekend Mandela visits England again.

Departure

This time there is no subterfuge about his departure - and the respect has turned into the kind of awe reserved for heroes of the liberation struggle.

He will be welcomed as a political leader of stature.

The main purpose of the visit is a celebratory rally at Wembley stadium, where thousands will gather, as they did at a similar event two years ago, to fete him with music and dance.

When he takes the podium, he will be bringing his message to over a billion viewers worldwide, the kind of audience most leading politicians would sell their mothers to reach, but seldom do.

His message is likely to be unequivocal: sanctions must remain in place until the last vestiges of apartheid have gone for good.

This is diametrically opposed to the British Government's view of things, but British leaders have made it clear they will line up to see him should he indicate this is the right moment.

Downing Street has indicated that Mrs Thatcher is still keen to usher him through the door of Number 10, despite his continued failure to respond to the invitation she so readily issued after his release - a failure which is beginning to look like a deliberate snub by the ANC.

Meeting

At best the British leader is now marginalised in the South African debate and a meeting with Mandela could be used to suggest that she is at the centre of things.

Although she has her doubts about the ANC as an organisation, she is known to have a high regard for Mandela the statesman.

A Downing Street spokesman said this week that Mandela was "very welcome" to visit Thatcher should he decide to on this visit.

The spokesman confirmed that Thatcher returns from her Bermuda summit with President Bush on Saturday, so theoretically she could see Mandela on Sunday at her country residence, Chequers, where she often spends weekends.

The Foreign Office, too, is eager to confer with him: Foreign Secretary Douglas Hurd was quite too happy to see Mandela in Namibia last month but after several attempts at a meeting the ANC leader fought shy.

But Mandela, while speaking of his respect for the constitutional British leader, has made it clear that such encounters are unlikely now.

Mandela will answer all invitations in his own good time.

There is clearly some hesitation about playing the British card and a provisional itinerary for a Mandela tour of foreign capitals, released this week, significantly omits Britain.

Stopover

But Whitehall is hopeful that the fact that the list is clearly incomplete leaves room for a London stopover and a meeting with the woman of whom Mandela has said: "I would rather have her as a friend, than an enemy."

Meanwhile Dr Breyers Naude was stunned yesterday to hear he had been included in the ANC delegation to meet State President FW de Klerk next month.

"I had no knowledge of this before... my wife told me on the phone this morning," he said in Stockholm, where he is on a working trip.

"When I last met Mr Mandela he gave me a general indication about a meeting, but I had no awareness that I would be included in a delegation."

Part of the former NGK dominion's surprise stems from the fact that he is not officially a member of the ANC. But he said he was one "in spirit".

"I have always been a keen supporter of the organisation but have not actually officially joined the ANC."

He looked forward to the meeting: "I am very glad that it will be possible. It is a very important and crucial meeting that has to take place."

Discuss

Naude said he would have to discuss details of the meeting with others in the ANC delegation, but he assumed that a central issue would be the return of exiles and clarification on the control of the police.

He said he thought the situation in Natal had already been covered in private discussions between De Klerk and Mandela.

Speaking in Cape Town yesterday the Natal leader of the UDF Mr Archie Gumede said he would go into discussions with the Government next month aware of a heavy responsibility on him, and seeking a fair settlement.

Gumede was named yesterday as part of the ANC delegation to meet with De Klerk and his Cabinet colleagues in Cape Town on May 2 to 4 to discuss obstacles in the way of negotiations.

ANC vice president Mandela will lead the delegation. Other members are Mr Joe Slovo, Mr Walter Sisulu, secretary-general Mr Alfred Nzo, woman's leader Ms Ruth Mompati, military wing chief Mr Joe Modise, Mr Ahmed Kathrada, foreign representative Mr Thabo Mokci, Dr Breyers Naude and Ms Cheryl Carolus, an energetic UDF campaigner from the Western Cape.

The Government is expected to grant the five exiled members of the delagation temporary amnesty to part take in these and future talks.

"You are now asked to take on a role of responsibility which is heavier than anything one can think of. We are talking about the lives of people," Gumede said.

It was a matter of must that people pray to God to guide the minds of those meeting next month, Gumede said.

Future

"I do not think any future can be built on chaos and anarchy. I cannot think that it is possible for this country to be ruled by coercion. I do believe that the content of the governed is part of the guarantee for a peaceful future."

Finding and keeping the consent of the governed was not an easy task, especially where people had preconceived ideas, Gumede said.

He supported Mandela's request that there should be full consultation leading to a proper, freely given mandate for people negotiation a new constitution as this would help secure a permanent settlement. One could not place reliance on an agreement that was obtained under duress, or where people who had been active in finding a solution were excluded by law from taking part, Gumede said.
Aussie Anglicans back sanctions

Melbourne - Australia's Anglican Church this week supported the maintenance of sanctions against South Africa until apartheid begins to be dismantled.

The church issued a statement to this effect after its general synod's international affairs commission voted to continue sanctions against South Africa including a sporting boycott.

The acting Anglican Primate, Archbishop Keith Rayner, said the release of Nelson Mandela was correctly seen as a watershed in the struggle for a just solution in South Africa.

And he added: "It might be that if the South African Government takes clear action to dismantle apartheid then the international community should relax sanctions."
Caltex ‘is in SA to stay’

Charlotte Mathews

CALTEx had no intention of disinvesting from SA, chairman and MD Jock McKenzie said in a statement last week.

He was reacting to a remark by Engen MD Rob Angel suggesting Engen could regard Caltex as an acquisition target since being owned by a US parent put Caltex in the difficult position of paying double taxation, and being unable to bring in new investment.

McKenzie said: “Caltex management believes that the market in southern Africa has a potentially bright future with good prospects for growth.”

Technology

“We have made substantial investment in our retail network in order to maintain our leading position in the petrol market.

“We have not experienced any difficulties in obtaining the necessary technology for either our refinery upgrading or our ability to supply the local market with the most advanced petrol available,” he said.

An Engen spokesman said on Thursday that the possibility of Engen making a major acquisition like Caltex at this stage was extremely limited.

The spokesman pointed out that there had been a number of developments at Engen in recent months and the company was soon to be listed on the JSE.

“Our personnel are fully committed to that listing.”
No sign of SA-built submarines, say visiting German MPs, from left, Mr Wolfgang Boernsen, Dr Heinz Husch — who led the fact-finding mission — and Mr Peter Carstensen.

MPs clear air over SA subs

BY JANIS FRASER

THREE West German MPs, here on a fact-finding mission which included investigating rumours that South Africa was building submarines with German blueprints, firmly scotched the allegations at a press conference in Cape Town today.

The submarine rumour has been an embarrassment to the West German government for some time, with accusations of an Armscor link and claims that the plans were secretly sent to South Africa as long ago as 1984.

Mission chairman Dr Heinz Gunther Husch and two members of the inquiry committee into the submarine issue, Mr Peter Harry Carstensen and Mr Wolfgang Boernsen, visited Dorbyl shipyard in Durban this week and, earlier today, toured the Simon's Town naval dockyards, the only places where submarine construction could possibly take place.

They had spoken to staff, trade union members and politicians within and outside the government. Dr Husch said: "There was nothing going on."

The mission's other brief was to assess change here and to report back before President F W de Klerk's visit in May when the sanctions issue would be on the agenda. "It has cleared the table for President De Klerk's trip," said Dr Husch, who said he hoped the changes would help to enable sanctions to be lifted as soon as possible.
Sanctions group targets jewellers

LONDON-BASED anti-apartheid grouping End Loans to South Africa is to picket British jewellery retailers the Rangers Group "for their continuing involvement in retailing gold produced in South Africa".

It said this week Rangers has been targeted "as no British retailer does more to finance the apartheid regime...", according to the World Gold Commission's Peter Robbins. Elita has asked Rangers to offer the British public gold jewellery made from gold sourced from any of the world's other 61 gold producers.
Submarine scandal: West German MPs in SA

By ANDREA WEISS
Staff Reporter

THREE West German MPs arrive in Cape Town today for a meeting with Foreign Affairs director-general Mr Neil van Heerden.

They will also visit Simon's Town naval base to investigate claims that a German-designed submarine is being built there.

The MPs, all members of the ruling Christian Democratic Union, are in South Africa on a political fact-finding mission, but also to look into the allegations that German submarine plans are being used in contravention of an arms embargo.

The submarine scandal, which has been brewing in West Germany for some time, is threatening to discredit Dr. Helmut Kohl's government, according to foreign reports.

Der Spiegel magazine has alleged that, not only, were plans delivered to South Africa, but parts were also sent here via Turkey and Spain.

Dr. Heinz Guenther Huesch, Mr. Peter Harry Carstensen and Mr. Wolfgang Boernsen are expected to visit Simon's Town on Saturday, but have not revealed whether they will make a statement on their findings.
STOCKHOLM. — Charges were filed yesterday against two shipping agents suspected of violating Swedish trade sanctions against South Africa.

The trial, due to start in May, would be the first time a court will hear a case based on the 1987 trade ban.

Prosecutor Mr Curt Bokelund said he filed charges against the general manager and a clerk of Gemini Shipping Agency in Goteborg for arranging eight deliveries of iron wire to Durban via West Germany. They risk two years in prison if found guilty. — Sapa-AP
All that glisters is not South African

by JEREMY BROOKS
London

"Previously we had some trouble finding apartheid-free gold," said a spokesman. "One alternative, Welsh gold, is very expensive and hard to come by — and, in any event, it's usually mixed with South African supplies to stretch it. "We've had a flood of inquiries since the catalogue went out this week."

The AA shop already produces Mandela T-shirts, Frontline tea bags and Viva Zimbabwe mugs.

The keep-fit fan can cycle through London with Sanctions Now emblazoned across his bottom, while matching accessories are also selling fast.

Zimbabwe wine — at R147 a case — compares well in price with cheaper French varieties.

TRENDY couples in London who already spurn the South African fruit and wine displays in shops can now plough their troth with apartheid-free wedding rings.

The rings, all guaranteed 100 percent NON-South African gold, went on sale this week after the release of the latest AA Enterprises catalogue.

The organisation, affiliated to the Anti-Apartheid Movement, has produced nearly 1,000 rings from a kilogram ingot of pure Nicaraguan gold. Prices range from R190 to R830.

The jewellery comes stamped with a double-A anti-apartheid hallmark and a certificate guaranteeing its content.
SANCTION — 1990
June — July
Kohl denies authorising sub sales to SA

BONN. — West German Chancellor Mr Helmut Kohl denied yesterday that he had authorised the controversial sale of plans for building submarines to South Africa in 1984.

Testifying before a parliamentary committee investigating the long-running scandal, Mr Kohl said: "The government at no time approved such transactions."

Mr Kohl's government has been accused by the opposition Social Democrats and Greens of condoning the sale of submarine blueprints to South Africa.

Mr Kohl said he had agreed to consider the sale at the request of the then President P W Botha in 1984, but he had finally decided against it.

He said it was only later that he learnt the sale had been carried out by West Germany's biggest submarine builder Howaldtswerke-Deutsche Werft and its design office Ingenieurkontor Luebeck.

West German law forbids arms exports without government permission and prohibits sales to areas of conflict such as South Africa.

President F W de Klerk told reporters during a visit to Bonn last week that the Pretoria government had never discussed procuring plans from West Germany to build a submarine. — Sapa-Reuter
EC sanctions row on eve of Mandela visit

From IAN HOBBS

LONDON. — The 12 European Community (EC) governments are locked in a bitter row over South African sanctions on the eve of Mr Nelson Mandela’s grand tour of Western Europe, starting in Paris tomorrow.

Some socialist-dominated countries fear that the red carpet could be pulled from under Mr Mandela’s feet while he is in Europe.

A combination of relentless British-led pressure against sanctions and an expected announcement that the state of emergency is to be at least partially lifted could provide a coup for President F W de Klerk this week. There are strong indications that EC political directors’ meeting in Brussels tomorrow will propose broad acceptance of a Dutch plan for sanctions to be lifted step-by-step in relation to irreversible reform.

The proposals of the influential Brussels bureaucrats will be submitted to a meeting of the EC foreign ministers in Luxembourg on June 18.

Anti-apartheid groups are outraged that the EC should even consider shifting its hardline on sanctions while Mr Mandela is in Europe.

● No sanctions ‘stab in back’ — Page 3
Sanctions should remain - Mandela

GABORONE - An end to sanctions now would be a stab in the back for the South African liberation struggle, ANC deputy president Mr Nelson Mandela said yesterday. "Apartheid is not dead." he told a rally in Gaborone, Botswana. "It is alive, but the ANC is even more alive."

It was his first stop on a 13-nation tour aimed at persuading governments to maintain sanctions until Pretoria gave more ground to its dis-enfranchised black majority.

"If sanctions are now ending this would be tantamount to stabbing the liberation struggle in the back," he told a crowd of 30 000 at the national stadium.

Several countries, notably Britain and Portugal, wanted to ease pressure on the reformist government of President FW de Klerk, saying he had proved he is intent on abolishing racial segregation.

While praising De Klerk's courage, Mandela said lifting sanctions now would be an immature act "not in the interests of the forces, both black and white, now working for a genuine new South Africa."

"The end of the armed struggle and of sanctions will take place with fundamental and important irrevocable changes in the political system of South Africa," he said. "SAPA"
Shift in EC sanctions stance predicted

LONDON — There are strong indications that EC political directors meeting in Brussels tomorrow will propose broad acceptance of a Dutch plan for sanctions to be lifted step-by-step in relation to irreversible reform.

The influential Brussels bureaucrats' proposals will be submitted to an EC foreign ministers' meeting in Luxembourg on June 18, prior to the heads of state summit on sanctions in Dublin on June 25 and 26.

Anti-apartheid groups, strongly supported by the Danish government, are outraged that the EC should even consider shifting its hard line on sanctions while ANC deputy president Nelson Mandela is in Europe and before negotiation towards majority rule has become irreversible.

The Southern Africa Coalition (SAC), representing all anti-apartheid forces in Britain, yesterday said it was urgently asking Irish Prime Minister Charles Haughey, current president of the EC, to urge member nations to stand firm on sanctions.

British government sources said yesterday the EC should respond to fundamental changes by lifting sanctions.
GOLD'S STRUGGLE: IN INDUSTRY IN CRISIS

ANC GOVERNMENT INCREASES HARD LINE TACTICS

GOVT APPROVES UNION VISIT TO SA

ANC LEADER TAKES HARD LINE TACTICS

Prominent 'minister' talks to worker. If necessary strike in Union to follow. No reason for individual to continue. Workers and skilled trade people are starting on a path of confrontation. The situation in the gold mines is tense.

The struggle for the gold industry.

Gold's slump puts industry in crisis.

Tens of thousands of workers face the possibility of losing their jobs as the gold industry struggles in crisis.

ANC GOVERNMENT INCREASES HARD LINE TACTICS

ANC's new hard line on the unions.

In an attempt to undermine the unions, the government has increased pressure on the workers.

GOVT APPROVES UNION VISIT TO SA

Union leaders visit South Africa.

The government has approved the visit of union leaders to South Africa.

ANC LEADER TAKES HARD LINE TACTICS

ANC leader takes hard line tactics.

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The struggle for the gold industry.

Gold's slump puts industry in crisis.

Tens of thousands of workers face the possibility of losing their jobs as the gold industry struggles in crisis.
GABORONE. — Mr Nelson Mandela flew to Botswana at the start of a 45-day foreign tour yesterday, warning the international community that lifting sanctions against South Africa now "would be tantamount to stabbing the liberation struggle in the back".

Kicking off a tour of Europe, Canada, the United States and Africa, Mr Mandela set the tone for his most extensive foreign trip.

The 71-year-old ANC leader and his wife, Winnie, received a red-carpet welcome led by President Quett Masire when they arrived in the diamond-rich country.

Tribal dancers performed on the tarmac and women ululated before the Mandelas were escorted into town along "Nelson Mandela Drive".

After meeting privately with Mr Masire, Mr Mandela addressed a crowd of 15,000.

"Apartheid is still alive but the ANC is even more alive," Mr Mandela declared.

He said despite relaxation of restrictions on political activity and repeal of some apartheid laws, the main issue of black voting rights and self-determination has not been addressed.

As he left South Africa yesterday morning, Mr Mandela reacted to a question about newspaper reports that said he might be embarrassed abroad by the government's lifting of the emergency.

"If the state of emergency is lifted, that will be a victory for us," he said as he boarded a 12-seater, twin-engine Botswana government plane in Johannesburg. — Sapa-Reuter and UPI
US sanctions ‘lose impact’

GREATER usage by the US of economic sanctions recently has been accompanied by declining success rates, according to an American study of the impact of sanctions on US business.

The study, by Prof Gary Hufbauer of Georgetown University, forms part of a lobbying campaign by US companies to limit the use of sanctions in US foreign policy.

The study, recently re-issued by Rand African University, notes that of the 29 cases initiated in the period prior to 1973, 18 can be attributed with some success in achieving US foreign policy goals.

Of the 45 cases initiated since 1973, at most 10 successes can be identified.

"The first and most obvious reason for the diminishing effectiveness is the relative decline of the US in the world economy since the 1960s.

"The EC and Japan have acquired both the economic power and the political willingness to offset US sanctions.

"Meanwhile potential target countries have learned how to sidestep economic sanctions."

The report says the second major reason for lesser success in recent years is the changing character of objectives sought by the US from attempts to destabilise "undesirable" governments to efforts to improve human rights, combat terrorism and drug smuggling.

At the same time, EC and Japanese firms have proven both willing and adept at filling the void left by US firms.

Of the 68 cases cited in a questionnaire distributed by the National Foreign Trade Council where a winning foreign competitor was identified, US firms reported losing out to EC firms in 35 cases, to Japanese firms in 13 cases and to other firms in 17 cases, the report says.

"Once it has lost market share, a US company can regain its foothold only through difficult, costly and time-consuming efforts."
Mandela fêted but loses on sanctions

Own Correspondent

PARIS. — Mr Nelson Mandela was welcomed to Paris as a conquering hero last night — but he had already lost his battle for the retention of blanket French sanctions on South Africa.

The splendour of the pomp and ceremony masked sharp differences between the ANC deputy president and President Francois Mitterrand of France, who paid homage to Mr Mandela as a giant of the century and a cornerstone for peace in South Africa.

In what French officials described as a level of red carpet honour that many heads of state could not expect, Mr Mandela was personally welcomed at Charles de Gaulle Airport by the president’s wife, Mrs Danielle Mitterrand.

Mr Mandela and his wife Winnie were then driven in state procession to the spectacular Hotel Crillon on the Place de la Concorde, where thousands were gathering last night to pay tribute to the ANC deputy president.

President Mitterrand was telling Mr Mandela that France felt it had no option other than to serve the best interests of peace and progress in South Africa and to do this a "gesture" had to be made to President De Klerk.

It is understood that French European Community bureaucrats attending talks in Brussels yesterday were supporting a Dutch plan to make minor concessions on sanctions linked to the introduction of irreversible reforms.

The French visit of 36 hours is the first stop on a tour of Western capitals and heads of government.

The Mandelas were welcomed like visiting monarchs in an event that was half-carnival, half-solem civil rights ceremonial.

On the Square of Liberties, the space in front of the Palais de Chaillot overlooking the Seine and the Eiffel Tower, which is officially dedicated to human rights, 21 violinists were assembled to play "Nkosi Sikelel’i Afrika".

The American soprano Grace Bumbry was due to sing a negro spiritual as a tribute.
Mandela: French stick by sanctions

From IAN HOBBS
PARIS. — Mr Nelson Mandela last night said President Francois Mitterrand had given him "unequivocal" assurances that France would not ease sanctions on South Africa.

"The French stick by sanctions," he told me in his suite at the Crillon Hotel.

The ANC deputy president said he had "no problem whatever" in winning the unequivocal support of Mr Mitterrand for his case that sanctions had to be maintained and enforced to dismantle apartheid.

Mr Mandela said the widely-held view in high political circles in Paris that Mr Mitterrand would reward President F W de Klerk with a "gesture" to ease sanctions must be a misunderstanding.

He had no doubt that the French president would go to the 12-nation European Community heads of government summit in Dublin on June 25/26 to stand against the easing of sanctions.

Mr Mandela said he would take his strong message on sanctions to Bonn, Rome and the European Parliament in Strasbourg and if any governments were waverings or considering easing sanctions, he would want to know how they could consider this while apartheid was still in place.

He said the lifting of the state of emergency had merely removed one of many obstacles in the way of negotiations.

He rejected the premise that Mr de Klerk should be rewarded while the essential structures of apartheid remained.

On his coming meeting with British Prime Minister Mrs Margaret Thatcher, who completely rejects his case on sanctions, he said it was vital to South Africa and Britain that the meeting was held in a good atmosphere.

"Why should we clash?" he asked.

"We can differ and still be friends. I am keen to improve relations between Britain and the ANC."

Mr Mandela was still on the move late last night.

Apart from his banquet with Mr Mitterrand, he met the leaders of all the major political parties, addressed a huge United Nations function, acting as genial host, spoke to individual businessmen and journalists, addressed the National Assembly (the French Parliament) and then the press conference.

Asked how he felt, he grinned widely and said: "I feel very well."

Mr Mandela flies to Geneva at dawn today.
FW hopes speech becomes a sanctions-buster

TOS WENTZEL on the Presidency

PRESIDENT De Klerk has said he hoped his speech in parliament would have an impact on the sanctions situation.

He was speaking yesterday after his address to a joint session of the three Houses in which he emphasised that South Africa could not live in isolation from the rest of the world.

He said the country needed foreign trade and investment as well as technological, cultural and sporting interaction with other countries.

DIFFICULT PROCESS

"We cannot stop the world and get off as some people in South Africa would like us to do."

Mr De Klerk said dramatic progress had been made towards the normalisation of the political process in South Africa.

For many people this had been difficult.

"Many South Africans preferred the situation when unpleasant political realities could be swept under the carpet."

Many organisations, including the ANC, had been stripped of the mythological status which they had previously enjoyed. They now had to defend their policies in the open market place of ideas.
‘Mitterrand will keep sanctions’

From ESMARE VAN DER MERWE
Political Staff
PARIS. — ANC deputy president Mr Nelson Mandela said last night that he had no problem in convincing French president Mr Francois Mitterrand that economic sanctions against SA should be maintained.

Dismissing reports that France and the European Community could decide to ease sanctions at an EC summit in Dublin at the end of the month as a “misunderstanding”, Mr Mandela said: “The French president, government and people will stand behind us.

There is no equivocation at all on the part of Mr Mitterrand that they will stick to sanctions. I don’t think the French government has any hesitation in applying sanctions just as they are.”

Mr Mandela was asked how his assessment tied in with most European countries’ position that sanctions could be removed once the state of emergency was lifted and political prisoners freed — two issues on which the government has moved rapidly.

Mr Mandela replied, “I don’t want to speculate on that. I’ll hear it from them directly. My message to the countries I will be visiting is that sanctions must be maintained.

“I would like to hear from them why they want to ease sanctions, for what reason, while apartheid is still in place,” he said.

Asked to comment on the Conservative Party’s massive gains in the Umlazi parliamentary by-election this week, the ANC leader said it was clear that the CP was exploiting racial prejudice and white fears of power-sharing with blacks.

It was difficult to introduce sound and rational policies in a society based on racial thinking, he said.

Asked if he was pleased with the NP’s victory, although marginal, he said, “We are negotiating with the NP and will naturally like to receive the backing of whites.”

On a two-day visit to France, Mr Mandela met top French officials yesterday in a crammed schedule which started at 9am.

After lengthy talks with President Mitterrand, Mr Mandela met the leaders of the Communist and Socialist parties, the mayor of Paris and opposition leader Mr Jacques Chirac, parliamentarians and French prime minister Mr Michel Rocard.

After his early morning meeting with Mr Chirac, Mr Mandela said the whole of Europe’s political systems were based on democracy which implied one person, one vote.

“Nowhere in Europe is there any suggestion that the rights of a particular minority must be guaranteed as Mr De Klerk is suggesting. Our demands are based on the same principle. We have proposed a Bill of Rights and that is enough to protect individual rights.”

Mr Mandela described his visit with President Mitterrand as “fruitful” and said it was fitting to brief a president and country, which had given the ANC solid support over many years.

Unlike Mr De Klerk’s reception a few weeks ago, Mr Mandela was not met on the steps of the Elysee palace but President Mitterrand escorted him out after the meeting.

Mrs Winnie Mandela, who arrived after her husband, was met outside by Mrs Danielle Mitterrand.

Street security prevailed during the 12-man ANC delegation’s visit to France, the first stop of Mr Mandela’s European tour and the second of a 13-nation tour spanning three continents.

The streets of Paris were cordoned off by scores of policemen wherever Mr Mandela went.

At the luxurious Crillon Hotel, where the ANC group occupied 12 rooms at R1 000 a double room, two security men were on 24-hour guard outside the Mandelas’ suite. The delegation leaves for Switzerland today.

Mr Mandela’s route through Europe.
From ESMARE VAN DER MERWE
Political Staff
PARIS: — As President De Klerk moved another step towards satisfying European community pre-requisites for the lifting of sanctions, ANC deputy president Nelson Mandela — in France on his 19-nation tour — said the partial lifting of the state of emergency would not change his organisation’s policy on the maintenance of punitive measures.

President De Klerk’s announcement on the lifting of the four-year-old state of emergency in all areas but Natal, was broadcast live in France on the television cable network CNN as Mr Mandela was holding discussions with French President Francois Mitterrand.

Speaking to journalists as Mr Mandela left the Elysee presidential palace, he welcomed the scrapping of the emergency regulations but added that there was no need to continue the oppressive measures in strife-torn Natal because they had served no purpose in curbing the protracted black-on-black violence.

He said the ANC had condemned the state of emergency since its introduction in June 1986. The issue had been at the core of the first extensive talks between the recently unbanned organisation and the government at Groote Schuur.

“We don’t claim victory for the ANC, but it has been known to all that the lifting of the state of emergency has been one of our basic demands. This is a victory for all the people of South Africa,” a smiling and relaxed Mr Mandela said.

Still not enough

Several Western leaders had indicated during President De Klerk’s recent nine-nation European tour that the easing of sanctions would be considered once the state of emergency had been lifted and political exiles allowed to return to their country and all political prisoners freed. All three of these issues are receiving the government’s attention.

In Johannesburg yesterday the ANC said the decision to partially lift the state of emergency and release some political prisoners had still not done enough to normalise the political situation in the country and create a climate conducive to negotiations.

At a Press conference attended by South African and foreign journalists in the ANC’s Johannesburg head office yesterday afternoon, the ANC said its preconditions for negotiations included the lifting of the state of emergency in its entirety, the release of all political prisoners — which the organisation estimated at 3 000 — the return of all exiles and a host of other issues stipulated in its document on negotiations, the Harare Declaration.

Armed struggle

President De Klerk, who now wanted to shift the blame to the ANC for dragging its feet in its preparation for negotiations, had not met all the conditions set out in the Harare Declaration, and he could not therefore expect the ANC to suspend the armed struggle.

“The question of the armed struggle, as clearly stated in the Harare Declaration, is a matter for negotiations. The suspension of hostilities and the possible cessation, which we are ready for, must come from both sides,” ANC internal leader Walter Sisulu said.

Similarly, the ANC would continue calling for the intensification of punitive sanctions against South Africa until such time that “the question of a constituent assembly has been addressed.”

Said Mr Sisulu: “We must also add here that the issue of violence has not been handled sufficiently by the government, and the right wing is still able to brandish arms publicly and make threats to defend itself.”

ANC internal spokesman Ahmed Kathrada said it was significant that President De Klerk had chosen yesterday to lift the state of emergency, while ANC deputy president Nelson Mandela was touring abroad and campaigning for more sanctions against South Africa.

“Clearly,” said Mr Kathrada, “Mr de Klerk did not meet with the success that he claims to have got abroad, and he is now trying to water down the effects of Mr Mandela’s trip. Mr Mandela is touring the most important capitals of the West as a State guest, and this must be causing some anxiety in Cape Town and Pretoria.”

Commenting on the retention of the state of emergency in Natal, Mr Sisulu said the ANC was not asking for half-measures, but wanted the atmosphere cleared for real negotiations to begin. As long as other security legislation such as the Internal Security Act remained, the situation on the ground would not change much.

Aimed at activists

United Democratic Front (UDF) assistant general secretary Mr Mohamed Valli Moosa, who chaired the Press conference, told journalists that the violence in war-torn Natal had escalated “precisely during the period of the state of emergency.” The state of emergency, Mr Moosa said, was not originally aimed at “what the government called perpetrators of violence,” but at activists like himself.

The state of emergency had never achieved its purpose, but had instead spilled more blood on South African soil.

Mr Moosa said the violence in Natal would end only when the KwaZulu police were removed from the townships. Chief Mangosuthu Buthelezi was removed from his portfolio as the homeland’s Minister of Police, and the KwaZulu homeland was dismantled.

Commenting on the major inroad made by the Conservative Party in Umlazi’s parliamentary by-election on Wednesday, Mr Kathrada said it was unfortunate that white South Africa appeared still unprepared “to face the reality of politics in South Africa.” The time when whites made all the decisions was over, and the liberation movement was now at the centre of South African politics.

While the swing to the CP also worried the ANC, the organisation felt the CP threat would continue to exist only for as long as the electorate was made up of whites. Mr Kathrada said the ANC did not feel in any way responsible for the National Party’s poor performance in Umlazi, because it had reciprocated President De Klerk’s goodwill to convince the white voters that the direction the NP was moving in was for the good of the entire country.
ANC leader forced to take a break

GENEVA — Nelson Mandela’s gruelling schedule took its toll yesterday as the exhausted ANC deputy president — on the 13th day of the six-week international tour — cancelled an appointment to eat at a place much-needed rest.

Mandela flew across the world with no rest and recovered that a doctor had examined him and advised him to take a short break. He then left for South Africa and arrived in Pretoria on Tuesday.

Mr Mandela left South Africa on Monday on a tour of 13 countries spanning three continents. He visited Paris and then flew to France for a 13-day tour of meetings with French President Francois Mitterrand, other top politicians and business leaders.

He arrived in Switzerland yesterday and flies to West Germany tomorrow.

After an address to the International Labour Organization yesterday, Mr Mandela cancelled an appointment at the International Red Cross.

He said he did not want to miss any scheduled meetings with foreign leaders and said he had to make sure that they were well-rested for the meetings.

Mr Mandela, looking relaxed but tired, made a short off-the-cuff speech but then looked down at the table.

He then left for South Africa and arrived in Pretoria on Tuesday.

Mr Mandela will meet anti-apartheid organizations today before taking a weekend break at an undisclosed venue in Switzerland. He will resume his programme in Rome on Friday.

Sanctions must stay, despite our hardships

ESMARE VAN DER MERWE
Political Reporter

GENEVA — Mr Nelson Mandela, on a world tour to urge the international community to maintain sanctions, said yesterday that South Africa’s black population was prepared to suffer the consequences of sanctions in order to have apartheid eradicated.

“We are prepared to undergo hardships that is the price of liberty,” he told an international press conference after arriving in Switzerland on the second leg of his European tour.

When asked about the apparent contradiction between economic suffering caused by sanctions and the urgent need for black economic upliftment, he replied: “There is no contradiction somewhere in the use of sanctions to get the rights we are fighting for.”

Only when the goal of a democracy based on the principle of one-man, one-vote had been reached would the ANC address the challenge of building a stable economy with a high growth rate and full employment, he said.

Clearly aware of Europe’s shifting attitudes towards President de Klerk’s bold reforms, Mr Mandela urged the world to stick to the policy of positive measures.

Apartheid

“We want you to maintain sanctions because whatever changes have taken place in South Africa, the main cause of apartheid remains in place. Sanctions must be maintained because it is the most effective way of achieving apartheid.”

Mr Mandela arrived in Switzerland yesterday after a visit to France during which, he said, French President Francois Mitterrand had given him a clear understanding that his country would not consider lifting sanctions until profound changes had taken place.

All smiles: Nelson Mandela in a jovial mood as he faces the international press in Paris.
Sanctions

and irreversible change
had taken place.

Apparently unaware of the
Swiss government's neutral
stance on sanctions, Mr Man-
dela said he expected the
Swiss Government "to do ex-
actly what it has been doing
all along, that is continue its
support for our struggle and
maintain sanctions".

Told by a Swiss journalist
that the Swiss Government
was one of a small number
which had never enforced
sanctions, Mr Mandela re-
p lied: "I did not know that.
But the people of Switzerland
have supported us and that is
enough."

He kicked off a hectic Swiss
programme yesterday with
an address to the Interna-
tional Labour Organisation's 77th
annual session, which earned
him a long standing ovation.

After having lunch with
ILO director-general Michel
Hensenne, he addressed ador-
ing fans at the headquarters
of the World Council of
Churches, before taking a hel-
icopter ride to Berne for a
meeting with the Swiss For-
eign Affairs Minister Rene
Felber.

In his address to the in-
fluential ILO, Mr Mandela
said the ANC was very con-
scious of the need to develop
the South African economy,
which required massive inter-
national intervention.

Elaborating on the econom-
ic hardships caused by apar-
theid, Mr Mandela said there
was an urgent need to move
as rapidly as possible to end
white minority rule so that
the need for sanctions could
fail away.

"When we have cleared the
remnants of a cruel and inhu-
man past, then it will be the
time to attend to the matter
of the reconstruction of our
country and region to meet
the material and spiritual
needs of all our people."

Briefing the ILO gathering
on the historic Groote Schuur
meeting between the Govern-
ment and the ANC, Mr Man-
dela said the country had
reached a moment of hope
and confidence that a non-rac-
ical democracy would soon be
established.

However, the Government
had not yet fulfilled the condi-
tions for negotiation, he
added.

"We are confident that you
will therefore persist in your
own demands that all politi-
cal prisoners must be re-
leased, political trials ended,
the exiles returned, repress-
ive legislation repealed and
the State of Emergency ended
in its entirety.

"We make these points not
to question the bona fides of
the leadership of the South
African Government. Indeed,
we have said it in the past,
and believe it to be true, that
President F W de Klerk and
his colleagues are men and
women of integrity.

"We accept their good faith
that they will abide by what
was agreed (at the Groote
Schuur meeting), but until
what was agreed has been
carried out, we cannot afford
to lower our guard in the be-
ief that the promise has be-
come reality."

Mr Mandela said not every-
body had accepted that a ne-
gotiated solution was the best
way forward. "There are
many among our white com-
patriots who are determined
to resist change, arms in
hand. The continuing violence
of the police against unarmed
people is the tip of the ice-
berg, which illustrates the
dangers we face from those
who are committed to the
perpetuation of white privi-
lege and domination."
Simon Barber

ASSISTANT Secretary of State for Africa Herman Cohen stunned his audience at a CIA-sponsored conference 10 days ago with his suggestion that the US must "tilt" towards the ANC. He now protests that he was misinterpreted.

By "tilt", he insists, he did not mean the Bush administration should henceforth show bias in favour of the ANC at Pretoria's expense. Rather, he was proposing to recognize the ANC as the most important of the opposition groups willing to negotiate.

Washington could not waste time on those, like the PAC and AZAPO, who did not care to come to the table. Furthermore, by making this plain, US policymakers might even be able to prod such recalcitrants into changing their minds.

Though it will probably do little to improve Chief Mangosuthu Buthelezi's blood pressure, let us accept Cohen's clarification. Garbage as he might, all he really wanted to say was that US policy must be to encourage everyone into the negotiating process.

In other words, the fulfillment of the ANC's terms for negotiation and the CAAA's conditions for the removal of sanctions are not, in the administration's view, coterminous.

So now that the state of emergency, as imposed when the Act was passed, has been lifted and the Government has proved itself more than ready to resolve the issue of political prisoners, that the administration lacks both honour and logic was amply proved this week by its response to the emergency's lifting.

On the one hand, it said, De Klerk had met "almost all" the conditions laid down by the ANC for full-scale constitutional negotiation. On the other, he was still a couple of conditions shy of satisfying the CAAA.

As theory, his decodified view is unassailable. Given Washington's political status quo, of which Cohen himself is captive, it is also disingenuous. The "tilt" exists. Indeed, it is the centrepiece of the American approach. US policy — that is to say the general American tendency once all the forces at play on this issue are resolved into a single thrust — is to promote a smooth, rapid, though not necessarily democratic, transition from Nationalist to ANC rule.

This is clear from the way in which the rationale behind US sanctions is not so subtly changing. As it happens, Cohen and the Bush administration are doing precious little to stand in the way.

The Comprehensive Anti-Apartheid Act's stated purpose was to encourage an end to apartheid and the start of "genuine" negotiations. Once the groundwork had been laid for the latter — through the release of Nelson Mandela, the lifting of the state of emergency, the removal of restrictions on political discourse, etcetera — the sanctions were to start coming off, their job done.

Its purpose serendipitously or otherwise attained, the Act's function is now to reinforce the ANC's constitutional and other demands, however maximalist they may be.

If the Bush administration disagrees with this proposition, then logic and honour require that it fight for the suspension of all the Act's sanctions forthwith. This is especially
WASHINGTON — A top White House official said at the weekend the Bush administration would consider lifting US economic sanctions against SA.

White House Chief of Staff John Sununu said he believed President George Bush had the legal ability to remove sanctions, but no decision had been made.

"I think the president and Secretary of State [James] Baker will be reviewing this, and I suspect over the next few weeks there'll be an evolution of what the exact policy will be," he said in an interview.

"I think in terms of the law, the legal ability to remove sanctions is there."

Sununu's remarks contrast with the US State Department's comments last week that SA's decision to lift the four-year-old state of emergency in three of its four provinces fell short of US requirements for an end to sanctions.

State Department spokesman Robert Boucher said US law first required SA to release all its political prisoners and remove all emergency measures.

Meanwhile, the SA Prisons Service has confirmed that 48 security prisoners have been released countrywide.

And in a statement from Dublin, the EC has welcomed SA's decision on the state of emergency. It is due to review sanctions against SA later this month. — Sapa-Reuter.
Mandela runs into problems

Germans to resist sanctions plea

From IAN Hobbs

Geneva. — Mr. Nelson Mandela's campaign for sanctions will hit problems in Bonn today when he has a three-hour meeting with the West German Chancellor Mr. Helmut Kohl and senior German cabinet ministers.

His Bonn visit comes soon after a top White House official said on Saturday that the Bush administration would consider lifting United States sanctions.

White House chief of staff Mr. John Sununu said he believed President George Bush had the legal ability to remove sanctions, but no decision had been made.

In Germany, government officials say Mr. Kohl has been deeply impressed by President F.W. de Klerk's steady delivery of his promises, most significantly his undertaking to lift the state of emergency.

It is understood that Mr. Kohl will tell Mr. Mandela that it is now surely in the interests of the ANC and the black majority to see Mr. de Klerk given the credit of some easing of sanctions.

As in Paris, high-level West German political sources talk of the need for a "gesture" to be made to Mr. de Klerk when the 12 European Community heads of government meet in Dublin on June 25-26 to decide on sanctions.

Increased aid

The Germans have already shown their hand by the government's approval of huge reinvestment in Mercedes-Benz in South Africa — along with moves for improved conditions and pay for all workers.

It is understood that the German Foreign Minister, Mr. Hans-Dietrich Genscher, is pressing for an increase in European aid to SA.

The Germans are keen to see substantial aid reaching many more of the victims of apartheid than the present situation where a few church groups bearing most of the strain of dispensing foreign aid

Sapa reports that Mr. Mandela indicated also he believed he had successfully persuaded the Swiss Government, which does not apply formal sanctions against SA, to narrow, and possibly even close, the gap between itself and other Western countries which did apply sanctions.

In Paris, after meeting President Francois Mitterrand, Mr. Mandela said the French government had promised him it would maintain sanctions until apartheid was irreversibly and fundamentally dismantled.

After two days in Bonn, Mr. Mandela reaches the key stage of his European tour when he addresses the European Parliament in Strasbourg.

A great deal depends on how the Strasbourg MPs, ministers and the formidable European bureaucratic institutions react to the forcefulness of his argument for the retention of sanctions.

In a speech to Swiss anti-apartheid groups
on Saturday Mr Mandela said he was upset by reports in SA saying he was ill and his tour in danger.

In fact, South African reports on the stress he has undertaken were subdued by comparison with splash news on the front pages of Swiss newspapers.

After Strasbourg, the Mandela tour moves to Rome on Friday, where he meets the Pope and the Italian government before returning to London for two days of ANC executive business with the ailing president Mr Oliver Tambo.

He then heads for Canada and a gruelling criss-cross mission in the US.

After nearly two weeks in America he return to Europe to meet the European Community president, Irish Prime Minister Mr Charles Haughey, in Dublin, and Mrs Margaret Thatcher in London.

He will then visit five African capitals before returning to Johannesburg on July 18.

The European Community (EC), meanwhile, welcomed SA's decision to lift the state of emergency in most of the country.

The EC said the decision to ease the emergency powers should help create a climate for "substantive negotiations on the future of a truly democratic SA".

Sapa-Reuters reports from Washington that Mr Sununu, in giving his view on a possible lifting of sanctions by Mr Bush, said: "I think the president and Secretary of State (James) Baker will be reviewing this, and I suspect over the next few weeks there'll be an evolution of what the exact policy will be."

In a television interview with Cable News Network, Mr Sununu said: "I think in terms of the law, the legal ability to remove sanctions is there."

Mr Sununu's remarks contrast with the State Department's comments last week that the SA government, in deciding to lift the emergency, fell short of US requirements for an end to sanctions.

State Department spokesman Mr Robert Boucher said US law first required SA to release all its political prisoners, estimated at 2,000 to 3,000 by some groups, and to remove all emergency measures still in place in Natal.

Mr Mandela is scheduled to meet Mr Bush and Mr Baker in Washington on June 25.
Get priorities right or die, exporters are told

By Michael Chester

It is economic nonsense to export vast quantities of raw materials at relatively low value and leave it to overseas competitors to reap all the benefits of turning them into finished goods commanding high prices on world markets, says Ron Haywood, deputy director-general of the SA Chamber of Business.

He urges SA to focus on an entirely new list of export priorities to avert the risk of stagnation caused by sudden slumps in global commodity prices.

More emphasis is needed on the beneficiation of natural resources — from iron ore and nickel to timber and wool — to increase the value of exports, he says.

Mr Haywood cautions exporters that though relaxation of sanctions may be imminent, the end of isolation promises no guarantee that SA products will be competitive abroad.

Nor can SA rely only on exports of gold, base metals and minerals to earn the foreign exchange needed to foot import bills and provide the prop for expansion.

Exporting errors are underscored by new tables setting out the best and worst performances on a sector-by-sector basis.

One of the danger signals is evidence that the growth of overseas sales of general manufactured products is stuck among the worst performances, with the pace of increases slipping from 34.5 percent in the past four years to only 10.6 percent in the past 12 months.

Trends are ominous. SA's share of total imports flowing into European Community markets has shrunk from 0.65 percent in 1979 to an even feeble 0.41 percent.

"Political developments in recent months, and the State President's recent tour of European countries, have served to make South Africans realise they are still part of a wider international community," Mr Haywood says.

"With the easing of sanctions appearing to be imminent, SA will once again be able to take its place in the world community.

"The question that must be asked: is business ready to take advantage of the opportunities that will arise?"

"It is clear the country's past reliance on gold and base metals and mineral exports to earn the necessary foreign exchange to purchase the imports required by a developing and expanding economy will no longer hold.

"There are examples galore of developing countries that depended too heavily on exports of raw materials — and now find themselves burdened with large-scale debt problems and stagnation."

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### Worst performers

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<th>Industry</th>
<th>Past 12 months</th>
<th>Past 4 years</th>
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<td>10.6</td>
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<tr>
<td>Paper</td>
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<tr>
<td>Mining</td>
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<td>Footwear, headgear</td>
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<td>Chemicals</td>
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### Best performers

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<tr>
<th>Industry</th>
<th>Past 12 months</th>
<th>Past 4 years</th>
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<td>Fats and oils</td>
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<td>Minerals</td>
<td>38.3</td>
<td>19.7</td>
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<tr>
<td>Cement, mica, glass</td>
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<td>12.4</td>
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</table>
US says Bush may consider lifting sanctions

WASHINGTON — A top White House official says the Bush administration will consider lifting economic sanctions against South Africa — despite expected opposition from Nelson Mandela, due in Washington shortly.

On Saturday, White House Chief of Staff John Sununu said he believed President George Bush had the legal ability to remove sanctions, but no decision had been made.

"I think the president and secretary of state, Mr James Baker, will be reviewing this, and I suspect over the next few weeks there'll be an evolution of what the exact policy will be."

Mr Sununu's remarks contrast with statements by the US State Department last week that the South African Government, in deciding to lift the state of emergency in three provinces, fell short of US requirements for an end to sanctions.

Release prisoners

State Department spokesman Robert Boucher said US law first requires South Africa to release all political prisoners, estimated at 2,000 to 3,000 by black nationalists, and to remove all emergency measures, including those in Natal.

Mr Mandela, on a 13-nation world tour, is telling Western leaders to maintain sanctions until majority rule is achieved.

He is scheduled to meet Mr Bush and Mr Baker in Washington on June 25. — Reuter.
Mandela urged to ease sanctions

BONN - ANC Deputy President Nelson Mandela was asked in Bonn yesterday by leading German industrialists to consider accepting at least a partial lifting of boycotts and sanctions against South Africa, possibly in the field of sport and culture.

Speaking at a luncheon hosted by the German Chamber of Industry and Commerce, Mandela responded by saying he was not authorised to reply to this now on behalf of the ANC, but that he would be taking the representations back to the organisation's executive.

The ANC leader however reiterated the theme of his message to Europe that any lifting of easing of sanctions now would be counter productive.

"By lifting sanctions now you are playing into the hands of those against peace in South Africa," Mandela was welcomed to the luncheon by Herr Hans-Gerd Neglein, a senior board member of Siemens, the giant German electric power generating group which has maintained substantial investment in South Africa while at the same time condemning apartheid.

Neglein said German business in South Africa had always clearly stated its opposition to apartheid practices and had been in the forefront in racial integration of the workforce.

It was accepted that Mandela's ANC and German business interests differed to an extent on whether continuing sanctions could promote the negotiation process.

German businessmen and industrialists no longer wanted sanctions against South Africa to be used as a political weapon.

He asked Mandela to consider whether it was not time to ease at least some boycott measures against South Africa, such as sport and culture firms.
Ich kann nicht lesen, was auf dem Bild ist.
Nelson Mandela, a former South African political leader, was recently released from prison after serving 27 years. His release has been welcomed by many as a significant step towards peace and reconciliation in South Africa. Mandela, who became a symbol of resistance against apartheid, was sentenced to life imprisonment on charges of sabotage in 1962. His release has sparked hope among the international community and has been seen as a key moment in the country's transition to democracy.

The release of Mandela has been met with celebrations across the world, with leaders and activists alike expressing their support for the former leader. The South African government has announced that Mandela will now live privately and will continue to campaign for reconciliation.

Mandela's release is a historic moment for South Africa, and it has been a source of inspiration for many around the world. His message of hope and reconciliation has resonated with people everywhere, and his legacy continues to inspire new generations.
Tough talk at Bonn meeting

Germans tell Mandela to lift sanctions

BONN — Leaders of West German commerce and industry yesterday bluntly told ANC deputy president Nelson Mandela they felt the time had come to lift sanctions and asked him to start the process.

In a meeting at the Federal Chambers of Commerce Association in Bonn the captains of German industry said German trade with SA would make a better contribution to a settlement if it was freed from sanctions. They said economic growth and stability, not sanctions, were the key to the future.

The latest available figures show German exports to SA in the first six months of 1989 were worth DM3,16bn and imports from SA were worth DM1,6bn.

The majority of the German representatives appeared unmoved by Mandela’s argument that they were playing into the hands of white supremacist by calling for an end to sanctions now.

Mandela warned that the majority of South Africans, black and white, would decide for themselves what was best for them. He told the Germans: “It is not for you to tell us what is good for us and what is not good for us. What right has anyone to say (to us) that sanctions are not good for you. You have no legal or political right.”

He said there had to be a “proper political solution” for the economy to thrive at all and the ANC maintained that negotiations to achieve democracy would fail with disastrous consequences if the pressure created by sanctions ended now.

But the bankers and heads of global businesses, ranging from Siemens AG, BMW and Mercedes Benz to the major mining and steel houses like Krupp, reacted coolly.

Siemens director and chairman of the meeting Hans-Gerd Nogeln said afterwards his personal strong opposition to sanctions had not been swayed by Mandela. He completely rejected the ANC position on sanctions and hoped that Germany and the other EC governments would adopt the British position on all trade sanctions being scrapped, when the 12 heads of state met in Dublin on June 25 and 26.

“Our worldwide experience and recent history and developments show us that sanctions always have a negative effect. They never have a positive effect. They hurt the poorest section of the community, who need most help,” Nogeln said in an interview.

He said only a very strong economy “would be able to guarantee the catch-up process of the black community”.

Nogeln said he felt it would be better if the ANC compromised on sanctions at this stage. It would be a very important first move if the ANC made even minor concessions such as lifting the ban on sporting and cultural contact with SA.

SIMON BARBER reports from Washington that talks between US Jewish leaders and Mandela in Geneva at the weekend have persuaded members of the Jewish community in New York to suspend plans to picket Mandela when he arrives in the city on June 20.
Mandela remains firm on sanctions

By Esmeré van der Merwe, Political Reporter

PARIS — As President de Klerk moved another step towards satisfying European Community prerequisites for the lifting of sanctions, ANC deputy president Nelson Mandela said the partial lifting of the state of emergency would not change the ANC's stand on economic curbs.

Mr de Klerk's announcement on the lifting of the emergency was broadcast live in France on the television cable network CNN as Mr Mandela was holding discussions with French President François Mitterrand.

Last night, Mr Mandela said he had no problem convincing President Mitterrand that sanctions should be maintained.

Dismissing reports that France and the European Community could decide to ease sanctions at an EC summit in Dublin at the end of the month as a "misunderstanding", Mr Mandela said: "The French president, government and people will stand behind us."

Mr Mandela welcomed the scrapping of the emergency regulations, but said there was no need for the measures to continue in Natal, as they had not stopped black-on-black violence.

After lengthy talks with President Mitterrand, Mr Mandela met the leaders of the Communist and Socialist parties, the Mayor of Paris opposition leader Jacques Chirac, parliamentarians and French Prime Minister Michel Rocard.

After his meeting with Mr Chirac, Mr Mandela said a system of minority rights was not needed in SA. "... We have proposed a Bill of Rights and that is enough."

The ANC delegation will leave for Switzerland today, the next stop on their 13-nation tour.

South Africa could very soon be helping the rest of Africa out of its economic crisis and tripartite agreements with Europe would then be likely, a French Cabinet Minister said yesterday.

Co-operation Minister Jacques Pelleiter, who is in charge of France's aid programme for Africa said SA was on the right track in its quest for political and economic stability.
Plea for sanctions rejected

By Esmaré van der Merwe
Political Reporter

BONN — Influential West German industrialists and bankers yesterday rejected Nelson Mandela's stance on sanctions and called for them to be lifted.

Hans-Gerd Neglein, a board member of electronic group Siemens, told the African National Congress deputy president: "We feel sanctions should no longer be used as a political instrument ... They hit only the weakest in society.

"We welcome the political change initiated by President de Klerk and yourself and we would like to encourage you to put your full political weight behind the negotiation process."

Mr Neglein was speaking at a working lunch arranged by the Association of West German Chambers of Industry and Commerce.

The Germans stressed the need for economic stability and upliftment to assist political reform, and proposed the easing of cultural and sports restrictions on South Africa.

Mr Mandela stressed that sanctions had been a powerful weapon in the anti-apartheid struggle.

"To call for the lifting of sanctions now, you are playing into the hands of those people who are against peace in South Africa," he said.

Proper thing

"The proper thing for you to do is to respect the aspirations of the oppressed people of South Africa. It is not for you to say or decide what is good for us."

Conceding that sanctions had resulted in black unemployment and economic suffering, and expressing concern about the unequal distribution of wealth in South Africa, he said: "We don't care what the economic system is as long as it leads to the redistribution of wealth in the country."

South Africa's largest trade union federations shared the view that punitive measures should be maintained.

After the meeting, Mr Mandela said he was "quite certain" the business community would consider the ANC's call for continued sanctions.

Mr Neglein said he hoped the West German government, with the help of Britain, would propose the easing of sanctions at the European Community meeting in Dublin on June 25.

Last night, Mr Mandela received a tumultuous welcome from several thousand West Germans at a ceremony organized by his hosts, the Social Democratic Party.
US congressman calls for easing of sanctions

By David Braun,
The Star Bureau.

WASHINGTON — Conservative US congressman Dan Burton has called on the House of Representatives to lift some sanctions as a gesture of goodwill to South Africa.

Mr Burton said yesterday: “We continue to do business with the butchers in Red China and the repressors of the Baltic states, the Soviet Union.

“Is it not time that we at least showed some support for the positive steps toward democracy that President de Klerk is taking?”

“I believe that we should consider lifting some of the sanctions as a good faith gesture to show the radicals and the Left in South Africa that we support the positive changes that President de Klerk is making.

“He is a man of courage who has risked his political life to bring about an end to apartheid and to bring true democracy to South Africa, and he deserves at the very least some support from the United States of America.”

Congressman Bill Gray, leading black legislator in the Congress, said many people could rejoice at the lifting of the state of emergency. However, they must be cautious.

“We ought to applaud President de Klerk for lifting the emergency restrictions... He should be supported in his efforts to bring about reform, but let us not stop the pressure...”
Lifting of sanctions should be joint decision

By ANTHONY JOHNSON
Political Correspondent

SANCTIONS should be retained until President F W de Klerk and Mr Nelson Mandela could make a joint appeal for them to be lifted, Idasa executive director Dr Ales Boraine said yesterday.

Dr Boraine told the visiting UN fact-finding mission that such a joint appeal should take place "sooner rather than later".

Dr Boraine said he believed Mr De Klerk was sincere in his shift to negotiation politics and "seemed determined to speed up the process as much as possible".

The ANC had also embraced the concept of negotiation politics "but understandably are a lot more cautious and are not ready or willing to move as fast as Mr De Klerk would want to".

"The playing field is still uneven and there is deep-seated suspicion in the townships regarding the irreversibility of the state's position," he said.

Dr Boraine told the UN delegation that SA had now reached a situation where the divide was no longer between parliamentary and extra-parliamentary forces.

"Rather the divide is between the 'insiders' and the 'outsiders'. "The government and the ANC are key 'insiders' and they are joined by all those groupings who are willing to negotiate — and this would include the Democratic Party, Inkatha, the Labour Party, Solidarity and so on."
EC may send De Klerk 'message of encouragement'

The Argus Foreign Service
THE HAGUE. — President de Klerk may be sent a "message of encouragement" by the European Community meeting of government leaders later this month for the "courageous progress" his government has made towards abolishing apartheid.

Ireland's Prime Minister, Mr. Charles Haughey, who will chair the Dublin summit, indicated yesterday that the message might be sent to the South African leader.

He added that in the view of the Irish government the "time has not yet come for any movement in sanctions".

Indications are that most EC nations will stop short of calling for an end to sanctions. The message proposed by Mr. Haughey might be a sop to those nations, such as Britain and Portugal, who felt Mr. de Klerk should be rewarded for his actions.

Meanwhile, Dutch Foreign Minister Hans van den Broek said yesterday that it was not yet time to discuss the abolition of sanctions.

In a message to the Dutch parliament, he said political and economic pressure should be maintained until apartheid was abolished.

However, he said this did not rule out the possibility of the carrot-and-stick approach first proposed by the Dutch some weeks ago.

Under that scheme certain sanctions would be lifted for specific steps taken by the government to abolish the remnants of apartheid. This would be broken down into four or five different stages.

But the Dutch Finance Minister and Deputy Prime Minister, Mr. Theo Kok, returned from a meeting in Bonn on Monday with ANC leader Mr. Nelson Mandela, warning that the EC should be "extremely cautious" about lifting sanctions.

"It would be premature at the moment to change that policy," he said.
Mandela claims sanctions ‘victory’

From IAN HOBBS

BONN — Mr Nelson Mandela yesterday said he believed he had talked West German leader Mr Helmut Kohl out of reconsidering West German support for sanctions on South Africa.

Mr Mandela admitted to a press conference that at the start of their two-hour meeting in Bonn, Mr Kohl "was for a review of sanctions."

The ANC deputy president added: "But I think, without speaking for him, that he is now prepared to reconsider the matter."

Mr Kohl, who honoured Mr Mandela with what West German officials described as the "rare tribute" of a photo call inside his office, refused to comment directly on sanctions.

In a brief statement, the chancellor said only that his meeting with Mr Mandela had been "interesting and constructive, particularly in view of the forthcoming European summit."

A statement issued by the Bonn government said the talks with Mr Mandela had been held in a friendly and constructive atmosphere, deliberately avoiding the sensitive subject of sanctions.

The statement gave no hint that Mr Kohl had changed his well-known private attitude that the EC should jointly ease sanctions.

A senior political official in Bonn said that Mr Kohl was indicating that he did want a review of sanctions — but he would not break ranks with Germany's EC partners.

The official said he was confident Mr Mandela had helped Mr Kohl to reluctantly accept Foreign Minister Mr Hans Dietrich Genscher's view that apartheid laws and restrictions were still in force and it was premature for Germany to even consider lifting the sanctions.

In his press conference, Mr Mandela said he had agreed to discuss arms with the West German government, but that discussions had been "too early" and it was not possible for the majority of South Africans that would have to be convinced that there would be no longer any possibility of weapons being used to kill black people in South Africa. Mr Mandela said that the international community must stay with sanctions if there was to be conflict within the Government.

Mr Mandela also said he had also questioned Mr Kohl about the situation of the ANC's deposed leader Mr Nelson Mandela, who would not return to South Africa until the ANC's ban is lifted.

Mr Kohl said he had "not discussed any matter of direct concern to South Africa's liberation struggle".

The conference was held in the presence of the West German and South African foreign ministers.

**BONN MEETING... Mr Nelson Mandela with West German Chancellor Mr Helmut Kohl yesterday.**

© AFP to EIBAFFS — Page 7
EC poised to endorse Mandela on sanctions

STRASBOURG — The impact of Nelson Mandela’s European tour will be tested for the first time today when the European Parliament (EP) votes on a motion for sanctions against SA to be gradually lifted.

What might have been a close vote is now expected to turn into a rout in favour of Mandela’s most passionate warning yet that lifting sanctions would be catastrophic for peace in SA.

The ANC deputy president was welcomed to the 12-nation EP yesterday as a statesman.

In a special ceremony, EP President Enrique Creplo handed Mandela the Andrei Sakharov prize for humanitarian action.

Mandela, greeted on entering the assembly by a standing ovation and deafening applause described by MPs as unprecedented in the history of the 12-nation Strasbourg Parliament, went straight to the point.

He said nothing should be done to diminish the pressure of sanctions, which had obliged the white population of SA “to accept the necessity and inevitability of change”.

He urged the governments represented in Strasbourg and “the peoples of the world” to heed the seriousness of his warning that they had to maintain sanctions.

He said “any movement backwards” would undermine progress and threaten the process of negotiation.

Mandela said he sought no advantage for the ANC in its pursuit of democracy, peace and progress for all in SA.

“We do not pursue any goals which would result in some emerging as winners and others as losers.”

He said the ANC recognised President F W de Klerk and his NP colleagues as people of integrity who spoke honestly when they said they wanted an end to apartheid. The ANC was prepared to work with them to achieve “a just and lasting negotiated settlement”.

At a later media conference he disclosed, for the first time, that the ANC had held secret talks with unaligned members of the white right-wing “to soften their hostility to De Klerk”.

PETER DELMAR reports internal ANC leaders appeared unpuzzled at this statement and said they were trying to contact Mandela about it.

Internal ANC leader Walter Sisulu said the ANC spoke to so many groups, among them Afrikaners, that they were not always sure what their political affiliations were. “It is likely some of these (right-wing) people were seen, but not in an organised way.”

Ousted

Right-wing spokesmen said they knew of no such approach from Mandela which, if it had happened, would have been extremely naive.

A senior CP source said he could “absolutely guarantee there have been no discussions between the ANC and the CP”.

KIM BENTLEY reports from London that British Foreign Secretary Douglas Hurd said there was a possibility De Klerk could be ousted unless “effective encouragement” was given for the changes he had made.

He believed it was time the EC lifted the ban on new investment in SA.
British Foreign Secretary tears Fw may be topped

WASHINGTON 280 06/15/49

The Foreign Office is looking for a British foreign secretary who may be topped.
Anti-apartheid groups step up pressure

ANTI-APARTHEID organisations have stepped up the campaign to maintain sanctions in the run-up to the full European Economic Community summit in Dublin on June 25 and 26.

ANC deputy president, Mr. Nelson Mandela, who is presently touring Europe, has been calling on European governments not to relax sanctions.

Throughout his trip, Mandela has been received like a head of state.

In France, President Francois Mitterand paid tribute to Mandela "the freedom fighter", the "prisoner who guides his jailers towards the path of liberty".

During his 36-hour stay, Mandela met several key French politicians.

He repeated his view that sanctions should not be lifted as long as apartheid exists.

In Bonn, West Germany, Mandela was greeted by about 4,000 people in front of the Social Democratic Party headquarters.

Following a meeting with top German government figures, Mandela said that he thought West German chancellor, Mr. Helmut Kohl, had changed his mind about relaxing sanctions.

The ANC also asked the German government for help in repatriating South African exiles.

Mandela raised the issue of the sale of German submarine blueprints to South Africa.

He was told a judicial inquiry into the matter was underway.
ANC leader Mr Nelson Mandela is currently buffeting through Europe and North America asking for sanctions to be maintained against South Africa until the ANC feels change has become irreversible.

Margaret Thatcher, the British Prime Minister, is said to pointing out that the last thing South Africa needs is to have its economy wrecked by sanctions.

South Africa is not exactly bleeding to death from the effects of sanctions, but if its economy is to expand at a rate sufficient to fulfill the economic expectations that will come with more political freedom, it will need an injection of confidence that will not happen until sanctions, a symbol of world disapproval of apartheid, are lifted.

Prosperity

The mends of Western leaders are so concentrated on finding the politically correct moment to lift sanctions that no one is looking at a more important long-term question for Africa. Can a South Africa, freed from sanctions and at peace with itself and its neighbours, bring development and prosperity to the whole of southern Africa?

The quint pro more, a successful political settlement in South Africa is not just the end of apartheid, but it might also include the end of a number of particularly destructive regional wars. More than 100 million people live in southern Africa — many of them in absolute poverty. In Mozambique and Angola there is famine again this year. Could the region be transformed into a prosperous economic community driven by South Africa's economic might?

The prospect of peace opens the possibility of South Africa's skill, capital and manufacturing capacity riding the wave of political reconciliation and reuniting the enfeebled economies of the region.

Foreign Affairs “We are not opposed to it (SADCC) Anything which helps them to help us. If they eat better we sleep better but we regret the negative pressure on which it was based. We don't think it will work without South Africa.”

Nor will South Africa work without the region. The formation of a common market in the region would mean the merging of the SADCC, the South African Customs Union — which includes Botswana, Lesotho and Swaziland — and the Rand Exchange Area It would require huge investment.

Testing zone

Some South African economists are floating the idea of a Marshall Plan for the region. According to Professor Sampie Terreblanche of Stellenbosch University, South Africa needs R220 billion in 10 years to turn the country's economy around. But if Nelson Mandela asks for it can we expect it? We won't get Marshall aid for South Africa alone, it must be for the whole southern Africa area. Now is the time to develop a southern Africa common market to justify getting that aid.”

Mr Van Heerden puts it more modestly: “I guess I hope that the First World might see southern Africa as a testing ground for continuing involvement in the developing world.”

He is quick to kill any suggestion that South Africa is gaining a great train for aid. “It's damned hard work but we have to succeed or we are going to end up as a banana republic.”

Anglo American already invests in Zimbabwe and Zambia and sees prospects opening up in tourism and mining in Mozambique. Its partner company De Beers owns Namibia's diamond mines and jointly owns Botswana's. Many companies in South Africa regard the end of South Africa's isolation as a challenge to trek into the rest of Africa. South African Breweries, for example are already doing good business in Africa and look forward to even better trade once the sanctions are gone.

South African businessmen, some of whom are already to be found as far north as Kenya or Abadan, are gearing up for a more open, aggressive pitch at Africa's markets. Several transnational, such as Shell and BP, have to have their Africa operations in London and their South African operations in South Africa, will now be able to combine the two.

Although some have pulled out of South Africa because of disinvestment pressure, the situation is not irreversible. But it is not only the private corporations that are preparing to move.

A vision

Ian McRae, the Chief Executive of Eskom, the parastatal South African electricity company, for example, has a vision of South Africa transforming the rest of Africa. South Africa has a voice and a role allowing it grander plans desired for its betterment — especially by those removed from its realities — but McRae counts himself an African. When the people of Soweto refused to pay their electricity bills he went to talk to them, alone and at night, to find out what the problem was and if he could solve it.

He believes electrical power could be the catalyst in the region and is already working on a scheme to unite it as far north as the Equator in one power grid. Although 60 years old and heading a company of some 56,000 employees Mr McRae sounds like an enthusiastic young man with a big idea.
Crucial EC vote on sanctions

By Esmaré van der Merwe
Political Reporter

STRASBOURG — Nelson Mandela yesterday delivered an emphatic plea to a packed European Parliament (EP) assembly for the maintenance of full sanctions against South Africa.

The African National Congress deputy president received a standing ovation from the parliament, in which all 12 European Community (EC) countries are represented.

The EC is to review its sanctions policy at a summit in Dublin in two weeks' time.

The EP will today vote secretly on a proposal by a right-wing independent, Marco Pannella of Italy, that sanctions be eased.

Mr Mandela’s plea for the maintenance of sanctions has left the race wide open and informed MPs in punch-up over Mandela visit

STRASBOURG — French rightists in the European Parliament and a Belgian Socialist called today's events yesterday over Nelson Mandela’s visit to the assembly earlier in the day.

Witnesses said Jose Hapart, a Belgian Socialist, was first spot at by Jean-Maria Le Pen, leader of France’s National Front, then punched by Bernard Antony, another French extreme right.

The incident in the members’ restaurant began when Robert Kriegs, a Luxembourg Socialist, made a remark to a table of right-wingers regarding their absence from the chamber during Mr Mandela’s 45-minute speech.

A witness said Mr Le Pen did not recognize Mr Kriegs and asked a security guard to remove him from the restaurant. Mr Hapart then called Mr Le Pen names.

Mr Le Pen spat twice at Mr Hapart who returned to the table he shared with Mr Kriegs. The witnesses said Mr Antony then came over, demanding that Mr Kriegs identify himself. Upon his doing so, Mr Antony grabbed Mr Kriegs by the collar and hit him — Sapa-AP.

He said the ANC was prepared to co-operate with the Government to reach a just and lasting negotiated political settlement, which should be based on the principle of one person, one vote in a democratic, non-racial and united South Africa.

Dr Beyers Naude, who attended Mr Mandela’s address, warned yesterday that easing sanctions would be dangerous and should not be considered before the Nationalist Government had clearly and unequivocally spelled out its vision of a new democratic dispensation.

The South African church leader said the re-establishment of cultural ties with South Africa as a first step towards normalising relations with the country should be carefully considered.

Mr Mandela is to visit the Netherlands on Monday and Tuesday. This brings the number of countries he will visit during his international tour to 14.

Tomorrow he will visit Rome, where he has been granted an audience with the Pope.

He will meet the ANC president, Oliver Tambo, in London at the weekend before touring Canada and the United States.

Sapa-AP reports Mr Mandela will speak to the people of New York in the Yankee Stadium next Thursday and to the American people at a “town meeting” telecast as an ABC network special later that night.
Test for Mandela
when EC votes

From IAN HOBBs
STRASBOURG. — The impact of Nelson Mandela’s tour of Europe will be tested for the first time today when the European Parliament votes on a motion for sanctions on South Africa to be progressively lifted.

What may have been a close vote is now expected to turn into a rout in favour of Mr Mandela’s most passionate warning yet that lifting sanctions would be catastrophic for peace in South Africa.

Mr Mandela, who was welcomed with a standing ovation and deafening applause, went straight to the point.

He said nothing should be done to diminish the pressure of sanctions, which had obliged the white population of South Africa “to accept the necessity and inevitability of change”.

He said “any movement backwards” would undermine progress and threaten the process of negotiation.

Presenting the ANC as peacemakers, Mr Mandela said that he sought no advantage for his organisation in his pursuit of democracy, peace and progress for all the people of South Africa.

“We are striving to proceed in a manner and towards a result which will ensure that all our people, both black and white, emerge as victors.”

He said the ANC recognised President de Klerk and his colleagues as men and women of integrity who spoke honestly when they said they wanted an end to the apartheid system.

The ANC was prepared to work with them to achieve “a just and lasting negotiated settlement.”

But he told the European MPs the reality was that apartheid was still in place and the pillars of the “murderous racist” system were intact.

South Africa was still ruled by a white minority government, police repressions was part of the daily lives of blacks — and his people continued to die in Natal as a direct result of the apartheid system.

He said it was vitally important not to forget that many white “com patriots” refused to accept that their minority rule had to come to an end.

“Many of these are armed,” he said. “They are to be found both within the army and the police.”

“These armed and trained groups pose a direct threat to the negotiations which are so necessary in order to arrive at a speedy transformation of our country into a non-racial democracy.”

He said this meant sanctions and the “struggle against apartheid must continue.”

Mr Mandela made no direct mention of an anti-sanctions motion, tabled by the independent Italian MEP Mr Marco Fannella and supported by at least 80 other MEPs.

Journalists here said a surprising number of socialist MEPs, mostly from Portugal, Spain, Greece and Belgium, were having second thoughts on sanctions.

Some — at least before Mr Mandela’s impressive speech — had indicated that they wanted sanctions reviewed or eased.
Terreblanche 'should resign'

Political Staff

DEMOCRATIC Party spokesman Mr Harry Schwarz said last night that Professor Sampie Terreblanche should resign from the DP if statements attributed to him in a British Sunday newspaper report supporting sanctions were true.

The report in the Observer quoted Prof Terreblanche, an economic adviser to the DP, as saying that sanctions and the return to power of the Labour Party in Britain were necessary if negotiations were going to succeed in SA.

Mr Schwarz, the DP senior spokesman on finance, said: "If he made those statements I do not understand how Sampie Terreblanche can remain a member of the DP."

Prof Terreblanche was not available for comment at the time of going to press.
Sampie in semantics row: Sampson springs to the defence

Leading British author Anthony Sampson, at the centre of a row over the Democratic Party’s stance on sanctions, has sprung to the defence of beleaguered Professor Sampie Terreblanche.

Speaking to The Weekly Mail from London yesterday, Sampson said he thought his article in The Observer — which caused the storm to break — had been "twisted" by Terreblanche’s political enemies.

This week, DP MP Harry Schwarz demanded Terreblanche’s resignation from the party in the wake of the report, saying it showed that the Stellenbosch University economist was calling for sanctions — contrary to DP policy.

"No," said Sampson, "Professor Terreblanche’s argument is a very sophisticated one, and I was very careful to reflect that he wasn’t calling for sanctions but explaining that for the moment the ANC needed continuing international support in order for negotiations to proceed.

Terreblanche said he had spoken to DP parliamentary leader Zach de Beer, and "he seemed quite satisfied" with the explanatory statement the DP economic adviser issued yesterday.

The statement denied he had made a plea for sanctions, and stressed three key points in Terreblanche’s argument. They are that:

● During South Africa’s “transition period”, a Labour Party in government in Britain could be beneficial to the negotiation process because it “will in all probability understand the problems of poverty and inequalities better than a Conservative Party government and will therefore be more supportive”.

● State President FW de Klerk’s commitment to fundamental change had not yet been proved, and the National Party’s strong bargaining position means its real intentions had to be monitored closely.

● It is unreasonable of the NP “to expect the African National Congress to declare itself in favour of the lifting of sanctions at this stage ... if they declare themselves in favour of a lifting of sanctions at this stage, it may either undermine their relative bargaining position or erode their power base in their own constituency”.

Terreblanche said he had “no intention” of leaving the DP.
US firm pulls out seeds, despite reform

Although South African Is
nurturing reform, there isn't
always growth — an American
company has just withdrawn its
seed operation from the country,
reports MZIMKULU MALUNGA

One was the Rangel Amendment to re-
patriation of earnings and dividend (no
tax benefit — which means the investor
is taxed both in South Africa and
the United States). The other was the com-
prehensive Anti-Apartheid Act which
prohibited American companies from
investing in South Africa.

He said the company will continue op-
erating as Agrow and will not stop
serving its clients, who are mainly
farmers in South Africa. “Nothing has
changed, we will still carry on operating
as Agrow.”

As a local company, Agrow will now
be in a position to borrow money from
local banks.

The executive director of the Ameri-
can Chamber of Commerce, Wayne
Mitchell, says there are still 130 Ameri-
can companies in this country.

The bigger ones included: Caterpillar,
Johns & Johnson, Caterpillar, Mas-
onite, Colgate-Palmolive and SA Cy-
namid.

Get off our case, stokvel body tells the police

THE National Association of Stokvels
(Nassa) of South Africa is demanding
that police stop “harassing” its mem-
ers for selling beer at stokvel parties.

Nassa president Keleka Lukhele said
while government and big business
were putting emphasis on the informal
sector, calling it the market of the fu-
ture, participants were still being
harassed.

A recent study by Markinor indicated
there were an estimated 2 400 stokvels
in major metropolitan areas, generating
more than R52-million a month.

Were stokvel members arguing for
the legalisation of their liquor sales?

Lukhele said: “It depends how that
legalisation is enacted. If it interferes
with the culture of stokvels, then it is
out.

“The authorities have to recognise
the existence of stokvels and accept the
role they have to play.”

Police representative Captain Peet
Bothma said squads would continue to
raid stokvel members because it was il-
legal to sell liquor without a licence.

He said the only way stokvel
members could evade arrest was to
apply for temporary licences at the
offices of the local police
commissioner.

on people with Aids

to carry the burden of acting fairly to
any one except those who have an ex-
isting interest in it, those being its
shareholders and policy holders.

By enshrining an agreement, the
LOA can ensure a unified approach to a
matter, and there are good reasons
why a cartel should be required to
show greater circumspection towards
individuals than a single company op-
erating in a fiercely competitive market.

The exclusion clause gives rise to
the possibility of injustice of such a type
that should not be permitted of organ-
sations which enjoy economic power
and favourable tax treatment.

The alternative of requiring a nega-
tive HIV test is fairer but presents dif-
ferent problems. The test is only one
part of the process of assessing the
risk the insurer is undertaking. You will
be asked if your lifestyle, past or present,
presumes a high risk category.

If your answer is negative and it is
discovered that you did fall into such
category, then the insurer may be en-
abled to declare the contract void.

The application you sign will contain a
declaration permitting a doctor, medical
institution or any other person to dis-
close information relevant to your
health and which permission will re-
main in force after your death.

Three positive HIV tests using the
same blood sample must be recorded
before an applicant will be declined on
the grounds of Aids. Such a person’s
name will be entered on a register
along with those of anyone who refus-

"Although South African is
nurturing reform, there isn't
always growth — an American
company has just withdrawn its
seed operation from the country,"
reports MZIMKULU MALUNGA.
Europeans vote to retain sanctions

STRASBOURG — The European Parliament (EP) urged EC governments yesterday to keep up all sanctions against SA until apartheid was abolished.

Voting 177 to 47 with five abstentions, parliamentarians adopted a resolution urging the 12 EC governments to ensure “economic, cultural and sporting sanctions” remained in force until apartheid was “irrevocably abolished”.

The resolution also called on EC governments and the EC Commission to make more money available to South Africans returning home from exile and for a “negotiations trust fund” to support democracy in SA.

In 1986 the EC banned imports of iron, steel and gold coins from SA, then valued at $600m a year.

Ban

It also banned new investments in SA but did not halt imports of SA coal, then valued at $1,3bn a year.

Britain unilaterally lifted the ban on new investments after the release in February of ANC deputy president Nelson Mandela.

On Wednesday Irish Prime Minister Charles Haughey predicted the EC would retain sanctions until the process of abolishing apartheid appeared irreversible.

Haughey, whose country now holds the presidency of the 12-nation EC, dampened speculation EC leaders would move quickly to ease sanctions.

He said the leaders, who meet later this month in Dublin, were likely to signal support for the recent reforms announced by President F W de Klerk.

“There will be a general wish that he should be given a message of encouragement and support, a positive message of approval,” he said, noting some countries “might wish to go further”.

“We must not discourage those whites who have had the courage to begin the process of change,” said French EP member Simone Veil.

Jean-Pierre Cot, leader of the socialist group — with 189 seats the largest in the 518-seat assembly — told reporters after yesterday’s vote that “Nelson Mandela’s message was heard by the parliament.

“It is now up to member states to shoulder their responsibilities, and we hope they will hear our call,” he said.

On Wednesday Mandela gave a 45-minute speech to the EP in which he said even a partial lifting of sanctions would be a “disaster” for SA.

Euro-MPs gave Mandela a fervent reception when he addressed them in the parliament’s main chamber, a privilege normally reserved for visiting heads of state.

Mandela cancelled part of his programme at the parliament to rest, EC and ANC sources said.

Fighting exhaustion, Mandela, 71, did not attend a lunch with EC Development Commissioner Manuel Marin, a source close to Marin said.

“He was very tired late in the morning and was unable to come to the lunch,” the source said.

A member of the ANC delegation confirmed Mandela had returned to his hotel to rest.

He postponed a meeting with representatives of aid organisations before flying to Rome on the next leg of his tour.

But the delegation member said: “He’s perfectly all right. He’s been resting.”

Sapa-Reuters.
EC divided on partial sanctions

The Argus 15/6/80

BRUSSELS — Foreign ministers from the European Community meet in Luxembourg on Monday to prepare for a decision by heads of government on the removal of trade sanctions against South Africa.

There is widespread agreement among the 12 EC governments to send a signal of encouragement to President de Klerk, but little agreement on whether this should include a partial lifting of sanctions.

One diplomat from Ireland, which currently chairs the EC, said "There is a desire from all EC states that some sort of positive message should be sent."

"The options could include the removal of some other restrictions such as cultural or sporting links."

Even the Dutch may alter their six-point plan linking removal of sanctions to progress on apartheid reforms after Netherlands meetings with African National Congress deputy leader Mr Nelson Mandela.

DUBLIN SUMMIT

In any case, diplomats are emphasising that a final decision on sanctions and a message to Mr de Klerk will only be taken by EC heads of government at their summit meeting in Dublin a week on Monday.

There is a majority among the EC states in favour of retaining the sanctions on coal, steel, Krugerrands, new investment and military materials until further progress has been made on reforms to apartheid.

The Portuguese, who with the British, are most in favour of relaxations in sanctions talked of "some kind of gesture encouraging the way of reform."
SAA set for direct flights to Europe, US

The Argus Correspondent

JOHANNESBURG. — South African Airways is preparing for direct flights over Africa to Europe after being forced to fly round the western bulge since 1984, said general manager Mr Gert van der Veer.

Underlining that no date had been set, he said all orders for SAA’s international fleet from 1995 to the year 2000 had been made with this in mind.

“In April last year I said the tide was changing. Now, in view of the changing political situation in the country I can say the direct flights are a certainty. SAA will again have access to markets which were denied us through sanctions,” he said.

The four-engined aircraft for the present long route around Africa would be phased out in favour of twin-engined planes, which would cut costs.

“With flying time cut by we will have fewer flying hours and therefore better utilization of equipment,” he said.

Two of the major markets which he highlighted were America and Australia. Before sanctions were imposed in 1986 SAA was flying five times weekly to the US and once weekly to Australia.

Job opportunities

“The general effect of sanctions and the loss of these two major markets caused SAA to shrink and for more than 3½ years we did not employ any additional staff.

“In 1984 our staff complement was 11 800, which has shrunken to the present 10 700. Since last year we have taken on a limited number of people, but now with the possibility of sanctions being lifted new job opportunities for people of all races and creeds will be opened up,” he said.

Predicting a tremendous future for the airline, Mr Van der Veer said SAA would once more be able to compete with other airlines.

Thomas Cook Rennie Travel marketing director Lilian Boyle said fares which were set by the International Air Transport Association were unlikely to come down but the direct flight across Africa would make it easier to sell SAA.

“But the undoubted cherry on the top is to see direct flights to the US again.

“That is the greatest excitement, far bigger than direct flights across Africa,” she said.
Confidence vital, says Du Plessis

THE government would welcome the lifting of sanctions but was more concerned about the harm of real and potential disinvestment, said the Minister of Finance, Mr Barend du Plessis.

Speaking in the second reading of the Budget, he said South Africa had survived the sanctions of the past and had used them to accelerate the restructuring of the economy. The country had found its own levels of growth within the parameters of sanctions. On the basis of its policies and disciplines it was equipped to continue indefinitely and make substantial progress at the same time.

Disinvestment

"We should certainly welcome the lifting of sanctions, especially to ease the lot of those on whom they have had a direct, brutal impact.

"But we are more concerned with the harm of real and potential disinvestment in the wake of continuing violence, lawlessness and economic myopia."

Confidence was vital for economic growth and nobody could be naive enough to believe that the lifting of sanctions could be used as a magic wand to allow for economic growth.

"Are businessmen really encouraged to plan ahead and to invest when lying under the cloud, not only of nationalisation rumblings, but also, and more gravely, of the mindless destruction playing itself out under the ANC’s paternal eye?"

No Guarantee

There was no guarantee that when sanctions were lifted the private sector would simply breathe a sigh of relief and return to business as usual.

"And why should it? Given the record of the past few years — with the killings, intimidation, arson and destruction, the school and consumer boycotts, stayaways, the lengthening list of politically inspired holidays, the preposterous wage and allied demands and the spirit of anarchy in some quarters — who would take upon himself the hard task of creating wealth?"

"In any event wealth, if rhetoric is to be believed, stands to be snatched from a businessman under the labels of reparation, redistribution or similar high-sounding euphemisms."

There was also no doubt that the posturing, both to the left and right, of the government had had an adverse effect on markets and had substantially eroded business confidence — Sapa.

Fall in gold price won’t affect surplus

THE fall in the gold price would adversely affect gold export earnings but a current account surplus of between R5 billion and R6 billion would still be posted, the Minister of Finance, Mr Barend du Plessis,” told parliament.

Speaking in the second reading of the Budget, he said the balance of trade had been encouraging for the year so far, with a cumulative trade surplus of R5 billion for the first four months.

Soft-landing

The economy was still in a downswing but there were indications that there would be a soft-landing.

MP welcomes returning police

Political Staff

THE chairman of the National Party’s study group on law and order has welcomed “dedicated” policemen rejoining the police force in the wake of this week’s R241-million pay increase.

Mr Henne Smit MP said reports were coming in from various parts of the country of former policemen applying to return to the SAP.

"I am very glad. This was one of our aims. We had foreseen this would happen." "They are most welcome. We need them."

Efficient policemen who wanted to return and make a career in the SAP and were dedicated to their task were needed, Mr Smit said.
European Parliament votes to keep sanctions

STRASBOURG (France) — The European Parliament urged European Community (EC) governments yesterday to keep up all sanctions against South Africa until apartheid is abolished.

Voting 177-47 with five abstentions, parliamentarians adopted a resolution urging the 12 EC governments to ensure “economic, cultural and sporting sanctions” remain in force until apartheid is irrevocably abolished.

The vote comes only days before EC Foreign Ministers meet in Luxembourg to prepare a decision on the sanctions issue.

There is widespread agreement among the 12 EC governments to send a signal of encouragement to President de Klerk, but little agreement on whether this signal should include a partial lifting of sanctions.

There is a majority among the EC states in favour of retaining the EC’s sanctions on coal, steel, Krugerrands, new investment and military materi-

als until further progress has been made on reforms to apartheid.

A final decision on whether any sanctions will be lifted and what message will be sent to Pretoria will be taken by EC heads of government only at their summit meeting in Dublin on Monday week.

In 1986, the EC banned imports of iron, steel and gold coins from South Africa, then valued at $660 million (R1 600 million) a year.

They also banned new investments in South Africa but did not halt imports of South African coal, then valued at $1.6 billion (R3.5 billion) a year.

Jean-Pierre Cot, leader of the socialist group, with 180 seats the largest in the 518-seat assembly, told reporters after yesterday’s vote that “Nelson Mandela’s message was heard by the parliament.”

Mr Mandela had said even a partial lifting of sanctions would be a “disaster” for South Africa. — Sapa-AP-The Star’s Foreign News Service.

Govt set on equal pensions for all
Europe votes to keep sanctions

STRASBOURG — In a major victory for ANC leader Mr. Nelson Mandela, the European Parliament yesterday voted overwhelmingly in favour of maintaining full economic sanctions against South Africa.

Voting 177-47 with five abstentions, the parliament adopted a resolution urging the 12 European Economic Community (EC) governments to ensure “economic, cultural and sporting sanctions” remain in force until apartheid is “irrevocably abolished”.

The vote came a day after Mr. Mandela told the parliament that even a partial lifting of sanctions would be unacceptable to his country’s black majority.

European Parliament resolutions express the opinion of the legislative body but do not have the power of law. The issue of maintaining sanctions against the South Africa government will be decided at a summit of the EC in Dublin at the end of the month.

“It would be ill-timed for the European Community to abandon its policy of sanctions against apartheid before an agreement to install a new constitutional order in South Africa is reached,” the resolution said.

It acknowledged that progress had been made in race relations in South Africa and expressed its support for United Nations-sponsored negotiations leading to a one-man, one vote constitutional system.

Although the text was easily approved, many moderate deputies said they would have preferred a more flexible policy to encourage President F.W. de Klerk in his efforts to abolish apartheid.

Irish Prime Minister Mr. Charles Haughey, whose country holds the presidency of the EC, said community leaders, who will meet later this month in Dublin, would likely signal support for the recent reforms announced by Mr. De Klerk.

“There will be a general wish that he should be given a message of encouragement and support, a positive message of approval,” he said.

Meanwhile, some reports in London indicated that Britain was keen to see all sanctions against South Africa lifted — but that it was in the minority, with most EC members likely to support Mr. Mandela’s view that they be retained.

On Wednesday the deputy ANC president gave a 45-minute speech at the parliament in which he said even a partial lifting of sanctions would be a “disaster” for South Africa.

“We could not accept even a partial symbolic lifting for sports, for example,” Mr. Mandela added.

— Saps-AP-Reuters, UPI and Own Correspondent
Tougher sanctions proposed

NEW YORK — Mayor David Dinkins proposed a new local law yesterday to toughen the city's economic sanctions on South Africa, saying New York should not support the "evil" of apartheid.

Dinkins said more economic sanctions were needed because "Mr. de Klerk's proclamations do not persuade us that Pretoria has sincerely embarked on the road to reform." — Sapa-AP.
DP acts to patch up sanctions dispute

CAPE TOWN — The simmering dispute in the DP over Prof Sampie Terreblanche's stand on sanctions appears to have been patched up. The controversy was sparked by comments attributed to the Maties economics professor in a report in the London Observer, which quoted him as saying sanctions and the return to power of the Labour Party in Britain were necessary if negotiations in SA were to succeed.

DP MPs were upset by the remarks attributed to Terreblanche, and DP finance spokesman Harry Schwarz called on him to resign from the party if the statements attributed to him were true.

DP parliamentary leader Zach De Beer spoke to Terreblanche before yesterday's caucus meeting, and MPs appeared satisfied there had been a misunderstanding on the issue.

Schwarz told Parliament yesterday he had been informed Terreblanche had not called for sanctions against SA "and that is apparently what his attitude is".

Schwarz said he did not want to go into the matter in any more detail.

*Comment: Page 10*
Mandela: A tale

ALL SMILES...Helmut Kohl believes sanctions should be lifted

ALLIES...Nelson and Winnie with Foreign Minister Genscher

ALWAYS a stagey city, Paris was at its stagest when Nelson and Winnie Mandela began their world tour in the French capital.

They strode across the wide stage of a famous Parisian landmark at a slow and stately pace to meet President and Mrs Mitterrand — all against the backdrop of an illuminated Eiffel Tower and to the sound of 100 violins playing “Nkosi Sikelelwa Afrika”.

There were ringing speeches and symbolism aplenty designed to recall that this was the capital city of the Rights of Man, receiving the world's best known ex-political prisoner who became man of the moment.

Message

That this megastar treatment has not tarnished Mr Mandela's head, and that he retains his dignity, directness and charm, says almost as much for his psychological soundness as does his apparent lack of prisoner's bitterness.

Handed the stage in Paris, Mr Mandela used it to great effect in putting over his message. “Keep up sanctions pressure”, and “Don't abandon us in the last mile of our marathon.”

It is a theme he later hammered home in addressing other audiences. At the European
A tale of two cities

Despite megastar treatment, he kept his dignity in PARIS
says Desmond Colborne of the South Africa Foundation

Parliament in Strasbourg last Wednesday, he said lifting of sanctions at the European Community summit in Dublin later this month would be a disaster, and he expressed confidence this would not happen.

So, to what extent did Mr Mandela's message neutralise that of President De Klerk in Paris and elsewhere?

De Klerk's visit was obviously much more low-key — no singing strings and lights on the Eiffel Tower. But there were unexpected smiles and some meeting of minds. The Big Chill of the Botha days gave way to a De Klerk thaw, and a lot of diplomatic mileage was made.

France as seen holding a swing vote on sanctions policy in the European Community. "Which way France jumps," said a British expert, "would be crucial.

Bankrupt

But given the almost cosmic significance bestowed on Mr Mandela's visit to Paris and, given Mr Mitterrand's reputation as a master of ambiguity, France, despite its rethink on the sanctions issue, might prefer not to jump just yet — not in Dublin anyway.

President Mitterrand has just completed a visit to countries in the Indian Ocean area, where South Africa's economic influence is particularly palpable.

He returns to France to participate in the Franco-African summit at a time of deepening Afro-pessimism. Africa is seen as economically and politically bankrupt, drowning in debt and demography.

President Mitterrand is surely aware that if these alarming African trends are not to be reversed, South Africa must play the role of economic locomotive.

Other European politicians, such as the former chairman of the European Parliament, Lord Plumb, are saying that "South Africa's role is to be Europe's development partner in Africa".

It's a message I, too, was able to put over on major French television programmes recently and the idea is gaining ground.

Despite all this, however, the glorification of Mandela is such that when he appeals to Europeans and others to maintain sanctions, his appeals are difficult to resist — for the time being, anyway.

And if this deprecates President De Klerk of an immediate and visible reward for his political courage that he can show to his wavering electorate, many a European leader would regret this.

Braving

But they would add that whatever is said at the Dublin summit, sanctions, like the cultural boycott before them, are crumbling, withering on the branch.

At a practical level, normal diplomatic and economic relations are being restored between South Africa and other countries. Leading politicians in Europe court Mr Mandela's presence and the photo opportunities it gives them.

But they are also braving the boycotters and going out to South Africa to "do for themselves". Visiting the country at the moment is France's Secretary of State for Humanitarian Aid, Bernard Kouchner, on his first official visit by a deputy minister since 1963.

Adieu

France's rugby bosses wanted recently — possibly to discuss a tour.

And business missions are also on the move. An important group visiting Namibia, and also South Africa, arrives next week, led by former Minister Jean-Pierre Rosteau, new French business's "Mr Africa."

Given all this, no wonder a major French newspaper was able to give the verdict: "Sanctions are dead."
NELSON MANDELA was made welcome for two days as an official guest of the Bonn government. Although his presence was reported in the media and space was given to his call for continued sanctions against South Africa, at no stage, however, was he headline news.

This was not for want of sympathy with him, let alone because he failed to impress. Quite the contrary. It was simply that issues nearer home loomed larger. The German question swamped everything.

The key issue at all meetings, needless to say, was the question of sanctions. While the liberal SPD endorsed the standpoint taken by the ANC, the Christian Democratic Union repeated its known reservations on this score.

Chancellor Helmut Kohl himself had never been a believer in the coercive measures taken by the European Community in 1986 and he now agrees with those who feel that the conditions laid down at that time for their repeal have been fulfilled — if not to the last letter, then certainly in substance and in spirit.

He concedes that President de Klerk needs support against his domestic detractors. Chancellor Kohl believes a new non-racial order in South Africa would have no chance of survival if its economic health were impaired.

Given the inevitability of a black-led administration in the country, he feels it makes no sense to worsen the social and economic problems it would inherit merely in order to harass the existing government.

There would seem to have been no meeting of minds between Nelson Mandela and Helmut Kohl on this subject, though the latter undertook to bear in mind what he had been told when preparing his position for the EC summit in Dublin at the end of June.

Economic Co-operation Minister Jürgen Warnecke, whom Nelson Mandela had approached for assistance in repatriating and housing 20,000 ANC exiles, took an even more forthright view.

Token

What was the point, he asked, of spending public money on such a purpose when the jobs which the returns would need for their livelihood could not come into being for want of foreign capital or investor confidence? It was like driving a car with one foot on the accelerator and the other on the brake pedal.

Foreign Minister Hans-Dietrich Genscher, in contrast, is inclined to leave matters as they are. Trade sanctions, he claims, no longer hurt. They were never more than token measures anyway and South Africa has overcome them.

International bank loans are admittedly another matter, but it was the market and not governments which withheld lending facilities from Pretoria, he feels.

Contrary

Companies with assets in South Africa could still invest their profits and could even import fresh capital in the form of plant and equipment when their commercial viability required such a move. That this was not happening, was a reflection of investor confidence.

Mr Genscher believed apartheid had to be recognised as the primary agent for disinvestment, and its removal was thus the first priority. The best hope for such an outcome by peaceful means was Nelson Mandela and, since he was politically at risk, the best course was to refrain from any action that would weaken his position.

Even if Nelson Mandela were not the next president, a black man would certainly hold that office and, since the black majority was overwhelmingly in favour of sanctions, it was counterproductive and contrary to self-interest to oppose it on this score.

President de Klerk had indeed shown courage, and deserved recognition and support for what he had done, but such a response should not be at the expense of his opposite number. But Mr Genscher feels he has already given his endorsement in the form of his recent overseas trip.

Probed, Paris takes the same view, Mr Genscher is likely to carry the day. His adherence to sanctions is not based on immutable self-interest.

If a weighty majority in the EC Council of Ministers were to add London and Lisbon on this issue, that would be a new element to take into account.

Between retention and repeal, any intermediate stages are conceivable. A compromise which yields ground on the substance while retaining the shadow, or vice versa, could thus well emerge.
EC likely to retain its stand on SA sanctions

The Star Bureau

LONDON — Foreign Ministers of the European Community (EC) are likely to retain anti-apartheid sanctions when they meet in Luxembourg today, in spite of an expected British bid for a relaxation of some of the pressure against Pretoria.

This is according to a report in the Sunday Correspondent, which has predicted that British Foreign Minister Douglas Hurd will make an attempt to persuade the EC collectively to ease its sanctions on South Africa, taking into account the recent concessions which have been made by President de Klerk.

Mr Hurd's bid to take the heat off Pretoria would be followed by a similar call by British Prime Minister Margaret Thatcher at the EC heads of state summit which is due to be held in Dublin next week, the report continued.

Britain has already lifted its ban on all cultural, scientific and British investment previously imposed on South Africa following the historic release of Mr Nelson Mandela and the subsequent unbanning of the ANC.

Expressed confidence

Mr Mandela, who is due to meet Mrs Thatcher in London next month, stated that he was confident that the EC would not follow in Britain's footsteps.

He was speaking after his meeting with West Germany's Chancellor Helmut Kohl.

Writing in the Independent on Sunday, columnist R W Johnson said reforms by the De Klerk government were "directly traceable" to the sanctions campaign, particularly the cessation of foreign loans in 1985.

He pointed out, however, that the major beneficiaries of anti-South African sanctions were exporters in the Far East, including Japan, Taiwan and Hong Kong.

The increase in British exports to South Africa by 12 percent since January could be an indication that countries which had previously lost out in the sanctions campaign were now lining up to recapture South African markets which had been lost.
Church may be sued over SA investments

LONDON - The Bishop of Oxford will go ahead with his legal action against the Anglican Church Commissioners over their indirect investments in South Africa - in spite of a plea by the Archbishop of Canterbury to drop it.

Dr Richard Harries said in a BBC radio interview: "I'm going to tell him the Church ought to give a much clearer lead. "Ethical investment - taking moral considerations into account when you invest your money - is an idea whose time has come."

"Investment can be and should be an instrument of the Gospel."

The Church Commission has holdings in companies which invest in South Africa but no direct investment.

One of the commissioners, Sir Douglas Lovelock, said the lawsuit could be harmful to the church.

He said the commission needed "the best return subject to certain ethical constraints which we accept and which do not damage our beneficiaries."

The restrictions suggested by Harries "would certainly damage them very much indeed."

The Archbishop, Dr Robert Runcie, personally intervened when Harries' plan became known.

The Oxford diocese is also considering removing funds amounting to nearly R8-million from the Church's central finances because of dissatisfaction about the investments."
By MIKE ROBERTSON

FOREIGN companies are considering investing billions of rand in South Africa in the next six months, Trade and Industry Minister Mr Kent Durr said in an interview yesterday.

Mr Durr was expanding on a speech he delivered to the President's Council in which he said sanctions were being rolled back.

"We are making contact now with old friends we have not seen for a while and large investments are being planned or considered," he told the council.

Mr Durr declined to give details of companies involved, but claimed investments totalling billions of rand were being planned in the motor, mineral, metal treatment and chemical sectors.

Government officials said investments of up to R4.5 billion were being planned by the motor industry.

A further R500-million investment in the manufacture of auto-catalyst components, mainly for export, was also being planned.

Mr Durr said major European and Asian companies were showing an increasing interest in developing mineral and metal treatment plants in South Africa, often in joint ventures.

The minister said that in addition to the renewed interest in investing in South Africa, rapid progress was being made in re-establishing old trade links and expanding new ones — particularly in Africa.

Mr Durr said future industrial growth here would have to be export-led.

"The need to encourage exports also brings home the imperative of normalising our political relationship with the world. You cannot have expanding sales into contracting markets."

SA's debt CRISIS OVER

SOUTH AFRICA's debt crisis is over, according to the governor of the Reserve Bank, Dr Cris Stals.

Dr Stals told the SABC yesterday that within 10 days South Africa will repay the last of its instalments under the terms of the second arrangement of the debt standstill.

This will take total payments of foreign debt over the past three months to $1.2 billion (about R3.2bn).

While South Africa still has large debt commitments to meet under the third interim arrangement, Dr Stals said the total debt due for repayment would be substantially lower in the years ahead. — Sapa
Sanctions relief from EC unlikely

The Argus Foreign Service
LUXEMBOURG. — The beginning of a step-by-step removal of European Community trade sanctions against South Africa is unlikely in the short term.

A majority of EC foreign ministers opposed such a move when they met yesterday, but a final decision will be taken by heads of state next week at their summit in Dublin.

Mr Gerard Collins, Irish Foreign Minister who chaired the meeting, said: "There was not a majority in favour of lifting sanctions."

However, EC ministers gave "a favourable reaction" to a proposal to expand positive measures under the European Commission's victims of apartheid programme which is mainly directed at church groups.

Mr Collins said it was unlikely the 12 heads of state would reach a consensus on a first step on lifting sanctions on Monday.

The Irish and the Danes are ready to block the majority of EC states, which it is claimed are ready for a first step in lifting sanctions.

POLITICAL PRISONERS

The Irish referred to the lack of progress in freeing political prisoners as one stumbling block. However, they accepted that another EC condition — lifting the state of emergency — had been met.

Mr Douglas Hurd, the British Foreign Secretary, said there were a number of EC states ready to take a first step in removing sanctions in July.

Mr Hurd said: "The Irish presidency said there was a spectrum of opinion in endorsing a step-by-step process. You don't have to have an end to apartheid before you relax sanctions."

The removal of the ban on new EC investments in South Africa was a "logical first candidate", said Mr Hurd.

Sanctions on imports of South African coal, steel and Kruger rands will come later under such a programme with the ban on arms sales to South Africa coming last.

The commission wants to expand the funding of anti-apartheid support groups to about R120 million in 1991.

Catholic and other church groups, the Kagiso Trust and trade unions have been the major recipients of financial aid from the EC.
WASHINGTON.—Some march, some lobby. Others talk with their chequebooks. A rap music group cuts a song with the message "don't buy gold jewellery" from South Africa.

Americans have weighed the arguments on South Africa’s racially separate society, and many have lodged protests, large and small, against apartheid.

"Do Americans care about sanctions? I’d say so when you have 80 cities, 25 states and 15 countries that have passed binding measures restricting their investments or purchases in companies that do business in South Africa," says Jim Casen of the American Committee on Africa, a New York-based anti-apartheid group.

Westchester, New York, recently pulled about R100-million out of Citibank to protest that company’s rescheduling of South Africa’s debt. The state of New Jersey sold about R16-billion in securities of companies involved in South Africa.

By all accounts, US sanctions have taken an economic and psychological toll on South Africa. This week, Mr Nelson Mandela tours the United States with this message: please keep up the economic pressure.

R5-billion loss

"International trade sanctions alone have probably resulted in a R5-billion loss annually to the South African economy," said Stephen Lewis, author of The Economics of Apartheid.

Although fewer than one percent of South Africans are employed by US companies in South Africa, sanctions sent the government a signal that it could no longer kid itself that United States would come down on its side," he said.

American blacks have played a major role behind the US sanctions policy.

Black businessmen have spearheaded grassroots campaigns against US business in South Africa.

The anti-apartheid activists’ most striking success came in October 1986 when the US Congress passed a comprehensive sanctions bill overriding then-President Reagan’s veto.

The sanctions include a ban on the importation of South African agricultural products, textiles, uranium ore, iron, steel and coal, an end to new loans to South African businesses, an end to new US investment and a shutdown of US oil exports to South Africa.

In addition, the United States does not sell Pretoria military equipment, computer technology and other items that might be used to enforce apartheid.

On the eve of Mr Mandela’s visit to the United States, there have been rumblings that President George Bush’s administration might lift some sanctions. But Congress imposed specific conditions for ending the sanctions, not all of which have been met.

While sanctions have damaged the South African economy and ultimately contributed to the relaxation of apartheid, experts say, they have not been totally effective. — Sapa-AFP.
Mandela repeats sanctions call to Canadian parliament

OTTAWA — ANC deputy president Nelson Mandela said yesterday easing international pressure on SA after only minimal reforms would jeopardise the long struggle for equality.

"So many have suffered so much," Mandela said in an emotional address to a special joint session of the Canadian parliament.

"Any move at this stage towards lifting or lessening international pressure would create a situation in which white SA would feel comfortable with the minimal changes that have taken place," he said.

Canadian Prime Minister Brian Mulroney told the House of Commons that in spite of reform, the way to advance the process of democracy in SA was to maintain sanctions.

Before entering parliament, Mandela stood on the entrance steps and gave a triumphant wave to dozens of boisterous anti-apartheid demonstrators kept apart from him by barriers.

Mandela, who arrived in Ottawa on Sunday at the start of the North American leg of his world tour, privately met Mulroney and opposition leaders before addressing parliament.

He was due to travel to Toronto later in the day to speak at a rally and to dine with Mulroney.

Mandela is urging Canadians to keep up the offensive against apartheid, which he says continues to ravage SA.

Canada has played a major part in convincing the Commonwealth group of nations to impose tough restrictions on SA trade.

It has welcomed changes already made by President F W de Klerk but is insisting on further reforms before sanctions are lifted.

Ottawa is anxious to resist a push by Britain to have the EC lift sanctions at its Dublin summit on June 26.

Mandela has repeatedly pointed out that he and other black South Africans still have no vote.

Over the years Canada has introduced various sanctions, including a voluntary ban on SA gold coins, a severing of air links and restrictions on diplomatic contacts.

JAYNE LA MONT reports from London that British Prime Minister Margaret Thatcher and Mandela spoke on the telephone for more than 40 minutes during his low-key trip to London, it was disclosed last night.

In reply to a query, a Downing Street spokesman admitted that the call had taken place "over the weekend".

However, he declined to reveal who had initiated the discussions, or their content.

It is understood the call took place on Saturday, shortly after ANC foreign affairs spokesman Thabo Mbeki's meeting with British Foreign Secretary Douglas Hurd.

— Sapa-Reuters.
Canada will not relax sanctions, says PM

By David Braun,
The Star's Foreign News Service

TORONTO — To relax sanctions against South Africa now would be to run the risk of aborting the negotiation process before it had properly begun, the Canadian Prime Minister, Brian Mulroney, said last night.

At a state banquet for the African National Congress deputy president, Nelson Mandela, and his wife, Winnie, in Toronto, Mr Mulroney made it quite clear his government had no intention of easing sanctions against South Africa in the immediate future.

"When clear and irreversible change has occurred, when the system of apartheid is on the way to oblivion, it will be appropriate to ease some of the pressure of sanctions. But that time has not yet come," he said.

Uniquely evil

He added Canada wanted to be absolutely certain that when Mr Mandela entered the room for negotiations he would have all the instruments at his disposal, including the power of comprehensive sanctions.

The Prime Minister acknowledged racism existed in all parts of the world, including Canada.

"But the system of apartheid in place in South Africa is uniquely evil ... a society built on the premise that some of its citizens are less equal because they are black is a society destined to crumble, as the present regime in South Africa is now crumbling."

Mr Mandela cancelled one of his major scheduled appearances on his second stop in Canada yesterday after being advised to have a rest.

A crowd of about 10,000 people who had gathered at Toronto City Hall to see him receive honorary citizenship and an honorary degree was disappointed but understanding when told the 71-year-old leader had to rest.

Concerns for Mr Mandela's health were quickly dispelled later in the afternoon when he addressed a rally of about 40,000 at the city's Queen's Park.

From that appearance he went directly to a private reception with Mr Mulroney and other VIPs and then to the state banquet, where he spoke without notes for close on an hour.

The streets around Queen's Park, where Mr Mandela made his first appearance in Toronto, were lined with ANC flags and scores of vendors selling Mandela souvenirs and fast food.

The crowd carried dozens of banners welcoming Mr Mandela, but other causes, such as freedom in China, Cuba and El Salvador were also prominent.

See Page 2
Sanctions ‘vital to struggle’

OTTAWA. — ANC deputy leader Mr Nelson Mandela told the Canadian parliament yesterday that easing international pressure on South Africa after only minimal reforms would jeopardise the long struggle for equality by his country’s black majority.

“So many have suffered for so much,” Mr Mandela said in an emotional address interrupted several times by applause.

“Any move at this stage towards lifting or lessening international pressure would create a situation in which white South Africa would feel comfortable with the minimal changes that have taken place,” he said.

Mr Mandela arrived here from Britain on Sunday at the start of the North American leg of his world tour.

He urged Canadians to keep up the offensive against apartheid which he says continues to ravage his country. “An entire people has known what it is to recognise the fact of defeat while rejecting the demand that it surrender,” he said.

But he said he believed President F W de Klerk and his government were honestly committed to change.

South Africa needs a new constitution that will dismantle the oppressive apartheid system, he said.

He called for a partnership among all races to create a new future and strengthen society and the economy.

In his address, Canadian Prime Minister Mr Brian Mulroney pledged his support.

“Mr Mandela, you can count on Canada in the months and years ahead, as you have in the past, as you build a country in which the democratic hopes and dreams of all South Africans can be realised, whatever their colour or whatever their creed,” Mr Mulroney said.

Canada has welcomed changes already made by Mr de Klerk but insists on further reform before sanctions are lifted.

Mr Mandela leaves Canada for New York tomorrow at the start of an eight-city US tour.

Mr Mandela’s visit to Moscow has been postponed for at least a month, according to a report from the Novosti Press Agency.

The Soviet news agency said that the change of plan was most likely due to intensive preparatory work for the forthcoming Communist Party congress — not by complications in relations between the USSR and the ANC.

Sapa-Reuter-AP and UPI
EC leaders split over sanctions

LUXEMBOURG. — European Community foreign ministers split yesterday on whether to lift EC sanctions against South Africa.

The Irish chairman of the talks said there was no majority for relaxing the pressure yet.

In a rehearsal for what promises to be a difficult debate at next week's EC summit in Dublin, the 12 ministers considered how to encourage the embryonic dialogue between the white government and the black majority over the ending of apartheid.

Irish Foreign Minister Mr Gerry Collins, acknowledging the split in diplomatic language, said there was a "variety of views" over how to respond to President F W de Klerk's reforms.

"We all see our objective as that of encouraging both sides in the process of peaceful change while not undermining the position of one side or the other," he told a news conference.

"There was not a majority in favour of the lifting of sanctions."

Some foreign ministers said there was some support for a phased lifting of sanctions linked to the release of all political prisoners and the results of informal contacts between the government and the ANC. — Sapa-Reuters
Mandela, Thatcher discuss sanctions over the phone

By Esmaré van der Merwe, Political Reporter

LONDON — British premier Margaret Thatcher and ANC deputy president Nelson Mandela held talks at the weekend to discuss their clashing views on sanctions, a spokesman for Mrs Thatcher's office said yesterday.

The spokesman said the two leaders, who have been at loggerheads about the merits of continued sanctions pressure on South Africa in the light of President de Klerk's bold reforms, discussed the issue at length during a 40-minute telephone conversation.

Both leaders had expressed eagerness to meet soon, but declined to give further details.

However, a spokesman for the ANC in London was unaware of any discussion between Mr Mandela and Mrs Thatcher.

Mr Mandela arrived in London on Saturday night for a brief reunion with ANC president Oliver Tambo after a gruelling five-nation European tour before leaving for Canada and the United States yesterday.

Mr Mandela, on a six-week international tour to call for the maintenance of sanctions, is due to meet Mrs Thatcher in person for the first time early next month during a 36-hour trip to Britain. Mr Mandela has said the ANC is keen for better relations with Britain.
Top ANC man hints at flexibility on sanctions

AS THE ANC prepared for the start today of its first national executive committee meeting inside SA in 30 years, a leading member indicated possible areas of flexibility on key tactical issues included sanctions.

Aziz Pahad, also a member of the working committee established in terms of the Groote Schuur minutes to work out details about the release of political prisoners, said it was in the interests of both the ANC and government that the negotiation process proceeded as quickly as possible.

Apart from ANC president Oliver Tambo, who is ill, and deputy president Nelson Mandela, treasurer-general Thomas Nkobi and Thabo Mbeki, who are travelling in North America, the entire NEC plus the internal leadership core are scheduled to meet in Johannesburg for at least three days.

Asked whether the ANC was prepared to consider making concessions on sanctions in response to government steps since February 2, Pahad said although it had not yet been discussed, the ANC might in the future look at the possibility of certain forms of sanctions being lifted.

Initial candidates would most likely be sport, cultural and educational sanctions. He added the ANC had already shown less hostility to certain forms of interaction between SA and the rest of the world.

Examples included the attendance by the National Manpower Commission at the Harare International Labour Organisation seminar last month, and the current World Cup television coverage. "We are not bloody-minded about it," he said.

Delays

However, he added, the ANC remained convinced that economic sanctions still had a role to play.

The timing for the lifting of such sanctions could be determined by circumstances which required that the process of change be "genuinely irreversible".

He denied the implication by President F W de Klerk earlier this month that the ANC was responsible for delays in finalising the work of the working committee.

De Klerk said government had accepted the report (details of which remain confidential), but Nelson Mandela had asked for time until July 10.

Pahad and other ANC leaders were unable to explain the significance of that date. But he said the ANC had proposed certain minor changes to the wording and was now awaiting government's response.

On other obstacles to negotiations as set out in the Harare declaration, Pahad said the ANC would continue to campaign for the complete lifting of the state of emergency and the repeal of security legislation. Such steps were important for the object of creating a climate for negotiations.

However, he declined to say that the failure of government to totally meet these demands would necessarily cause a breakdown in the process. "It depends on the circumstances," he said.

He said the increasing communication between government and community representatives — such as had occurred in Welkom — was an important sign of progress.

"If these communication networks can function effectively they will be an important basis for dealing with violence," Pahad said.

A government source said government was still examining to what extent it would be able to remove aspects of security legislation seen as obstacles.
Mitterrand firm on SA sanctions

PARIS. — The time is not yet ripe to lift economic sanctions against South Africa, French President Francois Mitterrand said in an interview published yesterday. “The moment has not come to lift them (sanctions),” he told the newspaper Le Monde. “Sanctions were imposed in order to end apartheid, but apartheid continues.”

European Community (EC) leaders are due to decide at their June 25-26 summit in Dublin whether or not to maintain sanctions.

Mr Mitterrand praised President F W de Klerk for releasing political prisoners and ending a four-year state of emergency, but said much remained to be done to dismantle the apartheid system. — Sapa-Reuters
NEARLY 50,000 jobs could result from the lifting of sanctions on coal exports and positive economic growth, said Mr. Kennedy Maxwell, President of the Chamber of Mines, at the Chamber's 100th Annual General meeting yesterday.

Under these conditions total coal output could be expected to increase to 230-million tons per annum by 2,000.

This would mean an estimated increase in direct employment in the coal industry of some 29,000, and a further 18,000 in indirect employment in major sectors of the economy, said Maxwell.

He said the coal mining industry had recorded good results in 1989. Record exports of 47-million tons earned the country R3,6-billion in foreign exchange, some R800-million more than the previous year's figure of R2,8-billion.

"Export sales are expected to increase slightly by volume in 1990, but profit margins are likely to be eroded because of inflationary operating cost increases including higher railage rates.

"Domestic sales fell by some 11,4-million tons in 1989 and are expected to remain weak in 1990, reflecting the current low rate of economic growth." - Sapa
NEW YORK - New York's largest municipal pension fund has severed all ties to firms operating in South Africa, divesting more than R1.4 billion in stock in 31 companies in the final phase of a four-year disinvestment plan.

The move came on the eve of Mr. Nelson Mandela's arrival in the city.

A senior municipal official described the timing as "a happy coincidence".

The fund had sold off R1.8 billion in stock in 76 companies since the disinvestment policy was launched in 1986 to increase pressure for change in South Africa.

The latest sale of stock was the fourth and strictest phase of the incremental programme, which has inspired similar pension fund disinvestment campaigns across the country.
NY Storm Takes

Mandela
UK charity defends support for sanctions

Own Correspondent

LONDON. — In a sometimes heated exchange, representatives of Oxfam, the largest charitable organisation in the UK, yesterday defended their support for sanctions against South Africa.

Giving evidence to the Foreign Affairs select committee on South Africa, Oxfam was accused by Conservative MP Mr Ivan Lawrence of supporting something which would cripple the SA economy and drive black people into deeper poverty.

Ms Ann Grant, Oxfam communications director, told him: "Sanctions are a tool not to bring the country to its knees, but the government to its senses."

Oxfam, she said, found it impossible to work in SA without taking a position against apartheid.

Oxfam is currently the subject of a commission of inquiry for allegedly flouting charity rules by becoming involved in political matters.
Sir Sonny sanctions a battle to the end

Sir Sonny Ramphal... no regrets over the way he handled the South African issue.

Sir Sonny Ramphal accused the Prime Minister of "pulling the rug from under" his feet of the Eminent Persons Group, the mission that he hoped would mediate a solution in South Africa in 1988.

Sir Sonny Ramphal was one of the key figures in the South African settlement negotiations in the 1990s.

South Africa was under historic negotiations for a political transition, with Ramphal playing a pivotal role.

Ramphal's commitment was to the principles of non-violence and democracy. He was a strong advocate for a peaceful resolution to the conflict.

Sir Sonny's leadership was instrumental in bringing about the end of apartheid and the formation of a democratic South Africa.

Sir Sonny Ramphal was a true statesman, dedicated to the betterment of his country and the world.
LONDON—Britain’s most influential business newspaper the Financial Times (FT) yesterday argued that the time was now ripe for the European Community (EC) to lift the ban on new investment in SA.

And, on the eve of Monday’s crucial EC summit in Dublin, the FT added that there was also a “strong case” for the EC to take iron, steel and gold coins off the list of banned imports from SA.

The FT asserted that the momentum created by De Klerk in February was “unstoppable.” While the gap with the ANC remained wide, the FT said it would be “cavilling to suggest, as some anti-apartheid campaigners do, that there has been no significant change and that no reappraisal of Western policy towards Pretoria is warranted.”
EC WILL CHOOSE IN DUBLIN
DE KIERK OR MANDELA: THE
BACKGROUND
Confusion in EC over future of sanctions

BRUSSELS — The European Community wants to help both President FW de Klerk and Nelson Mandela in their attempts to negotiate an end to apartheid in South Africa. But it cannot agree on how best to go about it.

Just days before heads of state discuss sanctions in Dublin, it is becoming increasingly likely that their signal will consist of a lot of encouraging words, and little, if any, action.

The views of the EC nations can no longer be seen in black or white, but cover a spectrum of greys.

At one extreme are the United Kingdom and Portugal, which argue that a clear signal must be sent from Dublin to South Africa by some lifting of sanctions.

Failure to do so could result in a rightwing backlash, they say.

At the other extreme are Ireland and Denmark, which want to keep sanctions until profound and irreversible change has taken place.

The rest are willing to move a little on sanctions before apartheid is completely dismantled, but are unsure whether they should do so now.

Many want to see the easing of sanctions tied to further reforms by South Africa, in particular a complete lifting of the state of emergency (still in force in Natal), and the release of all political prisoners.

This camp would prefer to wait, arguing that, while Mr Mandela continues to tour Europe campaigning for sanctions to remain, any EC action to lift them would be clumsy.

A further suggestion is that sanctions could be suspended rather than lifted.

Given this range of views, an Irish official doubted there would be any decision to lift sanctions in Dublin.

LUCY KELAWAY

“These sanctions were imposed by consensus, and there is no consensus to lift them,” he said.

There is, however, agreement that the most serious sanctions should remain. There is no question of lifting bans on trade in arms with South Africa, on oil sales, on exports of supplies for the police or army, and on nuclear and military co-operation. Neither is there any question that the ban on sport be lifted.

Instead the discussion is over sanctions on imports of gold coins, imports of iron and steel and the ban on direct investment. The UK angered its EC counterparts by lifting its ban on investment after the release of Mr Mandela, and may press next week for others to follow.

Careful

It is, however, being careful not to be seen to be taking too firm a lead. Douglas Hurd, the UK Foreign Secretary, believes there remains a gap between member states, which cannot decide when to take the first step.

“The principle was established that you don’t have to wait for apartheid to end before relaxing pressure on South Africa,” he said.

Since February, however, events have moved so quickly that the UK is no longer isolated in its willingness to lift sanctions.

Its tactic now appears to be to keep the issue on the agenda at every meeting in the hope that reforms will now bring everybody round.

The effect of a modest reduction in sanctions would be political rather than economic, and difficult to quantify in any case. The effects of the investment ban, for example, are by their nature impossible to measure. — Financial Times.
D-Day looms for decision on sanctions

By JEREMY BROOKS: London

THE acid test on the effect of Mr Nelson Mandela's and President F W de Klerk's caravans through Europe takes place tomorrow as European Community premiers meet in Dublin to debate sanctions.

The ANC deputy president has urged community countries to stand firm on the economic boycott. Mr De Klerk, meanwhile, has called for some gesture recognising his reforms.

Whether either has succeeded will become clear over the next few days as Mrs Margaret Thatcher and her counterparts thrash out the issue.

There are already signs that the EC is pushing for some tangible reward for Pretoria's initiatives.

Holland, for 10 years South Africa's most vocal opponent, has prepared a blueprint calling for a gradual easing of sanctions in return for further dismantling of apartheid.

British Foreign Secretary Douglas Hurd has met twice with EC foreign ministers to prepare the groundwork for the summit.

Two weeks ago he predicted the EC would move to lift its ban on new investments in South Africa.

But Irish Foreign Minister Gerry Collins tersely denied any agreement had been reached.

Subtle changes in attitude towards South Africa were reflected last week in a Guardian report by respected columnist Hugo Young.

He argued that the Labour party - which has promised full sanctions within 24 hours of being elected - should rethink its policy on SA. It was time to consider when sanctions should end, he said.

The Financial Times said there was now a strong case for the EC to remove iron, steel and gold coins from the sanctions list.
That's Fred, to butter,
From guns

By ADAM CATLIN

That's Fred, to butter

Fictional-Buster Bell's into B...
World spotlight on SA in Dublin, Washington meetings

Sanctions D-day

from Correspondent

London -- Leaders of the 12

...
Inkatha marchers protest sanctions

ABOUT 1 000 Inkatha supporters marched through central Johannesburg on Saturday and presented a memorandum to representatives of the British and Italian embassies protesting sanctions on South Africa.

The Inkatha supporters were out in force, wielding knobkerries, assegais, spears and sticks in their self-styled march, dancing, whistling and toying on an open lot opposite the Jeppe railway station.

Tension mounted when some alleged Inkatha supporters threatened to assault nearby onlookers. An Inkatha supporter also told Sapa they were on the lookout for reporters of Johannesburg newspapers (City Press and Weekly Mail).

He claimed the two newspapers hated Inkatha and Chief Mangosuthu Buthelezi.

"We are prepared for them. You (reporters) all favour ANC," he charged a Sapa reporter.

After receiving the memorandum from Inkatha Woman's Brigade chairperson, Ms I Ngwenya, Italian representative Mr Giuseppe Semenza said: "I will pass on the memorandum to my government so that their (Inkatha's) voice should be heard."

British vice-Consul Mr Clive Wright said: "My embassy will decide what to do with the memorandum."

The memorandum was handed over to the two representatives in front of the Johannesburg City Library in Market Street.

It read: "We equally applaud your appreciation of the fact that sanctions hurt blacks to an overwhelmingly greater extent than whites.

"We accordingly state our approval for the growing acceptance within South Africa of the urgent necessity of securing, through peaceful means, the formulation of a just, open multi-party democratic system."

Inkatha expressed its approval for the exploratory talks held recently between the ANC and the SA Government.

NELSON MANDELA

"We urge you to use your influence to ensure that future pre-negotiation talks and negotiations are open to include all representatives of all political organisations."

While the Inkatha supporters waved posters condemning ANC deputy president Nelson Mandela, at the same time they urged the British and Italian embassies to encourage the ANC leader to honour an invitation for a meeting with Chief Mangosuthu Buthelezi.

"God give us jobs: Mandela took away the jobs," said a poster. Another poster said: "Mandela belly full - we are hungry."

The demonstrators - waving the black, green, gold, red and white Inkatha flags - chanted Shenge Shenge Shenge as they marched down Commissioner Street from the railway station to the city centre. Marchers, dressed in Buthelezi T-shirts, brought traffic to a standstill. - Sapa.
ANC buys from blacklisted IBM

LONDON - The ANC in South Africa is to buy a multi-million rand computer from IBM, a major target of US anti-apartheid campaigners, a London Sunday newspaper claims.

In a report from its Johannesburg correspondent, Fred Bridgland, The Sunday Telegraph says "computer industry and ANC sources" have confirmed that the ANC has invested in an IBM system to hold records of the million or so members it hopes to recruit.

The paper goes on to say that ANC Press officer Jill Marcus denied in Johannesburg that American equipment was being considered, adding: "To my knowledge, no choice or payment has been made." - Sowetan Foreign News Service.
Sanctions policy at the crossroads

The Star's Washington and London Bureaux

The future of sanctions against South Africa hung in the balance today as crucial talks opened in the United States and Europe.

In Washington, Nelson Mandela was meeting President Bush to ask for sanctions to be intensified, and in Dublin European leaders gathered to discuss the issue, now a major controversy.

The Bush-Mandela meeting, which included a working lunch at the White House, was scheduled to last two and a half hours. Later, Mr Mandela was to hold talks with Secretary of State James Baker.

On arrival in the US capital from Boston last night, Mr Mandela said that as well as seeking stricter sanctions, he had come "to ask for resources so that we can address the problems that are facing our country today."

The US Assistant Secretary of State for African Affairs, Hank Cohen, said the meeting would focus on the state of negotiations and how the US could support them.

Mr Mandela's views on a post-apartheid society, especially in the constitutional area and in the area of economic policy, would also be discussed. The US government was also interested in discussing such questions as the violence in Natal and how Mr Mandela planned to end it.

For the European summit in Dublin, sanctions or lifting them presents a growing dilemma.

Carrots and sticks

Many leaders have acknowledged in recent weeks that, in the words of Irish Foreign Minister Gerry Collins, "something very important is happening in South Africa."

The question is how to spur this process on by offering new carrots or continuing to apply the sanctions stick.

The Community has previously insisted that there can be no lifting of sanctions until change is both "profound and irreversible."

Mr Mandela has often echoed this. But foreign Ministers meeting in Luxembourg last week acknowledged that South Africa was changing.

And they signalled for the first time that some sanctions measures could be lifted.

They stopped short of announcing any immediate steps, leaving the question hanging for Dublin.

So the issue that will tax European minds in the Irish capital this week is whether to offer more than just wordy words and how this can be.

SAP ready to act against right-wing terror attacks

By Craig Kotze

Police are prepared for a potential far right-wing terror campaign after two bomb blasts at two Reel National Party offices and the formation of a new "Boer army" at the weekend, a senior police spokes-

Party politician Bo Geldenhuys before the September election last year is also believed to be the work of right-wingers.

In another show of right-wing mobilisation at the weekend, a new alliance, with a military wing, was formed in Randi.

"We take serious to prevent a spate of terror against all those from the right wing," he said.

The BSP-BW formed in Randi...
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And they signalled for the first time that some sanctions measures could be lifted.

They stopped short of announcing any immediate steps, leaving the question hanging for Dublin.

So the issue that will tax European minds in the Irish capital this week is whether to offer more than just welcoming words, and how this can be done without setting the Community at odds both with itself and the United States.

Britain has already decided unilaterally to lift the ban on new investment and is pressing the rest of the EC to follow suit.

British Foreign Secretary Douglas Hurd believes most other Community members can be persuaded to endorse a step-by-step strategy of lifting sanctions gradually as apartheid is scrapped, a view initiated by the normally hardline Dutch.

But Ireland and Denmark are reported to have argued against any change in the sanctions agenda. And France's President Mitterrand changed course after meeting Mr Mandela, saying now was not the time to lift sanctions.

EC sanctions include bans on exports of oil and police and army equipment to South Africa and on imports of South African iron, steel and gold coins.

*See Pages 3 and 12.*
First step is sanctions, not likely yet.
All eyes on Dublin as Europe debates easing of sanctions

By Derek Tomney

Top men in business and government, and particularly in banking, mining and steel will be paying close attention to the media this week.

Today sees the start of the European Community summit meeting in Dublin. And SA businessmen will be keen to learn whether the British and Portuguese have been successful in persuading other members of the EC to ease sanctions.

There have been conflicting reports from Europe on prospects of this happening.

But a belief appears to be gaining ground in Europe that SA deserves some reward for its reform achievements.

Local businessmen hope that this would result in the rescheduling this week of the last sanctions measures imposed in September 1986.

These banned the sale of SA iron and steel and gold coins. They also banned new European investment in SA.

Local businessmen tend to play down the effects of sanctions. But there is no doubt that if these sanctions were lifted the move would have both immediate and long-term benefits.

In the main, the move would result in an immediate boost in morale, say businessmen. In the long-term it would lead to increased trade and greater prosperity.

However, it could also have immediate benefits for Iscor and other steel producers. Iscor was an active steel exporter to Europe until 1986, securing valuable markets from rivals on its price, quality and reputation as a reliable supplier.

Even today its name is still well known in the steel industry as it continues to export to Europe tremendous quantities of iron ore, which is not banned.

Iscor has a sales organisation overseas and so should have little difficulty in re-establishing itself in the European market, say industry officials.

It should be noted that the reopening of the European market is not essential to Iscor's prosperity.

Since 1986 it has built up a thriving and profitable trade in the Far East. But a return to Europe would widen its markets, reduce its dependence on Far Eastern customers — and put it in a better position to bargain for higher prices.

Udo is another steel producer which would gain from the reopening of the doors to Europe.

Against this, the lifting on the ban on the sale of SA gold coins in Europe would have no effect at all at this stage, says Herman van Heerden, general manager of Rand Refineries, who is in charge of marketing the Krugerrand.

South Africa scored a major marketing triumph with its Krugerrand in the 1970s and early 1980s, but Mr van Heerden says it would not be possible to do this today.

Not only are there far more gold coins on the market these days, but there is virtually no demand for them at the moment.

In the 1970s, Krugerrand sales accounted for up to 6 million ounces of gold a year.

This was equal to roughly a third of South Africa's production and helped to keep the bullion market firm.

Even in the mid-1980s Krugerrands were absorbing 2.6 million ounces of gold a year. But the imposition of sanctions virtually destroyed the market for the coin and many countries moved to grab SA's market share.

Last year South African gold coins used only about 200,000 ounces, says Gold 1990, issued by GDSA.

Similarly, a lifting of the ban on new investments would also have little effect initially, says Jimmy Mackenzie, senior general manager of First National Bank.

But it would be a huge step in the right direction and give South Africans confidence to continue with their present policies, he says.

Foreign investors would have to study local conditions first and what profits could be made. But in time lifting sanctions should lead to fresh investment.
Keep pressure on SA, Mandela to tell Congress

From DAVID BRAUN  
The Argus Foreign Service

WASHINGTON. — Mr Nelson Mandela addresses a joint meeting of the United States Congress today in what will be a critical speech in the most important American forum for determining how much longer South Africa must endure sanctions.

The historic speech by the first South African to be honoured by addressing a joint meeting of the House of Representatives and the Senate also will be heard by members of the Bush Cabinet and a large contingent of the Washington Press corps.

The African National Congress deputy-leader will adhere to the simple message he has spread in New York, Boston and Washington: keep the pressure on apartheid.

He is also likely to address the issues of the ANC's adherence to the armed struggle, which he says is no longer an issue because of an agreement with the South African government to suspend violence once final obstacles to negotiations have been cleared.

He also will talk about his broad vision of a future South Africa as a nonracial, non-sexist democracy in which there will be no domination of one race group over another.

Mr Mandela may deal also with the future South African economy in the broadest of terms, staying away from the word nationalisation and emphasising instead the need for a mixed economy and the creation of equal opportunities for all.

Mr Mandela knows the importance of his speech to Congress as it is this organ more than any other which determines US policy on South Africa.

See Page 3.
EC leaders work on sanctions compromise

The Argus Foreign Service
DUBLIN. — European leaders are labouring here to produce what is expected to be a compromise statement aimed at breaking the deadlock on South African sanctions.

Sources close to the delegations predicted they would opt for well-chosen words of encouragement for President De Klerk but, mindful of Mr. Nelson Mandela's pending visit to the Irish capital next week, would leave sanctions intact.

However, the summit's final communiqué may raise the possibility of an early lifting of sanctions if irreversible progress is made towards the dismantling of apartheid.

Britain, usually the odd-man-out on sanctions and bruised by successive rows with its European partners on the issue, seems set to take a less combative line this time.

A Foreign Office spokesman said: "It is unlikely there will be blood on the carpet."

SHARPLY DIVIDED

The Community is still sharply divided on how to respond to Mr. De Klerk's reform moves. Britain favours a relaxation of sanctions, starting with an end to EC countries' bans on new investment, and believes Italy, Spain, Greece and Portugal are now ready to consider some easing of curbs.

But Ireland, Denmark, France and the Netherlands are opposed to any immediate moves in this direction.

The respected Irish Times newspaper said that in the light of this it was "difficult to foresee an amicable conclusion to the summit discussion on sanctions."

But senior British and Irish officials were yesterday predicting a reasonably amicable meeting aimed at a consensus.

A senior official in Foreign Secretary Mr. Douglas Hurd's office did not foresee the adoption of a step-by-step reform-linked plan for lifting sanctions.

"You have movement in South Africa when compared with six months ago. Everyone agrees that Mr. De Klerk has moved and we must talk about a measured response rather than waiting for the last vestige of apartheid to go.

"There are people who think there should be a firm response like ending the ban on new investment and there are those who say no. The consensus may be for the time being just to issue words of encouragement."

"
EC unlikely to act on sanctions issue

Dublin — A joint communiqué expressing encouragement to President F.W. de Klerk for his reform process is expected to be issued today by the 12 EC leaders at their two-day summit.

But as the summit got under way yesterday, it emerged that no concrete steps to lift sanctions would be made.

Instead, the statement will be a compromise between differing views.

The EC divisions on sanctions range from those such as Britain, which favours an immediate, symbolic move to reward De Klerk, to Ireland, which wants no softening of the sanctions package.

However, a senior British Foreign Office official said yesterday the UK was likely to wait until Pretoria had taken sufficient steps to prompt joint EC action on lifting sanctions.

After yesterday’s session in Dublin Castle, EC leaders and foreign ministers had a working dinner at Malahide Castle outside the city. The sanctions issue was due to be aired fully at the dinner.

By late yesterday it appeared that there was unlikely to be a clash between the UK and the rest of the EC about sanctions.

The British spokesman said some countries believed there should be a “firm response” now to De Klerk, such as ending the voluntary ban on new investment.

EC summit

which Britain lifted unilaterally in February. A number of countries, such as Italy, were “doing it anyway”. Apart from Italy, he said Spain, Portugal and probably Greece supported such a step.

Others, such as Ireland and Denmark, “and probably Holland and France”, believed it was too early to lift any sanctions.

He said it was improbable that the EC would agree to a step-by-step plan, such as that mooted by Holland earlier this year.

For most of yesterday, the summit focused on internal EC issues, such as political and economic union. Also debated were the environmental issues in central and Eastern European countries.

East German Prime Minister Lothar de Maiziere had lunch with EC leaders yesterday — a symbolic move presaging the integration of East Germany into the EC.
No concrete steps to lift sanctions

EC expected to ‘encourage’ FW

From KIN BENTLEY

DUBLIN. — A joint communique expressing encouragement to President F W de Klerk for the reform process he has initiated is expected to be made by the 12 European Community leaders meeting here.

As the summit got under way yesterday it emerged that no concrete steps to lift sanctions will be made.

Instead, the statement will be a compromise between a “wide spectrum” of views on the lifting of sanctions held by EC countries. Coming as the first concorded Western approval for a South African government’s policy in decades, such a move will ensure that neither Mr de Klerk nor the ANC is seen as losing out.

The move will enable Mr de Klerk to show whites that they will benefit further as reform proceeds, and Mr Nelson Mandela’s call for sanctions to be maintained will, for the interim, be adhered to.

The EC divisions on sanctions range from those like Britain, who favour an immediate, symbolic move to reward Mr de Klerk, to Ireland, which wants no softening of sanctions now.

However, a senior Foreign Office official said yesterday that the UK was likely to wait until enough steps had been taken by Pretoria to prompt joint EC action on lifting sanctions.

By late yesterday all indications were that a clash between the UK and the rest of the EC on sanctions was unlikely. The Foreign Office spokesman said many EC countries were talking of an early response, rather than for the EC to “wait for the last vestige of apartheid to go”.

But, he said, such was the diversity of views, a compromise in the form of a statement of encouragement to Mr de Klerk was the most likely form that consensus might take.

In the EC, he said, some countries believed there should be a “firm response” now to Mr de Klerk, such as ending the voluntary ban on new investment, which Britain lifted unilaterally in February. A number of countries, like Italy, were “doing it anyway”. Apart from Italy, he said Spain, Portugal and probably Greece supported such a step. Others, like Ireland and Denmark, “and probably Holland and France”, were saying it was too early to lift any sanctions.

Big step taken towards closer European unity

DUBLIN. — Common Market leaders yesterday took potentially the biggest step towards closer European unity since the founding of the community 33 years ago when they agreed that two conferences to plan political, economic and monetary union should be held in Rome in December.

In a noticeable quickening of the pace of European union, the summit decided to call the two inter-governmental conferences of all 12 member states to draw up far-reaching changes to the EC’s treaties.

Advocates of closer unity made clear yesterday they believed the community was now embarked on a road which could lead to a federal “United States of Europe” by the late 1990s.

According to President Francois Mitterrand of France, who, with Chancellor Helmut Kohl of West Germany, has been the driving force behind the move towards political union, the community is now moving towards the “concept of federalism”.

He signalled that he wanted a new treaty agreed by January 1, 1993, though at this stage such a timetable seems highly optimistic.

Mrs Margaret Thatcher, while re-affirming her determination to retain the maximum British sovereignty, bowed to the inevitable and signed up to the two conferences.

“it was clear here yesterday that there was now a near-unstoppable momentum for closer unity, which could lead ultimately to a single European currency and a common foreign and security policy.”

EC ‘no hostage to ANC’

LONDON. — The Dublin summit should demonstrate that European foreign policy is no longer hostage to the ANC’s “confused agenda”, the Times newspaper said yesterday.

As the Dublin summit opened yesterday, the influential London paper came out strongly for ending sanctions.

In a lengthy editorial, it said it was time to offer President F W de Klerk “something more nourishing than a pat on the back”.

While most European governments privately agreed that conditions for lifting sanctions had been met, if new conditions were invented they would be walking into a trap baited by the ANC.

“Lifting some sanctions would not only reward Mr de Klerk for progress so far, it would also concentrate the ANC’s mind,” it said.
EC battles to break sanctions deadlock

By Sue Leeman, The Star's Foreign News Service

DUBLIN — European leaders last night laboured to produce what is expected to be a compromise statement aimed at breaking the deadlock on South African sanctions.

Insiders predict that they will opt for well-chosen words of encouragement for President de Klerk but, mindful of Nelson Mandela's pending visit to the Irish capital next week, will leave sanctions intact.

But the summit's final communiqué may raise the possibility of an early lifting of sanctions if irreversible progress is made towards the dismantling of apartheid.

Britain, usually the odd man out on sanctions and bruised by successive rows with its European partners on the issue, seems set to take a less combative line this time.

'Blood on carpet'

"It is unlikely there will be blood on the carpet," said one Foreign Office spokesman.

Discussions last night were nevertheless expected to be brisk, with the Community still sharply divided on how to respond to Mr de Klerk's reforms.

Britain favours a relaxation of sanctions, starting with an end to EC countries' bans on new investment, and believes Italy, Spain, Greece and Portugal are now ready to consider at least some easing of sanctions measures.

But Ireland, Denmark, France and probably the Netherlands are opposed to any immediate moves.

Foreign Secretary Douglas Hurd confirmed yesterday that at a dinner last night, Mrs Thatcher was set again to "deploy our view", namely that some sanctions should be lifted as a reward for Mr de Klerk.

But Mrs Thatcher's press secretary, Bernard Ingham, indicated at a briefing earlier that Britain was not going to push the issue.
Anglican church facing action over links to SA

LONDON — The Anglican diocese of Oxford will this month consider removing its £2m in funds from the Church of England's central finances because of dissatisfaction about investment in companies with SA links. And the Bishop of Oxford, the Rt Rev Richard Harries, recently decided to launch a High Court action to try to compel the Church Commissioners — the church's financial arm — to pursue a stronger ethical investment policy.

Although not directly connected, both moves reflect concern within the Church of England about the moral implications of the way its substantial funds are invested.

The Oxford investments are held by the Central Board of Finance, which invests about £300m on behalf of dioceses and parishes. Although not part of the Church Commissioners, the board is chaired by First Church Estates Commissioner Sir Douglas Lovelock.

Oxford diocesan synod members have had a policy of supporting disengagement from SA since the mid-1980s and, as part of that, a monitoring group scrutinised the Central Board of Finance's investment policy. It concluded the board had taken some steps to disengage from SA but "more could and should have been done."

In 1988 the Oxford diocese resolved to avoid investments in companies that had substantial stakes in the SA economy. They were defined as companies, including associates or subsidiaries, that employed more than 1 000 workers in SA or had an annual turnover there of more than £100m.

In 1990 the Oxford diocese resolved to avoid investments in companies that had substantial stakes in the SA economy. They were defined as companies, including associates or subsidiaries, that employed more than 1 000 workers in SA or had an annual turnover there of more than £100m.

Oxford Board of Finance chairman George Hammond said: "We met Sir Douglas and other members of the Central Board of Finance and asked whether they could meet our criteria. They could not." — Financial Times.
The two faces of sanctions

BY ISMAIL LAGADREN

The embargo against Iran is not just a matter of economics. It is a political and military tool used by the West to prevent Iran from acquiring the necessary technology to develop nuclear weapons. The sanctions are aimed at depriving Iran of resources and technology that it needs to develop its nuclear program. However, the sanctions have also had a negative impact on the Iranian economy, leading to inflation and shortages of basic goods. The sanctions also impose a burden on the Iranian people, who have to cope with the shortages and high prices of goods.

The sanctions have also had a negative impact on the global economy. The reduction in trade between Iran and other countries has led to a decrease in global trade and investment. The sanctions have also had a ripple effect, affecting countries that trade with Iran, as they are caught in the crossfire of the economic war.

The sanctions are also a violation of the United Nations Charter, which states that member states should not use economic, political, or other measures that are likely to disrupt the peace. The sanctions are also a violation of the Vienna Convention on the Law of Treaties, which prohibits the use of measures that impair the performance of a treaty.

In conclusion, the sanctions against Iran are a political and military tool used by the West to prevent Iran from acquiring the necessary technology to develop nuclear weapons. However, the sanctions have also had a negative impact on the Iranian economy, the global economy, and violate international law. It is time for the sanctions to be lifted, allowing for normal trade and cooperation between Iran and other countries.
Trade is increasing; investment is increasing — Thatcher

Pressure to be eased

The Argus, 1980

INTERNATIONAL
EC sanctions to ‘relax’ if progress made

DUBLIN — The EC decided yesterday to relax its sanctions against SA, but agreed to a “gradual relaxation” of pressure in response to the abolition of apartheid.

It also condemned violence and the advocacy of violence, and praised the SA government for the changes it had made over the past six months, including its commitment to enter into negotiations.

Special praise was reserved for President F W de Klerk and ANC deputy president Nelson Mandela for getting the reforms under way.

Britain yesterday claimed the EC decision was a vindication of its repeated call for step-by-step rewards for changes.

Addressing a post-summit Press conference, Prime Minister Margaret Thatcher said she was sorry the Community leaders did not start lifting sanctions straight away as many of the conditions set by the EC last year had already been met.

And, in a move sure to upset Mandela on the eve of his meeting with her next week, Thatcher condemned the ANC’s “armed struggle” and nationalisation policy.

She predicted that in the forthcoming six months, under the Italian presidency, a start could be made with lifting some of the Joint EC measures in force against SA.

Asked what steps were still required by the EC, Thatcher said: “things which deal with apartheid itself.” For instance the Group Areas Act should be scrapped.

Also addressing the Press conference, Irish premier Charles Haughey said there had been insufficient progress to warrant lifting sanctions.

From Page 1

Sanctions

lifting sanctions. If the changes continued proposals to lift some sanctions would be considered.

In its official communiqué, the EC called on all parties to “remove the remaining obstacles to peaceful negotiations and to refrain from violence or advocacy of violence.”

Thatcher said this “goes straight to the armed struggle” which she added, should be abandoned. And, she said, the same applied to nationalisation.

Sapa reports that Foreign Minister Pik Botha said last night that in practical terms SA’s isolation had ended.

“On the basis of information available to me there was, with few exceptions, a consensus that President de Klerk had already crossed the threshold,” Botha said in a statement. “What the declaration says, al-

best not in so many words, is that SA has regained international respectability.”

Botha said it was important to note that the EC supported the idea that respect for universal human rights be guaranteed.

JAYNE LA MONT reports from London that ANC national executive committee member Joe Nhlanhla last night said the EC’s decision was a “tremendous victory” for anti-apartheid forces.

“The EC has said it is willing to consider gradual relaxation when there is clear evidence that the process of change is continuing. In the months ahead the ANC will be monitoring the progress and we will continue to discuss with our friends and others the correct time to relax the pressure.”

To Page 2
EC's leaders move to easing of sanctions

DUBLIN — European leaders yesterday took a significant step towards a progressive easing of sanctions on South Africa.

But at the end of their Dublin summit, the leaders of the 12 rejected a British call for an immediate lifting of the voluntary embargo on investment and the ban on imports of iron, steel and Krugerrands.

Their final declaration held out a clear olive branch to President de Klerk in the form of a commitment to consider a gradual relaxation of pressure when there was clear evidence the process of change was continuing.

The implication was that further moves by the Government in releasing political prisoners and dismantling the remaining legal framework supporting apartheid would be followed by a speedy relaxation of sanctions.

British Prime Minister Margaret Thatcher voiced disappointment that she had been unable to secure agreement for an immediate lifting of some of the measures, but expressed satisfaction that the principle of a gradual relaxation had been accepted.

The EC's announcement had a mixed response from South African political and business leaders.

Foreign Minister Pik Botha said sanctions were crumbling and the country's international isolation had ended.

Chris Hani of the ANC said: "This is wonderful news. Sanctions have an important role to play in pressing the Government to move towards a peaceful and lasting settlement."

Ron Haywood, deputy director-general of the SA Chamber of Business, said: "The decision was regrettable, but predictable. For South African businessmen it will be business as usual. Already, the climate has changed considerably and we are being accepted back into the world community." — The Star's Foreign News Service-Financial Times-Staff Reporters.
Sanctions: ‘People must decide’

By David Braun,
The Star Bureau

WASHINGTON — The United States Congress should cede the prerogative to the people of South Africa to determine the moment when it and the rest of the international community should lift sanctions, ANC deputy leader Nelson Mandela said yesterday.

Addressing a joint meeting of Congress in a 45-minute speech — interrupted twice by standing ovations — Mr. Mandela made a powerful plea to let the people of South Africa decide when profound changes had occurred.

Millions of Americans from coast to coast heard the speech on television.

Mr. Mandela is only the third foreign civilian to be honored by addressing a joint sitting of Congress.

Noble, heroic people

He was applauded when he said peace would not come until apartheid ended, and again when he said “We are encouraged and strengthened by the fact of agreement between ourselves, this Congress, as well as President Bush and his administration, that sanctions should remain in place.”

He said he had come to Congress not as a pretender of greatness, but as one of a people known to be noble and heroic, enduring, and resolute in the expectation and knowledge that their humanity would be reaffirmed and enlarged by open and unfettered communication with the world.

“Our people demand democracy. Our country, which continues to bleed and suffer, needs democracy. It stands for the situation where those who are entitled by law to carry arms as the forces of national security and law and order will not turn their weapons against the citizens simply because the citizens assert that equality, liberty and the pursuit of happiness are not only irrefutable but must, if necessary, be defended with the weapons of war.”

Mr. Mandela said the ANC was engaged in a struggle to ensure that the rights of every individual were guaranteed and protected through a democratic constitution, the rule of law, an entrenched Bill of Rights, to be enforced by an independent judiciary, and a multiparty political system.

“The extent of the deprivation of millions of people in South Africa has to be seen to be believed and the injury was made ‘that more intolerable by the opulence of our white compatriots and the deliberate distortion of the economy to feed that opulence.”

Intervention ‘inevitable’

The fact of the apartheid structure of the economy made it inevitable that the democratic government would intervene in the economy. The ANC held no ironclad ideological positions which dictated a policy of nationalization.

“But... the private sector is the engine of growth and development which is regarded as critical to the success of the mixed economy that we hope to see in the future.”

A death threat has been made against Mr. Mandela, Cable News Network reported. In Boston, Winnie Mandela cancelled an appearance after a bomb threat.

• See Pages 11 and 23.

Nelson Mandela acknowledges applause from Congress in Washington, DC, behind him are Speaker Thomas Foley (left) and Senator Robert Byrd, president pro temp of the Senate. • Picture by Reuters.
WASHINGTON

Sanctions laws hold Bush back
MELBOURNE - A Uniting Church group yesterday urged Australians to boycott Shell petrol until the oil company withdrew from South Africa.

The church's Social Responsibility and Justice Commission said it hoped millions of Australians would sign a register pledging not to buy any Shell products.

It claimed Shell South Africa was fuelling the South African military and police who "continue to prop up the apartheid regime".

The register, known as "Shun Shell", was launched by Mr Eddie Funde, chief representative in Australia of the African National Congress.

It was backed immediately by the Australian Democrats, which held the balance of power in the Senate.

However, the campaign was quickly attacked by Shell Australia's Public Affairs Manager, Mr Tony Adair.

He said the company was opposed to apartheid and its South African operation was closely involved in bringing about its end.
WASHINGTON - The ANC could give the world the green light to lift sanctions against South Africa before a new constitution was negotiated if mutual confidence and sufficient progress had been achieved, Mr Nelson Mandela said yesterday.

Interviewed by editors and reporters of The Washington Post, the ANC deputy president said it was not possible to say now when such a point would be reached.

The question would be decided at a specific moment.

He said the ANC would have to know that when the Government said it intended to remove repressive laws by a certain date an atmosphere should have been established where it was possible to accept that this was what the Government meant and this was what it was going to do.

"And then this atmosphere of mutual confidence is going to grow as we address our problems.

And it may not be necessary for us actually to agree upon a constitution before we feel that fundamental and irreversible change has taken place," he said.

Mandela said the decision could also be taken during the course of negotiations. It was not a question that could be looked at theoretically or from the point of view of principle.

"It is a question that must depend on how, on the progress that we're making, on how we address the problems that arise and how mutual confidence is built in the course of our negotiations," he said.

In the wide-ranging interview Mandela agreed that young black South Africans were frustrated and angry but disputed the notion that they were impatient with the pace of negotiations.

The youth, as represented by the South African Youth Congress, were in full support of the negotiations under way and there was no question of impatience with progress being made.

He said the youth had heeded his call to go back to school but many found they were turned away because the schools were full or because they had failed their examinations and there were no longer places for them.

Mandela said the ANC knew international economic pressure on South Africa would hurt the economy.

"We are prepared for that if by doing so we will gain this greater object which will enable the overwhelming majority of the people of South Africa to determine their own affairs.

"After our liberation, we will of course invite the entire world, including the US, to help us prepare our economy so that it can grow and perform.

He said the ANC had called for sanctions knowing the damage that would be done to the economy.

But this was the price the country must pay for bringing about the demise of a system which was evil and inexcusable, he said.

Asked if the ANC would be able to continue negotiations with the Government if something happened to him and he was no longer there, Mandela said the movement worked under the principle of collective leadership.

Nobody was indispensable. The ANC had an inexhaustible list of prominent leaders so it did not depend on an individual.
Divest plans called off

New York - Florida is the latest US state to discover that there is a price to be paid by divesting funds from South Africa - in its case so costly that it has called off plans to divest its dollars 20 billion pension fund from companies that do business with South Africa.

While Mr Nelson Mandela is touring the US asking Americans to increase political and economic pressure on the South African government, Florida state officials said that because they would lose significant interest if they withdrew the fund, they had no choice but to continue to invest in companies with South African interests or subsidiaries.

It is estimated that the state would lose dollars 100 million a year.
EC believes SA solution in reach

From MIKE SILUMA
Argus Foreign Service in London

THE European Community summit's declaration on anti-apartheid sanctions was an indication of Europe's optimism that a solution to South Africa's problems was within reach.

This has been the view held by some Fleet Street writers after EC leaders agreed this week to the gradual relaxation of sanctions if there was clear evidence of the continuation of changes already initiated by Pretoria.

Writing in The Independent, David Usborne said the EC decision was "the strongest signal yet of the Community's recognition that the prospect of an end to apartheid may be in sight".

"While a clear resistance remains among most EC states to removing sanctions on South Africa too quickly, the declaration was strikingly positive in congratulating both President F W de Klerk and the ANC deputy president Nelson Mandela, on the progress made so far towards...a negotiated settlement."

The Guardian's Michael White even hinted at the prospect of a review of the EC's stance as early as next month. "Some EC officials," he wrote, "expressed hope that if Mr Mandela's scheduled meeting with President De Klerk on July 10 goes well then the EC foreign ministers' meeting on July 18 might be able to move towards lifting some voluntary sanctions as a group."

He pointed out that Italy, which will soon take over the Community's presidency from Ireland, supported the long-standing British view that some sanctions ought to be lifted as a reward for President De Klerk's concessions.

According to The Financial Times' Philip Stephens, the community's decision was "a significant step towards a progressive easing of sanctions against South Africa."

The implication of the declaration was that "further moves by Pretoria in releasing political prisoners and dismantling the remaining legal framework supporting apartheid would be followed by a speedy sanctions relaxation", said Stephens.
Govt acts to be assessed

WASHINGTON — The ANC would agree to the lifting of sanctions if “mutual confidence” was achieved between it and government, and progress was being made in talks between the two parties, ANC deputy president Nelson Mandela said yesterday. (PGO)

The establishment of this confidence did not necessarily hinge on the adoption of a new constitution, Mandela said in a Washington Post interview.

Clarifying his use of the term that sanctions should not be lifted until change in SA was “irreversible”, he said the ANC would look at the sum of government’s actions rather than any particular act to determine when “irreversibility” had been achieved. (PGO)

“I may not be necessary for us actually to agree upon a constitution before we can say that fundamental and irreversible change has taken place.”

He said a point might be reached in the negotiation process at which the ANC would feel that irreversible change had been attained. — Sapa.
FW 'selling white futures for nothing'

By Kaizer Nyatumba

The Conservative Party yesterday expressed disappointment at the European Community's decision not to lift sanctions and said President de Klerk's reforms had drawn no positive response from the international community.

In a statement issued yesterday, Foreign Affairs spokesman Tom Langley said the EC's decision was a sad one.

Mr Langley, MP for Soetpansberg, said the CP had warned that the success of Mr de Klerk's European tour would be measured not by the pomp and ceremony with which he was received, but by tangible results.

"He has received nothing. He is busy selling the future of the whites for nothing."

Squatters

Mr Langley said there were certain elements in the EC who wanted "nothing less than a total capitulation to their friends the ANC, and the sooner the Nats realise this the better".

In another development, CP MP for the Roodeplaat, near Pretoria, D P du Plessis, has called for the removal of squatters who were in the process of erecting shacks in the "buffer zone" between Soshangwe and white-owned farms to the east.

In a statement, Mr du Plessis said he had found during an inspection of the area that some structures had already been built on unoccupied property belonging to whites.

Some of the squatters told him they were from Winterveld in Bophutatswana. They had been expelled from the area because they were neither Tswanas nor citizens of the homeland, and said they had been given permission to settle in the area.

He had since tried numerous times to contact the Deputy Minister of Planning and Provincial Affairs, Andre Fourie, without success and his calls were not returned.

"The CP is extremely concerned about the safety of the white residents of the area and urges that the squatters be removed," he added.
‘Deception, confusion, platitudes’

DR VAN ZYL SLABBERT addressed an Idoa conference in Port Elizabeth at the weekend. This is what he had to say about sanctions:

The sanctions debate on South Africa is a quagmire of confusion, half truths, platitudes, provocation and deception. It is also riddled with laudable intentions frustrated by reality. At best it consists of competing ideological preferences parading as theories of change.

To add analytical distinctions to the debate on sanctions itself is to add insult to injury to those who are unqualified for or against it. But it has to be done.

- Sanctions are punitive actions of one state in relation to a target state to effect a political outcome.
- Sanctions can be political, social, economic, or cultural, but need not be all of the above.
- The reasons for a state instituting sanctions are not necessarily the same as the reasons a business or organisation divests or invests.
- Sanctions play a vastly different role in revolutionary and evolutionary transition.

In other words, the relationship between sanctions and the desired political outcome is a matter of analysis, not pontification for or against it.

As far as South Africa is concerned, I think it is fair to say that:

- Sports isolation had a direct bearing on the changes in sport if not necessarily on the desired political outcome.
- The arms embargo certainly had an impact on the war in Angola as well as domestic arms production.

- Financial sanctions certainly affected the South African regime’s fiscal and monetary policy.
- The international climate created by the campaign for isolation and sanctions promoted both a sense of siege and transition in the white community.
- Some trade and economic sanctions (that is, divestment) weakened the economic power of the workers in relation to the regime and management.
- The most significant form of economic sanctions was not instituted by any particular state, but was the voluntary flight of capital out of South Africa through loss of confidence in the policy and the economy.

Finally, the most dangerous illusion created by the sanctions debate is that when President de Klerk and Nelson Mandela agree on the irreversibility of transition and both agree to end the call for sanctions, millions of investment capital will pour into South Africa.

Nothing of the kind will happen. If the process of transition does not lead to confidence in the economy and the future of South Africa, no amount of the sanctions debate will have any effect whatsover.

It is far more important to persuade investors on the viability of the society that will result from transition than to score debating points in the campaign for or against sanctions.

One of the major negative consequences of the sanctions debate, as far as the process of transition is concerned, is that it diverts attention and energy towards external pressures for change and elevates them to prime movers for domestic transition.

This is not only false, but acts as a paralysis on domestic initiatives.
Keep sanctions on new Commonwealth chief

LONDON — The new secretary-general of the Commonwealth takes over on Sunday, hoping to see the end of apartheid during his five-year term in office.

Nigerian Chief精品 E.K. Anyaoku, appointed after an unprecedented ballot for the post last October, said that reforms in SA were promising but international pressure must be maintained until change was irreversible.

In an interview, Anyaoku said the door was open for a non-racial, democratic SA to become the Commonwealth’s 56th member, adding “I hope the date for that will not be too prolonged.”

Anyaoku described as significant President F.W. de Klerk’s moves this year to open dialogue with the ANC, free political prisoners and lift the state of emergency in most of the country.

Hope

“He has not only made statements, he has taken some steps. — albeit on the periphery of apartheid structures. But they are promising steps. There are new vistas opening in SA,” Anyaoku said.

“It is my hope that the beginnings of negotiations we are witnessing will result in the ending of apartheid and putting in its place a non-racial, democratic government. I would hope it will happen during my tenure. I would want to see it happen.”

Under outgoing secretary-general Shridath “Sonny” Ramphal, a harsh critic of Pretoria, the Commonwealth split with British Prime Minister Margaret Thatcher over her opposition to the use of sanctions.

Anyaoku said he fully supported the need to maintain economic and other pressure on Pretoria.

Sanctions have played a discernible part in bringing about changes in SA and must be kept until those changes become more irreversibly secured,” he said.

He added, “I will want to see the Commonwealth’s role becoming more concerned with how to assist the process of negotiations.”

Anyaoku, 57, is affectionately known as “The Chief” throughout the 400-member Commonwealth secretariat in London, where he has been Ramphal’s deputy for the past six years.

Apart from a three-month spell as Nigeria’s foreign minister in 1983, when a military coup in Lagos ended his tenure, Anyaoku has been with the secretariat since it was established in 1968.

In a secret ballot at last October’s Commonwealth summit in Kuala Lumpur, he defeated former Australian prime minister Malcolm Fraser to become the group’s third secretary-general.

In sharp contrast with the outspoken and flamboyant Ramphal, who served three terms, Anyaoku is a slight, bespectacled figure with a reputation for self-effacing, diplomatic discretion.

The sports-loving father of four says such a description is too subjective. “I’m not really a shy man,” he said, laughing.

“Sonny and I have never disagreed on policy. Styles differ. Individuals are different I will want to do things my own way.”

Apart from SA, Anyaoku said other challenges facing the Commonwealth were the problems plaguing the global environment and the need to adapt in changing times.

“As the Cold War recedes — the Cold War which has been responsible for most of the international tension and political polarisation — new factors, destabilising themselves, are surfacing.

“The resurgence of ethnic and racial loyalties and religious fundamentalism not only threatens the cohesion of the countries where they occur but they sometimes foul up relations with other countries.”

Anyaoku declined to name specific countries. — Sapa-Reuters.
LONDON - In their search for a consensus on sanctions, European leaders this week hammered out a carefully crafted statement which manages simultaneously to address the disparate needs of Mr Nelson Mandela and Mr FW de Klerk.

For Mandela, whom the leaders said had great "qualities of statesmanship", there was the assurance that the EC remains committed to sanctions as a means to end apartheid.

He will go home to South Africa on July 18 reassured that EC solidarity with his people's struggle is intact; that sanctions remain a valuable bargaining chip in his future talks with Pretoria.

But for De Klerk, described in the EC's communiqué as a man of "foresight and courage", there was the offer of encouragement for the "important changes" that have been made - and a promise to consider a gradual relaxation of sanctions once clear progress is made towards removing all traces of apartheid.

This gives him the impetus to push on with reforms, knowing that there is a reward waiting down the line. And it provides him with some spoils to show his electorate he is making progress in the battle for international recognition.

Document

But the EC document was not easily come by. Debate was described as brisk and an anticipated agreement by foreign ministers on the first night of the summit was not forthcoming, only emerging after a second session of talks.

The difference of views was to be expected, since this is the kind of forum where Britain's Mrs Margaret Thatcher tends to trumpet her anti-sanctions views.

But there are now signs that other EC nations are becoming more amenable to her pleas that the Community go beyond words in rewarding De Klerk.

THE European Community's decision to maintain sanctions is a clear attempt to accommodate Mr Nelson Mandela - but he is not the only one to gain from the communiqué on South Africa which came out of the Dublin summit this week, Sue Leeman, Sowetan Correspondent reports.

Italy has lifted its ban on new investment, Spain has restored cargo flights to South Africa and for the first time Denmark has accredited an ambassador to Pretoria.

Major West German companies are involved in new projects in the Republic and France has recently sent a trade mission there.

So Thatcher, who was hoping for some lifting of sanctions at this summit, is content with the coalition that the others appear to be moving towards her view.

Investment

Perhaps that was why she was persuaded to put her signature to the Dublin document without the kind of unilateral gesture which so irks her fellow leaders.

Britain was derided after April's summit in Dublin when it decided to go it alone in lifting the ban on new investment.

Thatcher is clearly pleased that some of the "voluntary" measures imposed by EC members are being relaxed.

But she is going to push for the "big ones", namely those measures agreed by all the EC countries and therefore statutory between them, including the ban on imports of iron, steel and Krugerrands.

She has signalled that she will put Italy, in its new position as EC president, under pressure to put the Community's existing road to lifting the statutory ban, something she believes could happen in the six months that Italy has the presidency's chair.

Violence

But other EC leaders remain adamant that they are committed to sanctions for now.

Irish Prime Minister Charles Haughey said the EC believes South Africa is in a "transitional situation": there has been progress, but not enough to warrant the lifting of sanctions.

Others who have come out against a relaxation of sanctions have been Denmark and France.

But in their communiqué, all the leaders agreed that South Africa had seen "significant changes".

Focus

They endorsed the Groote Schuur Minute and called for an early resumption of talks between Pretoria and a renunciation of violence on all sides.

The post-apartheid South Africa, they said, should have access to wide economic resources, including external finance, and "positive steps" should be taken to repress the economic imbalances inflicted by apartheid.

As a start, the EC will increasing its funding to apartheid's victims, including political exiles.
LONDON — During the next six months Britain would ensure that further progress towards scrapping apartheid was rewarded by the gradual lifting of EC sanctions, Prime Minister Margaret Thatcher told the House of Commons yesterday.

And she again criticised the ANC's continued adherence to the armed struggle, thereby setting the scene for a possible clash when she meets ANC deputy president Nelson Mandela in London next week.

Although she did not spell out what changes the EC required of President F W de Klerk yesterday, in Dublin earlier this week she said "apartheid itself" now had to be tackled, specifying the repeal of the Group Areas Act.

British officials are optimistic that over the next six months, under an Italian EC presidency more moderate than the Irish, decisive steps can be made to phase out sanctions step-by-step.

Likely to go is the voluntary ban on new investment, which has already been lifted by Britain and Italy. Others are the ban on iron, steel and gold coin imports and the restriction of sporting links with SA.

Reporting to the Commons yesterday on this week's EC summit meeting in Dublin, Thatcher's first comments referred to the council's call on "all parties in SA to refrain from violence and the advocacy of violence".

This, she said, also applied to the ANC's support for armed struggle.

KIN BENTLEY

She then referred to the EC's willingness to relax pressure on evidence of "profound and irreversible change".

Acceptance of the principle of a gradual relaxation of sanctions was something "for which we have been pressing for months", she said.

She again expressed disappointment over the EC's inability to "make a start now" in lifting some sanctions. But she added: "We shall look at this again under the Italian presidency (of the EC), in the light of further progress in SA."

Meetings of the EC are planned for October and December in Rome.

Thatcher added that "in practice, several countries have already begun to lift various measures. I am sure that will continue".

Replying to a question, she said Italy had lifted its ban on new investment, Spain had recently set up a new cargo service to SA and Denmark had returned its ambassador.

While the community had not formally agreed to lift the remaining sanctions, Thatcher said contacts between EC countries and SA were "nevertheless increasing".

She believed this tendency would assist not only De Klerk, but also "all those who are looking forward to a higher standard of living in a future non-racial democracy".

Thatcher vows to reward

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PREM

Ow correspondence
Newspapers take Mandela to task

Two prominent overseas newspapers have come out strongly against Nelson Mandela's demands for the world to retain sanctions against South Africa.

In a surprising criticism of Mr Mandela today, the New York Times takes the ANC leader to task for "challenging the rules at the expense of President F W de Klerk by reserving for the ANC and a black majority the right to decide when the US should lift sanctions".

Austraia's national daily The Australian today supported the easing of sanctions and urged the federal Australian government not to back the ANC with cash.

In an editorial it commended the United States for refusing to give money to the ANC and added: "The Australian government should be equally firm in rejecting (similar) demands."

The newspaper continued: "The process of reform will best be encouraged by assisting South Africa's real democracy."

The challenge to Mr Mandela from the New York Times - a highly influential newspaper that has been a constant champion of sanctions against South Africa and a remorseless critic of South African racial policies - is among the first to be levelled at him by a major newspaper since Mr Mandela began his much-publicised visit to the US eight days ago.

Jarring

Even more surprising was the newspaper's support for President de Klerk's role in the process of change, referring to him as South Africa's "other liberating politician".

Describing Mr Mandela as a "politician as well as a hero", the paper said Mr Mandela had earned an ovation during his address to Congress on Tuesday by invoking America's own struggles to broaden democracy, but added: "The one jarring moment came when, having urged that sanctions remain in force, he suggested that his followers be the judge of when to lift them."

In Miami, Mr Mandela, ignoring the first hostile demonstration of his US tour, told American trade unionists yesterday to keep up the pressure.

He addressed 6 000 members and guests of the American Federation of State, County and Municipal employees.

He urged the American labour movement to continue its financial support of the anti-apartheid struggle as delegates began circulating small plastic buckets for contributions. - The Star's New York Bureau-Reuters.
Suzman tells why sanctions should go

By David Braun, The Star Bureau

WASHINGTON — Sanctions on South Africa should be lifted to provide President de Klerk with something positive he could use to counter the dangerous upsurge of right-wing opposition among whites, Helen Suzman has said in an article published in the Washington Post.

The former Member of Parliament said in the article published this week that the recent discussion between Ted Koppel and Nelson Mandela on "Nightline" as to whether sanctions should be lifted placed the wrong emphasis on the subject in two respects.

First, it gave too much importance to the influence of sanctions on the reform moves taking place.

The main impetus to reform, Mrs Suzman said, had been the escalating black resistance to apartheid and the cost of administering the system.

Second, Mrs Suzman said, the reason why sanctions should be lifted was not in order to reward President de Klerk for the steps he had taken to reverse measures that should never have been imposed in the first instance.

Rather it was to provide Mr de Klerk with something positive he could use to counter the dangerous upsurge of right-wing opposition to the reform moves.

Fundamental

"Mandela declared it was essential that reform be irreversible and that fundamental change take place before the pressure of sanctions be lifted. In fact the process of reform is already irreversible, though several fundamental laws that maintain the apartheid system still remain on the statute book," Mrs Suzman wrote.

She added that the pace at which the dismantling of apartheid would take place would be largely determined by the availability of investment capital.

Black leaders believed that markets lost through sanctions would be regained, and that companies that have disinvested from South Africa would return, once a transfer of power from the white minority to the black majority had taken place.

"Leaving aside this dubious possibility (made more dubious by ANC threats to nationalise industry and the mines), the real crunch, in fact, has been the drying up of investment capital from abroad and the refusal of the US banks to roll over loans.

"If the demise of apartheid is to be expedited, it is vital that South Africa have immediate access to the financial resources required for economic growth, irrespective of whether it is a black-majority government or a non-racial government that replaces the present white-minority government," Mrs Suzman said.
End of the line

Margaret Thatcher's drive to have all EC trade sanctions on SA lifted is rapidly gaining ground.

Word from Dublin, where EC leaders met on Tuesday, is that despite the European Council's Declaration on Southern Africa - retaining pressure on SA until apartheid is irreversibly changed - sanctions are already on their way out.

Indeed, the declaration does not even mention sanctions, as it steers a carefully worded course between praise for the "foresight and courage" of President F W de Klerk and the "qualities of statesmanship" of ANC deputy president Nelson Mandela.

Meanwhile, Britain is proceeding with its decision to end the ban on new investment, socialist Spain is showing its approval of developments in SA by easing its harsh ban on sports contacts; and even the hardline EC member, Denmark, has decided to renew diplomatic contact with Pretoria.

Though the West Germans and Portuguese are signatory to the Dublin declaration, it is strongly suspected that they will start pursuing new investment without delay. The arrival in SA on Tuesday of Jurgen Warnke, the West German minister for economic co-operation and development, seems significant in this regard. Warnke, the first West German Cabinet minister to visit SA officially in 12 years, praised government's reform initiatives and implied his support for sanctions stepped more out of European common policy than personal conviction.

A French chambers of commerce delegation is also in SA investigating prospects for investment in the post-apartheid age, and the French government is under intense pressure from industry to follow the Thatcher lead.

The substance of this week's EC declaration is contained in paragraph nine: "At its meeting in Strasbourg in December the European Council decided that the community and its member states would maintain the pressure that they exert on the South African authorities in order to promote the profound and irreversible changes which they have repeatedly stood for."

The European Council affirms willingness to consider a gradual relaxation of this pressure when there is clear evidence the process of change already initiated continues in the direction called for at Strasbourg."

The council says the objective of the EC and its member states "is the complete dismantlement of the apartheid system by peaceful means and without delay, and its replacement by a united, nonracial and democratic state."

While it welcomes the "substantial progress" made towards removal of the obstacles represented by the emergency and the detention of political prisoners, it "looks forward to early agreement between the SA government and the ANC on the conditions in which exiles can return, and on the definition of political prisoners leading to their release."

All parties are called upon to remove the remaining obstacles to peaceful negotiations; "and to refrain from violence or advocacy of violence."

It is recognised that "a new post-apartheid SA should be able to avail itself of all the economic resources, including access to external finance, to tackle its acute socio-economic problems, especially in the areas of employment, education and housing."

After recent developments, and as a "strong signal of political support to those disadvantaged by apartheid," the EC intends to increase funds under its programme, and to adapt it to the needs of the new situation, "including those connected with the return and resettlement of exiles" (see Leaders). ■

FERTILE GROUND

In these days of imminent referendums even organised farming is getting in on the act. But this particular referendum - to be held this week by the Transvaal Agricultural Union - runs counter to the spirit of reform which inspires the others.

For a start, some disgruntled members of the union - which has about 13 000 white farmers - feel the question they will be asked to answer is loaded. It is the only question presented and (translated from Afrikaans) reads: "Are you in favour of the preservation of white property rights in your district?"

Objectors feel that even the most reform-minded farmer would find it hard to answer with an unequivocal "No." They point out that this referendum allows no room to suggest options or adjustments. CP supporters are believed to dominate the union and there is, therefore, concern that the party will use the simplistic referendum to argue against any land reform at all.

Union president Dries Bruwer, also CP MP for Lydenburg, dismisses the criticism. He says the 80-member board of the union, of which he is chairman, took a unanimous decision that "we are not in favour of people of other races being able to buy property in white farming areas in the Transvaal." But the 10-member executive committee (which Bruwer also chairs) decided to go to the members for a final decision. Bruwer says voting is open to all 22 000 farmers in the Transvaal.

There will be an estimated 250 polling booths at co-ops and farmers' associations; proxy votes and postal votes will not be allowed, mainly because of the expense, says Bruwer.

This will make voting difficult for absentee landlords, part-time farmers and institutions which make up a significant number of farm owners in the province.

Bruwer denies that CP thinking dominates agriculture in the Transvaal - and says he could counter allegations that organised farming in the western Cape is Nat-controlled. "This is not politics," he says. "It's an important and sensitive issue of concern to the farmers - and remember that I was voted into parliament by farmers."

Union executive manager Johan Hartman says the idea of the referendum came after President F W de Klerk's request for the views of organised agriculture on the question of farmland ownership, before placing it on the negotiating table.

"The request was handed down to us by the SA Agricultural Union. I don't know how the other provinces and bodies intend dealing with the matter. We felt every farmer in the Transvaal should be given a chance to respond," Hartman says.

Some farming bodies are already distancing themselves from the referendum. Pretoria District Agricultural Union chairman Johan Krüger says the wording of the question makes the whole exercise futile. "If the union was sincere in its efforts to determine white farmers' attitudes to land ownership by non-whites, its purpose would be better served by a scientific attitude survey that would test farmers' views on various aspects of land ownership."

Krüger also feels a number of statements made in a Transvaal Agricultural Union
The Anga Front Service

Mandela keeps bargaining chip

Sanctions to stay - for now

NATIONAL WORLD
DUBLIN VISIT ... Mr Nelson Mandela (left) meets Irish President Dr Patrick Hillery at his residence in Phoenix Park, Dublin.

Sanctions promise by Mandela

OWN CORRESPONDENT

DUBLIN. — The ANC is willing to hold joint discussions with the government on sanctions — probably starting soon after his return to South Africa later this month, ANC vice-president Mr Nelson Mandela said here yesterday.

And he promised the ANC would review its sanctions policy immediately if it was convinced profound and irreversible changes had been made.

Mr Mandela said the ANC was "even more concerned than the government" about sanctions, because they were "destroying the economy" and blacks were the first to suffer through the loss of jobs.

But, he said, with the ANC having called for sanctions to be maintained until there had been fundamental change, the international community was obliged to consult with it about when this had been achieved.

Addressing a press conference in Dublin Castle after meeting Irish Prime Minister Mr Charles Haughey, Mr Mandela said President F W de Klerk had urged at their meeting before he left a month ago, that they should "meet as soon as I return".

The reason, Mr Mandela said, was that "sanctions are biting".
outside the White House, the
defense of the political
campaign against the
defense of the political

SA Dilemma for President Bush

BACKGROUND
ANC deputy leader Nelson Mandela may be having some success in persuading foreign governments to keep anti-apartheid sanctions in force for the present, but he may also be complicating the negotiating process at home in the future.

By the same token, President de Klerk may feel that he is strengthening his hand for negotiations by trying to form an alliance against the ANC among existing homeland and parliamentary groups supporting his reform initiatives, but some of his partners could prove an embarrassment when the chips are down.

There is short-term sense in the tactics of both key political figures. ANC supporters expect their leaders to keep up the pressure on the Government. Nationalists expect the Government to treat the ANC as its main adversary and to contest the ANC blueprint for the future.

But, down the line, when negotiations start getting anywhere, there must also be the expectation that the National Party and the ANC will together hold the centre ground against the PAC, Azapo and the Black Consciousness Movement on the Left, and against the Conservative Party, HNP, AWB and other extremist splinters on the Right.

In the light of that logical eventuality, in which the Nationalists and the ANC could well emerge as coalition partners, it can be asked if present ANC and Nationalist tactics are not shortsighted? The answer is probably both yes and no.

Mr Mandela's pro-sanctions campaign, for instance, helps to perpetuate the destructive image the ANC has long been given in white eyes. So does his continued commitment to the armed struggle, as also does the ANC's decision to keep nationalisation on the agenda.

These policy stances serve to embarrass the NP in being seen to be willing to negotiate with the ANC. In fact, some see these policies as playing into the hands of the Conservative Party, which is already supremely confident that any test of white opinion - whether at an election or a referendum - would see the Government defeated.

If the ANC took a less hostile and destructive stance, it could be argued that there would be far greater white acceptance of the Government's decision to meet and negotiate with the ANC. The Government would then be more likely to win a white referendum or election on giving full political rights to all groups in the new South Africa.

But that is only one view of the effect of the ANC's pressure tactics on the Government's decision to meet and negotiate with the ANC. The Government would then be more likely to win a white referendum or election on giving full political rights to all groups in the new South Africa.

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ANC hopes sanctions can be lifted soon

LONDON — Nelson Mandela said yesterday he hoped sanctions against SA could be lifted soon and indicated an agreement allowing for this might be reached before the end of the year.

In an address to the Confederation of British Industry he also appealed for investment in a post-apartheid SA.

He said: “We are aware of the damage being done by sanctions and we don’t want the SA economy reduced to ashes.”

He went on to say: “All we are saying to the international community is give us a few months, if not a year or two, to resolve this question amongst ourselves.”

However, Mandela emphasised continued trade sanctions were “the best way of forcing the ANC and the SA government to reach a negotiated settlement as soon as possible”. By maintaining sanctions there was pressure on both sides.

The meeting was attended by 250 executives from companies with investments worth £30m in SA.

After a conciliatory speech apparently aimed at soothing fears of British industry about nationalisation, Mandela was challenged by UK-SA Trade Association chairman Sir Keith Stewart.

Stewart said Europe (especially the former communist countries) could present problems for SA in competing for investment resources. If sanctions went on damaging economic prospects in SA it could lead to an “irreversible decline” in investment.

Mandela replied by listing all the bodies, from Cosatu to the European Parliament, supporting maintenance of the pressure.

He assured industrialists that on the question of nationalisation, “we won’t take any unilateral action that undermines relations between ourselves and the business community”.

Nationalisation was just one option open to a democratic government in post-apartheid SA to “redress the gross imbalances imbedded in the economy”, said Mandela.

“We will only use this option if forced to do so. If anyone will show us another that will work we will examine it carefully,” he said.

But so far no credible alternative has been put forward and “a spontaneous, trickle-down effect would never be sufficient. The intervention of the democratic government, acting through an elected Parliament, will therefore be necessary and inevitable”.

He warned that unless the black-white poverty gap was closed it would increase political instability and reduce growth potential. “It is clear, even today, that the majority of people are too poor to provide a growing market even for the productive potential that already exists.”

The ANC envisaged a mixed economy but it had “no blueprint as to the makeup of that mix”.

If “state participation” was decided on, the ANC would be guided by experts and act in consultation with business. The extent of state control could be as high as 51%, 49% or even 30%.

“But we want to do it with business. We want co-operation with business internally and internationally,” said Mandela, emphasising that post-apartheid SA’s “critical” need for rapid growth “cannot happen without large inflows of foreign capital”.

He ruled out higher taxation as a means of redistributing wealth, citing the need for business to make reasonable profits.
ANC ‘can’t urge end to violence’

By ANTHONY JOHNSON
Political Correspondent

THE ANC’s continued emphasis on the need for armed struggle made it impossible for it to urge with any conviction the end to violence in Natal or anywhere else, Idasa executive director Dr Alex Boraine said yesterday.

Writing in Idasa’s newsletter about the “messages” South Africans needed to hear from the ANC and the government, Dr Boraine said the most important area in which clarity was needed was the whole question of violence.

So long as the ANC continued to emphasise the need for the continuation of armed struggle, it was impossible for it to urge with any conviction the end to violence in Natal or anywhere else.

Dr Boraine said that although the ANC was pressured by the demands of establishing itself internally, it had a responsibility to contradict the prevailing perception that it did not have the same sense of urgency as demonstrated by President F W de Klerk.

On sanctions, Dr Boraine said it might be understandable that Mr Nelson Mandela and the ANC had to take a tough attitude but the ANC ought to be “much clearer” on a timetable for lifting sanctions, particularly the sanctions on new investment.

Turning to Mr De Klerk, Dr Boraine said the government needed to present whites with a vision of the future. The government had to use all its resources to break down fears and help white South Africans understand that there was life for them, too, beyond apartheid.

Responding to Dr Boraine, ANC national executive council member Mr Mac Maharaj said last night that for the ANC to cease using violence an equivalent gesture was needed from the South African state. “Apartheid violence” continued in South Africa and the government had not disbanded the Civil Co-operation Bureau.

Mr Maharaj said the armed struggle and sanctions were instruments used by the ANC to exert pressure on the state. “If we called off both sanctions and the armed struggle what would we have left when the security laws are still in force?”

He said Dr Boraine’s comments had unfairly created the impression that the ANC was dragging its feet when it came to negotiations.

However, the ANC had pursued the course of negotiation before its banning in 1960 and once it had been unbanned, Mr Mandela had corresponded with and met Mr F W Botha and Mr F W de Klerk while he was in prison in a bid to further negotiations, he said.
‘Sanctions over in 2 years’

By ESMARE von der MERWE
Political Reporter

LONDON. — The need for sanctions against South Africa would fall away within two years at the most, Mr Nelson Mandela told influential businessmen.

And he assured the international world that nationalisation would be considered only if no other option was available to ensure the upliftment of the impoverished black community and an equitable redistribution of wealth.

The ANC deputy president yesterday outlined his views on the economy in a speech to the Confederation of British Industry (CBI) on the last day of his visit to Britain.

His call for the maintenance of sanctions seemed to have fallen on deaf ears.

CBI chairman Mr Brian Corby made it clear that the organisation was opposed to sanctions because punitive measures delayed reform and undermined black advancement.

But he welcomed as “quite reassuring” Mr Mandela’s remarks that the ANC wanted to ensure stability in a post-apartheid society to boost the confidence of foreign investors.

Although the British government had already lifted many sanctions unilaterally, including the ban on new investment, Mr Mandela urged industry to maintain sanctions to eradicate apartheid.

“We are aware of the damage which has been done by sanctions and we do not want our economy to be reduced to ashes,” he said.

Mandela meets Thatcher — page 19.
SANCTIONS BYTE

The ANC appears to be confused. While deputy president Nelson Mandela is pressing for further economic sanctions against SA, the ANC's Johannesburg office is considering installing a computer system to handle its administration. Though some of the software for such a system could be developed locally, the bulk of the equipment will inevitably have to come from abroad.

The organisation has already begun making inquiries among local computer companies about obtaining a system to keep track of its members. ANC press officer Jill Marcus says the organisation is now "evaluating requirements," but is not yet looking at specific products.

Marcus dismisses suggestions by The Sunday Telegraph in the UK that the ANC has already bought an IBM system. Local agent ISM also denies any knowledge of such a sale.

On the question of whether the ANC's purchase of a computer system would compromise its sanctions stand, Marcus says: "We have to look at ways of doing things. We are looking at this question."

The ANC is expected to work closely with Cosatu in selecting a computer system.

The union is also looking at computerising its administration.
End sanctions, says OAU head

ORGANISATION of African Unity chairman, Egypt's President Hosni Mubarak, is thinking of relaxing sanctions against South Africa – contrary to the wishes of liberation movements and most African countries, the Zimbabwean news agency Zana reported on Friday.

Explaining why Zimbabwe's Foreign Minister Nathan Shamuyarira was not with him on his state visit to Uganda, President Robert Mugabe said Shamuyarira had gone to the OAU Council of Ministers meeting in Ethiopia to push Zimbabwe's position that sanctions against South Africa must be maintained.

"My minister drew my attention to the fact that our current chairman has different views about relaxing pressures against South Africa," Mugabe told his host, Uganda's President Yoweri Museveni.

Zimbabwe, other Frontline States, and the ANC - whose deputy president Nelson Mandela is also in Uganda - say sanctions should be maintained until apartheid is eradicated. They argue that the pillars of racial segregation and oppression are still in place in South Africa.

Mubarak's term of office as OAU chairman ends after next week's summit meeting in the Ethiopian capital Addis Ababa, where the OAU has its headquarters.

Mugabe said he was glad Mandela was in Uganda to brief him, Museveni and Mozambique's Joaquim Chissano on the situation in South Africa and how their countries could help end apartheid - before the three leaders (and Mandela) leave for the OAU summit today.

He said they could also discuss other issues, such as the MNR rebels in Mozambique and the economic crisis facing Africa.

At a function held by Museveni in his honour Mandela said talks with the South African Government resume on July 18.

He added that he believed "in the near future" political prisoners would be released, the pillars of apartheid dismantled and the state of emergency repealed.

Commenting on his world tour, Mandela said Western governments had decided to maintain sanctions and help repatriate ANC exiles.

"We can say that the international alliance against apartheid in South Africa has continued to grow in strength." - Sapa
'200 000 jobs a year once sanctions go'

South Africa will be able to create more than 200 000 new jobs a year once the relaxation of the sanctions blockade begins in earnest.

This estimate was given yesterday by Anglo American Corporation chairman Julian Ogilvie Thompson in an annual review of the country's economic outlook.

Mr Ogilvie Thompson believes the prospect of solving the chronic and serious unemployment problem has drawn closer as a result of international response to President de Klerk's reform initiatives.

He said the removal of sanctions and a resumed inflow of capital from overseas promised a tremendous boost to racial equality by ploughing billions of rand into the creation of new job opportunities and social investment programmes.

The chances of economic acceleration had been brought closer by the outcome of the recent European Community summit.

Trade and financial sanctions imposed from 1985 had compelled South Africa to hold the brakes on the economic tempo, bringing growth down to perhaps zero in 1990, to meet repayments on international debts equal to about R21 billion over the past four years.

"Simply stopping the haemorrhage — a prospect which the EC summit in Dublin has now brought closer — would enable us to raise the growth rate to about 3 percent a year," said the Anglo American chairman.

"With a resumption of trade credits and capital inflows on the earlier scale, we could raise it to between 4 and 5 percent.

Tremendous assistance

"That would add another R5 billion to R10 billion a year to our total resources and would be of tremendous assistance in correcting inequality, both directly by creating new employment and in a redistributive sense by augmenting State resources for social investment.

"Five percent growth, a modest enough target in normal circumstances, could create around 200 000 new jobs a year in the formal sector and at the same time greatly benefit employment in the informal sector," he added.

"The biggest single impediment to growth in South Africa until recently was the State... by introducing policies that, in the supposed interest of the white electorate, discriminated racially in both economic and political affairs.

"The R2 billion allocated in the Budget for social investment, through a trust independent of Government, represents an imaginative attempt to start redressing past inequities — one which deserves to elect both private sector and overseas financial support.

"Nonetheless, the ultimate effectiveness of such initiatives depends on the growth of the economy as a whole.

"Once confidence in South Africa's political and economic stability is restored, long-term funds from the institutional and corporate sectors will flow to meet the new opportunities for productive investment as surely as night follows day," he said.

Normalisation will see economy surge

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Transkei
appeals to US to lift sanctions

By Ramsay Milne,
The Star Bureau

NEW YORK — Transkei’s military leader, Major-General Bantu Holomisa, has appealed to the US to lift sanctions against the Transkei, but to maintain them against South Africa.

In an appeal to Washington, General Holomisa, who is chairman of the Transkei’s Military Council, says his government has since 1987 sought economic opportunity and free enterprise for the Transkei’s four million people.

However, he said, efforts to attain these goals were being undercut by US sanctions, which maintained pressure on Transkei so less than on South Africa.

Error

Congress, he said, should acknowledge its error of including Transkei in the Comprehensive Anti-Apartheid Act of 1986, which imposed sanctions on South Africa.

"By doing so, it is assisting the Pretoria Government in condemning four million innocent blacks to starvation, disease, unemployment, ignorance and illiteracy. "We do not ask that sanctions on South Africa be lifted," he said.

"We do, however, suggest modifying or reducing their application to Transkei.

"Eliminating or modifying sanctions against Transkei is in the best interests of all who seek an end to apartheid."
New York opts to tighten sanctions

By Ramsay Milne, The Star Bureau

NEW YORK — The New York City Council tightened up its already strict sanctions against South Africa today in a vote that anti-apartheid activists said demonstrated strong public support for the recent appeals made by Nelson Mandela for comprehensive US sanctions until “full democracy” is achieved in South Africa.

Miss Jennifer Davis, executive director of the American Committee on Africa, a city organisation that has been in the forefront of the disinvestment campaign, said the tougher measures would lead to the adoption of stronger sanctions Bills in dozens of other US cities.

“New York City’s action in quickly passing stronger anti-apartheid measures should spur these and other local governments to act soon to deny millions of dollars in contracts to companies that still have ties to apartheid.”

These municipalities are among the 83 US cities, 26 states and 19 counties that have already passed binding measures restricting investment of public funds in companies having links with South Africa.

Referring to the possibility of the Bush administration lifting some US sanctions against South Africa in the next few months, Miss Davis said: “I hope New York’s action will send a strong message to George Bush that half-measures and partial changes should not be used as an excuse to lift sanctions.”

The Bush administration’s suggestions that sanctions could be lifted before there is full democracy would be “a betrayal of the South African people and a repudiation of all that Mr Mandela said when he came to this country.”
UK govt. firm on sanctions issue

By Sue Leeman,
The Star Bureau

LONDON — The British government remains unconvinced, despite its recent meetings with Nelson Mandela, that sanctions are the spur to change in South Africa. Foreign Minister William Waldegrave told the House of Commons yesterday.

The House was in uproar several times as Mr. Waldegrave took questions on Mr. Mandela's talks last week with Mrs. Thatcher and Foreign Secretary Douglas Hurd.

The Minister, who has special responsibility for African affairs, refused to be cowed by Labour MPs demanding to know why the government had not complied with Mr. Mandela's requests for continued sanctions.

Apology

He suggested the British government was now in agreement with the ANC on almost everything except sanctions—which was dropping on the priority list anyway.

He rounded on the Labour benches, demanding an apology for claims that Mrs. Thatcher had given comfort to apartheid. Mr. Mandela, he said, had last week called Mrs. Thatcher "an enemy of apartheid and all types of racism".

Mr. Waldegrave said he was optimistic about the prospects for success in South Africa, but sanctions could only hinder the process.

"The negotiations which have now begun and which Mr. Mandela is as committed to as President de Klerk, need our support. We must not damage the economy of South Africa or the country will become more bitter and polarised."
US sanctions ruling will protect SA workers

By JO-ANNE COLLINGE

UNIQUE protection for the rights of South African workers employed by companies which disinvest is contained in new sanctions legislation, passed this week by the New York City Council.

The New York legislation — the first to be passed in the United States since the release of African National Congress deputy president Nelson Mandela — also substantially broadens the range of South Africa-linked companies in which the city's agencies are prohibited from investing.

"I hope the New York action will send a strong message to President George Bush that half-measures and partial changes in South Africa should not be used as an excuse to lift sanctions," commented Jennifer Davis, executive director of the American Committee on Africa.

She noted that Chicago and Detroit were looking at tougher sanctions law and expressed the hope that New York's decision would "spur those and other local governments to act soon to deny millions of dollars in contracts to companies that still have ties to apartheid".

Eighty-three United States cities, 26 states and 19 counties have placed restrictions on investing public funds with corporations linked to South Africa.

The New York legislation addresses one of the obvious contradictions of the disinvestment strategy — that it may cause harm to South African workers and difficulties for trade unions.

The new legislation requires the city of New York to collect information about companies withdrawing from South Africa, noting whether they give workers six months notice of disinvestment and negotiate in good faith the terms of withdrawal.

The city of New York will present an annual report to the mayor and the city council, detailing violators and disclosing correspondence with the companies involved.

"During the long period when all other democratic organisations were banned, South Africa's non-racial unions carried on the struggle against apartheid," said Stanley Hill, co-chair of the New York Labour Committee Against Apartheid.

"They have contacted us and specifically requested provisions be included in sanctions in order that the cost of disinvestment is not borne exclusively by South African workers.

"They report that companies are using the disinvestment process to unilaterally renege on union contracts, withdraw from pension and benefit funds and revoke union recognition."

Among the categories of corporations in which city agencies are now banned from investing are those with indirect investments in South Africa — licensing, franchise and distribution agreements. Previously the ban applied only to those with equity investment South Africa. Subsidiary companies will also now be put on the banned list.

Banks will be rated on a number of criteria — whether they still have loans outstanding to South Africa; whether they have withdrawn their operations; whether they extend new loans, credits or offer correspondent banking services; whether they have rescheduled loans to make it easier for South Africa to meet its debts.
ANC host in SA row

By PATRICIA CHENEY, Washington

NEW YORK governor Mario Cuomo, who helped host Nelson Mandela's visit to the city, was this week forced to withdraw his money from two banks which have ties with South Africa.

Mr Cuomo found himself in hot water when the New York Post decided to compare his investments with a blacklist of companies who still do business with South Africa.

The paper found he had R345,800 — about one-third of his personal wealth — deposited in money market accounts at the Chemical Bank and Prudential-Bache.

Chemical Bank was blacklisted because it refinanced a South African loan and Prudential-Bache was put on the list because it refused to respond to requests from anti-apartheid groups to give details of its financial ties with South Africa.

When the governor learnt that the Post was about to blow the whistle on him, he hastily announced he would move his money into Federal Treasury Bonds and various state bonds.

"The governor didn't invest in these institutions," spokesman Gary Fryer said.

After moving his cash, Mr Cuomo announced: "This advances my belief that it's better to take positive and affirmative steps to build public confidence in government and avoid wasting time and energy responding to negative events and controversy that might otherwise occur."
'Only worldwide credit ban would hurt SA'

WASHINGTON — Only a worldwide ban on import credit would badly hurt SA, the US General Accounting Office has said in a report to Senator Paul Simon.

"The effect on SA of a unilateral US ban would be limited, though it might reduce the volume and value of US exports to SA," the report said.

The report was made on June 7 to Simon, chairman of the subcommittee on Africa in the Senate foreign relations committee, and distributed more widely this month.

The agency, which monitors US policy for Congress, said that after a while SA could find other sources it might need to replace imports from the US. US exporters could also get around the ban in several ways.

"With restricted access to such credit worldwide, the SA economy could be severely injured by the necessity to pay cash or barter for its imports," the report said.

It said international banks and investors were waiting to see what, if any, changes were made in the political system and what effect they would have on the business climate.

"Even if there were a rapid change to a post-apartheid government, the holders of international capital would wait to assess the political stability of the new government and its economic policy," — Sapa-AP.
SA can lose to Eastern Europe

Own Correspondent

LONDON. — A director of one of Britain’s largest merchant bankers yesterday urged Mr Nelson Mandela to call off sanctions immediately, or let South Africa run the risk of losing to Eastern Europe in the “intense” international competition for investment funds.

Mr Kenneth Costa, a director of SG Warburg, said if the ANC vice-president was serious about his commitment to maintain economic growth ahead of population growth, “this could only be done through foreign investment requiring at least £2.5 billion (about R11.5bn) a year in foreign capital.”

Nationalisation

Speaking at a seminar on “Britain and South Africa” organised by the Centre for Policy Studies here yesterday, Mr Costa said it would take time for the various legislative and other sanctions directives to be dismantled.

Mr Costa said: “For as long as nationalisation in any of its guises remains a commitment of the ANC, for so long will international investors be deterred from investment in South Africa.”

He called for the estimated £20bn (about R90bn) of assets in state-controlled companies to be privatised and for these shares to be distributed free to people in South Africa as a “peace dividend”.

He suggested R5 000 per head.
NEW YORK - New York governor Mr Mario Cuomo, considered the most likely Democratic to reach the White House, continues to be hounded by anti-apartheid activists for having links with South African-related US companies that have benefited him personally or politically.

Cuomo, a gifted speaker who was prominent in New York's euphoric welcome to Mr Nelson Mandela last month, has been confronted by new accusations that he has accepted about R526 000 in campaign contributions from firms with South African links.

Cuomo says he wants a law banning New York State pension-fund investments in South Africa-linked companies.

A review of Cuomo's massive contributor list - spanning his nearly eight years as governor and more than R29 million - showed contributions from prominent Wall Street investment companies and such US banks as Citicorp, Chemical Bank and Manufacturers Hanover Trust.

All these firms are blacklisted by the anti-apartheid Africa Fund for allegedly aiding South Africa, directly or indirectly.

**Disclosure**

The latest disclosure, considered certain to be politically damaging to him and to the Democrats, was defended yesterday by Cuomo's campaign fund-raiser Mr William Mulrow.

Mulrow said there was nothing wrong with the governor accepting the campaign contributions because the contributors were "supporting a person who is very vocal in his denunciation of apartheid".

However, national Republican strategist Roger Stone called that position "hypocrisy of the highest order".

"Basically, you have one of the nation's leading Democrats saying that what is good for government - banning pension funds from making money from companies tied to South Africa - is not good for his own campaign bankroll."

Cuomo disclosed new details of his personal wealth last week.

When his investments were checked against The Africa Fund's blacklist, it found that more than 23 percent of his holdings were placed with two blacklisted companies.

Stung by the criticism, the governor then announced he would switch his investments to US government securities.
Japanese 'No' to lifting sanctions

JAPAN will not lift economic and other sanctions against South Africa despite recent moves by the Pretoria government to relax apartheid, a Japanese Foreign Ministry spokesman said yesterday.

The decision came after a three-day conference in Tokyo of Japanese ambassadors and consuls from 15 sub-Saharan countries, the spokesman said. Japan ranks second behind West Germany in overall trade volume with South Africa.
Tebbit, Mandela on same stage?

LONDON. — Thatcherite Tory MP Mr Norman Tebbit and ANC vice-president Mr Nelson Mandela could soon find themselves on the same platform talking about economic sanctions to leading South African businessmen.

The visit to South Africa by Mr Tebbit, who is due to address the Institute of Directors' annual conference in September, will be an unofficial trailblazer for Prime Minister Mrs Margaret Thatcher, who is expected to visit South Africa early next year.

The prospect of his sharing a stage with Mr Mandela would be "one to savour", says the author of yesterday's Times Diary.

"The institute, anxious to know if the ANC is having second thoughts on sanctions and its plans to nationalise the country's mines and banks, is also discussing whether to invite Mr Mandela."

Mr Tebbit's views are expected to "stimulate considerable debate".
Question mark over festival film

ANC warns Moscow on circus visit

Staff Reporter

THE Moscow Circus can expect the same unwelcome treatment meted out to the ill-fated English rebel cricket tour earlier this year if the Russian government gives the go-ahead for the December tour, according to the ANC.

This was the warning issued by ANC spokesman Mr Tom Sebina in Lusaka yesterday.

He said that although some political change had occurred in South Africa, this did not imply that individuals, organisations or companies could start making "unilateral decisions" on cultural exchanges.

Asked what criteria allowed for the screening of the Woody Allen film "Crimes and Misdemeanors" at the Weekly Mail Film Festival in August, Mr Sebina said: "I was not not aware that the film is to be shown."

The cultural boycott had not yet been raised, he said.

The ANC's cultural boycott tactic — implemented by the MDM from the start of the English rebel tour late last year — would be used again if the circus went ahead with its performances.

"The Russian government must cancel the tour."

The ANC would have to proceed with the boycott as a "campaign", because this was "part and parcel" of the ANC's sanctions policy.

"Moscow did not contact the ANC. The circus is an important cultural organisation in which the Russian government has strong interests. We take strong exception to the proposed tour and our representative will raise the matter when he returns there," Mr Sebina said.

The ANC was still advising numerous artists not to visit SA as the political situation was still not "irreversible".

Rumanians march
ANC sends protest note to Moscow

LUSAKA. — The African National Congress has protested to the Soviet Union over a planned tour of South Africa by a Moscow circus, ANC spokesman Mr Tom Sebina said yesterday.

The nationalist movement sent a protest note to the Soviet embassy in Lusaka saying the tour planned for December would violate international sanctions.

"We cannot stop our people from protesting wherever the performances are held," he said.

Moscow has been the chief military backer of the ANC for several years.

Mr Sebina said the Soviet Union had not consulted his movement about the proposed tour. There was no immediate comment from the Soviet embassy. — Sapa-Reuter
Total economic embargo is possible, says academic

Matthew Curtin

If serious negotiations have not started between the ANC and government by the end of this year, SA can expect a "near total economic embargo" from the US as pressure mounts on Congress to intensify sanctions, the July issue of the Innes Labour Brief states.

Last month academic Duncan Innes interviewed prominent Congressmen and political analysts in the US on their attitudes towards political changes in SA and the future of sanctions.

Innes said the Congressional subcommittee for Africa staff director Steve Wiseman believed if proper negotiations had not started by September this year "Congress may have to look at who is at fault".

Wiseman said an ANC call for intensified sanctions would fall on receptive ears in Congress.

Innes said the Investor Responsibility Research Centre (IRRC) estimated that since 1997 sanctions had cost SA between R40bn and R72bn. The IRRC argued that as a result the economy was between 20% and 35% smaller in 1999 than it would have been.
Pace of US disinvestment slows from 1987 peak to one company this year

Weekly Mail Reporter

Only one American company has disinvested from South Africa this year, in contrast with a peak of 56 in 1987, reports Alison Cooper in a survey of American business in South Africa.

The report, the latest published by the Washington-based Investor Responsibility Research Center, notes that the pace of disinvestment fell from its 1987 peak to 27 withdrawals in 1988, and 18 in 1989. The slowdown in the pace of disinvestment is probably because the majority of US firms have already disinvested, combined with some ambivalence on the value of disinvestment in the struggle against apartheid.


In the 15 years between 1966 and 1981, investment by US firms increased from $490-million to $2.6-billion. Since 1981, however, the combination of a declining South African economy, liberalisation of exchange controls between 1983 and 1985 and a decline in the rand/dollar exchange rate has led to a drop in the value of the direct investments of US firms in South Africa.

The political situation in South Africa and sanctions pressures in the US led to an acceleration of American companies' withdrawals in 1985 when 40 companies disinvested, and 1986 when 52 withdrew.

Whereas in 1984 American investments in South Africa accounted for 0.79 percent of all US direct foreign investment, in 1988 US investments in South Africa made up only 0.39 percent of all US direct investment abroad, writes Cooper.
THE Inquisition was not about saving souls. It was about the maintenance of the papacy's temporal power. Heretiqs which is to say people with other ideas—threatened the church's authority. Doctrinal differences were, therefore, intensely political matters having nothing to do with the Kingdom of Heaven, apart from swelling its population.

In much the same way, the United States' anti-apartheid campaign has become divorced from its putative purpose, the empowerment of Black South Africans.

Armed and ready to call anyone who deviates from the true faith a racist, the advocates of sanctions and disinvestment have been able to impose their will on the American establishment to an extraordinary degree.

Groups like the Africa Fund in New York have made it their business to track down and expose any US bank or corporation that has ties with SA and to persuade state, county and city governments to sell their shares in those firms and deny them custom. Such efforts have been rewarded with the departure of more than 150 US concerns from SA since the start of 1985.

As the universe of companies to be targeted has shrunk, the criteria upon which they are judged to be SA-free have become ever more demanding.

Broadly speaking, a firm was once deemed clean if it had no direct investment in SA. Then the test became whether it had "non-equity" ties. Did it license the manufacture of its products in SA? Did it continue to distribute its wares through a franchisee? If a bank, did it have loans outstanding? Had it set sufficiently severe terms for repayment?

Although the campaigners can adduce brilliant arguments as to why such ties help bolster apartheid, the point has now been reached where the teeth of their comb is so fine-toothed as to defy rational explanation—at least in terms of bringing the SA Government to its knees.

First Boston Corp recently had to withdraw from the bidding to underwrite a R1.55-billion New York City bond issue despite having terminated all dealings with SA and having sold off its outstanding loans, no doubt at a considerable discount. Its offence was that Credit Suisse, a Zurich bank which retains SA interests, happened to be a major shareholder.

Similarly, New York Governor Mario Cuomo felt obliged to remove R2.47-billion in campaign funds from Chemical Bank because the latter appeared on the Africa Fund's list of proscribed institutions.

Chemical has told the Investor Responsibility Research Centre, an independent monitoring group in Washington, that it used to provide short-term trade finance to several private SA banks, but stopped the practice in September 1985 when the government declared a debt moratorium and began, effectively, to dictate repayment terms.

In 1989, the bank informed New York City's comptroller that it would not even extend credit to the foreign subsidiaries of SA companies.

It is not clear how much "purer" corporations like First Boston and Chemical could become even if they tried.

In the case of the former, are American companies really to turn away a foreign investor simply because he or she does not live up to the standards of the Africa Fund's inquisitors? In which case, the US economy is going to find it increasingly difficult to attract the kind of foreign capital on which it now depends.

As for Chemical, the logic behind its listing sounds painfully reminiscent of the McCarthy era: "Are you now or have you ever been... a lender to apartheid?"

The anti-apartheid movement has suddenly realised—to its horror—that the show is nearly over.

Though he urged it to keep up the good work, Nelson Mandela said as much when he was here. This poses a dreadful dilemma for all those who, albeit with the highest of ideals, have ridden the apartheid issue to a position of considerable influence in the course of the past decade. What is going to become of them when the cause evaporates?

In his famous poem Waiting For The Barbarians, Constantine Cavafy asked: What if they don't come? The Africa Fund and its followers face a similar problem. Their answer is to keep redefining barbarians so that the supply will continue a little longer.
10 in EC support easing of sanctions

LONDON — Ten of the 12 European Community (EC) nations supported the gradual lifting of sanctions against South Africa at the European Council in Dublin this week.

The new weekly The European said yesterday that only Ireland and Denmark were opposed.

But, says the report, there are clear signs that the EC debate is “becoming increasingly academic as more and more countries improve their trade links and permit their industries to invest in the country”.

Apparently it was Dutch Foreign Minister Mr. Hans van den Broek who argued most strongly that the EC should lift sanctions one by one, linked to specific steps towards the total abolition of apartheid. He was strongly supported by British Prime Minister Mrs. Margaret Thatcher.

But any decision by the EC on sanctions has to be taken by unanimous vote, and Ireland and Denmark have made it clear they won’t change their opposing view until they are sure the changes introduced by Mr. F.W. de Klerk are irrevocable.

However, The European believes the EC’s restrictions “are likely to be lifted over the next six months”.
S' Africans can't buy property in Aussie

MELBOURNE - South African citizens living in Australia are being prevented from buying Government property under a little-known federal policy.

The policy came to light at the weekend when a Government house in the Victorian rural city of Shepparton was sold at auction.

The following clause was read as part of the contract of sale: "South African citizens, residents or business entities are not eligible to purchase."

The auctioneer, Peter Brewster, said he was "flabbergasted" at the clause and had never heard of it before.

Inquiries to the Australian Government revealed that it was part of the sanctions against South Africa introduced in 1985. South African Ambassador, Mr David Tothill, claimed the clause could contravene legislation against racial discrimination.