SANCTIONS – 1990

MAY

280

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.

Economic growth hampered

ARGUS 2/5/90 280

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 $R27 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

B/Day 2/5/90 (280)

SIMON BARBER

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 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."

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 1 600 whites conducted for the study last May by UCT's Jan Hofmeyr.

The survey shows a plurality of 48% favouring compromise with sanctions advocates, while only 9% opt for total intransigence. Of those interviewed, 41% said government should ignore sanctions.

Colorado University economist Charles Becker, one of the report's authors, says: "In the early '60s, 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 1967 and 1985, compared with 185% in the case of the US — has "greatly curtailed" SA productivity growth.

Oxfam investigated for 'political activity'

Star 2/5/90 (280)

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 Comissioners have decided to hold an inquiry into whether in advocating 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

ARGUS 2/5/90 (280)

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 Jannie 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-Africanist 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'

ARGUS 2/5/90 (280)

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

Cape Times 2/5/90 280

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 Investor 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 185% 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 Ms Merle Lipton This was missing because of "editing problems"

Genscher named in subs deal with SA

Cape Times 2/5/90

280

FROM IAN HOBBS

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 1983-84 of blueprints for the deep-running diesel-powered subs, was suspended in 1988 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 Uschi 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 Kontor of Lubeck (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 Dmark (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 Zolgmann "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.

Cape Times 2/5/90 (280)

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 1 000 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

Argus 3/5/90 (280)

The Argus Foreign Service

NEW YORK. — The president of one of America's premier universities has appealed to academics 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 system 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

SIMON BARBER

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 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 Ntinga, who charged that the two men were "apologists" for Pretoria in its efforts "to stave off new sanctions".

Ntinga 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. (280)

He noted that Naude had recently given a speech voicing concern over the possible impact of sanctions on a post-apartheid economy. B/Day 4/5/90

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

Cape Times 4/5/90 (280)

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 Deutschmark to bribe politicians to assist the sanctions-busting submarine deal.

The Cape Times regrets the error and apologises to Mr Albrecht and accepts that the information as published regarding him was incorrect.

Security fears could lead to white exodus

Cape Times 4/5/90 (280) (304)

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 1 620 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, 54% overall and 43% 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 55% remained determined to stay.

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.

Security fears could lead to white exodus

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No easing of pressure on SA govt

CAPE TIMES 4/5/90

Own Correspondent

(280)

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

CAPE TIMES 5/5/90

Own Correspondent

280

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

STimes 6/5/90

Kerry Swift (280)

senior lecturer in journalism at Rhodes University examines the possibility of a reverse in the brain drain

NOT much good has flowed from the dark recesses of apartheid, but there is one aspect of our great national folly which inadvertently promises to provide a rich harvest for South Africa if the country is awake to the possibilities.

It stems from the "separate development" — thankfully this time at the expense of foreign taxpayers rather than our own — of a whole generation of South African scholars in some of the world's leading institutions of higher education.

Among them are some of the country's brightest and best, men and women who chose to join the South African diaspora rather than subject themselves to the consequences of ethnic socialism.

While apartheid managed to stunt a generation of young students at home, it also ensured the loss of some of our finest minds through emigration.

However, this pool of expatriate talent, so desperately needed at home, need not necessarily be lost to South Africa.

Many of our exiled scholars may yet be persuaded to return once Christian National Socialism is consigned to the scrapheap where it belongs — along with the rest of our country's failed experiments in human engineering.

And if they do decide to return home, they could trigger a veritable flood of foreign academics, all seeking solutions to the human condition by rooting for intellectual truffles among the ashes of apartheid.

In much the same way as Nkrumah's Ghana became a magnet for the international intellectual community as Africa's first liberated nation, so South Africa could become the next intellectual Mecca.

It could become a mandatory pit-stop for all self-respecting social scientists.

Grabbed

Bizarre as it may sound, apartheid opened up great educational opportunities for South Africans abroad, opportunities which they would never have had at home.

For many, exile meant the opportunity of a university education, particularly among the thousands of young township dwellers who left the country during the events of 1976.

The doors of universities and colleges in all corners of the globe were opened to exiled South African students.

From Moscow to Montreal, from Baghdad to Beijing, South Africans grabbed their opportunities where they found them and pursued the education denied them at home.

And many rose, as exiles so often do, to great heights of academic achievement.

Back in South Africa, an international academic boycott — imposed as a symbolic gesture against unequal education — narrowed the options for South Africa's universities, making it difficult for them to recruit academic staff abroad.

Recruiting foreign academics was a bit like the SA Cricket Union recruiting rebel cricketers. "Respectable" academics steered clear of South African universities, though a number of valuable people simply ignored the authoritarian tendency of the boycott and came anyway.

The collapse in the rand also made recruiting foreign academics difficult.

With the best of British academics already leaping the Atlantic in pursuit of the honeypot, there was little chance of recruiting them to strife-torn South Africa — particularly with an exchange rate of more than R4 to the pound!

The academic boycott and the economic squeeze forced local universities to rely heavily on local recruitment.

The paucity of academic talent at home, however, was in stark contrast to the situation abroad, where an academic explosion took place among expatriate South Africans.

Literally thousands of expatriate South Africans were teaching and researching in academic institutions around the globe and gathering degrees like acorns in winter.

And when our "winter of discontent" is finally over, one hopes that this rich and diverse intellectual resource will be transplanted to South Africa. If it is, few countries will boast a broader or more cosmopolitan intellectual heritage.

Urgent

Bitter though the seed may be, the flowering of knowledge may still be sweet in South Africa.

If the exile academics do decide to come home on the back of a political settlement, the hard question of what to do with them still remains.

Given the existing system of academic tenure at our universities, returning exiles — regardless of their intellectual pedigrees or prowess — will not simply walk into existing university posts. Nor will our universities be able to expand sufficiently fast enough to accommodate them.

This suggests either the rapid development of more universities or perhaps some form of "People's Education" which will absorb returning academics into parallel or even alternative educational structures.

It would be a rather empty pilgrimage if, having worked themselves into the comfortable wainscoting of academic institutions abroad, our exiled intellectuals decided to renounce any future role in South Africa and opt for the permanent delight of the bourgeois world.

As a matter of urgency, South Africa's academic institutions should already be reaching out to them and be working out ways of harvesting apartheid's exile crop of intellectuals so that we can be better prepared for the long and arduous road to nationhood which lies ahead.

Softening of EC sanctions is unlikely, says Irish official

KIN BENTLEY

LONDON — The lifting or softening of sanctions against SA is unlikely to be recommended when the three EC ministers who visited SA last month report back to the organisation's foreign ministers' council.

A report on the trip, headed by Irish Foreign Minister Gerard Collins, would probably go before the council at its next meeting in Luxembourg on June 18 and 19, an Irish Foreign Office spokesman Michael Forbes said yesterday.

Although the visit took place at a time when government was gearing up to meet the ANC officially, Forbes said the aim of the visit had been to "promote a dialogue" in SA, not to make recommendations.

While the trip had proved useful, he said the Strasburg Declaration of last December still stood. This meant, inter alia, that EC sanctions would remain until there had been "profound and irreversible" change in SA.

Forbes said there was "an over-obsession with sanctions because one state (Britain) has a different view on it".

While the UK had unilaterally dropped some of its measures against Pretoria, he said the remaining 11 EC nations remained committed to the terms of the Strasburg Declaration.

B/Day 7/5/90

280

Spain to drop air ban on SA

DANIEL FELDMAN (280)

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 F W 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. B Day 11/5/90

"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 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

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Sowetan 10/5/90

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 South Africa to break out of international isolation.

It was reported on Tuesday Spain had agreed to resume freight flights, which were suspended three years ago.

She said the partial lifting of sanctions reflected progress in negotiations between Pretoria and the ANC and was connected with the forthcoming visit to Spain by President FW de Klerk. - Sapa.

Sanctions cost US billions of $

Cape Times 10/5/90 280

From SIMON BARBER

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 1914 and 1973, the US resorted to sanctions on 29 occasions and was at least partially successful in 18 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 disproprtionate 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 $6bn to $8,3bn.

Dutch plan for EC to lift sanctions

ARGUS 10/5/90 (280)

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 Mr Hans van der Broek 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 reinstate 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 Broek feels this step could be taken as soon as Pretoria has released all political prisoners and has ended the state of emergency

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 retract 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.

Picture: DION TROMP, The Argus.

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.

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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 (280)

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.

Sowetan 11/5/90

Europe ready to re-evaluate stance on sanctions, says De Klerk

B/Day 11/5/90 (280)

MIKE ROBERTSON

PARIS — SA relations with the international community would improve dramatically within months, President F W de Klerk said yesterday.

He added that France was re-evaluating sanctions against SA and the whole issue would soon be reassesed by the EC.

De Klerk was addressing a Press conference at the George V Hotel here after highly successful hour-long meetings with French President Francois Mitterrand and Prime Minister Michel Rocard.

The two accepted the irrevocability of change in SA, he said.

The President said that after meeting Mitterrand he had gained the impression that France and Europe as a whole were ready to re-evaluate their position on sanctions because they were impressed at the manner in which SA was changing. Any re-evaluation of sanctions, he said, would be at an EC level.

He had found Mitterrand and Rocard, who both received him in a friendly manner, to be well informed about SA.

He believed France and Europe were ready to re-evaluate their relations with SA. As soon as government implemented steps it had already announced, SA's relations with the international community would — withing months — begin to improve dramatically. SA's relations with France had already improved.

De Klerk said he had not come to Europe cap-in-hand to secure the lifting of sanctions, but the issue had been raised.

His view was that SA had survived sanctions but that they were retarding its ability to redress social backlogs. "The time has come for a total re-evaluation of sanctions because if they do that, the international community would help us to start facing the challenges . . . much sooner."

On the question of specific trade issues, De Klerk said such items had not been dealt with. However, since February 2 barriers to trade with SA had begun to fall.

Despite earlier reports that there would be large-scale demonstrations against De Klerk's visit, the only opposition came from about 80 people who gathered for a few hours outside the SA embassy.

The meeting with Mitterrand overran by 30 minutes, double the normal time allocated for a "private" visit.

The French president accorded the SA delegation a military salute on arrival and departure from the Palais d'Elysée.

Three platoons of the Republican Guard assembled in the courtyard of the Elysée before De Klerk's arrival.

Foreign Minister Pik Botha also attended the talks, but not his counterpart, Roland Dumas.

Mitterrand ushered De Klerk into his ornate personal office — an indication of the "warmth" of De Klerk's reception, a French foreign ministry aide said.

Also unusual for a private visit was the fact that Mitterrand escorted De Klerk to the steps of the palace after their talks.

After the meeting the SA delegation was again rushed through the streets of Paris, preceded by motorcycle outriders, to the Hotel Matignon, the office of Prime Minister Michel Rocard.

Late last night he met the mayor of Paris and former prime minister Jacques Chirac.

On his first night here De Klerk attended a dinner hosted by Jeanny Lorgeoux, a Socialist member of the lower House. Also present was External Trade Minister Jean-Marie Rausch.

The delegation flies to Athens today where De Klerk will meet Greek Prime Minister Constantine Mitsotakis.

● Picture: Page 3

Dutch govt proposes lifting of SA sanctions

KIN BENTLEY

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 "recognised 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 delay 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 noting 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 Comit'e 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

Star 11/5/90 (28)

The Star's Foreign News Service

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.

Star 11/5/90

The Star
Finance

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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 such 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 intergrated 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."

BUSINESS

Under siege. Sanctions report has serious flaws

The respected Investor Responsibility Research Centre has released a special report on the impact of sanctions. REG RUMNEY looks at the facts — and fiction — in the study

HOW badly have sanctions hurt South Africa? And to what extent have they influenced whites to accommodate political change?

This is the topic of *The Impact of Sanctions on South Africa*, a study in two parts, just released by the Washington-based Investor Responsibility Research Centre. In trying to address these questions, the study breaks new ground, but it has serious flaws.

The somewhat bleak conclusion — according to the executive summary of the study — of chapter one, by Charles Becker and Patricia Pollard, is that sanctions may have done South Africa permanent damage. Even a shift in world opinion of South Africa may not spur rapid growth, it asserts.

Sanctions, it says, have effected long-term structural distortions in the economy.

"Sanctions tend to have far-reaching (and often unintended) effects, causing extensive economic restructuring that will later be difficult to reverse."

Moreover, the study says elsewhere, the mere threat of sanctions has already forced South Africa to take evasive action — in the form of import substitution — that reduces its dependence on the outside world at serious economic cost.

But Nedcor economist Ted Osborne, who has studied the effects of sanctions here and in Zimbabwe, takes issue with this conclusion.

"In a siege situation thoughts turn immediately towards the possibility of import substitution," he observes.

In the period under review there was a fair amount of import substitution. But this does not mean the import substitution was sanctions induced.

"Direct sanctions haven't resulted in significant import substitution, other than the obvious; for example some self-sufficiency in oil, and Armscor."

But these are not normally considered "import substitution", he notes.

Osborne agrees the Atlantis Diesel Engine may have been one such strategic import replacement programme. But it is exceptional. The motor industry in general is a case in point. South Africa's local content programme is extensive and, it could be argued, fairly onerous.

"I think that is the kind of policy we would have had whether sanctions threatened or not."

Australia has an extensive local content programme for vehicles, and it labours under none of South Africa's political constraints. The study, in a section written by Rhodes University's Professor Trevor Bell, says: "The motor industry has an established policy of local content which was neither originally designed, nor subsequently modified, to pre-empt sanctions. Instead the threat of sanctions may even have made for lower local content requirements."

This doesn't square with the idea that sanctions have caused greater import substitution.

The government has recently turned away from import substitution as a priority of industrial strategy precisely because of its limitations, and has emphasised the need for exports and more world competitiveness.

The study relied on statistical economic evidence to arrive at its conclusions on import replacement.

"From 1967 to 1985 the increases in South Africa's real imports have been stunningly small, especially in imports of intermediate goods. Even without making precise international comparisons, it is clear that the pattern is exceptional. During this period as a whole, most world economies became far more open. For example, real imports in 1980 prices for the US increased 185 percent from 1967 to 1985; South Africa's experience, with only a 14 percent increase in constant price imports over this period, is extremely rare, especially when one notes that South Africa's real GDP rose 87 percent over this period, far more than the 10 percent rise in intermediate import volume."

Osborne thinks the decline in imports would have happened anyway.

The executive summary does not back up its claim that as a consequence of sanctions, South African productivity growth has been curtailed or even sent into decline, with technological stagnation being in part the result of determined import substitution, aimed partly at thwarting potential sanctions.

However, National Productivity Institute director Dr Jan Visser believes this could be partly true.

"My guess is that sanctions might have had a negative effect on productivity, but to what extent is impossible to quantify."

Productivity could have been hit simply because smaller markets would cut capacity utilisation. The level of technology could have been pegged by the ability to import desired technology, but Visser surmises this might have had as much to do with the weakness of the rand, which in turn is caused mainly by local inflation, as with sanctions.

These "autarkic" moves, the executive summary argues further, have also prevented South Africa from developing those sectors in which it has the greatest comparative advantage as rapidly as would have occurred if there had been no sanctions, so creating invisible but quite real costs. Again, no proof is offered, but this is not impossible.

Again Osborne disagrees. "I don't think there was any question of a trade-off. Where there have been development opportunities we have developed them."

The study also estimates the extent of South Africa's supposed loss.

"It is not implausible, therefore, to suggest that South Africa's stagnant per capita incomes might have grown at one to 1,5 percent a year, and that real South African GDP would be 20 to 25 percent higher today, had South Africa not pursued a semi-autarkic strategy over the last 20 years to withstand anticipated sanctions. Annual real income growth of one to 1,5 percent is a conservative lower bound for developing countries with remotely sensible economic policies that have not witnessed collapses in their major export markets (which South Africa has not). Indeed, two to 3,5 percent annual real per capita income growth is probably more plausible as an achievable but unrealised growth rate for South Africa over this period, judging from international experience over the past 25 years.

Osborne dismisses this too, firstly on the grounds already stated that there is not much evidence of import substitution, and secondly because it seems to assume the optimum growth South Africa might have had with a free enterprise system, and no external constraints on the economy.

Where part one of the study takes a realistic turn is in its finding that while South Africa is vulnerable to further sanctions, it has no "Achilles' heel" — in the absence of concerted action such as oil embargoes.

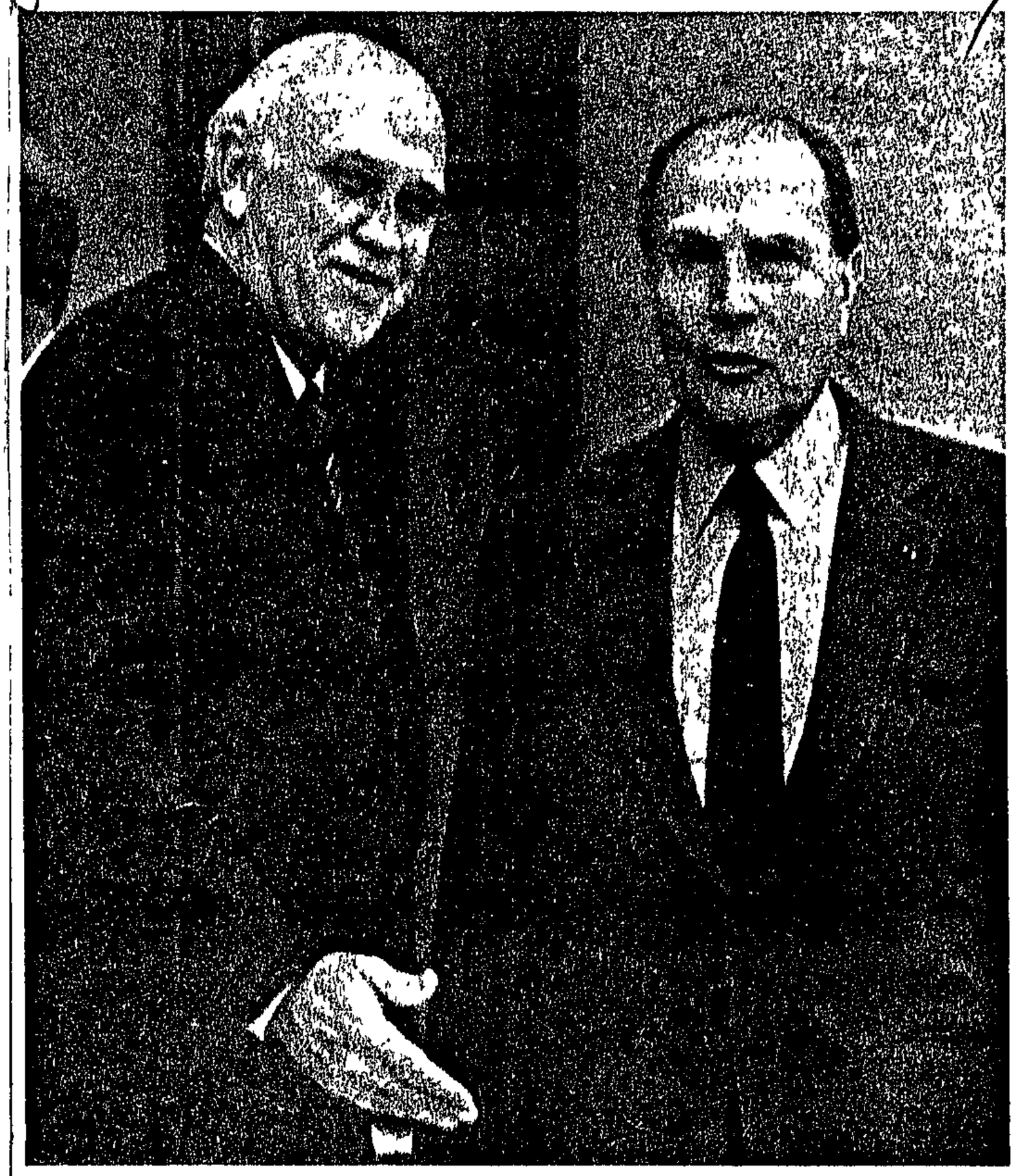
"For example, although South Africa will have difficulty responding with import-substitute production to embargoes of many petroleum-based products, some chemicals, computers and some transport equipment, only a collapse in the demand for gold or an effective oil embargo would be likely to have crippling effects, and neither of these sanctions appears imminent.

"In short the economy is much less vulnerable than it was 20 years ago, or even 10 years ago. Part of the credit for this should go to Western nations, who have long threatened to apply sanctions but have resisted imposing stringent sanctions."

The summary also notes that the state has managed to spread the cost of sanctions throughout society, without devastating consequences for any one group.

There is no contradiction in addendum: "Nonetheless a carefully designed sanctions package, imposed in a concerted fashion by the OECD nations and leading NICs, could still cause economic distress."

What researchers Charles Becker and Haider Ali Khan come up with in the second chapter is the old idea that sanctions can be designed to hurt whites more than blacks. It could be argued this is a paradox, like selective strafe bombing. Osborne merely points out that one cannot calculate the effects of sanctions along racial or income group lines.



PRESIDENTS MEET . . . President F W de Klerk with President Francois Mitterrand of France at the Elysée Palace yesterday. Picture REUTER

Cape Times 11/5/90

France to think again on sanctions, says a happy FW

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From ANTHONY JOHNSON

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 South African relations. There is no turning back".

He said he had the two meetings — which both lasted for about an hour

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.

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

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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 acceptance 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 Elysée 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 had been "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 — Page 3

says a happy FW

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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 falen from a farmer's truck, was taken to the Paarl municipal pound where officials are 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 Mothei of City Press, Edward Griffiths of Business Day and Johan van Wyk of Rapport. — Sapa

crack of dawn

Simple majoritarianism is a load of ... if you'll excuse my French.

Syfrets Cape Times

Share Challenge

TODAY'S PRIZE: R200

TODAY'S INDEX: (+) R2,83

There was 3 winners yesterday

IF your share price total movement equals exactly R2,83 today, you are a winner! Call (021) 208 4702/4760 between 9am and 2pm today to make your claim. If you haven't already applied call 208 4760 for a free card. No queries or requests for cards will be dealt with on any other telephone numbers.

DAILY LISTING — Page 7
STOCK PRICES — Page 10

WINNERS!

THREE people each won R533 yesterday in the Cape Times/Syfrets Share Challenge competition — Mrs C Borkum of Kenilworth, Mrs Beppe Fortes of Kenilworth and Mrs Helen Tomlin of Rondebosch. Six other potential winners who would have shared the R1 600 prize failed to contact us before the 2pm deadline.

Europe welcomes De Klerk and may ease up on sanctions

FW'S TOUR DE FORCE!

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S/Times 13/5/90

Leigh's the best!

By LESTER VENTER
Athens

SOUTH AFRICA is close to achieving a major breakthrough in the wall of sanctions.

The creation of a favourable climate for a roll-back promises to be the major outcome of President F W de Klerk's European tour.

The Economic Community, a formidable trading bloc of 12 European nations, will review its sanctions package next month.

This was confirmed in Athens this week by the Greek Prime Minister Mr Constantine Mitsotakis after he met President De Klerk and Foreign Minister Pik Botha.

The review is expected when EC leaders meet for a summit conference in Dublin on June 25.

Before then, the SA Government aims to announce a further package of reforms They will probably include a partial lifting of the state of emergency and progress on releasing political prisoners and accommodating returning exiles

These measures are already in the pipeline following the Groote Schuur discussions with the ANC

How I beat cancer, by gentle Shirley

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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 coins, steel, coal and agricultural products in 1985 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-timed 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 badgering his hosts 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 is a deadweight and a subject of discord.

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

And it's 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 6.

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

● **JEREMY BROOKS** reports from London that Holland's cold war against South Africa showed signs of thawing this week — 10 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.

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Page 2

Cape Times 14/5/90 280

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.

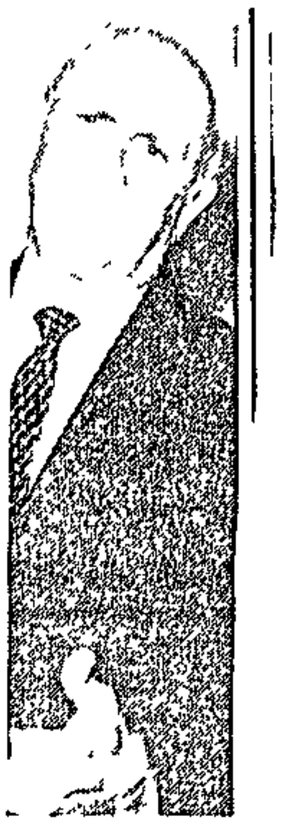
Mr De Klerk flies to Lisbon today, then travels to West Germany, Britain, Belgium, Spain and Italy in his bid to muster an EC majority for a softening of the community's anti-apartheid restrictions on South Africa.

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-Reuter



Mr De Klerk

C'wealth focus on SA

Argus 14/5/90 (280)

Talks this week on changes needed before sanctions shift

From ALAN DUNN
The Argus Political Staff

ATHENS. — Commonwealth countries aim this week to set about defining what South Africa must do before they shift policy against the government.

This was disclosed here last night by Canadian Minister of External Affairs Mr Joe Clark after more than two hours of talks with Foreign Minister Mr Pik Botha.

The two men had a "pleasant and constructive" meeting as Mr Clark was heading for Abuja, Nigeria, where he will chair a meeting of the Commonwealth Committee of Foreign Ministers on southern Africa starting on Wednesday.

South African officials found it highly significant that the government was being consulted for the first time before one of a series of six-monthly Commonwealth meetings on South Africa.

Mr Clark said he appreciated the fact that Mr Botha had not tried to persuade Canada or the Commonwealth to change their policies Mr Botha had told him of developments on South Africa, the reason Mr Clark asked for the meeting

"We have been struck by the generosity of approach by leaders of the African National Congress and the South African government," said Mr Clark.

No shift ... yet

"We think this difficult and complex process has been begun very well and we would encourage both sides along that path."

Mr Clark told newsmen there would not be a shift in Canadian policy towards South Africa until it had clear evidence of "irreversible" change

"There is no question there has been a change in attitude of the government of South Africa," he said. "That has allowed a lot of progress ...".

Canada wanted to see apartheid laws scrapped and what took their place.

"We are not looking at a checklist. We don't want that type of approach yet."

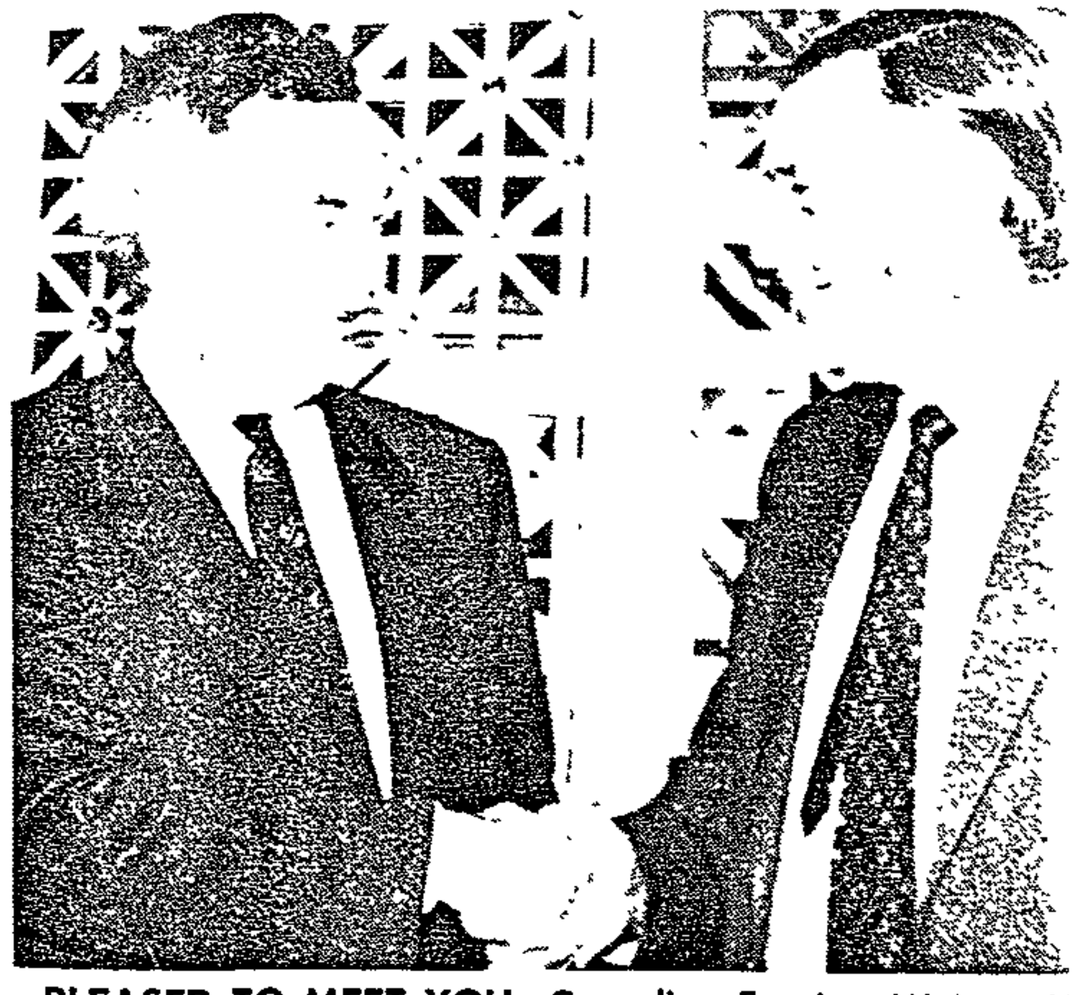
Mr Clark ruled out a shift of Commonwealth policy, and the sanctions it favours against South Africa, arising from the Nigeria meeting: "There will be some attempt to be more precise as to the kinds of standards we apply, as to the kinds of evidence to which we may respond."

Mr Botha said the discussions with Mr Clark at an Athens hotel were "completely straightforward and open".

He had told Mr Clark in great detail of developments in South and southern Africa and had found his counterpart genuinely eager to hear his point of view. He had displayed tremendous understanding.

They did differ on how to approach the problems, Mr Botha said. Mr Clark said they did not dwell on these differences.

● Mozambique peace talks imminent, page 4.



PLEASED TO MEET YOU: Canadian Foreign Minister Mr Joe Clark, left, shakes hands with South African Foreign Minister Mr Pik Botha at the start of their meeting at central Athens hotel at the weekend.

Mandela keeps up sanctions pressure

ARGUS 14/5/90

280

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 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 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 mean to remove any concerns . . . because it is absolutely necessary for the future of South Africa to retain white expertise and skill." — Sapa-AP.

● Mandela — the man and the myth, pages 8 and 9.

Updating SA firms in world trade . . .

Star 14/5/90

280

MICHAEL CHESTER reports on the quiet but determined South African drive to get back into world economic markets

Far from the fanfare as President F W de Klerk led the cavalcade around Europe trying to break the shackles of political isolation, quiet teams of export experts were planning a still wider round of overseas safaris — aimed at bringing South Africa in from the cold in world trade

While Mr de Klerk and Foreign Minister Pik Botha tested the political reaction to reform initiatives, Minister of Trade and Industry Kent Durr was planning to test the climate on international export routes as optimism grew about the chance to break out of the strait-jacket of trade boycotts

Mr Durr recalled the entire corps of government trade representatives from around the world — more than 30 outposts scattered through Africa, from the Balkans to the Baltic, Britain to Romania, North and South America across to the Far East and the Pacific Basin — to brief them on new trade offensives

All of them had to listen to pep talks on the key role they had to play in intensifying the search for new markets now that a global electronic network was in operation to flash back instant signals about any fresh trade opportunities in their territory.

The Directorate of Export Promotion in Pretoria, they were reminded, was on constant alert to relay flashes from the listening posts to export companies linked into the new global information system

And they learned that more and more listening posts were being established as SA exporters probed deeper into the African Continent and now laid plans to seize new openings in Eastern Europe and elsewhere

Mr Durr has personally been the busiest of them all as roving trade ambassador — engaged in discussions with the European Commission in Brussels, talks with members of both the House of Commons and House of Lords in London, as the first South African Cabinet Minister to visit East Berlin and Poland since World War 2, on trips to Austria, France and West Germany

Strategies

"There are encouraging signs that for the first time in decades we are seeing a rollback of sanctions," says the Minister "Sometimes these are only gestures — but then the sanctions were often only signals anyway.

"In these dynamic times we must plan for the future and develop new strategies and new markets as well as extend traditional markets," said Mr Durr

There are fewer and fewer gaps between the miniature flags pinned in the world map that signify SA trade office bases — or else next on a growing list of export targets.

The newest have been pinned all across the Indian Ocean. They dot not only all the is-

They have been placed all around the vast littoral north to Mozambique and East Africa, on around the Horn of Africa and across the rim of the Middle East, and on to India, Pakistan and Sri Lanka

"It is a huge potential new market, a population of a staggering one billion or more, often linked by natural affinities or common languages," said Mr Durr

"And SA has the advantage of being able to call on its own large Indian community to join in the export drive through business or personal contacts across the whole region

"We have to exploit every comparative advantage we can find and the Indian community has a crucial role to fill"

Ron Haywood, deputy director of the SA Chamber of Business, senses it is the launch of the most dynamic South African drive into global markets since a whole chain of traditional trade partners started dropping the shutters with sanctions and embargoes

Hard lessons

But he cautions that political developments — whatever the favourable reaction to F W de Klerk's talks with Nelson Mandela — should not be read as any sweeping and automatic success formula in international trade

"Overseas markets are shopping for the best bargains," he says

"South African exporters mustn't be lulled into the euphoria of thinking that world markets will shower out contracts as a sign of congratulations

"It's awfully tough out there. Fortunately, many of our manufacturers have been forced to learn hard lessons about world trade in years of weaving new routes through all the sanctions They have emerged leaner — and fitter

"What's needed now is a deeper commitment to a sustained export effort, rather than viewing overseas sales as a sort of overspill when the domestic market hits any slowdown"

Bruce Donald, economist at the SA Foreign Trade Organisation, takes as an example the renewal of trade contacts with the Eastern European countries as they ditch Communism and start talking turkey with South Africa and the rest of the western world

The challenge identified, Safto is gearing up to encourage exporters to have a go It has already started work on a special business programme to introduce SA firms to local contacts in the region and critical market information

Mr Kent takes a hard-jawed look at potential new trade routes — and pins still more export flags on the the world

Put it there . . . Greek Premier Constantine Mitsotakis greets President de Klerk in Athens, on the

Visit will strengthen spe

Star 14/5/90

The President in Europe

The State President, F W de Klerk, arrives in Portugal today for a two-day visit to a country whose famous navigators, Vasco da Gama and Bartholomew Diaz, stumbled on South Africa hundreds of years ago and started a special relationship between the two countries

On a 19-day nine-nation tour of Europe, President de Klerk has already visited France, where he got red carpet treatment, and Greece

He will be in Portugal today and tomorrow

Last year Portuguese President Dr Mario Soares came to South Africa — to see his son

Dr Joao Soares had been critically injured in a plane crash in southern Angola late last year and was receiving treatment at the H F Verwoerd Hospital in Pretoria

President Soares was the first European head of state to visit South Africa in many years

Before his return to Portugal, Dr Soares held an 80-minute-long meeting with President de Klerk and South African Foreign Minister Mr Pik Botha at the Government Guest House in Pretoria

He later described the meeting as having been "cordial and at the same time positive"

The importance of President de Klerk's visit to Portugal, according to South African Institute of International Affairs executive director Professor John Barratt, can be found in at least two issues.

These are

- The presence in South Africa of a huge Portuguese community, estimated at 600 000
- The two countries' mutual interest in developments in Mozambique and Angola

These two issues are expected to top the two leaders' agenda, Professor Barratt said

He expects this to be perhaps the least politically exacting leg of President de Klerk's tour

Demonstrations against the South Africans' visit were likely to be conspicuous by their absence

Professor Barratt said cultural ties were very strong between the two countries, especially because of the large Portuguese community in South Africa

However Portugal, one of Europe's poorer countries, was not one of South Africa's major trading partners, even though the country had "a lot of potential as a member of the European Community"

A spokesman for the Portuguese Embassy in Cape Town said most of the 600 000 Portuguese passport-holders in South Africa were also South African citizens

South Africa, the spokesman said, is Port trading part "even though far the richest ca"

Angola is trading partner "The South is not very said the

"What we Africa cent of our total

"However, lot of potential grow"

He said the tween the two year was R350

This made country with had its biggest (R310 million)

The ties between the were further the fact that Portugal had links.

Their mutual velopments in zambique made tries natural

More exciting

They go bearing gifts of skins, gold cufflinks and

Political Staff

ATHENS — In the hold of President de Klerk's chartered Boeing 707 are two metal trunks containing carefully wrapped gifts for the leaders he meets on his tour of nine European countries

A zebra skin, complete with felt backing, was presented to the new Greek head of state, President Constantine Karamanlis.

Mr Karamanlis (83) had signalled to South African officials who sounded him out that he wanted a zebra hide

Also in the trunks are briefcases of Krugerrands, paintings by South African artists and cases of the finest Cape wines specially selected by the estates themselves.

In charge of the trunks is the protocol chief at the Department of Foreign Affairs Llewellyn Crewe-Brown.

His task was to find something acceptable to the Europeans that had an African flavour. Gift choices were careful — not too expensive to suggest a bribe, and not too modest.

Gift exchanges can be tricky, and allow the other head of state to cate similarly

When Mr de Klerk's Paris slipped a largish box in wrapping paper into the boot official car, it was a sign that the indoors at the Palais d'Elysees Mr de Klerk and President Mitterrand were going well.

It was a surprise for South A officials — early arrangements Paris and Cape Town had firmly out gifts

US governor urges R2-bn disinvestment

Star 14/8/90

280

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 $750 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 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

Star 14/5/90 (280)

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 elections 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 said in Umtata yesterday that President de Klerk was the real victor in the talks between the South African Government and the ANC.

Mr Mothopeng said Mr de Klerk had succeeded in breaking down South Africa's international isolation and had apparently warded off the imposition of stronger sanctions by the American Congress. He said President de Klerk was now likely to obtain financial and investment assistance with which "to build a bigger army and police force". — Sapa-Associated Press.

Coal exports delay expected at Richards Bay

Cape Times 4/5/90

Own Correspondent

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 south-east 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

(280)

B/Day 15/5/90

MIKE ROBERTSON

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 the 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 belived 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 banquest hosted later by Portuguese President Mario Soares, De Klerk said that 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 ties with Africa. SA would welcome that be-

☐ To Page 2

Portugal

(280)

☐ From Page 1

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 of pomp and ceremony.

B/Day 15/5/90

On entering Portuguese airspace yesterday the presidential Boeing 707 was met by four US-built Corsair 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.

police sources said left three people dead and 20 injured.

Sanctions

(280)

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.

Sowetan 15/5/90

Searches

Portugal in bid to ease sanctions?

Cape Times 15/5/90 (280)

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'

(280) GRETA STEYN

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. B/Day 16/5/90

Financial sanctions put a brake on growth in the past 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.

Mario Soares accepts invitation to visit SA

Portugal's sanctions plea

President De Klerk with President Soares yesterday

Cape Times 16/5/90 280

From ANTHONY JOHNSON
Political Correspondent

LISBON. — Portugal's President Mario Soares has called on the 12-member European Community to drop all sanctions against South Africa.

The plea by the president, who later this year will pay an official state visit to South Africa, came as South African diplomats claimed a dramatic turn in the sanctions tide against South Africa.

One week into Mr F W de Klerk's European tour, sanctions were becoming "a moral issue, not for SA, but for Europe", one top source said.

The announcement of President Soares's visit, the first by a head of state since Paraguay's General Alfredo Stroessner in 1975, was made yesterday at the end of President De Klerk's highly successful two-day visit to Portugal.

Both sides called for closer political, economic and cultural links between the two countries.

And in another significant development, Foreign Minister Mr Pik Botha will today meet his Irish counterpart, Mr Gerard Collins, in Brussels.

Mr Collins is the current chairman of the EC Council of Ministers which is meeting in Strasbourg. He will brief the meeting on his discussions with Mr Botha.

Mr De Klerk arrived in Belgium last night, the fourth stage of his 18-day European tour. He will leave for London and his meeting with Mrs Margaret Thatcher tomorrow evening.

Today he visits King Baudouin and is to meet Belgian Prime Minister Mr Wilfried Martens and Mr Jacques Delors, president of the European Communty's executive Commission, tomorrow.

Mr De Klerk said last night that his visit to US President George Bush on June 18 would, as was the case with his current European tour, be aimed at "a fundamental re-evaluation of the SA situation".

At a joint press conference yesterday at Portugal's Belem Palace, President Soares said that he and his Prime Minister, Mr Anibal Cavaco Silva, agreed that "the sanctions which apply to SA should not apply because of the changes which have taken place.

"The position of the Prime Minsiter and myself is that apartheid will be dismantled and that the process of change is irreversible and that sanctions should be lifted."

President Soares said: "The time has arrived for us to support the reform policies of President De Klerk."

Portugal wished to offer such support within the European Community to which Portugal had access.

President Soares said he was opposed to a checklist of measures by the EC before its policies towards SA changed.

"We must speak our minds and trust the SA government and then see what happens."

President Soares is the third senior Western politician in the past week to oppose the idea of a change checklist before adapting their policies towards South Africa.

The others were France's President Francois Mitterrand and Canadian Foreign Minister Mr Joe Clark. Greek Prime Minister Mr Constantine Mitsotakis favoured the re-evaluation of EC sanctions.

Mr De Klerk said the "crux of the matter" when it came to restrictions was that the international community was damaging the very South Africans they purportedly wished to help.

Mr De Klerk said SA and Portugal shared "many common values" and agreed with President Soares that the 600 000 South Africans of Portuguese origin were a key element in bringing the two countries together.

● ANC bid to stop FW's US trip — Page 3

Star 17/5/90 (280)

WS

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 Shidrath 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.

Pik, Mandela plead for support

Cape Times 17/5/90

280

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 Commonwealth Secretary-General Sir Shridath Ramphal.

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)."

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-Reuter

Trade sanctions: Do they really hurt?

W/Mail 18/5-24/5/90 (280)

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

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 estimated that exports to Europe last calendar year rose 37 percent by value, while exports to Oceania 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 Krugerrands.

The ban on Krugerrands had little effect. By the time these were barred 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 gold coins minted by other countries.

The ban on basic steel products coincided 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 Iscor, South Africa's main primary steel producer which is producing to capacity, has been out of the European market for five years, said an Iscor representative. The overcapacity in the European market was starting to decline when sanctions were imposed, though it was always a competitive market.

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

The impetus the lifting of European sanctions would give to the total economy would boost local demand, and this would improve local prices.

Similarly, the lifting of coal sanctions by France and Denmark would do way with the "political discount" South African exporters have to give to sell their coal. Like Iscor, 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 two hurdles to be cleared for South Africa to 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 length of the mine at R30 a ton, plus railage, will mean the cost of a ton of coal from a new mine by the time it is loaded on to the ship at Richards Bay will be R90. The international cost of a ton of coal is about R83 to R85 a ton — not enough to entice new investment. Kotze sees no stampede 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 19,2-million tons to 20,6-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, buying 948 000 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-million tons in 1988, according to Amcoal chairman Graham Boustred, in his review for the year ending March. He says foreign exchange earnings from coal exports rose from R2,8-billion in 1988 to R3,6-billion last year. Only R270-million of the R800-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.

Boustred states that while the Richards Bay coal terminal is being expanded, South Africa will only be able to achieve an increase of one or two tons a year, "in the prevailing political climate".

Coal and steel would benefit from a repeal of the Comprehensive Anti-Apartheid Act in the US, but this has not been mentioned.

Trade sanctions are one thing but they pale by comparison with financial sanctions, according to Trust Bank economist Nick Barnardt.

While the lifting of these financial sanctions have not yet specifically been mentioned, it is understood that South Africa's ability to repay its debt this year depends on the willingness of creditors to roll over debts. Already, says Barnardt, the rolling over of debts has showed a softening of attitude to South Africa by creditors.

Full normalisation of relations with the outside world would mean an actual inflow of capital and this would boost the economy. Reserve Bank governor Chris Stals has asserted (*Weekly Mail* February 2) that political reform is not enough to attract foreign bankers or investors to put money into South Africa, though it could stem the outflow of capital.

However, if more debt was rolled over, an easing of the constraints on the economy caused by the burden of debt repayment would also boost the economy. The authorities, Barnardt notes, would be able to relax their strict stance. Interest rates, because the capital shortage will no longer be severe, would decline, which in itself would give a boost to the economy.

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As sanctions recede, FW looks ahead to investment partners

(280)

B/Day 18/5/90

Political correspondent MIKE ROBERTSON reports from Brussels on the impact of President de Klerk's visit

MIDWAY into his European tour President F W de Klerk seems to have broken the backbone of the sanctions lobby. One after the other, government leaders he has met have announced a willingness to reassess the issue.

De Klerk goes to Chequers tomorrow to see Prime Minister Margaret Thatcher — a meeting which only last year would have been an isolated instance where his sincerity would have not been doubted nor his intentions challenged.

Now, even long-serving socialist French President Francois Mitterrand believes De Klerk when he says he wants to bring about a totally changed SA. Mitterrand has suggested a few steps that SA should take before agreeing to a gradual lifting of punitive measures. But these are steps such as the freeing of political prisoners which De Klerk has said will be resolved within weeks.

Mitterrand's close friend and fellow socialist, Portugal's President Mario Soares, wants the EC to lift all sanctions against SA now. Anibal Cavaco Silva, the Portuguese prime minister, agrees.

Greek Prime Minister Constantine Mitsotakis has said he accepts the irreversibility of change in SA and believes the there is a case for re-evaluation. Gerard Collins, the Irish chairman of the European Council of Ministers, who stopped off on his way to Strasbourg to be briefed by De Klerk, said the EC would reassess its policy towards SA in the light of recent developments.

In the dark days of Emperor P W Botha, Thatcher almost single-handedly staved off further restrictive measures But because of stands taken on matters like sanctions and more significantly on questions like a common European currency and political union, she is deeply unpopular with her EC colleagues.

The South Africans have realised this and because any move to roll back sanctions needs to be unanimous, they will be banking more on Cavaco Silva and Mitterrand to put the case for re-evaluation.

In February the European Council of Ministers said the emergency would have to be lifted and political prisoners released before they could reassess sanctions. The suggestion now is that rather than adopt a hard line on the issue of the emergency (the political prisoner question should be resolved by the time the council meets on June 18), they will base their decision on whether there is a "reasonable prospect" of democracy in SA.

Given that none of the European leaders De Klerk has met believes change in SA can be reversed, it is likely Europe will send an initial signal by lifting some measures and as progress is achieved towards full-scale negotiations, this process will be stepped up.

However, the President now faces a more complex challenge which he identified in a speech at a banquet hosted by Soares at Ajuda Palace this week — persuading Europeans they need to become active facilitators of change in SA. This goes beyond dropping sanctions to encouraging new investment and providing assistance, and possibly even working in tandem with government to eradicate backlogs.

Put simply, now that the SA government is finally intent on doing what the Europeans have been insisting on, De Klerk is asking them to dip into their collective pockets to assist him.

Selling such a facilitating role to a Europe growing introspective on the eve of the creation of a single market will be difficult. The collapse of the communist regimes of central Europe and the uncertainty surrounding the Soviet Union's Mikhael Gorbachev makes the task doubly so. Add to this the prospect of investing in the unstable environment that will inevitably accompany change in SA and the task facing De Klerk takes on awesome proportions.

At the Centre for European Policy Studies in Brussels, Foreign Minister Pik Botha was told that EC countries would provide only 15% of development capital from public funds The rest would have to come from the private sector.

Later in talks with Viscount Etienne Davignon, chairman of Belgium's largest industrial company Societé Générale, Botha was told in blunt terms that, without stability and a commitment to free enterprise, private sector investment in SA would not be forthcoming.

President F W de Klerk and his Portuguese counterpart Mario Soares.

Botha remarked that unless the main players on the SA political stage — he listed government, the ANC and Inkatha — soon woke up to the reality that Europe was undergoing rapid and dramatic change and worked together to create stability, the country would "miss the boat" and be doomed to a future of deteriorating poverty

It is for this reason that De Klerk's visit to Portugal this week assumed an added significance.

Unlike other European countries that have been downgrading their links with Africa, Portugal is attempting to expand relations. Given the 600 000-strong Portuguese community in SA as well as its colonial ties with Angola and Mozambique, Portugal has greater reason than the rest of the EC 12 to care about the economic development of the southern African region. With this in mind De Klerk said in his speech at the Soares banquet that he envisaged Portugal becoming SA and Africa's "gateway to Europe"

Although prospects of increasing trade with Portugal are limited, the fact that both the ruling Social Democrats and opposition Socialists want sanctions dropped now makes them a reliable interlocutor on behalf of SA in the chamber of the EC.

On the tour De Klerk has repeatedly and with seemingly increasing success put forward the proposition of a partnership of European capital and SA "knowhow" in developing the southern African region. This development, he has added, should be centred around the mining and beneficiation of those minerals and metals unique to or found in great quantities in the region.

According to De Klerk and Botha the proposal has found acceptance by both the politicians and businessmen they have met.

What is needed before the idea can become reality is stability. Which is why, in an address to Belgian parliamentarians, De Klerk stressed with perhaps greater determination than ever before that obstacles to negotiations would be removed within weeks and months, not years.

South Africans can only hope that this added determination will be matched and more by Nelson Mandela and his colleagues.

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

W/Mail 18/5 - 24/5/90

280

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 Premier Margaret Thatcher.

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

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 Abuya, 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.

No call for the immediate relaxation of sanctions is expected from the Commonwealth, while in Oslo, foreign ministers from the Nordic and frontline states agreed that "despite recent positive developments in South Africa" sanctions would not be lifted.

Norwegian Foreign Minister Kjell Magre 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 titbits from Europe, but the real test will come at the meeting of the European Community's heads of states 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 reexamine its policy towards South Africa, but stressed that further bilateral 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 "Groote 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 have been made so far.

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 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 or prime minister 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."

Highest award ... Nelson Mandela receives the Order of Niger from Nigeria's President Babangida Picture: ASSOCIATED PRESS

PRESIDENT Chadli 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 Wisaam al-Athir medal of distinction for his "courageous struggle to free South Africans from exploitation".

Mandela last visited Algeria in 1961 when he received military training from Algerian guerrillas fighting against France.

The screws stay tight

ARGUS 18/5/90 (B) (280)

Commonwealth ministers vow to maintain pressure on SA

ABUJA (Nigeria). — The Commonwealth is to campaign against easing sanctions aimed at forcing South Africa to scrap apartheid.

"To relax sanctions now would abort the process towards negotiations (in South Africa) that had barely commenced," says a communiqué issued yesterday at the end of a two-day meeting of the group's Southern Africa Committee

The communiqué says the committee would put this view to non-Commonwealth governments, especially the European Community and the Group of Seven industrialised nations.

Key target

The Group of Seven's economic summit in the United States this year would be a key target of the campaign, said Canadian Foreign Minister Mr Joe Clark, chairman of the committee.

Other members of the committee are India, Australia, Nigeria, Zambia, Zimbabwe, Tanzania, Malaysia and Guyana, with Namibia an observer.

The committee said South Africa should be pressured to stop destabilising Angola and Mozambique and urged talks on making the port of Walvis Bay Namibian.

Outgoing Commonwealth Secretary-General Shridath Ramphal, who joined Mr Clark in briefing journalists, said the pro-sanctions call would carry considerable weight with other governments.

He said the committee's views were based on authoritative reports from South Africa, especially from ANC vice-president Mr Nelson Mandela who told the meeting that in spite of President De Klerk's reforms, the pillars of apartheid remained intact.

Sanctions should stay "until Pretoria was brought to the negotiating table and change was clearly and irreversibly secured", the ministers said.

The communiqué and an accompanying resolution called the Abuja Commitment — after Nigeria's planned capital, where the meeting took place — said it was of paramount importance to sustain a dialogue leading to majority rule in a united South Africa.

● Australia is to give the ANC $A15 million (about R30 million) over the next three years "to assist in the reintegration and development of South African victims of apartheid", Australian Foreign Minister, Senator Gareth Evans, announced in Abuja.

"The majority of the new funds will be earmarked for assistance to the ANC for humanitarian and eductional activities. Up to two million Australian dollars will also be available immediately to assist with repatriation and resettlement of the exiles" — Sapa-Reuter.

FW visit to US 'okayed by ANC'

Cape Times 18/5/90

(280)

From SIMON BARBER

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 18.

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 12 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.

Sanctions 'inhibiting' plans for SA

BRUSSELS. — Sanctions were having an inhibiting effect on "imaginative developments" concerning social and economic programmes in South Africa, President F 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.

Currently, attention was being focused on solving the difficult problem of exiles and political prisoners.

"There is a risk of radicalism flaring up," Mr De Klerk added.

"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-Reuter-AP and UPI

FW is sure EC will take note of change in SA

Cape Times 18/5/90

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 here: "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 the 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 state of emergency was under "constant review".

Asked whether he felt his meeting in Brussels with the chairman of the Ministers' Council of the EC, Mr Gerard Collins, 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 a wide 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 Euroean 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 — Page 5

AWB shock at 'drastic' defection

Cape Times 18/5/90

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 C A "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. — Sapa

crack of dawn

No, Dear, Father Christmas hasn't come early this year. That's a heavily disguised member of the CCB going to give evidence to the Harm's Commission.

Syfrets Cape Times

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ANC stays firm on sanctions

Cape Times 19/5/90

(280)

Own Correspondent

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.

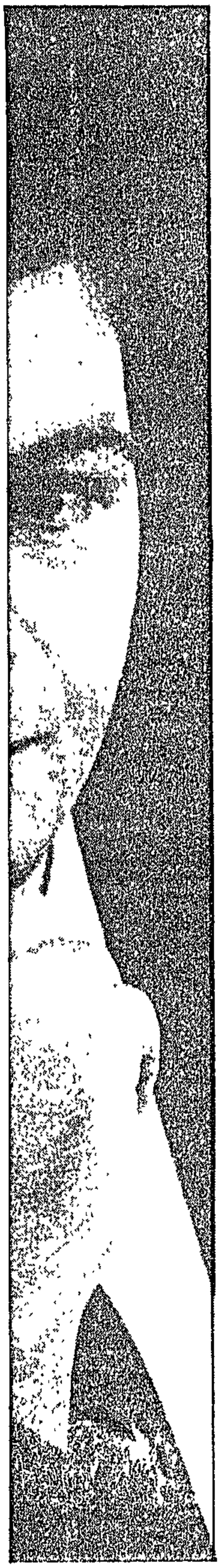
"I do not think it will be a protracted process."

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



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FW's tour of Europe biggest in decades

(280)

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's talks this week with the African National Congress about removing the obstacles to negotitation 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

C/Press 20/5/90. (280)

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 Madlebe, 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. C/Press 20/5/90 (280)

"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 necessary 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

De Klerk tour: 'Unstoppable momentum of success'

Argus 21/5/90 (280)

EC meeting vital for SA

ALAN DUNN of the Political Staff reports from BONN

JUNE 18 is emerging as the next critical day for warming South African-European relations as foreign ministers of the 12 European Community countries meet in Dublin to discuss the issue

Senior government sources, midway through President F W de Klerk's nine-country tour which seems to have developed an unstoppable momentum of success, cannot at this stage say what will emerge from that conference.

There is persistent talk of dropping the cultural boycott, which would include sports ties and may mean the first A-team rugby tour after many years of isolation and rebels for rands

But top officials note that South Africa has already punched a gaping hole in the sanctions barriers Mr De Klerk's visit itself, and the smiling welcomes into palaces and parlours whose doors have been very firmly shut for years

It is understood that newspaper baron Rupert Murdoch emphasised this point when he met the South Africans over lunch at Chequers on Saturday

Known by Europeans as "the little Gorbachev", reformist Mr De Klerk seems to have impressed most he has met

The spin that South African officials are putting on the tour via upbeat, non-attributable whispers, seems to be borne out by what is emerging in the local Press and from utterances and leaks from the other sides

"The going continues to be good," as one official attending most of the talks put it after Mr De Klerk's meeting with Mrs Margaret Thatcher The European mood is fast changing

While Mr De Klerk takes care at every press conference to note that he is not in Europe with cap in hand, waving a list of sanctions he wants dropped, there is no doubt that this aspect of South Africa-EC relations looms largest in the conference rooms as they talk.

This tour is about a first-hand De Klerk account a chance for him to project himself to let leaders, industrialists, bankers and the news media assess him The reality, however is that it is about sanctions

Nobody is bluffed — Mr De Klerk's high ground tactic of not cajoling the people he meets is a solid clever one In fact, he avoids initiating the topic of sanctions

But his drive for a 'fundamental re-evaluation now" of what is happening in South Africa is recognised for what it is — an oblique yet powerful plea to change policies and thereby, drop sanctions.

He makes the case as compelling as a lawyer can, noting that jobs have been lost and socio-economic programmes that could have served black upliftment have been retarded by sanctions

Mr De Klerk said in London at the weekend he thought some action could come from the EC this year to acknowledge the changes that had taken place in South Africa and the irreversibility of them.

But nobody in the South African side is at this stage prepared to offer the forecast that this will happen on June 18 as foreign ministers gather to prepare for the two-day EC summit a week later

"It is clear the big scrum is on June 18," said one South African source 'Let's face it, June 25/26 is just going to be based on what the foreign ministers decide."

Although Mrs Thatcher no longer stands alone in rejecting some of the EC sanctions, she has taken another solo step in rewarding Mr De Klerk by pledging her help in securing South Africa access to vital foreign funds

Others of the EC 12 have asked Mr De Klerk to do more, however. Political prisoners and exiles and the state of emergency are the three points they most mention

French President Francois Mitterand, the first leader he saw and key to the success of the tour, was one of them.

Mr De Klerk has indicated that the questions of political prisoners and returning exiles are in the works and receiving his urgent attention The emergency, however, is dictated by conditions on the ground.

Mr De Klerk has argued often on this tour that the emergency is not for political gain and harrassment It is there to smother violence which is no longer anti-government, but "black-on-black", as he describes it.

The emergency lapses on June 10, the week before the foreign ministers convene in Dublin Mr De Klerk will have to decide whether to renew it nationally, or selectively to deal with violence in troublespots such as the Maritzburg area

Anthing he does in the next month may tip the EC foreign ministers' hands either way It is by no means certain at this stage that they will respond with sanctions relief

Mr De Klerk said on Saturday that some countries — it is believed he was referring mainly to Belgium — might find difficulty in extending dramatic, positive gestures to South Africa

While the leaders have warmed markedly to the De Klerk regime, their constituencies probably have not yet done so

The feeling is that European voters, bombarded for years with harshly critical reporting of the government of which Mr De Klerk was a Cabinet minister, will take time to adjust to South Africa's changing realities

The GEnerally positive, prominent and invaluable press Mr De Klerk has received on the tour — Greece was the notable exception — will accelerate the grassroots awakening in Europe that change is afoot in South Africa.

That will heighten Mr De Klerk's chances of a trophy on June 18 Much depends, though, on what he delivers before then

Mr F W de Klerk and British Prime Minister Mrs Margaret Thatcher stroll through the gardens of Chequers, Mrs Thatcher's official residence, before talks between the two leaders at the weekend.

Thatcher eases way to new loans

Europeans set to step up SA interests

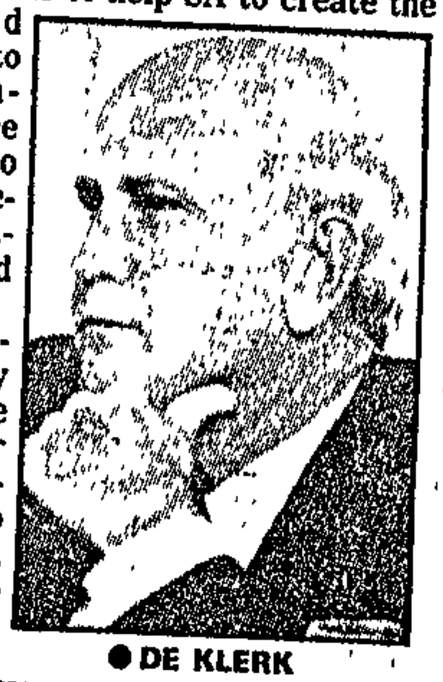
B/Day 21/5/90

280

MIKE ROBERTSON

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."



● DE KLERK

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

P.T.O

Minister Pik Botha (right) visited ... African soldiers killed in two world wars. ● Pi

EC ready to reassess policy on sanctions

Star 21/5/90 280

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 sortening 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 alne 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

Cape Times 21/5/90 280

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-toyied 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 discriminationin 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 felow 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 overtures 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."

FW AT CHEQUERS . . . President F W de Klerk and Mrs Margaret Thatcher outside Chequers, the British Prime Minister's country residence, on Saturday. Picture REUTER

nvestment coup for FW

Cape Times 21/5/90

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From ANTHONY JOHNSON

BONN. — Leading European industrialists with interests in South Africa were ready to expand their operations, top South African government sources said yesterday.

President F W de Klerk's touring party arrived here last night after "highly successful" talks with Mrs Margaret Thatcher and more than 60 top British businessmen, bankers and industrialists.

A senior SA official in the touring party said the series of meetings with business leaders in five countries had been "very important" and could well turn out to be more significant than the meetings held with political leaders.

And tonight, after meeting West German Chancellor Mr Helmut Kohl and Foreign Minister Mr Hans-Dietrich Genscher, Mr De Klerk will fly to Frankfurt where he has been invited by a leading European bank to speak at a dinner attended by 50 top industrialists, bankers and businessmen.

A well-placed German source described tonight's meeting as "very important", adding that if Mr De Klerk made "a good impression", new loans and investment could be the result.

Prospects

Speaking at a press conference after a "very friendly" meeting at Mrs Thatcher's country residence, Chequers, on Saturday, Mr De Klerk said leading businessmen and bankers he had spoken to in Britain and other European countries had been "extremely interested and regarded us as a future market of great potential".

He said that businessmen and private investors he had spoken to in five countries were already looking at renewing investment in SA — "already there is movement away from disinvestment.

"I also found a new interest and the absolute acceptance of the fact that South and Southern Africa offers tremendous prospects if one looks beyond the short-term problems."

This message was echoed in a statement from 10 Downing Street after the Chequers talks: "The task now is to help SA create the wealth, and have the access to international finance necessary, to create a successful post-apartheid society."

Mrs Thatcher's office also noted that

Mandela offers a truce

Cape Times 21/5/90

CAIRO. — Mr Nelson Mandela, trying to wrest the political initiative from President F W de Klerk, has offered a truce in the armed struggle if the government takes solid steps to dismantle apartheid.

On arrival in Egypt at the weekend, Mr Mandela threw down his challenge to Mr De Klerk.

"We are prepared to consider a cessation of hostilities, not the end of the armed struggle. We are prepared to consider a truce," Mr Mandela said.

"I am not aware of any significant step taken by Mr De Klerk which has the possibility of dismantling apartheid."

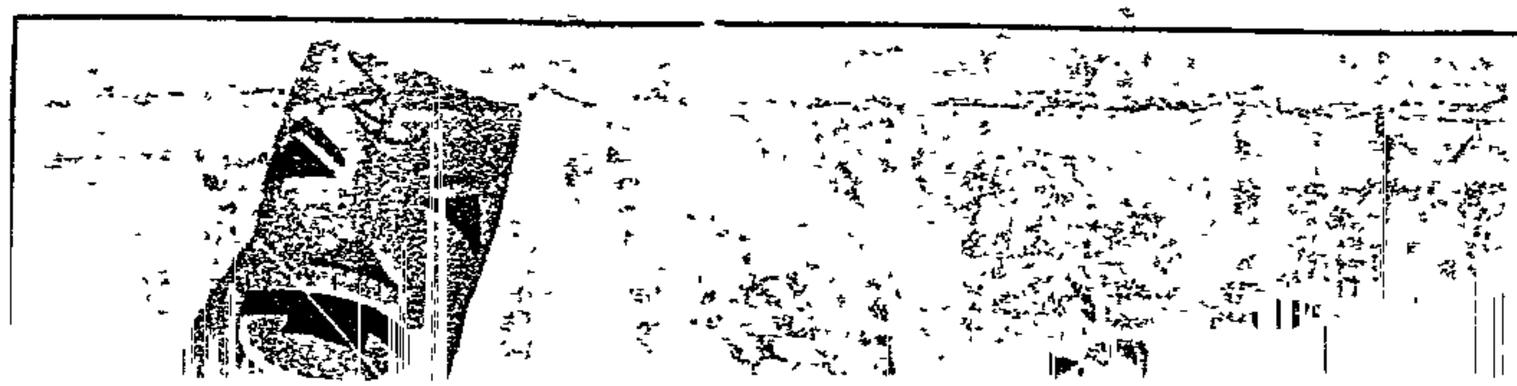
Mr Mandela also held talks with Egyptian President Hosni Mubarak. — Sapa-Reuter

3 shot dead in Welkom

Cape Times 21/5/90

WELKOM. — Violence flared in Thabong township, leaving at least three people dead and scores seriously injured last night only hours after a mass meeting decided to call off an 11-day consumer boycott of the white town.

Police confirmed the deaths but could not give details.



Smal and Naas miss cup game

Staff Reporter

GERT SMAL won't be home in time for West-

Away from the cameras, protests greet De Klerk

South 23/5-29/5/90

280

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 fêted 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 (Popcru), 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 Conference, 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 "hat 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, INTERNATIONAL

'Irrelevant' Sanctions

No place for embargoes against SA, Thatcher tells Commons

Argus 23/6/90

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.

Unstoppable

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.

SA to return to fold within months – FW

Star 23/5/90 (280)

Peter Fabricius,
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 brisker 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 jolt as the vehicle behind them ran into 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 Mohlathe, 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.

Reuter

Britain's Labour firm on sanctions

Argus 24/5/90

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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."

1990

US won't lift sanctions yet, says Baker consider

ARGUS 24/5/90

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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 (CAAA) 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 criticised 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 governor 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

RDM 24/5/90

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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

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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 normalised. B/Day 25/5/90

SANCTIONS

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%.

FINANCIAL MAIL MAY 25 1990

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. ■

Debate for cultural desk

Recent political changes in South Africa have inspired a review of the cultural boycott. It is among issues, including the role of exiles, in the spotlight at a cultural workers conference. PHIL MOLEFE reports

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 team 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 how 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".

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Star 25/5/90 (280)

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 000 million.

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

Labour Reporter Star 25/5/90

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. (280) 1

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.

Shipping ready for full ahead

W/E ARGUS 26/5/90

Business Staff

THE South African shipping industry is ready to handle increased volumes of business likely to be generated if international sanctions are lifted soon

However, foreign shipowners who were reluctant to operate here or those that have never traded here before may also be attracted to these waters

"That is a possible threat, but it should be offset by increased business that will be available," says Grincor managing director Mike Groves

"We would be able to cater for the extra business, if not with our own vessels, with charters," he said in an interview.

Grincor derives 20 percent of its attributable earnings from international business and has set itself a target of boosting that to 40 percent.

Mr Groves said while the shipping industry had been buoyant in recent times, it had to be looked at in relative terms

"The industry went through a terrible recession from 1981 to 1986 and all that has happened from then until 1989 is that it has been getting itself back to acceptable levels," he said

"In the first part of this year, there has been a slight decline in the market worldwide and we would expect it to remain flat for the next year to 18 months

"But we do expect the mid-1990s to be a strong shipping market just in terms of supply and demand And the people and hardware is there to handle the extra business when normality of trade returns"

The latest results for Grincor, the investment holding company involved in storage, handling and transportation of goods by sea, air and on land locally and internationally, have been impressive and the share price on the JSE has risen greater awareness of the company's financial strength

A restructuring of operations occurred after the company bought Mitchell Cotts in 1987 and the effect has been significant

"Unicorn traditionally has a strong cash flow and in Grinrods we tightened up the cash management a lot and reduced working capital by R10-million which contributed to the present healthy situation," said Mr Groves

The company was always seeking acquisitions in the shipping market, particularly where a reasonable length charter was involved and ongoing employment for the vessel was guaranteed.

"While we will be looking both locally and internationally for expansion, we will tend to stick to what we know and it is highly unlikely we will diversify," he added

"We will, however, consider any privatisation opportunities that may occur, particularly in the harbours We regard ourselves as a multi-mode transport group, but we would be careful how much we put into any road transport operation with the sector facing such severe difficulties

"Nevertheless there are longer-term opportunities in Africa to the north by both road and sea as a result of political developments"

BONN MEETING: Chancellor Helmut Kohl greets President De Klerk in the West German capital yesterday.

Kohl hints he'll fight sanctions

ARGUS 23/5/90

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From PETER FABRICIUS, Political Staff

ZURICH. — President De Klerk has reaped substantial benefits and encouragement for his plans in South and Southern Africa from his short visit to West Germany.

The West German government has backed his reform moves and has recognized South Africa's development role in Southern Africa.

Chancellor Helmut Kohl hinted after a 'friendly and very constructive' meeting with Mr De Klerk yesterday that West Germany would support the lifting of sanctions to encourage Mr De Klerk's reforms.

He paid tribute to the steps taken by Mr De Klerk to abolish apartheid and mititiate a broad national dialogue as a "visionary and balanced policy".

The West German government has promised to support South Africa's development role in Southern Africa and has suggested that South Africa should become a member of the Organisation of African Unity, the African Development Bank and the Southern African Development Co-ordination Conference

West Germany has promised to continue its funding of euducation programmes for black youths in South Africa It has also promised to help pay for the re-patriation to South Africa of exiles — but only if they are prepared to take part in a peaceful political process.

Protection of minorities

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

And Dr Juergen Warnke, 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 is government on the abolition of South Africa's racial policies.

"Mr De Klerk said an 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 changes 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 polical activities by peaceful means in South Africa".

Dr Warnke 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 Mr hans Dietrich Genscher told Mr De Klerk and Foreign Minister Mr Pik Botha of European developents

Cape Times 28/5/90 280

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 towai is 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 "lionising" 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."

May 29 1990

POLITICS

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.

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PARLIAMENT Star 24/5/90

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 presumptious 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?"

Mr Harry Schwarz

Call on Mandela for sanctions gesture

Cape Times 29/5/90 (280)

Political Staff

MR Harry Schwarz, a long-time friend of ANC leader Mr Nelson Mandela, yesterday called on him to "let go of sanctions" and questioned if this was the time to seek support for the "armed struggle".

Mr Schwarz, the Democratic Party's chief finance spokesman, who was one of the defence counsel in the Rivonia trial, said that if Europe accepted that change was irreversible and that it would lead to a universal franchise in a non-racial democracy in reasonable time, then South Africans should also accept it.

"Mr Mandela has correctly said he still has no vote, but, if he accepts the sincerity and integrity of the State President, then he knows he will have a vote," said Mr Schwarz, speaking in the House of Assembly.

He wondered if it was not time for a "gesture" by Mr Mandela, who is about to embark on another foreign tour.

"Tell the world to let go of sanctions," said Mr Schwarz.

"Help your own people to get work and improve their living standards.

"If we are wrong, and the process is halted or reversed, nothing will stop you from asking again for sanctions or stop them from being reimposed.

"But, if we are right, then people are going jobless and hungry for no purpose."

If Mr Mandela took such a step it would undoubtedly immeasurably hasten the process of negotiation, and the process of getting Mr Mandela his vote, he said.

● Mr De Klerk's personality and approach to people and problems would have left world leaders with the impression that what he said, he meant, and would do as he promised, Mr Schwarz said.

Mr Schwarz said he joined millions of South Africans in congratulating Mr De Klerk on the success of his visit to Europe. — Sapa

Mr Nelson Mandela

'All own

'Slowly, slowly' tip for T'lai

Swift action ahead of EC summit

'Intense' reform moves imminent

(280) Star 30/5/90

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 25.

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 25 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 qualifed 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 a 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.

Rebel president . . . Soviet arch-reformer Boris Yeltsin covers his ears as report Russian Federation Parliament yesterday, seconds after he was elected pres agreement with the Soviet Union's president, Mikhail Gorbachev, whom he Communist Party rival candidate Alexander Vlasov to become leader of the larg

Thatcher government threatens aid to SA

South 30/5 - 6/6/90

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THE contention of some British politicians and sportspeople 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*

PR drive for the ANC

Agency may help promote political campaign

FW DE KLERK

LONDON - The African Nationalist Congress had called on Saatchi and Saatchi's London agency to advise a campaign to promote the prospect of black majority rule in South Africa.

If the agency took the account it would produce an unlikely pairing of the Saatchi brothers, who

SOWETAN Foreign News Service

helped Mrs Thatcher to victory in 1979, with the ANC and Mr Mandela.

But the agency's Blue Chip client list - including multi-nationals such as Proctor and Gamble, ICI and BP - might inhibit it taking on such a politically sensitive account.

Representatives from the ANC are thought to have met with Saatchi's management following a formal approach.

Concern

The thaw in relations with the South African Government since the release of Mr Mandela has caused concern within the ANC that pressure for sanctions and a democratic electoral system has subsided.

Anglo American, South Africa's largest company, is running an extensive press advertising campaign stressing the company's record on work-place equality and its opposition to apartheid.

The ANC is anxious that this and the more liberal stance of President FW de Klerk should not lead to a slackening of the international campaign against apartheid. UK opinion-formers are a key target for the ANC as Britain has consistently refused to impose trade sanctions against South Africa.

MRS THATCHER

Visiting American clergymen of the Religious Action Network at a Press conference. They are (from left) Dr Kenneth Ulmer, the Rev Fuzzy Thomson, Dr Wyatt Walker, the Rev Wendell Anthony and the Rev William Jones.

Call for more SA sanctions

280 Sowetan 30/4/90

By MATSHUBE MFOLOE

SANCTIONS against South Africa should be intensified until apartheid was abolished, a group of American priests said at the weekend.

The 23 clergymen, members of the Religious Action Network, said this at the end of a four-day visit to South Africa on the eve of their return to the United States.

Hosted by the South African Council of Churches, the delegation met political, civic and trade union leaders during their visit and also toured several black townships and resettlement camps.

They told a Press conference on Friday that they were "inspired by the victims of apartheid who have managed to survive the unbearable situation in this planet".

A spokesman for the delagation, Dr Wyatt Walker, said they would encourage their congregations "to strengthen sanctions and not to weaken them".

They accused the American media for telling Americans there was change in South Africa while it was not so.

"Unfortunately we have seen no change," said Dr Kenneth Ulmer of the Faithful Central Church in Los Angeles.

He said apartheid was "horrible and beyond comprehension".

"We abhor the racist system of apartheid. The existence of the victims of apartheid is nothing short of a few steps from hell, physically and psychologically.

"We stand in solidarity with our brothers and sisters in whatever strategy they devise for the next step."

conference yesterday that the decision was

New trade doors being opened, says De Klerk

Star 28/4/90 280

VEREENIGING — South Africa's difficult years of international isolation, boycotts and sanctions were being replaced by negotiation and greater co-operation, State President F W 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 dependance will have to be placed on subsidies, protection and other forms of state help." — Sapa.

Oxfam to launch sanctions drive

Star 27/4/90. 280

The Star Bureau

LONDON — The charity Oxfam will on Sunday launch a new campaign for British sanctions on 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

Star 25/4/90 (280)

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.

West told not to lift sanctions

Sowetan 24/4/90

280

HARARE - The president of the Association of West European Parliamentarians for Action Against Apartheid (AWEPAA), 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

AWEPAA 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.

The conference heard destabilisation had cost the SADCC some 10 billion US dollars in 1988 alone, the equivalent of more than three times the total development assistance for that year.

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. B/Day 24/4/89

John Alich, 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.

Alich 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

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

Alich 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 1984.

This leaves 123 firms with direct investment or employees in SA, according to recent figures released by a US-based research institute. — Reuter.

Don't give in to Thatcher, West is urged

Star 27/4/90 (280)

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.

British PM Margaret Thatcher . . . trying to relax sanctions against SA.

Thatcher to hear ANC sanctions views

B/Day 23/4/90 (280)

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.

Cape Times 23/4/90

Sanctions has cost SA R10bn

(280)

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 calculates 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

By DAVE LOURENS

SOUTH AFRICA's top hairdressing team is ready to curl up and dye after being barred 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 clear-cut 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.

SHIPPING F/M 20/4/90 (314) (280)

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 *Kolsnaren* and the *Elgaren*, 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 t specialist liners 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 ■

B/Day 18/4/90.

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 1986," 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.

(280)

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 1987-1988 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.

Star 14/4/90

Ease up on SA – Maggie

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 the 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 sanc-

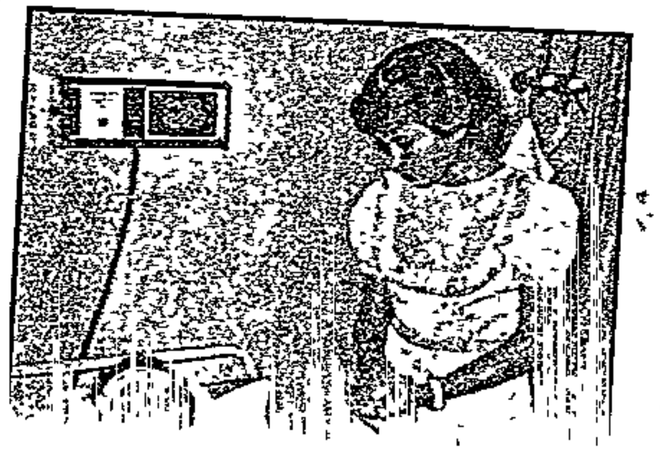
Pick 6 fever could run high

TAIN SIDE

ALTHOUGH hordes of Highveld 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

AFTERMATH. Nylstroom firemen battle to extricate passengers' bodies from the wreckage of yesterday morning's train smash.



Six killed as passenger train crashes in N Tvl

PAT DEVEREAUX

"WE CAUGHT the train to visit my daughter in Standerton because we were hoping to avoid the Easter road traffic," Mrs Anna Ferns said from her Nylstroom hospital bed yesterday.

One of at least 16 casualties in what but was treated for shock at Nylstroom's F H Odendaal Hospital. The girl's sister Denise (8) was killed in the accident and

65 killed in Easter road carnage

PAT DEVEREAUX

THE Easter road death toll continued to rise yesterday and by late last night 65 lives had been lost in 47 road accidents since the start of the weekend on Thursday.

The worst carnage and heaviest traffic occurred on the northern Transvaal N1 route to Pietersburg, according to a National Road Safety Council spokesman last night.

However, the most gruesome accident reported was that in which a Durban family of five was wiped out on the road between Warden and Villiers at about 4.30 am yesterday.

Mrs Denise Spence (46), her son Wayne (25), daughter-in-law Alison (23) and their two young daughters, Stacy Lee (9) and 3-year-old Nicole, were all killed instantly. Grandfather Mr Milton Spence escaped with minor injuries.

Twenty-four people died in road accidents in the Transvaal, 20 in the Cape Province, Natal reported 11 dead and the Free State had 10 road deaths.

According to the NRSC spokesman, 27 of the dead were pedestrians in rural areas.

Other accidents were caused by unsafe overtaking and driver fatigue. He also warned motorists to travel at the correct distance between vehicles.

On the Northern Transvaal route where two million Zionists were on their annual pilgrimage to Moria, near Pietersburg, two buses travelling north

● TO PAGE 2.

TTS BRISBAS

Thatcher says sanctions are yesterday's debate

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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".

"The sanctions issue belongs 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

● TO PAGE 2.

Pick 6 fever could run high

DAN SIDE

ALTHOUGH hordes of Highveld 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 R641 576 carryover to this afternoon's meeting, which has the R100 000 SA 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 broached.

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."

● See RACING and PAGE 19.

P.T.O.

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 Beauce.

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 F 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.

A delegation of EC ministerial representatives arrived in South Africa yesterday for talks with various political leaders. From left are Italian Secretary of State for Foreign Affairs Mrs Susanna Agnelli, Irish Foreign Affairs Minister and leader of the delegation Mr Gerard Collins and European Commission vice-president Mr Frans Andriessen. ● Picture by Jacoob Rykliff.

Optimism in Brussels that EC sanctions may be lifted soon

Star 12/4/90 280

The Star's Foreign News Service and Stan Hlope

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.

Keep sanctions intact — Sisulu

280

EC to boost aid for black development

B/Day 12/4/90

ALAN FINE

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/Cosatu 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 Valli 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 Tuynhuys.

In the afternoon the group is to meet World Alliance of Reformed Churches moderator the Rev Allan Boesak, and then 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 Johannesburg and Durban later are the SA Catholic Bishops Conference, PAC president Zeph Mothopeng, DP co-leader Zach de Beer, Kagiso Trust director Achmad 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

B/Day 10/4/90 (280)

LINDA ENSOR

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

B/DAY 10/4/90 (280)

ALAN FINE

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

☐ To Page 2

EC visit

B/DAY 10/4/90 (280)

☐ From Page 1

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.

Cape Times 19/4/90

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

Cape Times 17/4/90

(289)

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-Reuter.

Mandela hits out at bid to lift sanctions

(280)

17/4/90 Star

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:

17/4/90

"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

Sowetan 12/4/90

Mandela likely to reiterate stand on sanctions in UK

(280)

BY SUE LEEMAN, FOREIGN STAFF

FOCUS

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 have 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 looking 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 only 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 combative 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 Beyers 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 dominee'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 Mbeki, Dr Beyers 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 delgation temporary amnesty to take part 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 consent 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.

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Aussie Anglicans back sanctions

Sowetan 11/4/90

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'

B/Day 9/4/90 (280)

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. B/Day 9/4/90

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."

Libyan leader Muammar Gaddafi

Picture: ANDREW INGRAM, Weekend Argus.

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

W/E ARGUS 7/4/90

By JANIS FRASER
Weekend Argus Reporter

280

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 politicans 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

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LONDON-BASED anti-apartheid grouping End Loans to South Africa is to picket British jewellery retailers the Ratners Group "for their continuing involvement in retailing gold produced in South Africa".

It said this week Ratners has been targetted "as no British retailer does more to finance the apartheid regime...", according to the World Gold Commission's Peter Robbins.

Eltsa has asked Ratners to offer the British public gold jewellery made from gold sourced from any of the world's other 61 gold producers.

W/Mail 5/4 - 11/4/90

Submarine scandal: West German MPs in SA

ARGUS 5/4/90

By ANDREA WEISS
Staff Reporter

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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 the 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 goverment, 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.

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Two charged on SA trade

Cape Times 5/4/90

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 viaWest Germany. They risk two years in prison if found guilty. — Sapa-AP

All that glisters is not South African

280 By JEREMY BROOKS
London

TRENDY couples in London who already spurn the South African fruit and wine displays in shops can now plight 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 R630.

The jewellery comes stamped with a double-A anti-apartheid hallmark and a certificate guaranteeing its content.

"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.

11/7/90 Tribune

SANCTION — 1990

JUNE — July

Kohl denies authorising sub sales to SA

Cape Times 1/6/90

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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

Cape Times 5/6/90

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 anouncement 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

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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 disenfranchised black majority. Sowetan 5/6/90

"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

IAN HOBBS

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. (280)

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. B/Day 5/6/90

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 ugently 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.

cise breakdown of repossession statistics, but there was grave concern about the scale of the problem.

"We are now seeing the tragic aftermath of the house-buying spree in the mid-1980s when thousands of families were tempted by low interest rates to buy houses far beyond their means," he said.

"The casualties are home-buyers who made the mistake of thinking that interest rates were going to stay down at 12,5 percent for the duration of their mortgages. The climb in rates to around 21 percent has crippled many budgets.

"Yet even when a sale in execution goes out, it may still not be too late to mount a rescue operation. Battling homeowners should explain their plight to their bank or building society. It may still be possible to avert catastrophe with a package of compromises," said Mr Tucker.

Gold's slump puts industry in crisis

Star 5/6/90

By Magnus Heystek and Peter Fabricius

The crisis in the gold mining industry is deepening as the gold price continues its weak performance on international markets.

Gold shares took a hammering on the Johannesburg Stock Exchange yesterday, with the all-gold index dropping by more than 5,7 percent (93 points) to 1 517.

Uncertainty over Soviet gold sales pushed the price down to an eight-month low of $356,05 yesterday afternoon in London, down from Friday's close of $363,45.

It recovered slightly in New York to close at $358 and opened at $359,75 in Hong Kong today.

The slide in gold share prices pulled down the overall index by 42 points to 3 126, but the industrial sector held firm as selected buying of blue chip shares pushed the index up 18 points to 2 978.

Gold's slide is placing the gold mining industry in severe jeopardy. Already the Cabinet has to make a decision on whether to increase its aid to the troubled ERPM mine on the East Rand.

An announcement expected last night has been postponed for at least a week while additional contingency plans are considered.

ERPM has made a last-ditch effort to raise capital, including selling its slimes dumps and several Boksburg properties.

Money raised by this effort will, however, not reduce the mine's R300 million debt, but will supply operating capital for another year.

Without continued State aid, ERPM is faced with almost certain closure, with about 11 000 job losses. Once closed, the mine cannot be reopened as the shafts will rapidly fill with water.

Between 11 and 16 other mines also face uncertainty with the gold price at current levels. Together, they earned about R7,2 billion in foreign exchange last year.

ANC leader takes hard line

Star 5/6/90

By Esmaré van der Merwe, 280
Political Reporter

GABORONE — ANC deputy president Nelson Mandela has warned the world that lifting sanctions would be tantamount to stabbing the liberation struggle in the back.

At the start of a 13-nation tour, Mr Mandela took a hard line against Western countries that believe punitive measures should be eased as a reward for President de Klerk's bold reforms.

Speaking at a mass rally in the Botswana capital, Mr Mandela said he wanted to make the ANC's position clear at the start of "the long journey of thanksgiving and re-dedication".

The ANC stood by its policy of sanctions, nationalisation and the armed struggle. He told a crowd of about 15 000 that to denounce the armed struggle now would be an act of immaturity, since the preconditions for negotiations had not been met, and political reform was not yet irreversible.

He said the external pressure of sanctions and the armed struggle had helped create the climate for discussions with Pretoria.

Govt approves UN visit to SA

Star 5/6/90

Political Staff

The South African Government has given conditional approval to a team of senior United Nations officials visiting South Africa from Saturday on a 10-day fact-finding mission.

Foreign Minister Pik Botha issued a statement in Cape Town last night, however, dissociating the Government again from the UN resolution that has prompted the visit.

He said such a visit was construed as a genuine desire on the part of UN Secretary-General Javier Perez de Cuellar to obtain correct information on the internal situation of South Africa, and not that the Government acquiesced in the uncalled-for interference by the General Assembly in the internal affairs of the country.

The UN official announcement made it clear, however, that the information gained would help prepare a report on progress in implementing a General Assembly declaration on apartheid adopted last December.

It requested the Secretary-General to prepare a report by July 1.

No sanctions 'a stab in the back'

CAPE TIMES 5/6/90

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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

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B/Day 6/6/90 (280)

US sanctions 'lose impact'

TIM COHEN

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 Afrikaans 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 questionaire distributed by the National Foreign Trade Council where a winning foreign competitor was identified, US firms reported loosing out to EC firms in 38 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

Cape Times 7/6/90 280

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 keystone 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 to welcome Mr Mandela to a night of astonishing celebration at the famous Trocadero.

But behind the splendour and Mr Mandela's fulsome expressions of gratitude to France for its stand against apartheid, were sharp difference on sanctions.

French officials said 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-solemn 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 Bunbry was due to sing a negro spiritual as a tribute.

Vive M'sieu Mandela!

Mitterrand hails hero but ignores call for renewed sanctions

Argus 7/6/90 280

Date set for Bush meeting

The Argus Foreign Service

WASHINGTON. — Mr Mandela will meet President George Bush in the Oval office on June 25.

"The purpose of this private visit is to hear Mr Mandela's views on the emerging process of negotiations to end apartheid and to encourage further progress on this issue," a White House spokesman said yesterday

Mr Bush invited Mr Mandela and President De Klerk to visit Washington separately. He extended the invitations to the two leaders in personal telephone calls on the day Mr Mandela was released from prison.

Mr De Klerk originally agreed to visit the US from June 17 to June 20, but postponed after congressional opposition to the timing of the visit.

No new date for Mr De Klerk has been scheduled.

From ESMARÉ van der MERWE
Political Staff

PARIS. — Mr Nelson Mandela has used his first public platform on his six-nation European tour to urge France's President Francois Mitterrand and other Western leaders to maintain sanctions against South Africa.

However, in a tribute to the ANC leader on his arrival in France yesterday, President Mitterrand ignored the issue.

Sanctions come up for renewal at a European Community summit in Dublin this month.

Amid cries of "Sanctions, sanctions" by a flag-waving crowd of anti-apartheid activists who gathered at the Human Rights Square to welcome Mr Mandela, President Mitterrand lashed out at the cruelty of racism

Apartheid remains

Mr Mandela said last night at a public welcoming ceremony organised by Mrs Danielle Mitterrand: "The main pillars of apartheid, the system of white minority domination, remain in place.

"It is in this context that we call on the international community and our friends, in particular, to maintain sanctions.

"Sanctions must remain in place until profound and irreversible changes have taken place in our troubled country."

A reference to the 1988 assassination of Dulcie September, the ANC's representative in France, drew wild cheers from the crowd.

Due to the mass struggle of South Africans and international support he felt confident that "victory is in sight".

Official talks

President Mitterrand said he had fought racism all his life and would continue to do so. He hailed Mr Mandela as a symbol of dignity, freedom and justice.

The two men will meet for official talks today and lunch at the Elysée Palace. Mr Mandela will meet French Prime Minister Mr Michel Rocard, opposition leader and Mayor of Paris Mr Jacques Chirac, the leaders of the Socialist and Communist parties and other senior politicians before flying to Switzerland tomorrow morning.

WARM GREETINGS: Mr Nelson Mandela is greeted by French President Francois Mitterrand, while his wife Winnie is hugged by Mrs Danielle Mitterrand at Human Rights Square in Paris.

Mandela: French stick by sanctions

Cape Times 8/6/90 280

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 Crillion 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 wavering 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

ARGUS 8/6/90 (280)

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.

Mr De Klerk disclosed that the government was ready to implement an agreement on exiles and political prisoners which had been reached in a working group with the ANC but that the ANC had asked for time until July 11 to give its reaction.

In the meantime 48 people would be released as a gesture.

Mr De Klerk said the ANC had to stop vacillating and state clearly where it stood on key issues.

It was difficult to reconcile the ANC's positive efforts to resolve the climate of violence with its continuing support for the "armed struggle".

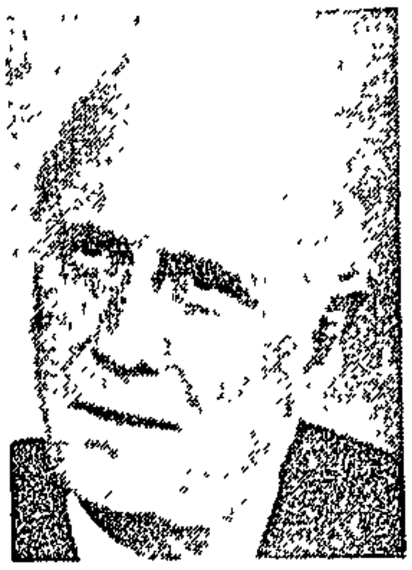
In the same way the ANC should explain its contradictory positions on the economy.

Mr Mandela had said that the ANC wished to bring about a non-racial democracy with a powerful economy in South Africa.

Mr De Klerk said he wondered how the ANC reconciled this with its continued calls for sanctions It must realise that sanctions were harming the economic prospects of all South Africans.

He also wondered how the ANC reconciled its continuing calls for nationalisation of important sectors of the ecomomy with its professed wish to build a powerful economy.

Such statements had potentially disastrous implications for future foreign investment.



President De Klerk

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'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.

"The 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 insisting 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.

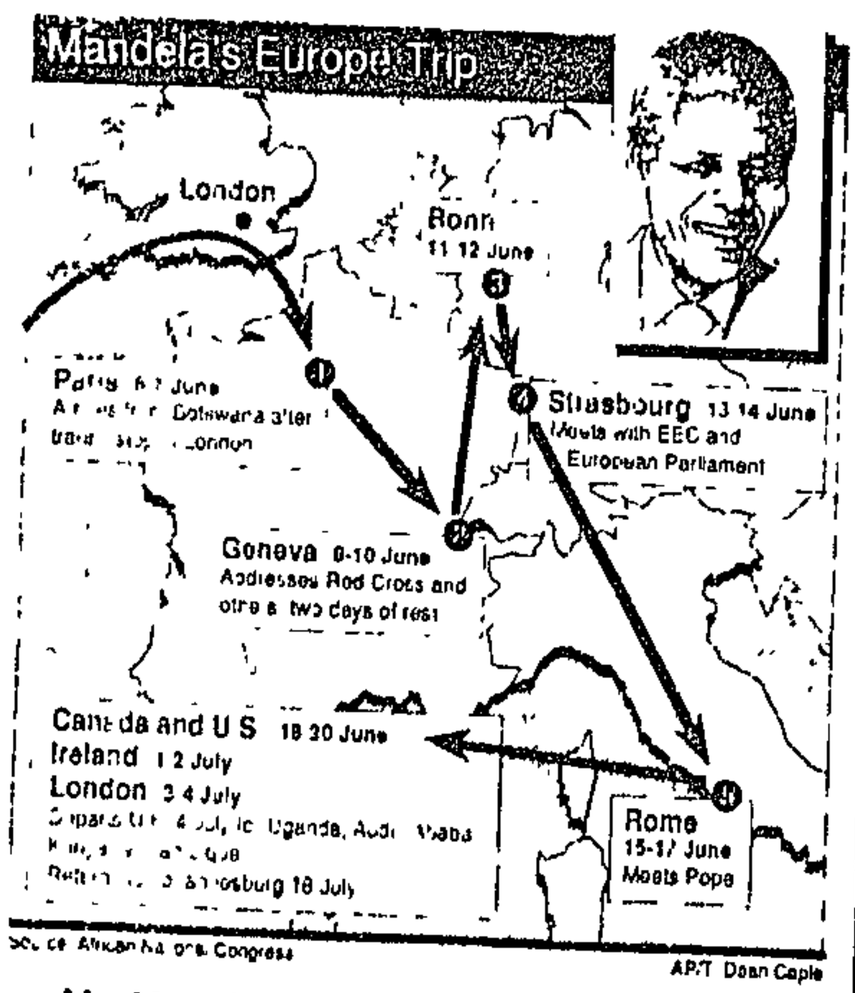
Unlike Mr De Klerk's reception a few weeks ago, Mr Mandela was not met on the steps of the Elysee palace but President Mitterrand escorted him out after the meeting.

Mrs Winnie Mandela, who arrived after her husband, was met outside by Mrs Danielle Mitterrand.

Strict 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.

No change in policy, says ANC

Argus 8/6/90

POLITICS PARLIAMENT

From ESMARE VAN DER MERWE
Political Staff

PARIS. — As President De Klerk moved another step towards satisfying European community prerequisites for the lifting of sanctions, ANC deputy president Nelson Mandela — in France on his 13-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 broadcase 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 introdution 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 although it had 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 spelt out 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 a possible ceasefire, 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 Mohammed 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.

We'll pay price of liberty – Mandela

Star 9/6/90 (280)

ALL SMILES: Nelson Mandela in a jovial mood as he faces the international press in Paris

'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 whatsoever 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-person-one-vote had been reached would the ANC address the challenge of building a sound economy with a high growth rate and full employment, he said

Clearly aware of Europe's shifting attitudes in view of President de Klerk's bold reforms, Mr Mandela urged the world to stick to the policy of punitive measures

Apartheid

"We want you to maintain sanctions because whatever changes have taken place in South Africa, the main pillars of apartheid remain in place Sanctions must be maintained because it is the most effective way of eradicating 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 undertaking that his country would not consider lifting sanctions until profound

● TO PAGE 2.

ANC leader forced to take a break

ESMARE VAN DER MERWE

Star 9/6/90

GENEVA — Nelson Mandela's gruelling schedule took it's toll yesterday as the exhausted ANC deputy president — on the fifth day of the six-week international tour — cancelled an appointment to catch some much-needed rest

Alarms flickered across the world when news was received that a doctor had examined Mr Mandela (71) after his first public appearance in Switzerland

Mr Mandela left South Africa on Monday on a tour of 13 countries spanning three continents He visited Botswana and then flew to France for a crammed, two days of meetings with French President Francois Mitterand, other top politicians and business leaders He arrived in Switzerland yesterday and flies to West Germany tomorrow

After an address to the International Labour Organisation yesterday, Mr Mandela cancelled an appointment at the International Red Cross

He did not disappoint waiting fans who gathered at the headquarters of the World Council of Churches (WCC) to listen to the man for whose freedom they have campaigned for decades

Mr Mandela, looking relaxed but tired, made a short off-the-cuff speech but then handed over to the ANC's foreign affairs director, Thabo Mbeki

Arriving at the WCC, Mr Mandela told waiting newsmen that he was in good health He denied that he had been examined by the doctor accompanying him on the tour, saying "He has given me no instructions which suggest that I am not well In fact, he did not even take my blood pressure today as he usually does every morning"

But Mr Mandela admitted that it was "quite possible" that his schedule would be cut back

His close aides looked concerned and said they would definitely relieve the pressure on the deputy president They said the ANC's Ahmed Kathrada had telephoned from South Africa to ask about Mr Mandela's health soon after the news was reported

Mr Mandela will meet anti-apartheid organisations today before taking a weekend break at an undisclosed venue in Switzerland He will resume his programme in Bonn on Monday

P.T.O.

Sanctions

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● FROM PAGE 1.

and irreversible change had taken place.

Apparently unaware of the Swiss government's neutral stance on sanctions, Mr Mandela said he expected the Swiss Government "to do exactly 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 replied: "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 International Labour Organisation's 77th annual session, which earned him a long standing ovation.

After having lunch with ILO director-general Michel Hensenne, he addressed adoring fans at the headquarters of the World Council of Churches, before taking a helicopter ride to Berne for a meeting with the Swiss Foreign Affairs Minister Rene Felber.

In his address to the influential ILO, Mr Mandela said the ANC was very conscious of the need to develop the South African economy, which required massive international intervention.

Elaborating on the economic hardships caused by apartheid, 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 fall away.

"When we have cleared the remnants of a cruel and inhuman 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 Government and the ANC, Mr Mandela said the country had reached a moment of hope and confidence that a non-racial democacy would soon be established.

However, the Government had not yet fulfilled the conditions for negotiation, he added.

"We are confident that you will therefore persist in your own demands that all political prisoners must be released, political trials ended, the exiles returned, repressive 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 belief that the promise has become reality."

Mr Mandela said not everybody had accepted that a negotiated solution was the best way forward. "There are many among our white compatriots who are determined to resist change, arms in hand. The continuing violence of the police against unarmed people is the tip of the iceberg, which illustrates the dangers we face from those who are committed to the perpetuation of white privilege and domination."

OPINION 2

Simon Barber

(280)

S/Times 10/6/90

DATELINE WASHINGTON

US tilts towards ANC on keeping boycotts

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 recognise 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. Garble it as he might, all he really wanted to say was that US policy must be to encourage everyone into the negotiating process.

AS theory, his decoded view is unimpeachable. 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, et cetera — 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 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.

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, coterminus.

HERMAN COHEN

To the contrary, Bush and his men effectively concede that even when the serious bargaining begins, sanctions must remain to stack the deck in the ANC's favour.

Were it not for the ANC's tardiness in responding to the Government's proposal on prisoners and its aggressiveness in seeking to rub out Buthelezi's following in Natal, De Klerk would have already fulfilled enough of the CAAA's requirements to permit Bush to call for the repeal of sanctions.

As it is, De Klerk has already more than satisified the act in spirit. The administration is simply too craven to acknowledge this. It prefers to cave in to the ANC because of the latter's hold on Congress.

It prefers, therefore, to "tilt".

US to reconsider sanctions — official

(280)

B/Day 11/6/90

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

Cape Times 11/6/90 (280)

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 is it 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 santions.

Increased aid

The Germans have already shown their hand by the government's approval of huge reinvestment in Mercedez 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, 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 Strasburg

A great deal depends on how the Strasburg 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

To page 2

● Mandela wins over Jewish leaders — Page 2

Cape Times 4/6/90

From page 1

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 Strasburg, 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-Reuter 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

11/5/90 280

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.

Far 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 slashed 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 feebler 0,41 percent.

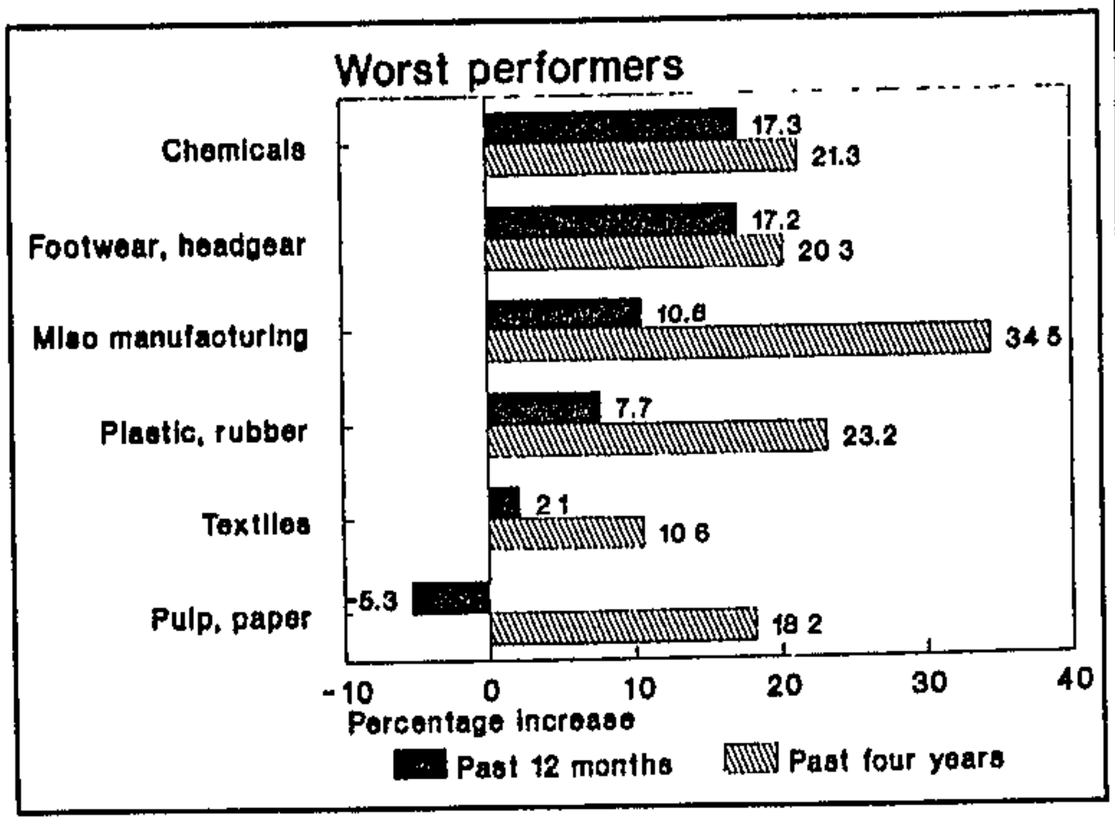
"Political developments in recent months, and the State President's recent tour of European countries, have served to make South Africans realise they are still part of a wider international community," Mr Haywood says.

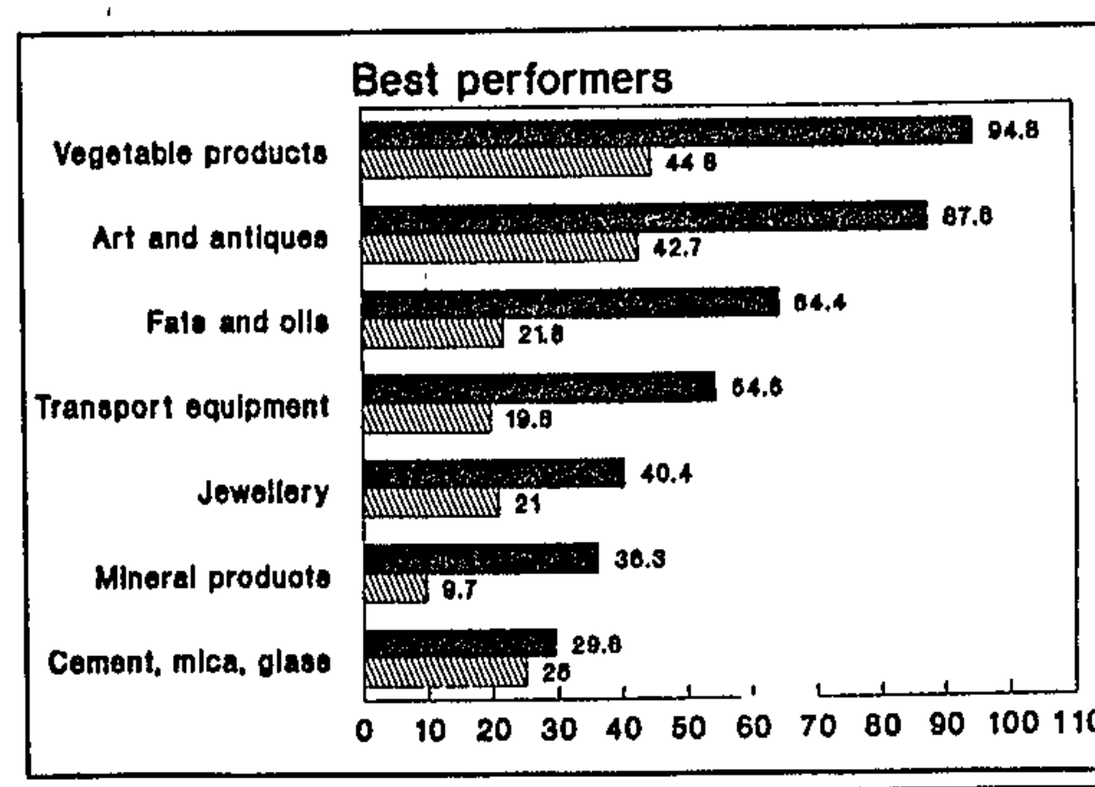
"With the easing of sanctions appearing to be imminent, SA will once again be able to take its place in the world community.

"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."





Star 11/6/90

280

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

280

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 organisastion'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 ties.- Sapa.

Times 12/6/90 (280)

German plea on sanctions

Own Correspondent

BONN. — The enforcement of sanctions is the only way South Africa can achieve peace without bloodshed, Mr Nelson Mandela said yesterday.

He told the African diplomatic corps here that there was talk that sanctions may be eased, but warned that this would be unwise.

He refuted suggestions that the ANC wanted to wreck the South African economy. Mr Mandela said he and President F W de Klerk were "very serious" about achieving peaceful change.

"Because of the progress we have made so far we are hopeful that the more difficult phase coming will be crowned with the same success we have achieved so far.

"There is talk that sanctions may be eased — but we are against that.

"Sanctions is the only way open for South Africa to achieve peace. It is the only way we can achieve peace without bloodshed.

"We have no intention whatsoever of reducing our economy into ashes. We want to preserve our economy.

"That is why the ANC has been urging the government to sit down and talk to us."

Mr Mandela said the credit for what was being achieved in South Africa should be given to the ANC — not to Mr De Klerk.

At the same time, he said, Mr De Klerk deserved credit for having courage that distinguished him from his predecessors.

A spokesman for the African ambsassadors assured him he was guaranteed their total support and devotion and they were deeply honoured to meet him.

Mr Mandela was guest of honour at a lunch given by some of West Germany's biggest industrialists and mutli-national companies, like Siemens AG, which are already riding roughshod through sanctions.

The captains of German industry told him the time had come to lift sanctions — and asked him to start the process.

German trade with South Africa would make a better contribution to a settlement if it was freed from sanctions, they felt.

According to latest figures, German exports to South Africa in the first six months of 1989 were worth DM 3,16 billion (about R1,9bn) and imports from South Africa were DM 1,6bn (about R900 million).

Mr Mandela warned that the majority of South Africans, black and white, would decide 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."

He added: "What right has anyone to say (to us) that 'sanctions are not good for you'. You have no legal or political right."

In the afternoon, he was introduced to Bundestag (parliament) members and had meetings with political leaders and dignitaries, including Dr Henning Scherf, deputy president of the Senate.

He also met former chancellor Mr Willie Brandt, now president of Socialist International and deputy chairman of the Social Democratic Party (SDP).

Mr Mandela had private meetings with the opposition leader Mr Hans-Jurgen Folger, Dr Norbert Blum, the Federal Minister of Labour and Social Affairs, and Dr Ernst Breit, deputy chairman of the Friederich Ebert Foundation, which channels substantial German aid to South Africa.

Mandela touring schedule changed

Own Correspondent

BONN. — The destructive schedule for Mr Nelson Mandela's tour of Europe, North America and Africa is being redrawn to give him time to rest.

Mr Mandela has agreed that there must be stricter control of his time in America.

Delegation press spokesman Mr Ngwako Ramatlhodi said: "The problem is that we have been under pressure from an incredible number of people who are determined to meet Mr Mandela. He wants to give his time to the people who have supported our cause for so many years. But we just have to accept that he cannot see everyone."

12/6/90

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Bonn clash of views

Mandela and German businessmen disagree on sanctions

From ESMARÉ van der MERWE
Political Reporter

BONN. — ANC deputy president Nelson Mandela and influential West German industrialists and bankers have crossed swords on the future of continued sanctions.

Mr Mandela strongly repudiated West German business for wanting to ease punitive measures as a reward for President De Klerk's bold reforms.

In turn, they emphasised the need for economic stability and upliftment to assist political reform and proposed the easing of cultural and sports restrictions on South Africa as a political gesture to encourage further reform

Mr Mandela and members of his 12-man delegation held a working lunch with about 30 members of the Association of German Chambers of Industry and Commerce which represents top companies such as Siemens, Hoescht, the Deutsche Bank, BMW, Mercedes Benz and Volkswagen

Emphasising that sanctions had been a powerful weapon in the anti-apartheid struggle and had resulted in far-reaching political progress, Mr Mandela told the meeting yesterday: "We want to appeal to German businessmen not to make it difficult for us to win the fight for peace in South Africa.

"To call for the lifting of sanctions now you are playing into the hands of those people who are against peace in South Africa

"The proper thing for you do to is respect the inspirations of the oppressed people of South Africa. It is not for you to say or decide what is good for us"

Crossed border

In an introductory speech, Siemens board member Hanse-Gerd Neglein, speaking on behalf of the association, said political change in South Africa had "crossed the border" and should no longer be used as a political instrument.

"Sanctions, if they are effective at all, usually hit only the weakest members of a community as history and recent events have proved.

"We welcome the political change initiated by President De Klerk and yourself and we would like to encourage you, Mr Mandela, to put your full political weight behind the negotiation process."

After the meeting, Mr Mandela told journalists he was "quite certain" that the business community would consider the ANC's call for continued sanctions as the ANC would consider its stance.

The Argus Foreign Service reports from Washington that conservative congressman Mr Dan Burton has called on the House of Representaives to lift some sanctions as a gesture of goodwill to South Africa.

"Is it not time that we at least showed some support for the positive steps toward democracy that President De Klerk is taking?" he asked.

WELCOME MANDELA: Nelson Mandela waves to his supporters during a rally in front of the SPD party headquarters in Bonn.

Africa on way to disaster, warns UN food agency

MARRAKESH (Morocco) — The head of the United Nations food agency has warned Africa it is on the path to destruction of its natural resources.

Mr Edouard Saouma, director general of the UN Food and Agriculture Organisation (FAO), told a conference that the continent faced "an extremely serious threat of accelerated, continent-wide environmental decline".

In an opening speech to delegates from 51 states, he said there was a widening gap between agricultural production, which grew at two percent over the last decade, and population, which grew at three percent

At the three-day conference the FAO will outline a series of remedial steps for which it has budgeted $527 million (R1 401-m) in 1990-91

A FAO report issued to coincide with the conference said farmers in Africa could feed millions more people if they took better care of their land.

But they needed to see rewards before they could be persuaded to adopt environment-friendly cultivation methods, the report said. — Sapa-Reuter.

'I'll fly again,' says sucked-out pilot

LONDON. — A British Airways pilot says he is eager to fly again in spite of the chilling experience of dangling in the air for 15 minutes after his cockpit windscreen blew out at 7 000m.

"I feel all right, just a bit bruised. As far as flying again is concerned, my answer to that is emphatically yes," Captain Timothy Lancaster said from his hospital bed.

Captain Lancaster, 41, said he thought he was about to die when he was sucked half-way out of the jet in which he was flying 81 passengers from Birmingham to Malaga in Spain.

"I heard a bang as the window went. All I remember is being outside," he said "I knew I had to stay alive I said to myself, keep breathing. It wasn't easy at that height."

Captain Lancaster's co-pilot made an emergency landing at Southampton airport while two crew members held on to Captain Lancaster's ankles to stop him falling.

Captain Lancaster is recovering from a broken elbow, wrist and thumb, and frostbite in one hand His jacket, lost during the incident, was found in a field in southern England. — Sapa-Reuter.

Tough talk at Bonn meeting

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Germans tell Mandela to lift sanctions

B/Day 12/6/90

IAN HOBBS

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 supremacists 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 Mercedez Benz to the major mining and steel houses like Krupp, reacted coolly.

Siemens director and chairman of the meeting Hans-Gerd Neglein 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," Neglein said in an interview.

He said only a very strong economy "would be able to guarantee the catch-up process of the black community".

Neglein 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.

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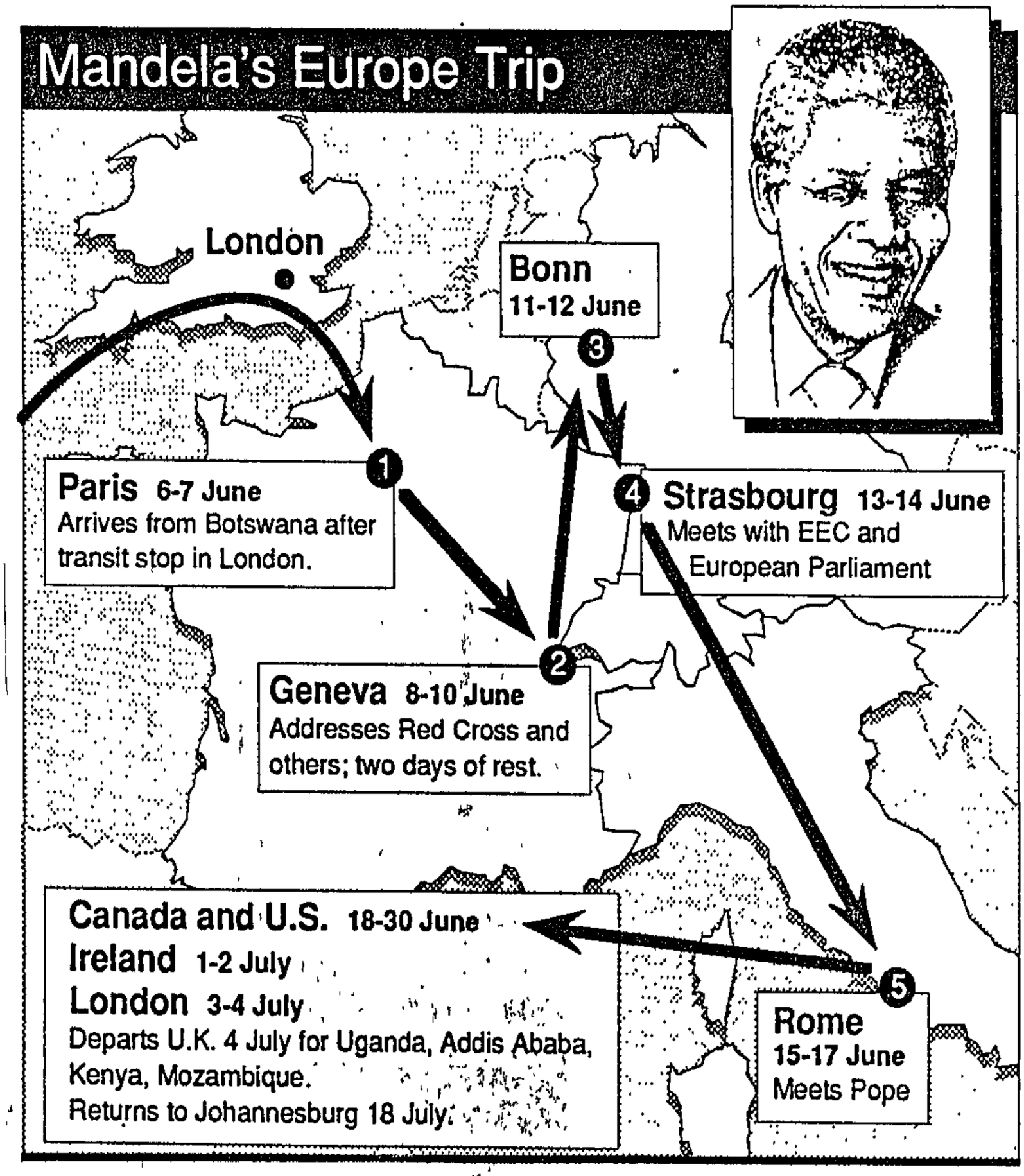

AP/T. Dean Caple

Source: African National Congress

Mandela remains firm on sanctions

By Esmaré 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 Francois Mitterrand.

Last night, Mr Mandela said he had 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 Pelletier, 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

Star 12/4/90 (280)

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 organised 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 ..."

CAPE TIMES 13/6/90

'Lifting of sanctions should be joint decision'

By ANTHONY JOHNSON
Political Correspondent

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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 Alex 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'

ARGUS 13/6/90 (280)

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'

Cape Times 13/6/90

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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 avoided 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

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BONN MEETING ... Mr Nelson Mandela with West German Chancellor Mr Helmut Kohl yesterday. Picture: REUTER

From page 1

and it was premature for Germany to even consider acting outside the EC against sanctions.

In his presss conference, Mr Mandela said he had advised Mr Kohl that lifting sanctions would be regarded by the majority of South Africans and the international community as interference that would disrupt the process of negotiation.

He said his visit to Germany had been "on the whole, satisfactory". This was chilly compared to his description of his visit to France last week.

But he seemed satisfied, at least, that there was no longer any possibility of Mr Kohl seeking drastic easing of trade barriers — or giving any support to the British call for all trade sanctions to be lifted.

Confirming that there was conflict within the German coalition over sanctions, Mr Mandela said that, unlike Mr Kohl, Mr Genscher had solidly supported the ANC argument that sanctions must stay.

Mr Mandela said he had also questioned Mr Kohl on "serious" claims that West Germany had provided South Africa with blueprints to build hunter-killer submarines.

He said Mr Kohl replied that the government had "taken action" in regard to the submarine blueprints and a case — a re-opened government inquiry — was now underway.

Mr Mandela and Mr Kohl also discussed aid to help resettle about 20 000 ANC exiles now wanting to return to South Africa.

There was an embarrassing interlude when a German journalist persistently asked Mr Mandela to comment on "rumours" in Germany about his wife Winnie, who was on the platform.

ANC foreign secretary Mr Thabo Mbeki interrupted to say if the man would specify the rumours, Mr Mandela — whose eyes were blazing — would answer.

Mr Mbeki said the "rumours" probably concerned a case underway in South Africa — and it was improper to charge Mrs Mandela with rumours.

Mr Mandela hugged his wife warmly at the end of the press conference and revealed that they were enjoying their first anniversary free and together since his arrest 28 years ago.

Mr Mandela will make possibly the keynote speech in his campaign for sanctions to be retained when he addresses the full European Parliament in Strasbourg today.

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Cape Times 13/6/90

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EC poised to endorse Mandela on sanctions

IAN HOBBS

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 Crespo 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 his 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 unnamed members of the white right-wing "to soften their hostility to De Klerk".

PETER DELMAR reports internal ANC leaders appeared nonplussed 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".

KIN 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.

UK warning

Cape Times 14/6/90 (280)

British Foreign Secretary fears FW may be toppled

Own Correspondent

LONDON. — The British Foreign Secretary yesterday said it was possible President F W de Klerk could be overthrown if he was not rewarded for changes he had made.

Mr Douglas Hurd pleaded for Mr De Klerk to be given "effective encouragement".

And, with the European Community's foreign affairs committee meeting in Luxemburg next week, he said he believed it was now time the EC lifted the ban on new investment in South Africa.

Mr Hurd said in evidence to the foreign affairs select committee of the House of Commons, he did not know whether his colleagues in the 12-nation body were yet ready to make such a move.

The foreign affairs committee is investigating British policy towards South and Southern Africa, and will visit SA later this year.

Asked whether it wasn't necessary to retain sanctions to keep up pressure for change, Mr Hurd said Mr De Klerk was also under pressure from the white electorate — evident in the big swing to the far-right during last week's Umlazi by-election.

Stressing that Mr De Klerk was "taking his political life in his hands", Mr Hurd said it was important that friends of South Africa and opponents of apartheid "show effective encouragement for what he's trying to do".

"If we find the State President overthrown because of opposition to what he is doing, I think we would have to ask why we never took effective steps to encourage the process."

He said the changes Mr De Klerk had made were the most dramatic since the National Party came to power in 1948.

Mr De Klerk appeared to have the support of his party and the cabinet, "otherwise he wouldn't still be there". But there was growng anxiety in the white electorate at the pace of change.

"We have to face responsibility and decide if we want to give some encouragement to the process (of abolishing apartheid) or run the risk of him going down the drain."

He emphasised, however, that he did not envisage the total lifting of sanctions, only a step-by-step process.

The UK government had no concrete plan of which changes should be made and how they should be rewarded. But, referring to the meeting of Foreign Ministers on Monday and Tuesday, he said: "We think there is a case for the EC to lift the ban on internal investments."

He said he was against the EC drawing up a "checklist" of specific steps SA should take to earn EC responses.

On Britain's decision in February to no longer discourage investment, Mr Hurd said: "The best way (for SA) to attract investment is through the peaceful dismantling of apartheid." He noted with approval that the Commonwealth had decided to investigate the investment requirements of a post-apartheid South Africa.

South Africa, he said, could become "a powerhouse for economic development" in sub-Saharan Africa, once apartheid had been abolished.

Asked about contacts with the ANC, Mr Hurd said the government was looking forward to meeting ANC vice-president Mr Nelson Mandela early next month, who would be in London at the invitation of Mrs Thatcher.

● While nationalisation would harm South Africa, Mr Hurd told the committee the ANC did have an argument for redistribution of wealth.

Asked about the impact of the collapse of Marxism in Eastern Europe on the ANC's socialist economic policies, Mr Hurd said it was "true that nationalisation would be deeply harmful to South Africa after apartheid, particularly in terms of its need for investment".

He said the ANC policy, developed in the 1950s, was sure to change, because there was a lot of new thinking occuring in black Africa following the withdrawal of East German and other communist economic advisers. ANC leaders were "highly receptive" to such messages.

● While there had been an increase in the number of British passports granted to people living in South Africa, Mr Hurd said he was not alarmed by this and did not expect a massive exodus of UK nationals.

Anti-apartheid groups step up pressure

(280)

South 14/6 - 20/6/90

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.

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SA's 'engine' for African economies

A South Africa freed from sanctions could bring peace and prosperity to the whole of southern Africa, says RICHARD DOWDEN of The Independent in London.

ANC leader Mr Nelson Mandela is currently hurrying 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 fond of 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 fulfil 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 minds 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 *quid pro quo* of a successful political settlement in South Africa is not just the end of apartheid, 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 up the possibility of South Africa's skill, capital and manufacturing capacity riding the wave of political reconciliation and reviving the enfeebled economies of the region

From 1978, South Africa invited its neighbours to join a "Constellation of States", a concept of political and economic co-operation between Pretoria and southern African countries that offered them trade and co-operation in return for their acceptance of apartheid

They refused and instead set up the Southern African Development Coordinating Conference (SADCC) whose aim was to improve co-operation between its members and thereby reduce their dependency on South Africa Pretoria responded by backing rebel movements in the two regional states, Angola and Mozambique, thus helping to destroy rail and road links to the coasts — the vital economic arteries of the SADCC members

Some people believe that southern Africa's economic weakness is entirely caused by South African aggression — a theory contradicted by the fact that African countries a long way from South Africa, such as Ghana, suffer from the same problems as some of its neighbours Botswana, South Africa's nearest neighbour, meanwhile, is one of the few prosperous nations in Africa with a growth rate of over 8 percent.

Peaceful

From the early 1980s, they poured arms and supplies into the Unita rebel movement in Angola and the Renamo rebels in Mozambique and raided Maputo, Gaborone and even Lusaka at will. But more peaceful voices have prevailed in Pretoria and now President De Klerk is seeking a settlement inside South Africa and again offering co-operation with its neighbours

"SADCC without South Africa is like a car without an engine," said Neil Van Heerden, director of the Department of Foreign Affairs "We are not opposed to it (SADCC) Anything which helps them will help us. If they eat better we sleep better but we regret the negative premise 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 R250-billion in 10 years to turn the country's economy around "But only 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 quietly hope that the First World might see southern Africa as a testing zone for continuing involvement in the developing world."

He is quick to kill any suggestion that South Africa is joining a gravy 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, already doing good business in Africa, can look forward to even better trade once the taboos are gone

South African businessmen, some of whom are already to be found as far north as Kinshasa or Abidjan, are gearing up for a more open, aggressive pitch at Africa's markets Several transnationals, such as Shell and BP, who have to base their Africa operations in London and their South African operation 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

Africa has a way of swallowing up grandiose plans devised for its betterment — especially by people removed from its realities — but Mr 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 Africa as far north as the Equator in one power grid Although 60 years old and heading a company of some 55 000 employees Mr McRae sounds like an enthusiastic young man with a big idea

Star 14/6/90

African National Congress deputy leader Nelson Mandela, with his wife Winnie, waves from a balcony of the Strasbourg town hall yesterday.

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 sit.

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 sources predicted a close vote.

Mr Mandela, who received the EP's Sakharov Prize for "freedom of the spirit" in 1988 when still in jail, told the influential body the international community had an obligation to assist oppressed South Africans in their struggle against apartheid.

"Sanctions were imposed as a powerful means of ensuring the end of the apartheid system. This result has not yet been achieved. It is therefore only logical that the existing sanctions should be kept in place," Mr Mandela said to thunderous applause

Prepared

Mr Mandela highlighted the success of the initial Groote Schuur talks between the Government and the ANC early last month.

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 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 even 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 Friday and Saturday 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" televised as an ABC network special later that night

MPs in punch-up over Mandela visit

STRASBOURG — French rightists in the European Parliament and a Belgian Socialist came to blows yesterday over Nelson Mandela's visit to the assembly earlier in the day.

Witnesses said Jose Happart, a Belgian Socialist, was first spat at by Jean-Marie Le Pen, leader of France's National Front, then punched by Bernard Antony, another French extreme rightist

The incident in the members' restaurant began when Robert Krieps, 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 recognise Mr Krieps and asked a security guard to remove him from the restaurant. Mr Happart then called Mr Le Pen names

Mr Le Pen spat twice at Mr Happart who returned to the table he shared with Mr Krieps. The witness said Mr Antony then came over, demanding that Mr Krieps identify himself. Upon his doing so, Mr Antony grabbed Mr Krieps by the collar and hit him — Sapa-AP.

Test for Mandela when EC votes

Cape Times 14/6/90 (280)

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 "murder-

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ous 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 "compatriots" 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 Pannella 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 thought on sanctions.

Some — at least before Mr Mandela's impressive speech — had indicated that they wanted sanctions reviewed or eased.

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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

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Author Anthony Sampson has spoken out over the sanctions — or should that be semantics? — row involving Professor Sample Terreblanche. SHAUN JOHNSON reports

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 meant 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

W/Mail 15/6 - 21/6/90

(280)

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

DESPITE reforms and hopes that the political and economic situation in the country will improve, yet another American company has disinvested.

This week Upjohn Limited announced that it was selling its South African seed operation, Asgrow South Africa, to the local management.

However, Upjohn will continue to operate its South African human pharmaceutical and animal health business.

Asgrow's managing director, Pieter Jansen, said the change of ownership was prompted by "constraints experienced by American companies operating in South Africa".

He mentioned two laws which made it difficult for American companies to operate efficiently in this country.

One was the Rangel Amendment to repatriation 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 comprehensive Anti-Apartheid Act which prohibited American companies from investing in South Africa.

Jansen said the fact that Asgrow's products were banned in the US also contributed to change of ownership.

He said the company will continue operating as Asgrow and will not stop serving its clients, who are mainly farmers in South Africa "Nothing has changed, we will still carry on operating as Asgrow."

As a local company, Asgrow will now be in a position to borrow money from local banks.

The executive director of the American Chamber of Commerce, Wayne Mitchell, says there are still 130 American companies in this country.

The bigger ones included: Caltex, Johnson & Johnson, Caterpillar, Masonite, Colgate/Palmolive and SA Cyanamid.

on people with Aids

W/Mail 15/6 - 21/6/90

to carry the burden of acting fairly to any one except those who have an existing interest in it, those being its shareholders and policy holders.

By entrenching an agreement, the LOA creates 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 operating in a freely competitive market.

The exclusion clause gives rise to the possibility of injustice of such a type that should not be permitted of organisations which enjoy economic power and favourable tax treatment.

The alternative of requiring a negative HIV test is fairer but presents different 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, puts you in 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 entitled to declare the contract void. The application you sign will contain a declaration permitting a doctor, medical institution or any other person to disclose information relevant to your health and which permission will remain 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 refuses to take a test. In its pre-test information leaflet, the LOA disingenuously fails to mention that latter fact. It is a cornerstone of the agreement that confidentiality must be maintained. Where group schemes are involved this could prove impractical.

When a person is declined for reasons other than a positive HIV test it must be recorded on the acceptance form that the test was negative. Insurers should be able to enter into contracts with the knowledge that the risk they accept is the risk it appears to be.

Some blame lies with the government in allowing such monopolistic action but what is at fault is the insurers' laziness in meeting the challenge. They have survived two world wars, an influenza epidemic and civil unrest, each of which has presented unquantifiable mortality experience.

The exclusion clause demonstrates a primitive approach to underwriting whereas the requirement for a negative HIV test and anti-homosexual underwriting present something more insidious. If you test positive it may take 10 years for full blown Aids to develop. In that time you may die from a motor accident, heart disease, a stroke or cancer. You will not be able to insure your life against these risks with any insurer in this country and, if the insurers' approach is logically extended, all high risk groups will be excluded until life insurance is the privilege of married, middle aged whites.

Get off our case, stokvel body tells the police

W/Mail 15/6 - 21/6/90

By MZIMKULU MALUNGA

THE National Association of Stokvels (Nassa) of South Africa is demanding that police stop "harassing" its members for selling beer at stokvel parties.

Nassa president Kehla Lukhele said while government and big business were putting emphasis on the informal sector, calling it the market of the future, 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 illegal 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.

Europeans vote to retain sanctions

(280) B/Day 15/6/90

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 shortly 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 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.

"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-Reuter.

EC divided on partial sanctions

ARGUS 15/6/90 280

The Argus Foreign Service

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, Kruggerands, 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

Argus 15/6/90

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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 utilisation 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 shrunk 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.

Picture: HANNES THIART, The Argus

SEEKING FACTS: Archbishop Desmond Tutu and French Secretary of State Mr Bernard Kouchner met briefly at Bishopscourt yesterday. Mr Kouchner is on a fact-finding mission.

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.

"In the nature of things the eventual outcome will depend on several factors, including external factors, wage increases and in particular economic policies."

The high rates at which wages and salaries were being adjusted and the ensuing pressure on inflation complicated the task of the monetary and fiscal authorities in bringing down the inflation rate faster.

He appealed to employers to keep this effect in mind in wage negotiations because it was not possible to create real income and wealth by wage increases not supported by higher production. — Sapa.

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 Hennie 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.

Confidence vital, says Du Plessis

ARGUS 15/6/90 (280)

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 ecnomic 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 rehetoric 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.

European Parliament votes to keep sanctions

(280) Star 15/6/90

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 materials 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 $600 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 $1,3 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

Cape Times 15/6/90 (280)

STRASBOURG — In a major victory for ANC leader Mr Nelson Mandela, the European Parliament yesterday voted overwhelmingy 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 — Sapa-AP-Reuter, UPI and Own Correspondent

Tougher sanctions proposed

NEW YORK — Mayor David Dinkins proposed a local law yesterday to toughen the city's economic sanctions on South Africa, saying New York should not support the "evil" of apartheid.

MrDinkins warned firms that deal with South Africa that the city will not buy their products or services.

"If you do business with South Africa, you have no business with the City of New York," he said.

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.

Star 15/6/90

DP acts to patch up sanctions dispute

Political Staff

CAPE TOWN — The simmering dispute in the DP over Prof Sampie Terreblanche's stand on sanctions appears to have been patched up. B/Day 15/6/90

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. (280)

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

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Mandela: A tale

ALL SMILES . but Helmut Kohl believes sanctions should be lifted

ALLIES Nelson and Winnie with Foreign Minister Genscher

ALWAYS a stagey city, Paris was at its stagiest 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 Sikelele-i'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 turned Mr Mandela's head, and that he retains his dignity, directness and charm, says almost as much for his psychological solidity as does his apparent lack of prisoner's bitterness.

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Industrial Council Wage Rates

OPINION 2

A tale of two cities

Nelson and Winnie with Foreign Minister Genscher, who believes sanctions should stay

MYSTERY *Francois Mitterrand didn't make promises*

Despite megastar treatment, he kept his dignity in PARIS says Desmond Colborne of the South Africa Foundation

(280)

ALWAYS a stagey city, Paris was at its stagiest 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 Sikelele-i'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 turned Mr Mandela's head, and that he retains his dignity, directness and charm, says almost as much for his psychological solidity 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 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 is seen as 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 significiance 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 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 deprives 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 "see for themselves". Visiting the country at the moment is France's Secretary of State for Humanitarian Aid, Bernard Kouchner, on the first official visit by a deputy minister since 1975.

S/Times 17/6/90

Adieu

France's rugby bosses visited 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 Prouteau, now French business's "Mr Africa"

Given all this, no wonder a major French newsmagazine was able to give this verdict "Sanctions-adieu".

38: R 29.41

38: R 36.45

Sympathy, not big headlines greeted the ANC leader in BONN, says **Rudolf Gruber** of the South Africa Foundation

S/ Times 17/6/90

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 concurs 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 Jurgen Warnke, 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 returnees 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 witheld 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 too 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 counter-productive 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 been given his endorsement in the form of his recent overseas trip

Provided Paris takes the same view, Mr Genscher is likely to carry the day. His adherence to sanctions is not based on immutable self-interest.

Element

If a weighty majority in the EC Council of Ministers were to side with 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.

Star 18/6/90 (280)

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

Sowetan 19/6/90

280

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 restraints 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.

had ... Sanctions vital to struggle' — Page 2

'Big money' coming to SA

Cape Times 19/6/90

280

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

Cape Times 19/6/90

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 wil 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

US sanctions 'cost S Africa dearly'

280 (62) RDM 19/4/90

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 R10-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-AP.

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 for 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 25.

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.

Admitted

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-Reuter.

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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.

Nelson Mandela receives a warm welcome from Akua Benjamin of the National Congress of Black Women.

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'

Cape Times 19/6/90 (280)

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 color 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

Cape Times 19/6/90

280

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-Reuter

Mandela, Thatcher discuss sanctions over the phone

280 SK 19/6/90

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

B/Day 20/6/90 (280)

ALAN FINE

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 Hahare 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

(280)

Cape Times 20/6/90

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-Reuter

● Canada's R13m for exiles — Page 2

50 000 jobs after sanctions

Sowetan 20/6/90

280

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

SOWETAN Thursday June 21 1990

New York fund cuts all links with S Africa

Sowetan 21/6/90

280

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.

Mandela takes NY by storm

CAPE TIMES 21/6/90

280

NEW YORK. — Tons of paper rained down on ANC deputy-president Mr Nelson Mandela's "Mandelamobile" in Manhattan yesterday afternoon, as tens of thousands of New Yorkers welcomed him into the "Canyon of Heroes" in a spectacular ticker-tape parade.

Mr Mandela was being given a traditional New York welcome amid the skyscrapers — the 68th of its kind since 1927 — at the start of his US tour

No official estimate of the crowd was immediately available, but earlier reports said up to two million people were expected to line the route to the City Hall, where Mr Mandela was to receive the key to the city from mayor Mr David Dinkins, in yet another in a string of ceremonies only hours after his arrival from Canada.

Fears of a possible assassination attempt resulted in a bullet-proof glass box being constructed on a flatbed truck — dubbed the "Mandelamobile" by the media after the "Popemobile" — to protect Mr Mandela

The 71-year-old ANC leader and his wife Winnie stood with Mr Dinkins and a number of other dignitaries inside the hut-shaped glass box and waved continuously to the crowds, which surged with roars of applause after the cavalcade as it moved towards the City Hall.

Plainclothes security men stood outside the glass box on the truck's platform, providing a further ring of security, and thousands of New York policemen lined the route.

Shortly before the parade started, Mr and Mrs Mandela visited the Statue of Liberty, US symbol of freedom, on Staten Island.

Earlier, frail but smiling, Mr Mandela made his way onto the tarmac of the New York's J F Kennedy airport, and into the arms of dozens of dignitaries jockeying to be seen with him.

His arrival — aboard a Canadian government jet — was delayed by two hours US tour officials said he had needed extra time to rest but the Cable News Network cited rumours of a health problem.

He was greeted by a 30-strong reception line headed by Mr Dinkins and New York governor Mr Mario Cuomo Also prominently positioned were the Rev Jesse Jackson and sanctions lobbyist Mr Randall Robinson.

A small orchestra played music and the Harlem Boy's Choir provided a fine rendition of "God Bless Africa", which was described as "the ANC's anthem"

In a brief arrival statement Mr Mandela praised the US as "the only country . that had made it a criminal offence" to trade with SA, and said that only way Americans could "join" the ANC on its "difficult" road was by ensuring that sanctions remained in place.

Mr Cuomo took the opportunity to call for the immediate passage of long-stalled disinvestment legislation by the New York state assembly

Mr Mandela was then whisked off in a 40-car, six-helicopter motorcade to a predominantly black high school in Brooklyn, where Mrs Mandela, resplendent in traditional robes, led the ecstatic crowd of several thousand "young lions", as she called them, in cries of "Amandla".

Mr Mandela asked the students to raise money "so that our children can study under better conditions" He also asked that qualified teachers, particularly of mathematics and computer science, be sent to ANC schools in Lusaka.

No sooner had the Mandelas begun to leave the podium than Mr Jackson grabbed the microphone to lead the crowd in chants of "keep the pressure on".

Mr Mandela's next stop was to be the ticker tape parade through lower Manhattan. The absence of ticker tape in modern computerised offices made it necessary for the city to obtain 240km of specially-shredded paper from a company in Connecticut.

● Meanwhile, the Rev Al Sharpton, a local black activist facing fraud charges, failed in his bid to be sent to jail as "a political prisoner" during Mr Mandela's visit.

"What they're telling me is 'Be a nice boy until we get Mandela out of here, and then we're going to lock your fat butt up'," he said — Sapa and Own Correspondent

Billy Graham

UK charity defends support for sanctions

Cape Times 21/6/90 (280)

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

(280)

Sonny Ramphal . . . no regrets over the way he handled the South African issue.

In an interview with **RICHARD DOWDEN**, Sir Shridath "Sonny" Ramphal looks back on his 15 years as Commonwealth Secretary-General.

Last week Margaret Thatcher, the British Prime Minister, gave a grand dinner-party for 70 guests in honour of one of her least favourite people.

Sir Shridath Ramphal ends 15 years as Secretary-General of the Commonwealth at the end of this month and the Prime Minister, to the surprise of many, decided to give him a farewell dinner fit for a head of state.

The text of her speech has not been released but was reported to be full of praise for the man who has been one of her bitterest critics. She referred to their past differences but declared her admiration for his work.

If the dinner was intended to flatter Sonny Ramphal into letting bygones be bygones, it did not work.

He said yesterday that Mrs Thatcher's failure to support sanctions against South Africa had cost three years, "with all that bloodshed and bitterness . . . and we are yet to tell if they weren't all-important years".

He said that if Britain had taken a stronger stand, Europe, Japan and the United States would have followed, which would have forced Pretoria three years ago to take the measures it has now introduced.

Sonny Ramphal accused the Prime Minister of "pulling the rug" from beneath the feet of the Eminent Persons Group, the team sent by the Commonwealth to negotiate a solution in South Africa in 1986.

"The EPG policy was dialogue and sanctions, but she sent the message to Pretoria that they didn't have to worry about sanctions from Britain," he said.

Mr Ramphal said that from the start Mrs Thatcher was "lacklustre" about the Commonwealth. At Lusaka in 1979 he had tried to explain that Africans did not think of the Patriotic Front in Rhodesia as terrorists; they were regarded in the same way as the Allies viewed the Yugoslav partisans.

"She bought it then, but we lost her to the people she knew in South Africa like Helen Suzman and Laurens van der Post . . . She again viewed the ANC as terrorists . . . and what she wanted to do was to reform the parliament so people like Helen Suzman had a greater say and gradually the Africans would be brought along.

"It was a kind of liberalism and we never weaned her away from it.

"She was against apartheid, it offended her as very inefficient and the lack of democracy offended her, but I don't think she ever realised the social conditions in which Africans lived." 21/6/90

For Sonny Ramphal, the Nassau conference in 1986, when the Commonwealth consensus on sanctions was threatened, was the make-or-break moment. He said he would have resigned if the Commonwealth had decided to compromise with Britain over sanctions.

From the moment he started, he never saw the job of Secretary-General as that of holding the Commonwealth together at any price.

The Queen has always been an important ally and is regularly briefed by him on Commonwealth matters. Sonny Ramphal yesterday praised her work.

"She turned what was a non-job into something very meaningful. Looking back over 15 years I think of many occasions when I was glad she was around . . . exercisng an influence for continuity — that was crucial."

Always a high-profile political activist rather than a diplomat, Sonny Ramphal said he had no regrets about the way he had handled the South African issue.

His replacement, Chief Emeka Anyaoku, elected in preference to Malcolm Fraser, the former Australian Prime Minister, is unlikely to speak out in such strident tones. A Nigerian, Chief Anyaoku has been deputy Secretary-General for 13 years and is known for his self-effacing diplomacy. — The Independent.

Dublin to decide sanctions' fate

South 21/6 - 27/6/90 280

THE next European Community (EC) summit — crucial to see whether ANC deputy president Nelson Mandela succeeds in his campaign to stop EC countries from prematurely lifting sanctions against Pretoria — takes place in Dublin on June 25 and 26.

After that comes a meeting of the Group of Seven industrialised countries. One or both bodies could decide on some sanctions-lifting.

The Canadian and Australian foreign ministers are leading a bid to stop the forthcoming European Community summit in Dublin easing sanctions against South Africa.

They are acting on behalf of the Commonwealth minus Britain, whose Prime Minister Margaret Thatcher wants to give President FW de Klerk a reward for releasing Mandela.

Cue

Joe Clark, Canadian External Affairs Minister, and Gareth Evans, Australian Foreign Minister, got their cue — at the latest — from the sixth meeting of the Commonwealth Committee of Foreign Ministers on Southern Africa, held in Abuja in Nigeria last month.

The meeting was one of those attended by Mandela during his hectic international travelling schedule since his release in February.

"The unbanning of the ANC and the release of prisoners, including myself, is not what the struggle is all about. It is about the eradication of apartheid," Mandela told the foreign ministers.

All the gains achieved to date could be reversed if Thatcher managed to get sanctions against Pretoria lifted.

The question of international sanctions against Pretoria is once again being heavily debated — this time not from the perspective of whether they should be imposed but whether they should be lifted. NOEL BRUYNS and Gemini writer DEREK INGRAM report:

Clark, who chairs the foreign ministers' committee, said they had heard Mandela's "calm, clear message to us and to the world," and, he added, "we understand it".

Clark and Evans went to the Abuja meeting, wondering whether a few carrots, as Thatcher calls them, should be thrown to South Africa.

Frustrate

They quickly forgot all such thoughts when they heard Mandela's advice.

The ministers — from India, Guyana, Tanzania, Zambia, Zimbabwe, Malaysia and Nigeria, Canada and Australia — decided on an all-out attempt to frustrate any plans the EC and Group of Seven might have to ease sanctions

Straight-talking Evans meanwhile has been to Dublin to see the Irish, who currently chair the EC. Clark talked to the French in Paris and plans were made to tackle all 12 EC countries, as well as two others who make up the Group of Seven — the United States and Japan.

Letters signed by the nine foreign minsters went out to all the governments as well, and the ministers issued what they called The Abuja Commitment, a document which says sanctions are working and must remain until there is clear evidence of irreversible change in South Africa.

It adds that "the role of sanctions remain valid and indispensible" and calls on the international community "to look beyond the negotiating process and to help prepare for a post-apartheid South Africa which will be both democratic and prosperous"

Thatcher, meantime, continues her lonely way. Having met De Klerk in Britain on his recent tour of Europe. She has called off her plans to visit South Africa this year, probably because she could be met with hostile demonstrations.

Sidelined

The Commonwealth and Mandela are disappointed that Thatcher seems to have sidelined herself diplomatically, but they still hope there will be a way in which Britain can come together with the rest of the Commonwealth to tackle the South African issue.

Meanwhile, solidarity movements on the Continent are preparing themselves psychologically for the day their sanctions campaigns become obsolete.

However, they maintain the time has not yet arrived

A document, "World Economy and Development", published in conjunction with the Anti-Apartheid Movement in Bonn, warned that sanctions in international politics have an instrumental and (time-wise) limited character.

Intransigent

The case of South Africa had shown economic sanctions could be an effective form of pressure in forcing an intransigent regime to the negotiation table.

"The question now to be asked is: Have they fulfilled their aim, or does relaxing (sanctions) prematurely endanger the dynamics of the transition to a new South Africa without apartheid?" the document asked.

The solidarity movement had to be prepared that the sanctions could not be maintained indefinitely if the South African government began seriously to dismantle apartheid and show credibility at the negotiation table.

"However," the document warned, "the question of timing is important if it is dropped, the sanctions weapon cannot simply be taken up again."

Lift ban on foreign SA investments — Financial Times

KIN BENTLEY

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. B/Day 22/6/90

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. 280

But the newspaper was pessimistic any such steps would emerge from the summit, due to divisions in the ranks of its members and its "preference for consensus". Instead, EC leaders were likely merely to praise President F W de Klerk and withhold concrete steps until constitutional talks were under way.

The FT leader opined 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".

ROTHMANS	20'S	ROTHMANS	1.31	1.50					
ROTHMANS SPECIAL MILD	20'S	ROTHMANS MILD	1.31	1.50					
LEXINGTON	20'S	LEXINGTON	1.30	1.47					
RANSOM	20'S	RANSOM	1.31	1.50					
VOGUE	20'S	VOGUE	1.31	1.50					
LION	10 BOX	MATCHES	0.48	0.56					

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MEMBER SIGN. _____

Star 22/6/90

BACKGROUND

De Klerk or Mandela: the EC will choose in Dublin

Next week's Dublin summit will be a stormy affair at which the recent European performances of F W de Klerk and Nelson Mandela will be carefully weighed **Political Reporter ESMARE VAN DER MERWE** reviews the impact the two key political players in South Africa have made on the sanctions debate.

LONDON — If F W de Klerk was the South African head of state most favourably received in Europe in decades, ANC deputy president Nelson Mandela took the continent by storm.

When the European Community's heads of state meet in Dublin on Monday, they will weigh up the differing arguments presented by the two leaders when they review their collective sanctions policy on South Africa

The debate will be stormy, the outcome crucial.

It will be a titanic battle between the pro-sanctioneers — eager to stay in the good books of the ANC which is tipped by many as the next government, and determined to keep the pressure on Pretoria — and those favouring the easing of sanctions as a gesture of encouragement to Mr de Klerk for his brave reforms

But South Africa's interests, ironically, will not be the only issue at stake.

The outcome of the debate could have a significant impact on the power stakes within the EC The leader of the anti-sanctions lobby, British premier Margaret Thatcher, has been effectively marginalised and a decision to ease sanctions could be regarded as a victory of some sorts for her that many of her counterparts would hate to witness.

Inevitably, the EC summit review of sanctions will decide a key phase in the political battle between the National Party and the ANC

If the EC opts for the maintenance of sanctions — an outcome most observers are betting their money on — it will be seen as a victory for the ANC and a personal triumph for Mr Mandela, who is on a six-week tour of 14 countries to urge the world not to ease punitive measures yet.

Similarly, a relaxation of punitive measures will be a coup for the new Nationalist administration and a boost for Mr de Klerk's sincere but risky efforts to normalise political life in South Africa.

The styles of the two leaders during their recent tours of Europe have differed greatly

On a nine-nation tour of Europe, Mr de Klerk stressed that he was not concerned with pleading for an end to sanctions, but wanted to correct "distorted perceptions" and prove that his Government was serious about finally removing racial discrimination.

He presented Europe's politicos and influential financiers and bankers with irrefutable socio-economic statistics, arguing that new investment was desperately needed to improve South Africa's dismal economy, which, in turn, would create more stable conditions conducive to further reform.

He impressed on his audiences the gravity of the changes he had introduced since coming to power, maintained that these reforms were irreversible and outlined his strategy for the removal of remaining racial discrimination.

And he argued that he needed a reward from Europe to show white voters in the light of the vast gains made by the Right wing.

Pressure

By contrast, Mr Mandela used every platform — from Pope John Paul's private library to the packed assembly hall of the European Parliament — to call for continued international pressure until profound and irreversible change has occurred.

In discussions with six heads of state, he stressed that sanctions had been imposed to dismantle apartheid — a goal which had not yet been achieved. He threatened that the easing of sanctions would retard reform and would jeopardise negotiations.

He elaborated on the hardships caused by apartheid and continued police brutality. He warned that the entire African continent would regard the easing of sanctions as a "stab in the back" of the protracted and bitter struggle for freedom in South Africa.

Demonstrating his firmness on principle but flexibility on strategy, Mr Mandela to some extent allayed Western concerns about the ANC's economic policies by saying the organisation did not have a blueprint but was only concerned about a more equitable distribution of wealth.

But what really won him the hearts and minds of Europe's leaders was his acknowledgement of Mr de Klerk's integrity, his own lack of bitterness after almost 27 years in jail and his expressed eagerness to bring peace — in co-operation with Mr de Klerk — to their strife-torn country

Both leaders impressed Europe with their sincerity and commitment to a new society free of discrimination.

But whereas Mr de Klerk's warm reception signified the first breakthrough towards international respectability, Mr Mandela was on a victorious lap of honour for having steadfastly resisted the cruel apartheid system and gracefully forced the Nationalists to the negotiation table.

While the recently released ANC leader was honoured by Europe's royals, the Pope, heads of state and adoring crowds, Mr de Klerk quietly got on with the job of meeting the EC's prerequisites for the lifting of sanctions.

He lifted the state of emergency in the greater part of the country, released more political prisoners and scrapped one of the pillars of apartheid, the Reservation of Separate Amenities Act.

The EC will on Monday decide whether that was good enough. Two important events over the past two weeks seemed to indicate that it was not.

Removal

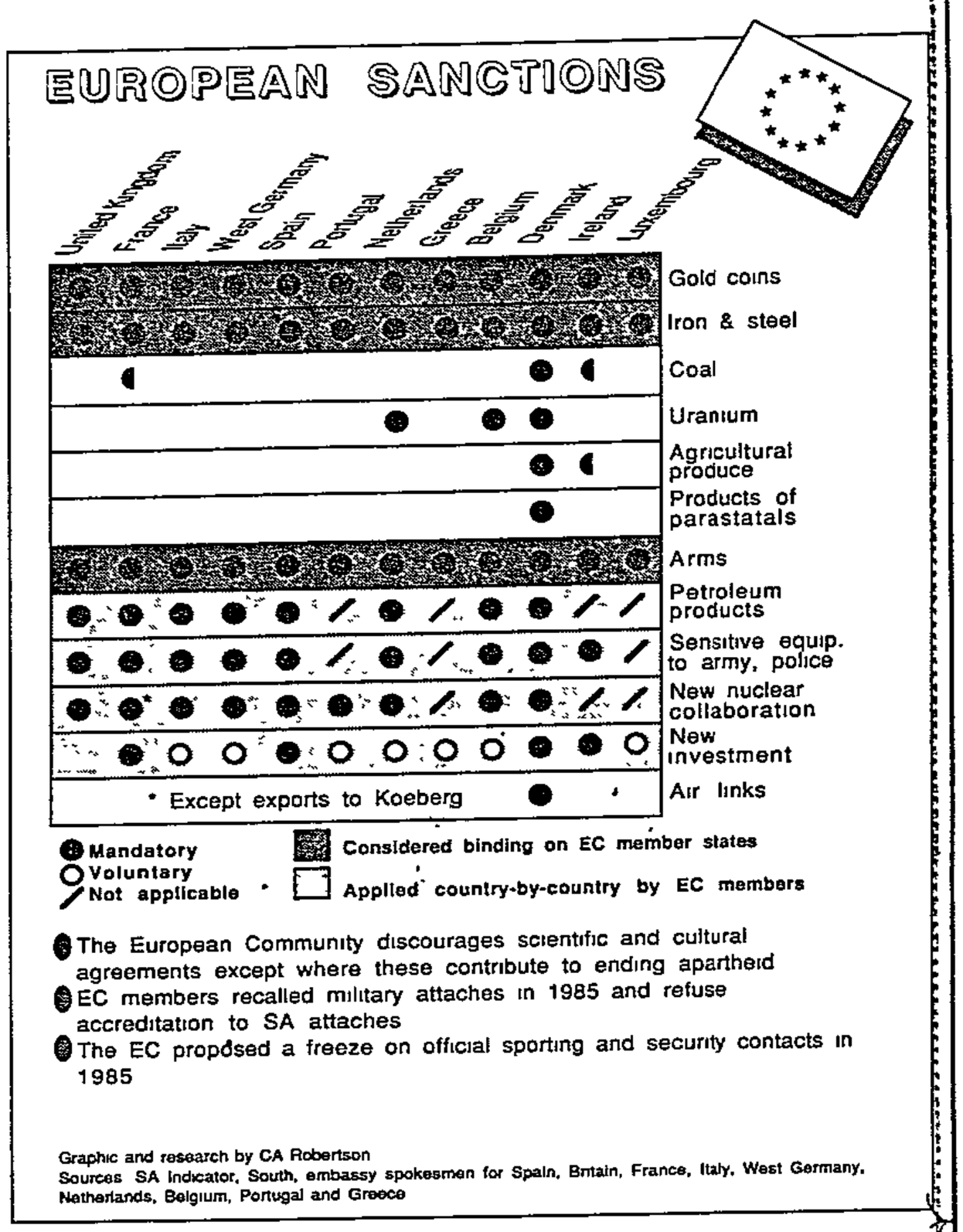
In Strasbourg last week, the influential European Parliament overwhelmingly rejected a proposal for the easing of sanctions — a day after Mr Mandela addressed a packed EP assembly and received two long standing ovations.

And this week, the EC countries' foreign Ministers in Luxembourg seemed to have overturned the advice from their political directors that the time was ripe to start with the easing of sanctions.

The majority of foreign Ministers seemed to have opposed a step-by-step removal of trade sanctions against South Africa.

The EC's heads of state will on Monday be faced with a number of options

It seems unlikely that they will approve the easing of trade sanctions, a decision which could prompt some countries to follow Britain's lead by unilaterally lifting trade restrictions.



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Confusion in EC over future of sanctions

LUCY KELLAWAY

BRUSSELS — The European Community wants to help both President F W 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 Kindom 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 offical doubted there would be any decision to lift sanctions in Dublin.

"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

S/Times 24/6/90 (280)

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 this 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.

Sunday Sanction

barter

Business Times, June 24, 1990

Sanction-buster Bell's into b

(280)

From guns to butter, that's Fred

S/Times 24/6/90

By DAVID CARTE

FRED BELL, retired boss of Armscor, has a challenging second career as the father of counter-trade in SA.

The legendary Mr Bell, who steered Armscor to astonishing technical feats and export sales of R2bn a year, aims to push counter-trade and barter to R2bn in the next three years. At the moment, such trade is only R30m a year.

Mr Bell says: "I gained experience in clandestine buying and selling at Armscor. Initially, our counter-trade efforts were secret.

"While sanctions were tightening, we were dealing with communist countries. I guess that's why I was chosen to be chairman of the Counter-Trade Association."

Now that Berlin Wall is down, the Warsaw Pact appears to be dissolving and peace is breaking out at home, Mr Bell and the Counter-Trade Association can come out of the closet

Scope

Countries engaging in counter-trade undertake to buy as much from each other as they sell. They deal in goods, not cash. A merchant bank records every transaction to ensure that trade is balanced.

In counter-trade and barter there are three contracts a deal — the export, the import and the protocol agreement linking the two.

Another aspect of counter-trade is buy-back — one country builds a plant in another and undertakes to buy some or all of its production. The Botswana soda-ash plant and the Lesotho Highlands water schemes are examples. Mr Bell thinks there is great scope for this kind of deal between SA and Central Europe.

Mr Bell explains how SA's counter-trade drive started: "For some years now, several Eastern European countries — they prefer to be called Central European — have been scouring Africa to do barter deals. Like us, they lack foreign currency and access to trade credits and therefore resort to barter.

"SA exporters were also active in Africa and met the Central European counter-traders. They discovered considerable complementarity. We have what they want and they have what we want. My job has been to encourage this trade and extend it."

SA is in a good position to do counter-trade because it is a big importer and exporter.

Mr Bell says: "We spend more than R40bn a year on imports. We are unusual among counter-trading nations in having real cash to spend. That gives us enormous clout. Counter-trade enables the rand we spend on imports to be matched by a rand of exports."

Several transactions have been completed with East Germany, Poland, Hungary, Czechoslovakia, Yugoslavia and Turkey.

Mr Bell says these countries have much in common with SA Several have similar populations, gross domestic products, levels of technology and markets.

Vital

They do not have the huge production runs of US firms, nor do they attain the First World quality (and pricing) standards of the Swiss. They serve middle-income consumer markets much like ours.

Eastern European countries, with well-educated, hard-working populations, together with Western goodwill and capital, will grow fast as they adopt market economies. It is therefore vital to start trading with them now.

"In the past, we accepted refugees from these countries, notably from Hungary after 1956 Now the friends of our refugees are coming to power. There is enormous goodwill towards SA. The Poles haven't forgotten that the SAAF flew in supplies in the Second World War. It's easier for a SA businessman to get a visa to Eastern Europe than to the United States."

Another advantage is that Eastern European economies are unbalanced. They have a surfeit of some things and shortages of others.

When Russian central planners held sway over Eastern Europe, they ordained that where a certain factory supplying the whole bloc would be situated. Production runs were huge and regional specialisation developed. Poland is famous for steel and engineering and Hungary for pharmaceuticals. But both are short of many items.

"I try to spread the word wherever I can find an audience. I visit supermarkets and mines and ask them to examine where they are buying. I ask whether they cannot get these goods from our counter-trade partners.

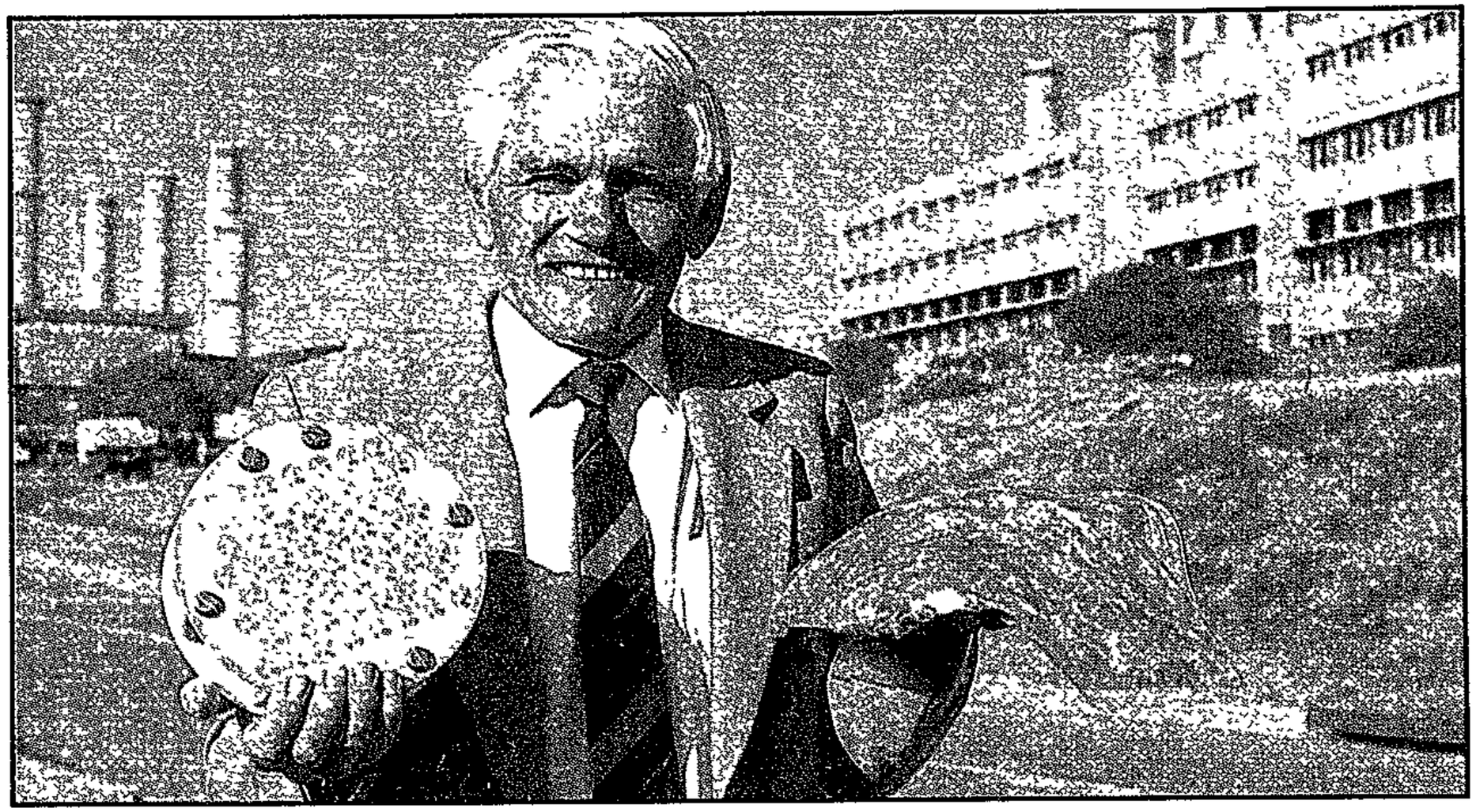
"But we never encourage the replacement of regular exports with counter-trade. Counter-trade is the alternative to no trade, not to normal trade It frequently develops into normal trade."

He admits that it is not all plain sailing. It is hard to persuade SA importers to buy from new territories. In many cases, companies with products that would sell well in Central Europe lack capacity."

The Industrial Development Corporation has made cheap loans available to help factories run second and third shifts with a view to pushing exports

But many SA marketing and buying departments hardly know one another.

The Counter-Trade Association is funded out of tariffs, but is soon to be privatised.



FRED BELL and swop products . . . Atomic Energy Board high-tech dust separator cluster to clean Eastern Europe's polluted air in exchange for Polish pork ribs Picture: GARTH LUMLEY

Sanctions D-day

CAPE TIMES 23/6/90 (280)

World spotlight on SA in Dublin, Washington meetings

Own Correspondent

LONDON. -- Leaders of the 12 European Community countries meet in Dublin today for what could be a crucial decision on South African sanctions.

The EC is sharply divided on how to help both President F W de Klerk and ANC vice-president Mr Nelson Mandela in their attempts to end apartheid.

Sources say the outcome is likely to be a wordy bouquet for Mr De Klerk for the changes he has introduced this year and an increase in EC "positive measures" designed to help the victims of apartheid

No immediate steps to lift sanctions are likely to be made in the face of the ANC's repeated calls for pressure to be maintained. But surprises cannot be ruled out.

Mrs Margaret Thatcher in particular is expected to argue that a clear signal must be sent to Mr De Klerk by the lifting of some sanctions, to avert a right-wing backlash in South Africa. She is expected to be supported by Portugal.

The most intense discussion is expected to centre on the ban on new direct investment as well as the bans on the imports of gold coins, iron and steel.

And in Washington sanctions will also dominate when Mr Mandela meets President George Bush at the White House.

The world's most celebrated former political prisoner, in the middle of a 12-day, eight-city American tour, has attracted throngs of well-wishers at every stop, from a hero-style ticker-tape parade in New York to a music-filled rally in Boston yesterday where he praised the city as a beacon of democracy

Mr Mandela is expected to press Mr Bush for more sanctions The US president has so far sharply denounced apartheid, but dismissed the possibility of further sanctions.

After meeting Mr Bush, Mr Mandela will also address a joint session of Congress

At the European summit leaders are divided over aid to Russia and South African sanctions but are set to press ahead with plans to achieve political and monetary union by 1993.

For the first time an East Bloc leader, East German Prime Minister Mr Lothar de Maziere, will attend the summit as a guest.

East Germany is due to become part of the wealthy trade bloc after German unification, expected by the end of the year.

Despite grave reservations by Mrs Thatcher, the summit appeared certain to agree to fix a date in December for the start of an inter-governmental conference on political union.

Britain, threatened with being side-lined while the other 11 nations move toward economic union, last week suggested that the community create a new currency, primarily for tourists and businessmen The banknotes of the so-called ECU, the European Currency Unit, would circulate with the 12 exisiting currencies

The issue of aid to the Soviet Union was a last-minute addition to the agenda after West Germany and France last week called for the swift organisation of a major Western aid program to help President Mikhail Gorbachev's crumbling economy

● Mandela mania — Page 9

Inkatha marchers protest sanctions

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Sowetan 25/6/90

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 toyi-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 giveth 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.

NELSON MANDELA

'ANC buys from blacklisted IBM'

Sowetan 25/4/90

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.

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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.

Key meetings in Washington and Dublin

Sanctions policy at the crossroads

Star 25/6/90 (280)

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 constituional 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 wel-

Help came too late . . . 21-year-old Miss Monique Price of Sandton is lifted into an am and a blood transfusion on the spot, but died soon after being a

SAP ready to act agai right-wing terror attac

Star 25/

By Craig Kotze

Police are prepared for a potential far right-wing terror campaign after two bomb blasts at two Reef National Party offices and the formation of a new "Boere army" at the weekend, a senior police spokes-

Party politician Boy 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

"We take seriou spate of terrori against all thos law . . from the right wing," he sa

The BSP-BW formed in Randl

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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 on sanctions 'not likely yet'

The Star's Foreign News 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 next week at the EC summit in Dublin.

Mr Gerard Collins, Irish Foreign Minister who chaired the meeting, said: "There was not a majority in favour of lifting sanctions."

But the EC Ministers gave "a favourable reaction" to a proposal to expand positive measures under the European Commission's Victims of Apartheid programme, mainly directed at church groups.

Mr Collins said it was unlikely the 12 heads of state would reach a consensus in Dublin on a first step on lifting sanctions.

The Irish and the Danes are ready to block the majority of EC states which it is claimed are ready for a first step.

The Irish referred to the lack of progress in freeing political prisoners as one stumbling block. But hey accepted that another EC ondition, lifting the state of mergency, had been met.

Mr Douglas Hurd, the UK Foreign Secretary, said there were a umber of EC states ready to take first step in removing sanctions

Mr Hurd said: "The Irish presidency said there was a spectrum f opinion in endorsing a step-by-step process. You don't have to have an end to apartheid before you relax sanctions."

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. Projects for funding must have a non-violent character and promote non-racism.

● WASHINGTON — Sapa-AP reports that President Bush plans to assure Nelson Mandela that US sanctions against South Africa will remain in place at least until all political prisoners in that country are released, officials said yesterday. The deputy ANC leader will visit Washington next week as part of a 12-day visit to the United States.

All eyes on Dublin as Europe debates easing of sanctions

(280) Star 25/6/90

By Derek Tommey

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 could result in the rescinding this week of the last sanctions measures imposed in September 1986.

These banned the sale in Europe 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 re-opening 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.

Usko 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 managing 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 GFSA.

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 see 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 ARGUS 26/6/90
The Argus Foreign Service 284

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

26/6/90 280

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 communique 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

B/Day 26/6/90

KIN BENTLEY

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.

(280)

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 sufficiant 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,

☐ To Page 2

EC summit

B/Day 26/6/90

(280)

☐ From Page 1

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.

● Picture: Page 3

No concrete steps to lift sanctions

EC expected to 'encourage' FW

C. Times 280

26/6/90

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 concerted 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. — Own Correspondent

EC 'no hostage to ANC'

Own Correspondent

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

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Star 25/6/90

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 communique may raise the possibili-ty 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.

Johannesburg yesterday.

Picture. ROBERT BOTHA

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. B Day 26/6/90

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". 280

In 1989 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

IT is automatically assumed that if someone is opposed to economic sanctions against South Africa, this person is in favour of apartheid, white domination and cold capitalism.

On the other hand, the person who supports the call for sanctions is seen as sound of mind and character, and most definitely part of the liberation struggle.

The arguments abound. However, in the United States on Sunday, ANC deputy president Mr Nelson Mandela told a crowd of acolytes that a post-apartheid South Africa would require massive economic and social reconstruction in the form of capital infusion and management skills.

Wise words indeed, but exactly when does Mandela want investors to bring their resources (pecuniary or professional) - immediately, or when the ANC (or PAC) is in power?

Chances are, by the time the new government is through with nationalisation or the present with privatisation, potential investors will have placed their money elsewhere. This is the capitalist way.

It would be miraculous if disinvestors returned to the country with their money after the total dismantling of apartheid.

It would be folly to believe that investors who took their money out of South Africa, kept it in a piggy bank marked "For South Africa - when they get their act together."

During the drive for economic sanctions in pre-independent Zimbabwe, IBM disinvested from that country, but did not return after independence.

Sowetan 27/6/90

Many quit

Ford and a phalanx of other companies left many years before Zimbabwe gained its independence, some perhaps for reasons not related to politics, but very few, if any at all, found it economically attractive to re-invest.

Re-investment is much more difficult than investment. Cold capitalism - that which investors believe in - dictates that a country should be economically attractive.

And, the risks are higher for a foreign investor than for a local entrepreneur.

There is also the problem of having lost the competitive edge, an expert source said.

By ISMAIL LAGARDIEN

authorities could ever have dreamt of during the colonial era.".

Whether sanctions are productive or otherwise, nothing short of serious thinking and serious consultation with the poorest and most destitute about their economic plight can arm the crusaders.

And, when the endemic people are approached, perhaps the jargon and rhetoric should be dropped, the hopes of moving into Houghton after liberation should be rationalised to the reality of, say, Zimbabwe where the bulk of the black population still live in townships not dissimilar to those in South Africa.

If the Marxist-Leninist idea is perpetuated - regardless of its merits or demerits - the African continent could become the battleground for the new Cold War, Mr Richard J Barnet, senior fellow at the Institute for Policy Studies in Washington warned recently.

If cold-capitalism is going to be the order in a post-apartheid South Africa, somebody had better get aid now for the homeless, unemployed, impoverished, illiterate, uneducated and disenfranchised black majority.

A French activist marks South African oranges that are to be thrown into the Garonne River near Bordeaux in France.

"When foreign companies disinvest, they often leave their competitor to the market, the competitor then gains an edge thus making it difficult for re-investment," he said.

It can be comfortably assumed that capitalists will not invest where there are fewer chances of returns - and it is capitalists who invest in large sums and in foreign countries for economic gain.

Assuming the problem does arise, and South Africa does become an economic and industrial nowhereland, and a generally acceptable force is in power, what then?

Does the country vie for foreign aid?

The World Bank president, Mr Barber B Conable Jr, whose institution provides the bulk of African aid, recently raised scepticism about monetary assistance to the continent.

"I fear that many of Africa's leaders have been more concerned about retaining power (in present South Africa it is more like attaining power) than about the long-term development interests of their people," Conable said.

What then if South Africa does receive monetary aid after apartheid?

Mr Adebayo Adedeji, a Nigerian who is the executive secretary of the Economic Commission for Africa at the United Nations, earlier this year said: "Many Africans claim that the Bretton Woods institutions (International Monetary Fund and World Bank) today exercise more power over Africa than the colonial

CAPE TIMES 27/6/90

Sanctions vote

Pik claims victory, approval for SA

PRETORIA. — The declaration by the European Community (EC) meant that in practical terms South Africa's isolation had ended, Foreign Affairs Minister Mr Pik Botha claimed yesterday.

"On the basis of information available to me there was, with few exceptions, a consensus that President (F W) de Klerk had already crossed the threshold," Mr Botha said in a statement.

"What the declaration says albeit not in so many words, is that South Africa has regained international respectability."

The EC decided yesterday that sanctions against South Africa would be relaxed when "clear evidence" emerges of continuing progress towards removing apartheid.

British Prime Minister Mrs Margaret Thatcher said she expected the EC would begin lifting sanctions within six months, but called it "a great pity" the relaxation did not begin immediately

"Quite clearly things are moving our way," said a Thatcher aide. "Previously, the concept of step-by-step was not accepted. It is now"

The EC leaders said they welcomed recent reforms in South Africa, and "pay tribute" to the roles of Mr De Klerk Mr Nelson Mandela.

"The efforts of President De Klerk to bring about a new era in South Africa are testimony to his foresight and courage," the EC leaders said, while Mr Mandela "has inspired millions of South Africans opposed to apartheid".

The EC told Mr De Klerk that some sanctions could be lifted if his apartheid reforms continued.

Irish Prime Minister Mr Charles Haughey, the EC president and summit host, said an "intermediate stage" had been reached. "Progress has been made but we're not yet satisfied that sufficient progress has been made," he said.

Mr Botha said in a statement that the EC had clearly acknowledged that important changes had already occurred in South Africa.

"In the declaration full credit is given to President De Klerk's bold initiatives

"Emphasis is placed on the necessity to achieve a solution to South Africa's problems through peaceful means The use of violence is rejected. By implication this means that the ANC's adherence to the armed struggle is unacceptable"

He said it was important to note that the EC supported the idea that respect for universal human rights would be guaranteed.

"This implies that the future constitution would have to contain a mechanism which would make it impossible for a simple majority to violate or infringe those rights.

"Protection of minority rights is not explicitly dealt with, but the concept is certainly not excluded"

Mr Botha said the declaration acknowledged that conditions should be negotiated for the return of exiles and a definition of political prison-

To page 3

NEW HEART ... Mr Leon De Klerk, 39, with his wife Audrey and daughter Natalie, 6, was all smiles before he was discharged from Groote Schuur Hospital yesterday to begin a new life. His was the 200th heart transplant at the hospital. **Report, page 3**

Picture RICHARD BELL

From page 1

CAPE TIMES 27/6/90

Sanctions

ers, leading to their release, should be agreed upon

"Another positive point in the declaration is the acknowledgement that the state of emergency has been substantially lifted and that the South African government is committed to creating a democratic and non-racial South Africa."

The prospect of financial and commodity markets opening up to a non-racial democratic South Africa was also presented by the European leaders, it is reported from Dublin.

They pledged that all economic resources, including foreign finance, would become available to a post-apartheid South Africa.

The 12 leaders, who during their two-day summit took decisions further entrenching their own economic and political co-operation, also resolved to increase funds to the "victims of apartheid", with programmes being adapted to assist in the return and resettlement of exiles. — Sapa and Own Correspondent

Pressure to be eased

Argus 27/6/90

'Trade is increasing, investment is increasing' — Thatche:

From SUE LEEMAN
The Argus Foreign Service

DUBLIN. — The European Community has applauded "important changes" in South Africa but has agreed not to lift sanctions now.

However, British Prime Minister Mrs Thatcher, who is keen to reward President De Klerk for his reforms, has predicted a distinct relaxation of EC sanctions within the next six months

"Trade is increasing, investment is increasing . I believe the restrictions on South Africa will continue to be eased," she said.

In a joint communiqué at the end of its summit here, the European Council of leaders promised to consider a gradual relaxation of sanctions when there is "clear evidence" of continued movement towards the total dismantling of apartheid.

The EC accepted that Pretoria had made a commitment

● What Mandela told Congress about sanctions, page 24.

"to abolish the apartheid system and to create a democratic and nonracial" South Africa, describing President De Klerk as a man of "foresight and courage" who had brought about a new era.

And it praised Mr Mandela for his inspirational "qualities of statesmanship".

The communiqué called for an early start to negotiations on a new South Africa, coupled with the renunciation of violence by all sides

It recognised that a post-apartheid South Africa should have access to wide economic resources, including external finance, and pledged more funds for apartheid's victims, including exiles.

The statement is expected to satisfy Mr Mandela, who is due in Dublin next week.

But Mrs Thatcher is not alone in pointing out that while the EC has retained its symbolic commitment to sanctions, some of the measures themselves are being quietly whittled away.

Among those apparently shifting stance is Italy, the EC's next president.

Mrs Thatcher made it clear that Britain will pressure Italy to push for a let-up in sanctions during its six months in the president's chair.

She told a post-summit Press conference that Italian Prime Minister Mr Giulio Andreotti had agreed in Dublin to monitor further steps by Pretoria "to see if they justify a reduction in sanctions".

In welcoming steps such as the release of Nelson Mandela and the unbanning of political organisations, it had recognised that key demands made at its December summit in Strasbourg had been met.

Pik Botha, ANC welcome move (280)

EC sanctions to 'relax' if progress made

B/Day 27/6/90

KIN BENTLEY

DUBLIN — The EC decided yesterday to retain its sanctions against SA, but agreed to a "gradual relaxation" of pressure in response to the abolition of apartheid laws.

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 reform process 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

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Sanctions

B/Day 27/6/90 (280)

☐ From Page 1

lifting sanctions. If the changes continued proposals to lift some sanctions would be considered.

In its official communique, 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, albeit 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."

● Comment: Page 10

Glittering moment for Mandela

Cape Times 27/6/90 280

From SIMON BARBER

WASHINGTON. — A joint session of the US Congress yesterday gave ANC deputy president Mr Nelson Mandela a near-unanimous ovation when he called for the maintenance of sanctions until the ANC instructed otherwise.

Members of the House, Senate, President George Bush's cabinet and the diplomatic corps gave him a welcome almost as warm as they had recently accorded Polish Solidarity founder Mr Lech Walesa and new Czech president Mr Vaclav Havel.

Mr Mandela was only the third private citizen to address a joint meeting, with the others being Mr Walesa and the Marquis de Lafayette in 1924.

His speech sent a strong signal to Mr Bush that the legislature was unlikely to accept any easing of sanctions once the SA government fulfils the conditions of the Comprehensive Anti-Apartheid Act (CAAA).

Mr Mandela put Mr Bush on the spot by saying the ANC was "encouraged and strengthened" by the president's having agreed that sanctions "should remain in place". In fact, Mr Bush had only said he was bound by the CAAA.

As for the eventual removal of sanctions, he asked that "you cede the prerogative to the people of SA to determine the moment".

Mr Mandela allayed the concerns of his audience with considerable skill, stressing that the ANC favoured "a multiparty political system".

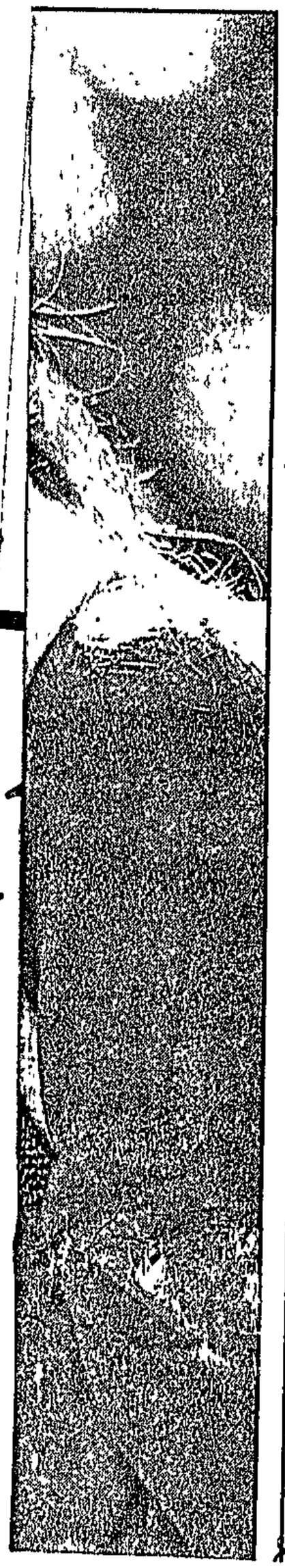
He reiterated that the ANC was not ideologically committed to nationalisation and said he viewed the private sector as "an engine of growth and development ... critical to the success of the mixed economy we hope to see".

He promised an attractive climate for investment, both domestic and foreign, and looked forward to close economic co-operation with the US in the post-apartheid era.

Embassy spokesman Mr Patrick Evans, interviewed by CBS news anchor Dan Rather after the speech, said the CAAA's sanctions were having minimal economic impact but were important symbolically.

OVATION ... Mr Nelson Mandela acknowledges a standing ovation during a joint session of the US Congress yesterday. Mr Mandela was applauded when he called for the maintenance of sanctions until the ANC instructed otherwise.

Picture: REUTER



EC's leaders move to easing of sanctions

Star 27/6/90

(280)

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 Kruggerrands.

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 negotiated 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 con-siderably and we are being accepted back into the world community." — The Star's Foreign News Service-Financial Times-Staff Reporters.

tween the two

Star 27/6/90 (280)

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 honoured 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 rejoicing in the expectation and knowledge that their humanity would be reaffirmed and enlarged by open and unfettered communion with the world

"Our people demand democracy. Our country, which continues to bleed and suffer pain, 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

"These are fundamental human rights which are not only inalienable 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 had 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 nationalisation

"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 tem of the Senate. ● Picture by Reuter.

Sanctions laws hold Bush back

(280)

WASHINGTON - President George Bush has assured ANC leader Nelson Mandela he will not lift sanctions against South Africa yet.

Bush wants to lift some measures however, but is being held back by sanctions legislation passed by the US Congress in 1986, the Anti-Apartheid Act.

Finally passed after a veto by former US President Ronald Reagan was overridden, the Act instituted a wide range of hard-hitting economic boycotts against South Africa.

As Vice President to Reagan. Bush strongly opposed the introduction of sanctions and although observers say his personal views have not changed, he has been forced to back down on this position in public.

Section 311 of the Act provides for the lifting or modification of sanctions if certain conditions are met, namely:

* The release of Mandela and all persons persecuted for their political beliefs or detained unduly without trial;

* The repeal of the state of emergency and release of all detainees held under its provisions;

* The unbanning of democratic political organisations and the right of South Africans of all races to form political parties, express political opinions and otherwise participate in the political process;

* The repeal of the Group Areas Act and the Population Registration Act; and

* Agreement to enter into good faith negotiations with truly representative members of the black majority without preconditions.

US anti-apartheid organisations campaigning for no relaxation of sanctions argue this last provision is the only one De Klerk's Government has addressed, and then only partially.

Mandela and others might have been released, but they claim thousands more political prisoners remain behind bars.

The Anti-Apartheid Act also provides for Bush to suspend or modify sanctions if the South African Government:

* Releases Mandela and all political prisoners;

* Meets three of the four other conditions listed above; and

* Makes substantial progress towards dismantling apartheid and establishing a non-racial democracy.

US activists argue that none of these conditions has been met either.

On the third condition, they say "substantial progress" in dismantling apartheid is open to differing interpretations, and note that Bush's administration is impatient to lift sanctions using this latter condition and once the state of emergency is fully lifted by its termination in Natal.

They maintain however that agreed "substantial progress" in dismantling apartheid should be judged by the victims of apartheid themselves.

These victims, they add, are still subject to "an entire arsenal of security, economic, and other laws (which) maintain the apartheid system and continue to terrorise the black population".

To the overwhelming majority of anti-apartheid activists in the US, the "victims of apartheid themselves" means only the ANC.

Mandela has drummed home his message that the ANC wants sanctions to stay until all apartheid is gone and that the international community must consult his organisation before it takes any action to lift measures or to promote the peace process.

The case is clear cut for US activists: "Sanctions must stay until the ANC says it's OK to lift them." - Sapa

George Bush

Sowetan 28/6/90

Call to boycott shell

MELBOURNE - A Uniting Church group yesterday urged Australians to boycott Shell petrol until the oil company withdraws 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 "continued 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 hold 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.

Sun 29/6/90

280

NATION BUILDING The power is in your hands

Mandela pledge on SA sanctions

Sowetan 28/6/90

280

SOWETAN Correspondent

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, 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.

ANC deputy president Mr Nelson Mandela on sanctions.

Divest plans called off

280

Sowetan 28/6/90

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

Argus 28/6/90

280

From MIKE SILUMA
Argus Foreign Service
in London

SANCTIONS

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 and 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

B/Day 28/6/90

WASHINGTON — The ANC would agree to the lifting of sanctions if "mutual confidence" was achieved beween it and government, and progress was being made in talks between the two parties, ANC deputy president Nelson Mandela said yesterday. 280

The establishment of this confidence did not necessarily hinge on the adoption of a new constititution, 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.

"It 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.

Star 28/6/90 (280)

NEWS

FW 'selling white futures for nothing'

By Kaizer Nyatsumba

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 Soutpansberg, 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."

Tom Langley ... certain EC elements want nothing less than capitulation.

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 an 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 Soshanguve 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 Bophuthatswana. 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.

STAR 28/6/90 (280)

'Deception, confusion, platitudes'

DR VAN ZYL SLABBERT addressed an Idasa 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 unqualifiedly for or against it. But it has to be done.

- Sanctions are the 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 disinvests or divests.
- 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.

Van Zyl Slabbert ... dangerous illusions.

- 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, disinvestment) 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 turnabout on the sanctions debate will have any effect whatsoever.

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 — new Commonwealth chief

(280) B Day 28/6/90

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 Emeka 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 51st 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 added.

"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 pressures 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 1966.

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 in 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-Reuter.

Groote Schuur Minute endorsed by overseas leaders

EC treads a tightrope between Mandela, FW

Sowetan 24/6/90

280

LONDON - In their search for a consensus on sanctions, European leaders this week hammered out an 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 communique 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.

Some are actually taking steps

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 communique on South Africa which came out of the Dublin summit this week. Sue Leeman, *Sowetan* Correspondent reports.

of their own: 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 consoling herself with the conviction that the others appear to be moving towards her view.

Investment

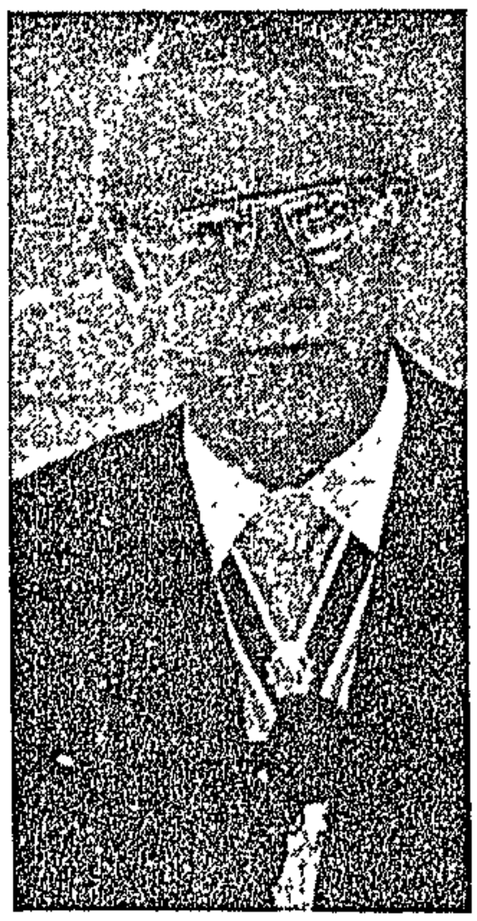
Perhaps that was why she was persuaded to put her signature to the Dublin document without the kind of unilateral gesture which so irks her fellow leaders.

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 on the road to lifting the statutory bans, something she believes could happen in the six months that Italy has the president's chair.



. FW de Klerk

Margaret Thatcher

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 communique, all the leaders agreed that South Africa had seen "significant changes".

Violence

They endorsed the Groote Schuur Minute and called for an early resumption of talks between Pretoria coupled with a renunciation of violence on all sides.

The post-apartheid South Africa, they said, should have access to wide economic resources, including external finances, and "positive steps" should be taken to redress the economic imbalances inflicted by apartheid.

As a start, the EC will increasing its funding to apartheid's victims, including political exiles.

FOCUS

Nelson Mandela

Thatcher pledges rewards for SA

B Day 29/6/90

280

KIN BENTLEY

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.

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".

Cape Times 29/6/90 280

Thatcher vows to reward

FW

Own Correspondent

LONDON. — During the next six months, Britain will ensure that further progress in scrapping apartheid is rewarded by the gradual lifting of European Community sanctions, Mrs Margaret Thatcher told the House of Commons yesterday.

Mrs Thatcher also again criticised the ANC's continued adherence to the armed struggle — setting the scene for a possible clash on the issue when she meets Mr Nelson Mandela here next week.

Although on this occasion she did not spell out what changes the EC required of President F W de Klerk, at the European Council's summit 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 the Italian presidency which is more moderate than the Irish, decisive steps can be made to phase out sanctions step-by-step, in response to further changes by Mr De Klerk.

Among the first measures likely to go is the voluntary ban on new investment, which has already been lifted by Britain and Italy. Other key statutory EC measures which could be affected are the ban on the import of South African iron, steel and gold coins, as well as the restriction on sporting links with South Africa.

In her opening comments to parliament on the Dublin summit, Mrs Thatcher referred to the council's call on "all parties in South Africa to refrain from violence and the advocacy of violence".

This, Mrs Thatcher said, "of course covers the ANC's continued support for armed struggle, of which we strongly disapprove".

She then referred to the council's affirmation of its "willingness to consider a gradual relaxation of . . . pressure when there is clear evidence that the process of change already initiated continues" towards "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 repeated the disappointment she expressed in Dublin on Tuesday at the council's inability to "make a start now" in lifting some of the EC statutory sanctions.

But she added: "We shall look at this again under the Italian presidency in the light of further progress in South Africa."

Mrs Thatcher added that "in practice, several countries have already begun to lift various measures and 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 South Africa and Denmark had returned its ambassador.

Newspapers take Mandela to task

(280) Star 29/6/90

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 "changing 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".

Australia'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 democrats."

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-Reuter.

Star 29/6/90 (280)

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.

SANCTIONS FM 29/6/90

End of the line

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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 hardest-line EC member, Denmark, has decided to renew diplomatic contact with Pretoria.

Thatcher

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 stemmed 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*). ■

FARMLAND F/M 29/6/90

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-

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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 with 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

Sanctions to stay — for now

Argus 2/7/90 280

Mandela keeps bargaining chip

The Argus Foreign Service

LONDON. — In their search for a consensus on sanctions, European leaders have hammered out a carefully crafted statement which manages simultaneously to address the disparate needs of Mr Nelson Mandela and President De Klerk.

For Mr 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 Mr De Klerk, described in the EC's communique 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.

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 only emerged 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 Mr De Klerk.

Italy lifts ban

Some are actually taking steps of their own: 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 to SA.

So Mrs Thatcher, who was hoping for some lifting of sanctions at this summit, is consoling herself with the conviction that the others appear to be moving towards her view.

She 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.

DUBLIN VISIT . . . Mr Nelson Mandela (left) meets Irish President Dr Patrick Hillery at his residence in Phoenix Park, Dublin.

Picture: REUTER

Cape Times 3/7/90

Sanctions promise by Mandela

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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 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".

(280) Star 3/7/90

BACKGROUND

SA dilemma for President Bush

WASHINGTON — Moves to lift United States sanctions against South Africa have been quashed, at least temporarily, as a result of Nelson Mandela's American tour. A problem for the US government now is to find some other way to reward President de Klerk for his courage and goodwill.

Mr Mandela not only secured an iron-cast commitment from federal, state and municipal authorities that sanctions would not be lifted for the time being, some local governments (New York, Atlanta and Los Angeles) actually tightened their disinvestment policies in his honour.

President Bush had hoped Mr Mandela could tell him how Mr de Klerk could be rewarded for the sweeping changes the South African President had made in South Africa, but the deputy president of the African National Congress rebuffed him.

Mr de Klerk did not merit any rewards, Mr Mandela said in a television interview on his tour. The South African Government ought not to be rewarded for correcting its own repugnant policies.

If there were to be any rewards, he added, the ANC should get them because it alone was responsible for bringing about the initiative which had resulted in negotiations for a peaceful settlement in the country.

President Bush, right, is left with a dilemma in the wake of Nelson Mandela's US tour. **DAVID BRAUN** of The Star's Foreign News Service reports.

This puts the Bush administration in something of a dilemma because it has indicated to Pretoria that it would like to reward Mr de Klerk in order to strengthen his position with white voters.

Mr Bush, already running for re-election in 1992 and somewhat in trouble for reneging on his last campaign promise not to raise taxes, is extremely sensitive to US public opinion.

As his current standing with the US black voters is very high, it is most unlikely he will do anything in his South African policy which would run counter to the sentiment expressed by hundreds of thousand people who turned out to cheer Mr Mandela in the streets of American cities.

Mr Mandela's diplomacy, appealing directly to his vast constituency in the US, has therefore been something of a master stroke: he virtually controls America's South African agenda.

The effect of this is likely to further strain the already difficult and scratchy relationship between Pretoria and Washington.

It is difficult to see what Mr de Klerk could hope to achieve if he proceeded with his plans to visit Washington in the next few months. The atmosphere created by Mr Mandela is not conducive to a friendly welcome for the South African President by either Congress or the American public.

What could Mr de Klerk come and tell the Americans? That he too is in favour of a speedy peaceful settlement in South Africa? That he should also be given credit for progress in South Africa? That he must get some recognition for his role if he is to carry the white electorate?

Mr Mandela has already told the Americans, almost at every stop on his tour, that Mr de Klerk and his Government are sincere and also want a speedy peaceful solution in the country.

He has, however, explained that although its end is in sight, apartheid still exists. There is no point in turning off the heat just as the water is about to boil, was the way he put it.

"Keep the pressure on", "Intensify the pressure" and "Double and redouble your efforts" were slogans he used extensively on his tour. This almost guarantees mass demonstrations and snubs for Mr de Klerk should he come to the US in the current climate.

The South African President's turn may come once the final hurdles to negotiations in South Africa have been cleared and actual constitutional negotiations between the ANC, National Party and others have started.

In that scenario, if the ANC tells the world sanctions may be eased, Mr de Klerk may be welcomed in the United States.

Jockeying for advantage

Star 4/7/90 (280)

Are the present African National Congress and National Party tactics in the run-up to negotiations shortsighted? The answer is probably both yes and no, writes **Political Editor JOHN PATTEN.**

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 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 ahead of a settlement. While abandoning these policies may conceivably help the NP, the effect on the ANC would certainly be the opposite.

In the eyes of the ANC's black adherents, abandonment of such pressure before the final eradication of apartheid would look very much like capitulation without guarantees. The ANC could lose its dominant position in black politics if it were to make such a decision, appearing weak and submissive to the white ruling party just when its supporters believe their negotiating position is strongest.

The PAC could quickly overtake the ANC as the real mass movement championing black rights if the perception were to take hold that the ANC was not standing up to the Government.

As for the Government turning for an alliance to homeland leaders and politicians from other parties engaged in the tricameral system, this may be seen in one sense as mustering strength to confront the ANC in formal talks.

The National Party badly needs to get into a multiracial alliance of parties with agreed basic principles — such as free enterprise, and a free press, support for multiparty democracy, an independent judiciary and other tenets of Western democracy. Such a charter can then be measured against the ANC charter. But the plan has a big downside.

It may help to make the Nationalist-led bloc look multiracial, and it may help to maintain the ANC in the "enemy" camp where so many whites would like it to stay, but such a tactic may not help the Government's ultimate credibility.

Many homeland leaders the Government is now trying to woo into alliance are already on the brink of throwing in their lot with the ANC, and for very good reason — the people they lead support the ANC, and by joining the ANC homeland leaders can distance themselves from the apartheid system under which they came to power.

If, instead, they join the Government alliance, they would appear to remain part of the apartheid system at their political and possibly even physical peril.

Credibility

Homeland leaders generally do not have a high political credibility. And the same applies also to Indian and coloured politicians taking part in the tricameral system. There is a strong belief that the real coloured and Indian leaders reside outside the system.

So, on both the ANC side and on the Government's, there is reason in the stances they take and groups they befriend, but there must also be an undercurrent of awareness that the very tactics they are now following could make the negotiation stage more difficult to reach.

Once negotiation begins, moreover, it will be vitally important to ensure that the adversarial style adopted in the run-up to negotiation disappears and that compromise and sympathetic addressing of problem areas from any quarter should take its place.

The time will come for that transition. Meanwhile, both main parties to the future negotiations are trying to ensure they remain leaders of their particular constituencies — even if some damage to the speed of the pre-negotiation phase is done.

'We are aware of damage done'

ANC hopes sanctions can be lifted soon

B/Day 5/7/90. (280)

JOHN CAVILL

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 £3bn 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 had 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 evisaged 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 thus 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'

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Cape Times 5/7/90

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 P 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 van der MERWE
Political Reporter

ARGO 5/7/90

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

(280)

F/M 6/7/90

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 Ziana reported on Friday.

(280) C/Press 8/7/90

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

Star 11/7/90 (280)

'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 rands 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 elicit 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 — Page 18.

Transkei appeals to US to lift sanctions

Star 11/7/90

280

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 strong 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 no 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

(280) Star 11/7/90

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".

Star 12/7/90 (280)

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

(280)

Mail 13/7 – 16/7/90

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 Detriot were looking at tougher sanctions law and expressed the hope that New York's decision would "spur these 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 violations 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 to ensure 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 to 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

S/Times 15/7/90

By PATRICIA CHENEY
Washington

(280)

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, if any, 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. "He deposited in them."

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. B/Day 18/7/90

"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. (280)

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'

Argus Times 18/7/90

(980)

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 S G 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 R11,8bn) 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 R95bn) 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 R2 000 per head.

Activists hound US Democrat for SA links

Sowetan 18/7/90

280

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 25 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. - *Sowetan Foreign Service.*

IN BRIEF

THE NEWS LAST NIGHT

Japanese 'No' to lifting sanctions

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Mail 2017-22/7/90

■ 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?

Cape Times 24/7/90 (280)

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

Cape Times 24/7/90

280

Woody Allen

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 Allan 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

ANC sends protest note to Moscow

Cape Times 25/7/90

280

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

B/Day 27/7/90

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.

(280)

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 1967 sanctions had cost SA between R40bn and R72bn.

The IRRC argued that as a result the economy was between 20% and 35% smaller in 1990 than it would have been.

Pace of US disinvestment slows from 1987 peak to one company this year

280 W/Mail 27/7-29/7/90

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 in 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.

American firms' investments in South African subsidiaries stood at $1,27-billion at the end of 1988.

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.

OPINION 2

Simon Barber

DATELINE WASHINGTON

Sanction lobby's purists run out of steam

280

S/Times 29/7/90

THE Inquisition was not about saving souls. It was about the maintenance of the papacy's temporal power.

Heretics — 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 1986.

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 by an SA counterpart? 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 R1,35-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 1988, 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 Kavafy asked: What if they don't come? The Africa Fund and its fellow-campaigners 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

Cape Times 30/6/90

280

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".

(280) **Clause**

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. Sowetan 31/7/90

South African Ambassador, Mr David Tothill, claimed the clause could contravene legislation against racial discrimination.