

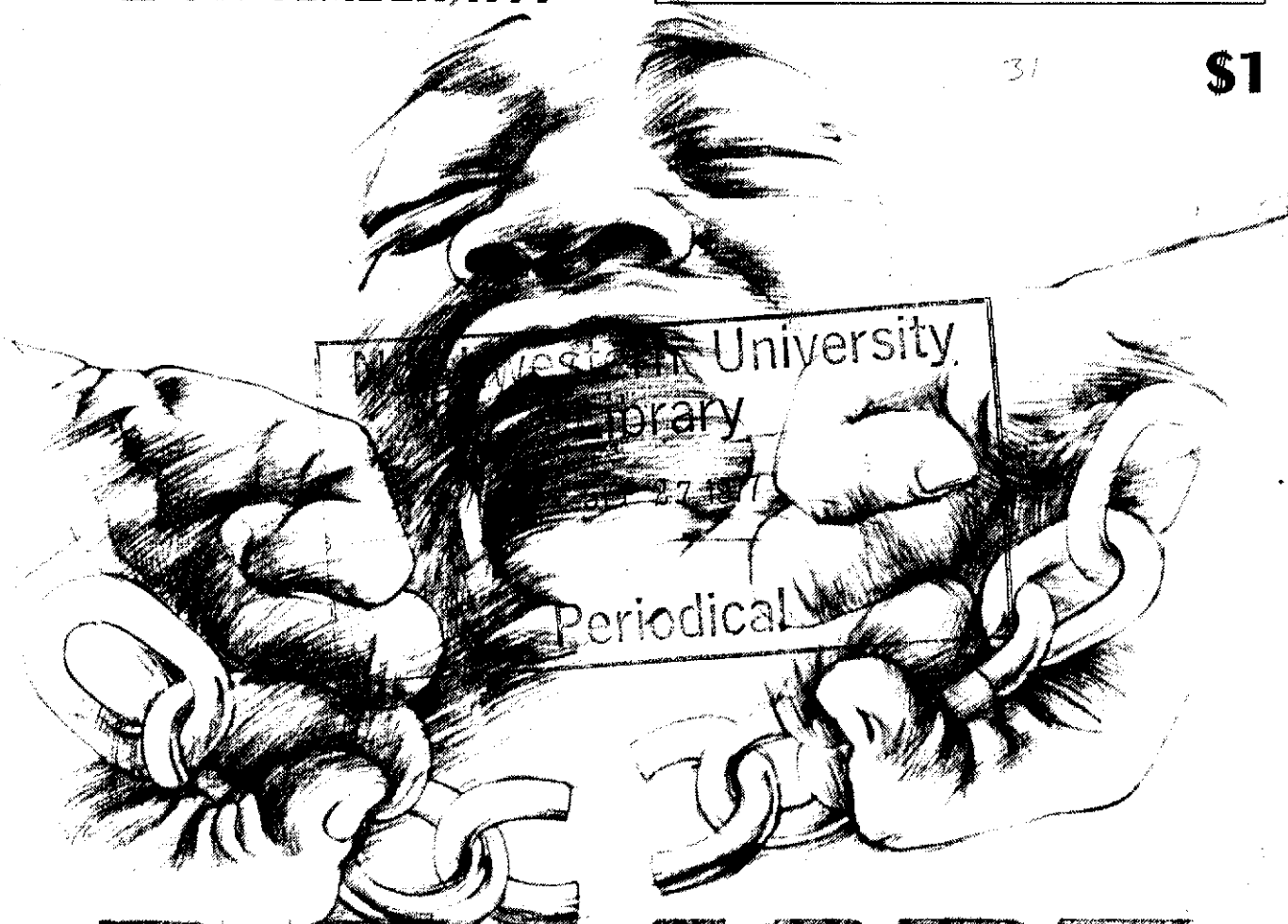
VOLUME X NUMBER 7

SOUTHERN AFRICA

SEPTEMBER 1977

- Destroying World Poverty: President Nyerere Speaks
- Sanctions Breakers — Selling Oil to Rhodesia
- Artists Against Apartheid

\$1



Midwestern University
Library
Periodicals

WORLD



CORRECTION

In the article *What Arms Embargo?* by Sean Gervasi, the Ford Motor Company was incorrectly listed as licensing Oto Melara to produce equipment. The sentence should have read: For example, the FMC Corporation has licensed Oto Melara, a major Italian arms manufacturer, to produce a version of the M-113A1 armored personnel carrier. We apologize for any inconvenience caused by this error.

SOUTHERN AFRICA

SEPTEMBER 1977
VOLUME X NUMBER 7

Our Collective:

Barbara Barnes Carole Benglesdorf Wes
Cohen Paddy Colligan Jennifer Davis
Michael Davis Charlie Ebel Mimi
Edmunds Carolyn Fleuhr-Lobban Nancy
Gear Peggy Halsey Janet Hooper Paul
Irish Tami Hultman Allen Isaacman
Bill Johnston Marci Kerr Richard
Knight Reed Kramer Richard Leonard
Richard Lobban Edgar Lockwood Bill
Minter Ruth Minter Susan Rogers
Christine Root Karen Rothmeyer Mike
Shuster Janet Siskind Pat Smith Jinni
Stroman John Stroman Stephanie
Urdang Roberta Washington Jim Weikart

Southern Africa is published monthly,
except for July-August, when bi-monthly,
by the Southern Africa Committee, 156
Fifth Avenue, New York, New York 10010.

Subscriptions: Individual (domestic and
foreign)/\$8.00; Institutional/\$18.00; Air-
mail: Africa, Asia, Europe/\$20.50; South
and Central America/\$17.50.

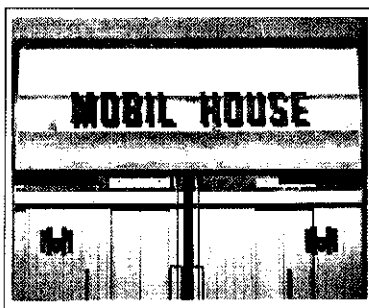
Southern Africa is available on microfilm
through University Microfilm, Xerox Com-
pany, Ann Arbor, Mich. 68206, and is
listed in the Alternative Press Index.

**Cover: Poster by
Bob Zeiring**

Contents



**2 DESTROYING
WORLD POVERTY:
PRESIDENT NYERERE
SPEAKS**



- 8 SANCTION BREAKERS —
SELLING OIL TO RHODESIA**
- 12 ARTISTS AGAINST APARTHEID**
- 14 A FINE FACE FOR APARTHEID**
 - 15 JUSTICE DEPARTMENT SUES
SOUTH AFRICAN LOBBYISTS**
- 15 OVERVIEW**
- 16 NEWS BRIEFS**
- 18 UPDATE**
- 20 UNITED STATES/SOUTH AFRICA**
 - 20 CARTER WINS SOUTH AFRICA AID PACKAGE**
 - 21 U.S. TRAINS VORSTER'S SPIES**
- 22 ZIMBABWE**
 - 22 MORE AND MORE TALKS!**
- 23 SOUTH AFRICA**
 - 23 SOWETO CHALLENGES WHITE AUTHORITY**
 - 24 AMERICAN FIRMS RUN
FOR COVER IN SOUTH AFRICA**
 - 25 SQUATTERS DRIVEN OUT**
- 26 NAMIBIA**
 - 26 SWAPO STANDS FIRM IN SETTLEMENT TALKS**
 - 27 NEW SPATE OF TRIALS**
- 27 MOZAMBIQUE**
 - 27 NO EASY TASK**
- 29 BOOK REVIEWS**
- 31 RESOURCES**
- 32 ACTION NEWS NOTES**

Destroying World Poverty: President Nyerere Speaks

During his state visit to the United States, President Julius Nyerere of Tanzania was awarded an honorary degree by Howard University on August 5. He took the opportunity to deliver to the large and very supportive audience, a major address, analyzing some of the forces involved in the continuing impoverishment of the poor nations of the world and called for profound changes in the system of distribution of the world's resources. President Nyerere's forceful and critical comments received almost no coverage in the American Press; to make it available to our readers we have thus decided to print the speech in full.

Mr. President; Your Excellencies, Ladies and Gentlemen:

I am going to speak to you about Poverty, or more specifically, the relations between the Haves and the Have-nots of the World. Your country is the richest in the world. With some 6 per cent of the world's population I am told that you use over 30 per cent of the non-renewable resources available in a year.

My own country, Tanzania, has the doubtful distinction of being included among the United Nations list of the 25 poorest countries of the world. Perhaps it is not surprising, therefore, that I am one of those people who complain bitterly about the present world economic system and loudly demand that it should be changed. I would like to try to explain what, as we see it, the problem IS, and why the poor nations are demanding fundamental changes.

We Are All Involved

It is through contact with what are called the Developed Market Economies that we in the Third World have become conscious of the twentieth century world. During the Second World War our soldiers in Burma and North Africa were told they were fighting for Freedom; in the colonial schools we heard of the demand "No taxation without representation." These teachings made the anti-colonial struggle intellectually logical and reinforced our own instinct for self-govern-

ment. The call for human equality and justice was—and is—incompatible with racism; it therefore backs up our natural opposition to apartheid and racial discrimination of which we have been victims for so long. Also, the demand for a welfare state, and the abolition of poverty, reverberated from the developed nations to the poor ones. A life of poverty and inequality was being rejected everywhere in the world.

The political demand for freedom leads to a separation of the colonized and the colonizer. But economically the situation is very different; our nations are locked together. It is not possible, much less desirable, for a newly independent nation to cut all economic links with its metropolitan trading partner or other developed nations.

A man who needs to sell his labor in order to buy bread and the man who controls both his employment and the price of bread are not equal. Their relationship is one of dependence and dominance.

But a re-examination by the new state of the economic relationships which grew up during the colonial period is inevitable. Experience, combined with analysis, then quickly teaches the young and poor nations that the present international economic system works automatically and inevitably to their disadvantage. There is an automatic transfer of wealth from the Poor countries, where it is needed to provide the necessities of life, to the Rich countries where it is spent on creating and meeting new wants.

From the Poor To the Rich

This is not an ideological judgement. Capitalist and socialist Third World countries recognize the same truth. Nor is it a comment, for example, on capitalism within the U.S.A., or socialism within Tanzania; each nation has the right to choose its own social and economic system. It is an

assessment of the arrangements under which nations deal with each other on economic matters; that is, about the results of institutions and arrangements which dominate international finance, trade, investment, and so on.

Nations which are rich and poor, socialist and capitalist, have an equal interest in these matters, although the quantity of our involvement in international exchange is so very unequal. International trade across the economic divide is important to America; this country imports over 30 per cent of its oil, as well as many other raw materials, from underdeveloped nations, and about one third of America's exports are sold to poor nations. Tanzania could probably survive at subsistence level without trade with the developed economies; but it could not do much more. Trade and investment relations between rich and poor nations are important to both rich and poor; both should participate in their regulation. At present this is not so.

The complaint of the poor nations against the present system is not only that we are poor both in absolute terms and in comparison with the rich nations. It is also that within the existing structure of economic interaction we must remain poor, and get relatively poorer, whatever we do.

Getting Poorer

What poverty means for the poor countries is not understood in a country like this. It has been estimated that the poor nations have more than 70 per cent of the world's population and only about 17 per cent of the Gross National Product. More important, this imbalance is getting progressively worse; the average per capita incomes in the poorest nations of all—with 1,200 million people—increased by roughly \$2 per annum (in constant money terms) between 1965 and 1975. The per capita incomes in the rich nations increased by about \$130 per annum in the same period.

Tanzania's per capita national income is now \$140, that of the United States is \$7,100. And although there is no such thing as an "average" Tanzanian or American, figures expressed in



Informationszentrum Dritte Welt

President Julius Nyerere

these terms do illustrate the wealth which is available for use and distribution. On that basis it would take the average Tanzanian more than 50 years to earn what that average American earns in one year. The Tanzanian's expectation of life at birth is about 45 years!

What really matters, however, is not the statistics; it is what these contrasts mean for people's lives and the services which are available to them. In Tanzania the infant mortality rate is about 152 per 1,000; in America it is about 18 per 1,000. My country, which is bigger in area and population than Texas and Oklahoma together, has a total of 1,400 miles of tarred roads as against 31,000 in those two states; our per capita consumption of sugar is less than a quarter of that in U.S.A.; malnutrition is still widespread; education and health care are, in world terms, an aspiration not a fact, and so on and so forth.

This poverty does not arise exclusively from Tanzanian actions—or lack of them. A hard-working Tanzanian peasant family, if the weather is kind, can by their combined efforts earn from their farm just a little more than is needed for subsistence; it takes them years of saving to buy a bicycle. A school-leaver in this country, who may work in the store-room of a firm distributing the sisal our peasants grow, will receive an income sufficient to run a car.

Such contrasting living standards are connected; they result from the distribution of the wealth produced by the combined efforts of farmer, shipper and distributor. And that distribution is arranged by men, i.e. by the systems of production and international exchange which men have created.

The Present International Economic Structure

The present international economic and legal structure has developed gradually out of the interaction between the different nations of Europe, and then the United States and the British Dominions. Their cultures were basically similar, their knowledge—or their access to it—was never greatly different from one another. Even so, there were great economic conflicts, and even wars, before the evolution of those conventions, institutions, and practices which are now regarded as normal, and even natural, rules and mechanisms of international exchange.

In this process the countries which are now known as the Third World were not involved. They were either colonies of one or the other major powers, or were so weak or so far away from the mainstream of economic intercourse that they could be—and were—ignored.

The dominant philosophy of international exchange which we met at independence—and which still prevails—is that of a "free market." In theory this means unfettered competition and

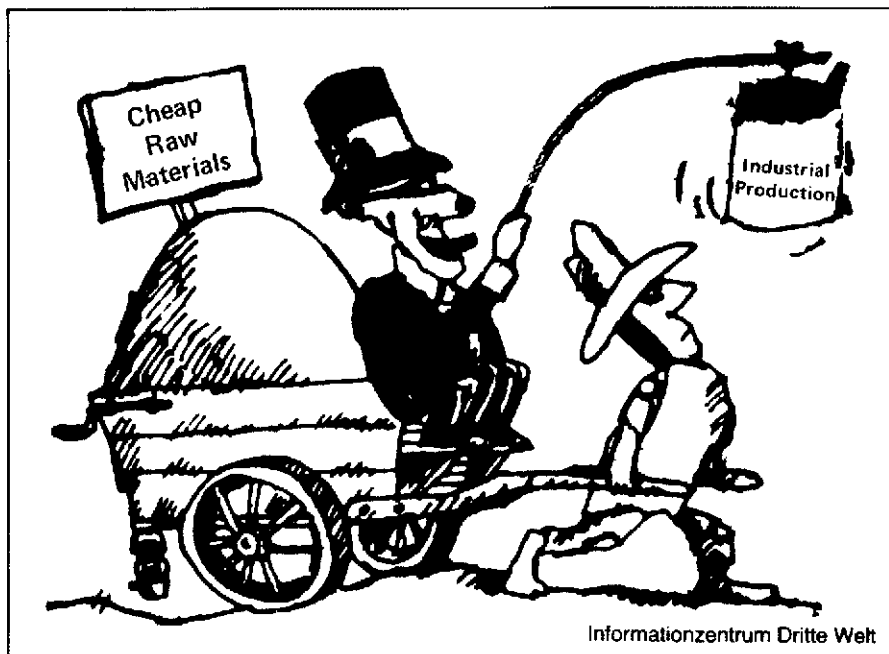
bargaining between equals, with prices being the combined actions and wishes of sellers and buyers. In practice international exchange does not operate in such a free manner. Yet the theory continues to be taught and advocated, and the young countries are lectured on its virtues, and admonished not to try to interfere with it.

What Free Market?

Unfortunately the theory bears little relation to fact. Equality between nations of the modern world is only a legal equality. It is not an economic reality. Tanzania and America are not equal. A man who needs to sell his labor in order to buy bread and the man who controls both his employment and the price of bread are not equal. Their relationship is one of dependence and dominance.

Nor is it true that prices are determined by the operations of a free market, that is, by discussion and compromise between sellers and buyers. The price of manufactured goods is fixed by the producers; if any competition enters into the situation at all, it is between giant firms like Ford, General Motors, and Volkswagen. It is certainly no use the Tanzanian Motor Corporation trying to argue with any one of these firms about their prices; if it is not willing to pay what is asked, the vehicles will wait in stock and Tanzania will continue without transport.

Conversely, the price of primary products is fixed by the purchasers. The producers put on the market whatever they have managed to grow or mine in that year; the goods are



Informationzentrum Dritte Welt

often perishable, and in any case the poor nations are desperate for foreign exchange and have no facilities for storage—known facts which further weaken their bargaining position! A small number of purchasers then decide how much they will buy, at what price. Only if natural disaster has made the year's supply unusually low will their competition push the price up.

The Poor Are Price-takers

The primary producing countries which need to import manufactured goods are thus price-takers, not price-makers, both as seller and as buyer. We sell cheap and we buy dear, whether we like it or not. This is the position of most Third World countries—with the recent exception of the oil producers, who do now fix their own prices for the oil they sell. It is perhaps not surprising therefore, that the terms of trade between the developing and developed countries have moved so steadily and consistently against the

The primary producing countries which need to import manufactured goods are thus price-takers, not price-makers, both as seller and buyer. We sell cheap and we buy dear, whether we like it or not.

former; taking 1963 as a base the World Bank gives the Commodity Terms of Trade index as 87 for 1972—it was 122 in 1953! We in the poor countries don't think in such statistical terms—or even understand them. What we know is that we have to sell more and more sisal, cotton, or copper, to get the foreign exchange needed to import identical machines in successive years.

To break out of this foreign exchange trap and at same time to benefit from the multiplier effect of expanded economic activity, the poor countries endeavor to build up their industrial sector,—to become price-makers, even in a small way. Naturally we start with the processing of our own primary products. It seems logical to export cloth rather than cotton lint, and twine or rope rather than sisal; and such simple manufacturing processes can provide a little platform for further industrialization. Having established these factories at enormous expense, we discover that processed commodities, and simple manufactured goods, are not so easy to export as raw products. They

meet tariff barriers, quota regulations, or other devices intended to keep them out of the markets of the rich. The "free market" becomes less free! For these goods are said to be the products of sweated labor, although the employees in such factories have higher incomes than workers who produce the quite acceptable raw commodities. The President of the World Bank has estimated that the undeveloped nations could sell an extra \$33 billion worth of goods to the developed world if existing trade barriers were lifted. Even allowing for the inevitable inaccuracy of such figures, it does appear that such actions could enable us to reduce our beggary to some extent!

Further, the poor nations have to ship both their imports and their exports in ships owned and managed in the developed countries. The freight rates are mostly fixed by a shipper's cartel—OPEC did not invent the idea of combining to fix the price of a vital commodity! This cartel has an apparently ineradicable bias against carrying processed goods away from East Africa: for a ton, it costs \$41 to ship raw sisal and \$73 to ship twine from and to the same port, with similar differentials between cotton lint and textiles, hides and leather, and so on.

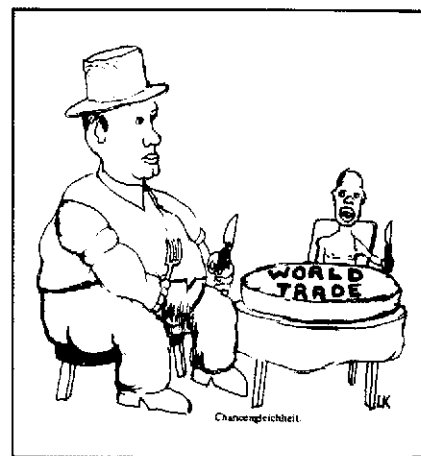
Poverty Breeds Poverty

Success breeds success and riches breed riches. Poverty also breeds poverty. It is easier and cheaper to start an industry or expand the saleable output of a crop when electricity and good roads exist; but infrastructure needs money before it can be created. The rich can supply security for loans and are a good credit risk; the poor are less educated, less experienced,—and therefore more likely to fail in new enterprises; also they have little or no wealth to offer as collateral.

Further, it has to be acknowledged that poverty breeds inefficiency, corruption, and social unrest, all of which are inimical to economic development. For example, if a poor country gets desperately short of foreign exchange—no unusual occurrence!—it cannot buy and stock spare parts which may never be needed, and it does not have a spare transport capacity in case a crop is larger than normal. Also such a country will usually be short of technicians to deal with mechanical breakdowns when they occur. Trying to husband scarce resources and allocate them in accordance with human need, means that licenses and permits abound—with all the temptations for corruption they bring. Nor are people

suffering from endemic diseases famous for their hard work and initiative—or their resistance to spurious promises of quick salvation!

The poor nations of the world remain poor because they are poor, and because they operate as if they were equals in a world dominated by the rich. The tendency is not different within nations; the farming communities and the urban poor remain poor, and become progressively worse off relative to the rich, because they operate within an economic structure dominated by the latter. But within nations—even within capitalist America—counteracting steps are taken by the state. Progressive income tax, welfare payments, Medicaid, farm support programs, as well as anti-trust legislation, etc., may still be politically contentious issues; they may or may not be very efficient in fulfilling their purposes. But hardly anyone denies the



need for some organized countervailing power, some method for counteracting the built-in tendencies for the rich to get richer because they are rich and the poor to get poorer because they are poor.

There is no organized international mechanism designed to correct—or even ameliorate—the workings of the free market. On the contrary, such institutions and practices as do exist give further impetus to the growth of inequalities between nations—and to the misuse of the world's resources for high living by a few rather than their use for the basic needs for the masses. Let me give just a few examples.

Bankers Help the Rich

The international financial system is regulated by the I.M.F. and the World Bank, helped or hindered by unilateral actions of major powers like U.S.A., E.E.C., Japan and a few other developed nations. Given that voting power

in the governing bodies of the I.M.F. and the World Bank is determined by the proportion of the capital contributed by different nations, the results are perhaps inevitable. The richer you are, and the more you trade in the world, the greater the support you can get in times of crises, and the greater will be your allocation of international credit when Special Drawing Rights are created. Prof. Triffin has estimated that the Third World, containing over 70% of the world's population, received less than 4% of the \$126 billion of international liquidity created during the last two decades. And certainly up to the end of 1974, 74.7% of the S.D.R.s created had been allocated to the rich countries, and 25.3% to the poor ones. For the Rich Countries have rejected the demand by the Poor, that the creation and distribution of S.D.R.s should be linked to the need for development.

Yet the low international purchasing power of the poor is a factor in keeping poor nations locked in their poverty. To expand our output we need plant, equipment and machines of many types, as well as the technology and know-how embodied in the production and use of such goods. The developed countries have those goods and services to sell. But we cannot buy them because we are not entitled to more than our poverty-based "Quota" of S.D.R.s! Thus, although there is a very good case for increasing the quantity of S.D.R.s, the greater problem is the distribution of those which are created. Instead of facilitating growth in the world by enabling the poor to buy more—mostly capital goods from the rich—the created international credit has been used to promote trade between the rich themselves.

It is very difficult for Third World countries to obtain by more orthodox means the foreign exchange we need for development. International aid is certainly not the answer especially as it is offered by most countries as if it were charity for which we should be "deserving poor" in the best traditions of feudalism, and also very grateful!

Aid Is Not Enough

All the poor countries—including my own—welcome capital and technical aid when it is given without political strings. But aid is unreliable and insufficient in quantity, it is frequently counter-balanced by the adverse effects of movements in the terms of trade between our imports and exports. In the 1960s most developed countries committed themselves to

using 0.7 per cent of their national income for Official Development Assistance to the Third World. Up to now only three have done this—the Netherlands, Sweden and Norway. The United States (which has not even accepted the target) comes 13th on the list of O.E.C.D. countries in order of their percentage contribution, with a flow of 0.26 per cent! And in any case the whole idea of aid is wrong because it is both ineffective in dealing with the problem of poverty, and humiliating to the receiver. Within nations we no longer think it is proper to deal with the problem of poverty through the personal charity of the rich. Yet voluntary charity by the rich nations is what is being advocated as the method for dealing with the poverty of nations!

Like the workers of the industrialized countries, what we poor nations need is the right to work, and a fair return for our labor. We want equity

The poor should not find themselves trying to run up the down-escalator while the rich sail upwards on their up-escalator, as now. They should at least be moving in the same direction—it is to be hoped with the poor moving faster!

not charity. For we want to depend upon our own efforts and to plan on the basis of those efforts. At present we cannot do so. Thus, world commodity prices fluctuate violently; sensible development decisions are almost impossible for countries dependent for their export earnings on one or two products. All we know for certain is that the prices of what we sell will keep falling in relation to those we buy. Between January 1974 and now, the price of copper has danced about within a price range of £600 and £1,300 a ton, but mostly at the lower end of the scale. The current absurdly high prices of coffee arise partly because the average coffee price before the boom discouraged new tree planting—and it takes four years for a tree to come into production. Coffee consumers need not worry very much. Coffee prices are bound to fall and the price of tractors is bound to rise!

The Responsibility of the Poor

None of these things—indeed nothing at all—changes the responsibility

of the poor to overcome their own poverty. The demand for a New International Economic Order is a way of saying that the poor nations must be enabled to develop themselves according to their own interests, and to benefit from the efforts which they make. The poor should not find themselves trying to run up the down-escalator while the rich sail upwards on their up-escalator, as now. They should at least be moving in the same direction—it is to be hoped with the poor moving faster!

The traditional remedies for poverty will certainly not, on their own, bring progress. Hard work by the poor is necessary. No one denies it. But an undernourished person cannot work hard for very long; with only a hoe as his tool the peasant cannot cultivate a very large area; nor does it help very much if he sweats to produce more cotton and there is then no truck to carry it to the railhead, or no passable road between his village and the factory.

Population Control

The poor nations are told to reduce their high birthrate. But it is development which brings down the birthrate, not the other way round. The best contraceptives are a standard of living high enough for confidence that your children will not die before maturity, a reasonable level of education,—and electricity! I was reminded last month that nine months to the day after New York had its first major power failure, the number of children born took a phenomenal jump!

We are told to remove the beam in our own eye before we complain about inequalities between nations. For it is true that within the nations of the Third World the contrasts between wealth and poverty are frequently disgusting. Tanzania is one of the poor countries—and there are an increasing number—which endorses this demand for international economic justice, and tries to implement it. We carry out land reform, or we end the exploitation of our workers and our nation by nationalizing the mines or major industries and financial institutions; we impose heavy taxes on the rich and concentrate our public spending on services needed by the poor, and so on.

Costs of Change

But such actions do not always receive the applause of the developed world. For the individuals adversely affected by these measures are the educated citizens, the ones with international contacts, the ones whom Ameri-

can businessmen know to be pleasant, intelligent and hard-working people—or else they are foreigners who owned our land or our businesses according to past law and against whom no legal offense can be proved. The result of our reforming action, when it is not the kind of intervention we saw in Chile, is a hostile world environment for the poor nation. Sometimes World Bank loans, or Western aid, are refused on the grounds that we have nationalized without adequate and prompt compensation—a long history of exploitation is regarded as irrelevant.

Nor is that all; change of organization or ownership—however beneficial in the long run—always has short-term costs. For example, if a country like mine reorganizes its medical services and sends doctors to the rural areas, some may emigrate; when we

The current absurdly high prices of coffee arise partly because the average coffee price before the boom discouraged new tree planting—and it takes 4 years for a tree to come into production. Coffee consumers need not worry very much. Coffee prices are bound to fall and the price of tractors bound to rise!

hold down the top salaries so as to reduce appalling wage differentials, some experienced managers and professional people will be tempted by the much higher incomes they can get in developed countries. The "brain drain" is another transfer of needed resources from the Have-nots to the Haves!

Again, the poor nations are told to invest more—to sacrifice present consumption for the sake of future development. Speaking for my own country, we try to do that. By deliberate government action, including strict foreign exchange control and high taxation on non-essential goods, we discourage unnecessary consumption so as to extract from current output the maximum for investment. The result is that 20% of our Gross Domestic Product is devoted to Gross Fixed Capital formation. The United States spends 18% of its G.D.P. on Fixed Capital formation . . . From his average annual income of \$140 a Tanzanian sets aside

\$30 for development. An American sets aside \$1,200 out of \$7,100. Yet that \$30 means a very much greater sacrifice for the Tanzanian than \$1,200 means to the American.

Why Not Foreign Investment?

And finally, the poor countries are advised to encourage private investment as a means of promoting economic growth. For a poor country like Tanzania that means foreign investment—we never had any indigenous capitalists. Yet it is not only young and weak countries like Tanzania that find worrying the prospect of external control of their economies. I understand that in 1975 a Committee on Foreign Investment in the United States was established by the president of this country to "guard against the potential problem of foreign investments!"

Quite apart from nationalist considerations, however, private capitalists are not generally very interested in development investment in poor countries which do not have oil. For poor countries do not have the economic and social infrastructure private investors require—and which is necessary for maximum efficiency and high company profitability. To attract foreign investors we would therefore have to spend money, offer tax and personal privileges, and promise that even if our people starve because of a drought the investors will still be able to export their profits!

In any case, contrary to theory, foreign investors are not major exporters of capital to the developing nations if they can avoid it—which they can if left untrammelled. In Latin America between 1965 and 1968, about 78% of the manufacturing operations of U.S.-based transnational corporations were financed out of locally-raised capital—but 52% of the profits made from these activities were exported! And finally, private investors are rarely interested in projects designed to meet the needs of the poorest people or the rural areas, for these do not generate much profit to the firm.

Thus, there are two aspects to the fight against poverty in the Third World. The first is the responsibility of the undeveloped countries to work and organize for their own development and to build up self-reliant economies. The second is the world responsibility to re-structure the international economic order so that it facilitates rather than hinders the efforts made by the poor. Both these tasks need to be carried on at the same time.

The inequities of the international economic arrangements do not excuse economic and social injustices within poor nations; and continuing exploitation of the poor within the Third World states is no justification for the automatic deprecation suffered by those poor countries through the present mechanisms of international exchange.

The Need For International Action

Very many economic experts and expert commissions have analyzed the international situation I have been talking about today, and there is widespread intellectual agreement in prin-



Informationzentrum Dritte Welt
Tanzanian peasant producers face obstacles when trying to export rope rather than wool sisal.

ciple—as well as agreement among the poor—about what needs doing.

First, and in some ways the most fundamental, is that the poor nations should have a greater voice in the world's economic decision making. The economic policy of the United States, (including the creation of credit and matters relating to trade, transport patterns and costs, the powers of private firms, the environment, and so on) is dominated by the federal government of this country, in which all citizens and all states are represented. There is no comparable government of the world. But it is imperative that institutions like the I.M.F. and the World Bank should cease to be under the almost exclusive control of the rich and powerful states. It is absurd, if not

immoral, that the representation of the poor on the governing bodies of these institutions should continue to be in proportion to their poverty!

Changes in the representation on major international economic institutions are not wanted for prestige purposes! The establishment of a link between development and the creation and distribution of international credit, and other actions to counteract the economic power of the wealthy, could be expected to follow. For the purpose of this demand for change is that the requirements of the war against poverty in the world, as well as the interests of all sovereign nations, should be considered in international councils as a right, and not simply out of charity or compassion.

Distributing the World's Resources

It must be frankly admitted that this will require a deliberate transfer of resources from the rich countries to the poor on reasonable terms. But this need not be the only method. The Conference on the Law of the Sea provides an opportunity for the world to direct the use of new wealth towards meeting the basic needs of the poor. For we are talking about who should own and benefit from untapped world resources which exist outside anyone's national jurisdiction. If we were really serious about the war on world poverty, therefore, the sea-bed and its resources would become world property. However the extraction of resources is organized, they will be used to benefit the 2,000 million people in the world who are living in conditions of great poverty. The continued failure to reach agreement on this simple principle is not very encouraging.

On international trade there is need for measures to stabilize prices of primary commodities, in the short term by buffer stocks and in the longer term by assisting the poor to make long-term adjustments to changes in demand or supply. There is also need to make compensatory payments to poor nations which are affected by sudden changes in world demand or by natural disasters which decimate their export capability. The Common Commodity Fund is the most effective way of financing such stabilization efforts; compensatory payments such as those operated under the Lomé Agreement (and to a restricted extent by I.M.F.) must be extended and improved.

Linking Prices

It is important, however, that these measures should be linked with some

advance along the road to the indexation of primary commodity prices in relation to the prices of manufactured goods. I do not believe that this admittedly difficult technical exercise is beyond the wit of man. Nor do I understand the argument that indexation would be inflationary. It does not have to have such an effect, for it is a measure to prevent the redistribution of the world's wealth in favor of the rich nations when inflation does exist. Its purpose is to stabilize the purchasing power of primary commodities in real terms. Inflation starts in the developed countries; the poor should not be asked to bear the brunt of it, as now happens.

It is also necessary for the community of nations to agree on deliberate actions to hasten industrialization in the developing nations. The objective,

We carry out land reform, or we end the exploitation of our workers and our nations by nationalizing the mines or major industries and financial institutions . . . But such actions do not always receive the applause of the developed world . . . The result of our reforming action, when it is not the kind of intervention we saw in Chile, is a hostile world environment for the poor nation.

that the share of Third World countries should be raised from its present 7 per cent to 25 per cent of world industrial production, will not happen through what are called the natural forces of the market! Bilaterally, by region, and multilaterally, the nations of the world have to sit together to work out the steps forward, and the adjustments which have to be made. The poor nations cannot overcome their poverty without industrialization and without trade in manufactured goods—some of them cannot survive without it.

The rich also have an interest in the poor having a greater share of the production and trade in manufactured goods, even though this will require lifting the barriers against the industrial exports of the Third World. For poor nations cannot forever buy goods without being able to sell their own products. On matters of industrial production and trade, cooperation and coordinated action between the two

sides of the poverty divide is needed if unnecessary conflict and suffering is to be avoided in rich states as well as poor ones.

A Trade Union of the Poor?

Nor is it only trade between the rich and the poor nations which has to be stepped up. Greater cooperation, both in trade and in production, is vital between the underdeveloped nations themselves. They can help each other to develop. Let me add that to what extent this cooperation among the poor becomes a Trade Union of the poor, acting in combination against the rich, depends to a great extent on the actions of the rich world. Confrontation is not a desired strategy of the weak; but if reason, justice, and dialogue all fail to bring international changes needed to win the war against world poverty, then economic conflict is bound to follow. The roots of OPEC were nourished by decades of gross exploitation and price-fixing by the major oil companies; its fruit jolted the whole world!

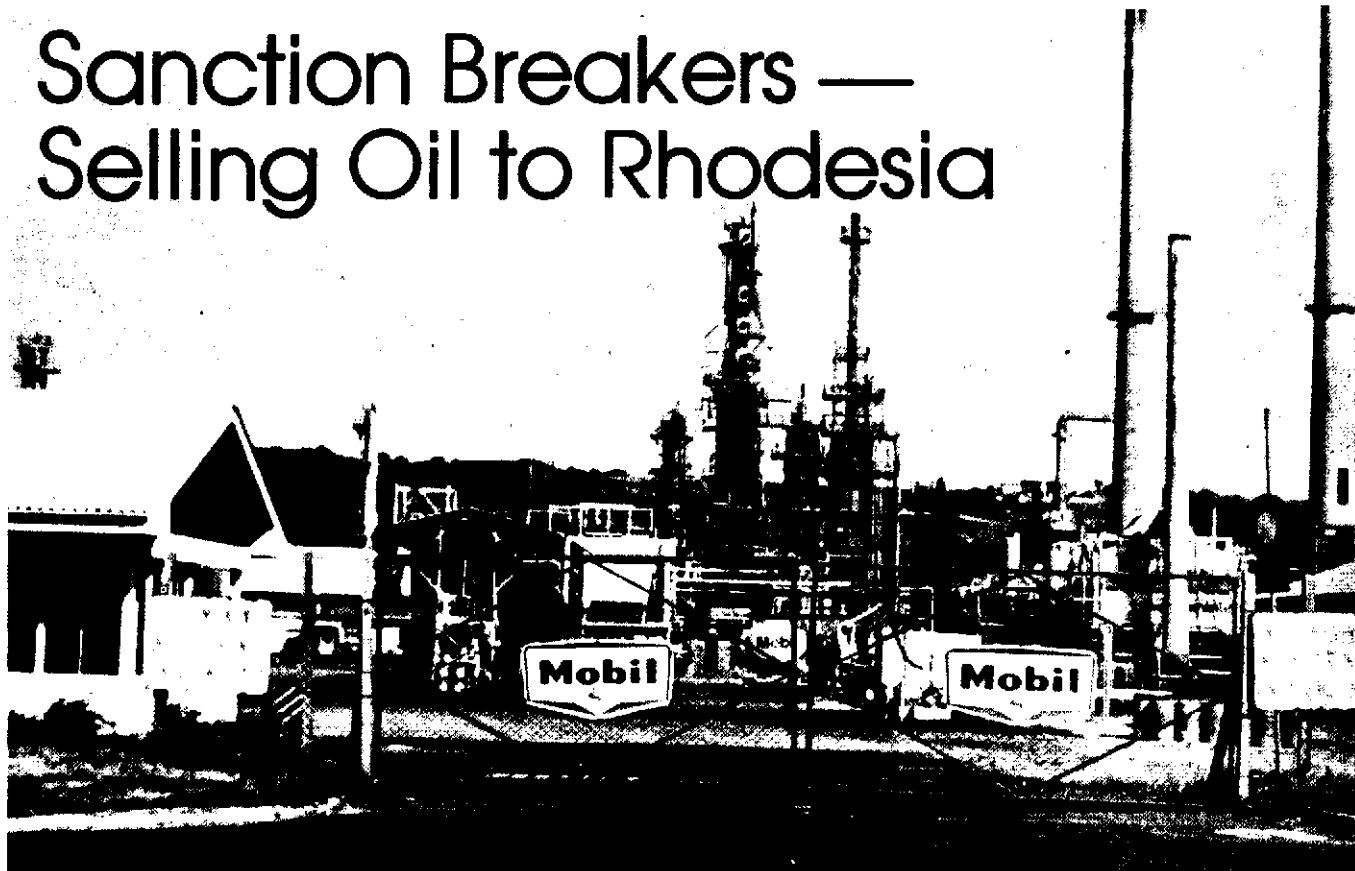
Conclusion

Friends, economics is only a part of life. Political freedom, social equality and respect, freedom of worship, freedom to live in peace and harmony with your fellows,—all these things are very important to man. People have been willing to kill for them. But economics is about the means of life; it is basic. In poor countries, if there is a clash between individual freedom and economic development it is generally not possible to give priority to the former. For people are dying unnecessarily because they do not have clean water, enough good food, or basic medical care—which is not what economic development means to us. The most basic human right of all is the right to life itself, and a life which is not made miserable by hunger, ignorance, or preventable disease.

For life is a whole, economic growth and economic exchange have a purpose. That purpose ought to be the service of man—all men—with priority for the basic needs of food, shelter, health, and education. The present economic order governing international production, development, and exchange does not in practice ensure progress towards meeting those basic needs for all people, all over the world.

The plea of the poor is a New International Economic Order "which embraces for its objective the happiness of mankind." □

Sanction Breakers — Selling Oil to Rhodesia



The entrance to the Mobil Refinery near Durban, South Africa.

The following article has been adapted from testimony presented by Bernard Rivers to the Sanctions Committee of the United Nations Security Council. Rivers, a British economist and researcher on Third World issues has, since 1974, been investigating the continuing fueling of the Smith regime by British, US and other Western controlled oil corporations. He has worked with the Haslemere group on this issue and has most recently acted as consultant to the Commonwealth Sanctions Committee for whom he helped prepare a lengthy report on sanctions-busting oil companies.

Eleven years ago, then British Prime Minister Harold Wilson declared that the Rhodesian rebellion would be over "within weeks, rather than months." This confident prediction was made on the assumption that oil sanctions would be effectively implemented. But they were not. The oil is still flowing, and the Smith regime is still in power. Without oil, Rhodesia's economy and its military machine would, of course, be totally

incapable of survival. Rhodesia has no oil of its own, and neither has South Africa. Before sanctions were imposed, Rhodesia imported nearly all of its requirements in the form of crude oil, which it refined at its only refinery, near Umtali. The crude oil was pumped to the refinery through a pipeline from Beira, on the Mozambican coast. The pipeline was built and owned by a subsidiary of the British-based multinational company Lonrho.

Five Foreign Oil Companies

The Western oil companies which owned subsidiaries in Rhodesia in 1965, at the time of the illegal declaration of independence, were Shell, British Petroleum (BP), Mobil, Caltex, and Total. All five Rhodesian subsidiaries were wholly owned by parent companies based in Europe or the United States. After UDI, these Rhodesian subsidiaries became 'directed' companies under Rhodesian legislation, and the parent companies overseas now claim to have no control over their operations, although they remain subsidiary companies, and have not been nationalized. Each of

the five oil companies also has subsidiaries in South Africa and Mozambique. Mobil Oil and Caltex Petroleum Corporation (jointly owned by the Standard Oil Company of California and Texaco) are both US-owned corporations. Total is wholly owned by the Compagnie Francaise des Petroles, in which the French government has a controlling shareholding. The Shell group is 40 per cent British, and 60 per cent Dutch; BP is a British company, in which the British government has a 51 per cent holding.

Once Britain imposed sanctions against Rhodesia, British boats patrolled the coast, and no crude oil was able to reach Beira. The Lonrho Mozambique-Rhodesia pipeline ceased operating at the end of 1965 and Rhodesia's Umtali refinery was shut down. (The British initially imposed sanctions on their own, were finally forced to bring the matter to the Security Council, and the first United Nations sanctions were imposed on December 16, 1966. *Ed.*)

Thus, for the last eleven and a half years, Rhodesia has had to import not

crude oil, but the entire range of oil products, including both fuels (such as petrol, aviation fuels), and non-fuel oil products (such as lubricants).

This much has long been public knowledge, but it was not clear, until recently, exactly who was sending the oil products into Rhodesia and how it was being done.

Oil Conspiracy Revelations

Considerable light was thrown on the mechanism involved in 1976, when a number of secret documents, obtained from the South African and Rhodesian subsidiaries of Mobil were sent to the Center for Social Action of the United Church of Christ by OKHELA, an underground group of white South Africans dedicated to combating apartheid. In June 1976, the Center for Social Action published *The Oil Conspiracy*, a report based on the documents.

The report explained how Rhodesia has obtained its oil since sanctions were imposed. Most or all of the oil has come from the South African subsidiaries of the five oil companies—Mobil, Caltex, Total, Shell and BP. These South African subsidiaries did not sell *directly* to Rhodesia, but worked via intermediary companies in South Africa. Mobil called this scheme a 'paper-chase.' Its purpose was to minimize the chance that the role of the oil companies would be detected. Under the scheme, the South African subsidiaries of the five oil companies would sell oil products to a South African company (often a shipping and forwarding company called Freight Services Limited), knowing that the oil would then be passed on to other intermediary companies, which would eventually sell it to the required recipient in Rhodesia. The Rhodesian recipient was usually GENTA, an agency set up by the Smith regime to coordinate the importation of oil products.

After receiving the oil, GENTA would sell it to the Rhodesian subsidiaries of the five oil companies, for final sale to the public. Thus the South African subsidiaries of the five oil companies could claim that they made no sales to Rhodesia—although indirectly they were in fact providing most of Rhodesia's needs.

Even if it were discovered that certain oil products had found their way to Rhodesia from the South African refineries owned by the five oil companies, the scheme was still safe—so long as nobody could prove that there was *intention* on the part of the oil companies for their products to

reach Rhodesia. But documents reproduced in *The Oil Conspiracy* revealed that the companies did indeed have this intention.

The Paper Chase

Thus, an internal Mobil-Rhodesia memorandum, quoted in the report says the paper chase

is necessary in order to make sure that there is no link between MOSA [Mobil-South Africa] and MOSR's [Mobil-Rhodesia's] supplies. . . . This paper chase, which costs very little to administer, is done primarily to hide the fact that MOSA is in fact supplying MOSR with product[s] in contravention of US sanctions regulations. . . .

The Oil Conspiracy traced the route taken by most of the oil: from South Africa to Mozambique by sea, and then by rail to Rhodesia. Based on detailed

. . . even before UDI, when the Rhodesian subsidiaries of the five oil companies were still clearly under the control of their parent companies overseas, they acted in such a way as to help make it possible for Ian Smith to declare independence.

and technically complex secret documents, it concluded that:

- (a) the South African subsidiaries of the five oil companies have provided virtually all of Rhodesia's requirements since UDI;
- (b) the sales took place via South African intermediaries, so that the oil companies could truthfully claim that they made no sales direct to Rhodesia; and
- (c) the involvement of the South African subsidiaries of the five oil companies was deliberate and conscious; in no sense were they 'unwittingly' selling to South African companies without realizing that these companies were reselling to Rhodesia.

The Company Response

Not surprisingly, the oil companies themselves responded to the allegations in *The Oil Conspiracy* by continuing to attempt to obscure their role in the whole process.

At no time has Mobil (or any of the other accused oil companies) ever denied the central allegations made

against it, namely that its South African subsidiary has deliberately sold oil to Rhodesia via intermediaries. Instead, Mobil has in effect claimed two things. Firstly, it says that it cannot find out from its South African subsidiary whether the allegations against the subsidiary are true because of the South African and Rhodesian Official Secrets Acts. Secondly, Mobil claims that if somehow it were proven that the allegations were true, it could do nothing to stop the sales taking place because the SA government prohibits "conditional selling." If these arguments are accepted, one would be forced to conclude that the oil companies had lost control over their South African subsidiaries—which would provide a powerful argument in favor of them pulling out of South Africa!

Finally, George Birrell, Mobil's General Counsel, claimed in testimony before the US Senate Subcommittee on September 17, 1976, that

US sanctions regulations do not prevent the South African subsidiaries of American companies from trading with Rhodesia, so long as US personnel and products originating in the United States are not involved.

Unfortunately it may be true that, as currently written, the sanctions legislation in Britain, France, the Netherlands and the United States does not apply to South African subsidiaries. This represents a crucial loophole in the various national laws. It has been suggested by those concerned with the struggle for justice in Zimbabwe that UN sanctions orders could be modified so as to render the parent oil companies legally liable for any sanctions-busting activities by their South African subsidiaries. There are indirect precedents for such legislation. Under the Trading With the Enemy Act of the United States, it is illegal for American corporations *and* their overseas subsidiaries to trade with North Korea and certain other countries.

Secondly, under a strict interpretation of sanctions legislation, the export of oil to *South Africa* might represent a contravention of the legislation. The U.K. sanctions order, for instance, forbids any person to "supply or deliver . . . any . . . goods to any person, knowing or *having reasonable cause to believe* that they will be supplied or delivered to . . . a person in Southern Rhodesia." (emphasis added) As it is known that Rhodesia now obtains all of its oil requirements via



The tanker 'Mobil Durban' unloading fuel at Lourenco Marques, Mozambique, in the fall of 1974. (Note the 'Mobil' sign on the ship's funnel.) Most fuel unloaded here came from South Africa and was destined for Rhodesia.

South Africa, it might be possible for a state to prosecute oil companies involved in supplying South Africa with crude and refined oil, on the grounds that some of this oil can reasonably be expected to reach Rhodesia.

It seems clear that nations urgently need to tighten their sanctions legislation to close the loopholes that now exist, and to use that legislation more energetically than has been true in the past.

Recent Developments

Despite the oil companies' intransigence, a number of extremely important revelations and political developments have taken place in the year since publication of *The Oil Conspiracy*. The principal allegations made have been widely discussed, accepted, and even, in some cases, acted on. Among the most important moves have been: the commencement by Lonrho, the British multinational, of legal proceedings against the five companies; the initiation of investigations into *The Oil Conspiracy* allegations by the US Treasury and the British government; and the announcement by President Kaunda that Zambia intended to sue the oil companies involved in supplying Rhodesia.

Lonrho's Lawsuit

Lonrho has extensive operations throughout 'white' and 'black' Africa. A Lonrho subsidiary built the oil pipe-

line from Beira to Rhodesia, and in 1962, this subsidiary signed a contract with the five oil companies, in which they guaranteed that they would use this pipeline *and no other route* to supply Rhodesia. When sanctions forced the pipeline to close, and the oil companies decided to send oil products to Rhodesia from South Africa, they were thus acting in breach of the contract which they had signed with the Lonrho subsidiary.

As a result, Lonrho has made a consistent loss on the pipeline. The company has now undertaken an extensive investigation to obtain evidence for a lawsuit against the oil companies for breach of contract. If Lonrho can prove breach of contract it will thereby also be proving that the oil companies have consistently evaded UN sanctions.

It would be naive to assume that Lonrho's major reason for bringing the suit at this time is the direct loss of revenue involved. In addition to any damages it may collect, Lonrho is probably looking to this action to restore its credibility in independent Africa—a credibility which suffered considerably in recent years when it was itself accused of sanctions-busting. It may also be hoping that this action will pave the way for profitable operations in the future in an independent Zimbabwe. But whatever its motives, to date the company has collected

some powerful evidence, including copies of secret letters from the then-governor of Mozambique to the Salazar government in Lisbon.

Oil Companies Aided UDI

Even before the commencement of court hearings, Lonrho's Chief Executive Officer, R. W. Rowland, outlined his case in correspondence with British government officials. The Haslemere Group in England obtained a copy of this correspondence, in which Rowland alleged that even before UDI, when the Rhodesian subsidiaries of the five oil companies were still clearly under the control of their parent companies overseas, they acted in such a way as to help make it possible for Ian Smith to declare independence. In mid-October 1965, Rhodesia had only a 24-day reserve of petrol (gas), which was considered insufficient, given the possibility of international sanctions, so UDI was apparently postponed for nearly a month, until November 11. During this period the oil companies built up stocks inside Rhodesia. By early December 1965, when the first moves to impose sanctions were taking place, reserves had been increased to a 90 day level.

Squeezing Zambia

Zambia, on the other hand, was deprived of oil. At the time of UDI, Zambia had no refinery, and its supplies came from the Rhodesian refinery. In mid-October, Zambia, like Rhodesia, had only a 25-day reserve of petrol. But it appears that the oil companies, in their efforts to build Rhodesia's stocks, cut supplies to Zambia. By early December, Zambia's stockpile was at a critically low 13 day level.

The oil companies also apparently supplied the Rhodesian government with ongoing data on the level of stocks in Zambia, which assisted what Mr. Rowland refers to as Rhodesia's attempts "to hold Zambia as a hostage." Undercutting Zambia's stockpile was intended to forestall the imposition of sanctions, but the tactic failed.

However, the maneuver bought Ian Smith's regime critically needed time, enabling it to spend three months establishing new procedures for importing oil from South Africa once sanctions were imposed. Oil was first brought in by road, then by rail from South Africa to Rhodesia via Mozambique. Finally, from mid-1966 until newly independent Mozambique closed its border with Rhodesia in March 1976, most of the oil went by

ship from Durban to Lourenco Marques, and then by rail to Rhodesia.

According to the Rowland letters, the chairman of the Rhodesian government agency GENTA flew to South Africa approximately every six weeks in the early days of sanctions, to negotiate with Shell, BP, Mobil and Caltex on the quantities and prices of fuel to be provided Rhodesia. He also made all necessary arrangements with the South African firm, Freight Services, so that neither GENTA nor Rhodesia featured in the oil company records.

Zambian Government Sues

The five oil companies face a further legal challenge in the Zambian courts, where they are accused by the government, among other things, of depriving Zambia of oil in the mid-sixties so as to build up stocks in Rhodesia, thus damaging Zambia's economy.

Weak US Government Probe

Shortly after publication of *The Oil Conspiracy*, the US Treasury carried out an investigation into the allegations against Mobil. The investigation lasted eleven months, and concentrated on the narrow question of whether American personnel or products of American origin were involved, rather than on the wider question of whether *The Oil Conspiracy* was correct in its central allegation that Mobil's South African subsidiary had been supplying Rhodesia via intermediaries.

Treasury investigators reported that they were unable to obtain any information from South Africa, and so were unable to prove or disprove the authenticity of all but one of the documents in *The Oil Conspiracy*.

It seems incredible that the United States government, with its enormous resources, has been unable to verify facts which are common knowledge to people with well-placed contacts in southern Africa. As long ago as 1967 the London *Sunday Times*, in two major articles, revealed the results of its own investigations into how oil reached Rhodesia after UDI. These articles showed how the South African subsidiaries of Shell, BP, Mobil, Caltex and Total were supplying Rhodesia both directly and via Mozambique. The articles revealed the role of GENTA, the quantities of oil being sent, and the use of South African intermediary companies.

British Footdragging

Equally strong criticism can be made of the British government on this

issue. In April 1977, as a result of revelations and pressures by the Haslemere Group and anti-apartheid movement, the British Foreign and Commonwealth Secretary, Dr. Owen, announced that he was setting up an official inquiry "to establish the facts concerning the operations whereby supplies of petroleum and petroleum products have reached Rhodesia since December 1965." However, by summer the inquiry had still not formally started work. In addition, Dr. Owen informed the House of Commons that the inquiry will be held *in camera*, will be mostly "on a narrow point of law" and will not be what was originally intended, namely "an overall inquiry into oil sanctions and their breaking."

As late as September 2, 1976, the British government was still assuring the UN Sanctions Committee that it "accepted the assurances given by Shell and BP that neither they nor any company in which they have an interest have engaged either directly or with others in supplying crude oil or oil products to Rhodesia." Only when public evidence became overwhelming was Dr. Owen driven to admit, in June 1977, that

We all know that oil sanctions-breaking goes on. The question is, does it go on with the connivance of international oil companies based in this country and the United States, or is it going on purely because their subsidiaries in South Africa break the system?

Yet, in spite of such an admission, the British authorities still hesitate to take firm action against the sanction

breakers, but restrict themselves to enquiries on points of law!

Current Oil Suppliers to Rhodesia

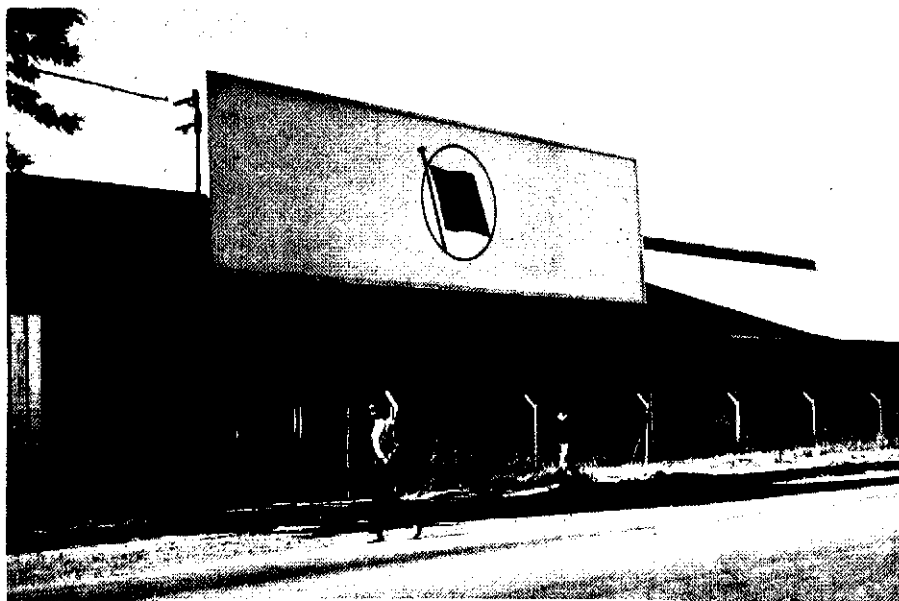
As a result of Mozambique's border closure with Rhodesia in March 1976, there are now only three routes by which oil can get to Rhodesia. The first and most important is by the rail link from South Africa to Rhodesia which was opened in September 1974. The second is by road from South Africa to Rhodesia. The third is by rail link from South Africa via Botswana to Rhodesia.

Circumstantial evidence makes it likely that of SA's five refineries, the three controlled by Western interests—namely Mobil, Caltex, and Shell/BP continue to provide a significant proportion of Rhodesia's oil needs.

The fourth oil refinery (NATREF) controlled by the South African state corporation SASOL was only completed in 1971, so clearly could not have provided any of Rhodesia's needs before that time. There is no available evidence that it has done so since.

The fifth oil refinery (SATMAR) has a minimal output, which could meet only a fraction of Rhodesia's needs. South Africa also has an oil-from-coal plant owned by SASOL. However, the output of this plant is also insufficient in quantity for Rhodesia's needs.

There are thus strong grounds for believing that much if not all of Rhodesia's oil, currently estimated at between 14,000 and 18,000 barrels a day, is still provided by Western-owned marketing companies in South Africa. □



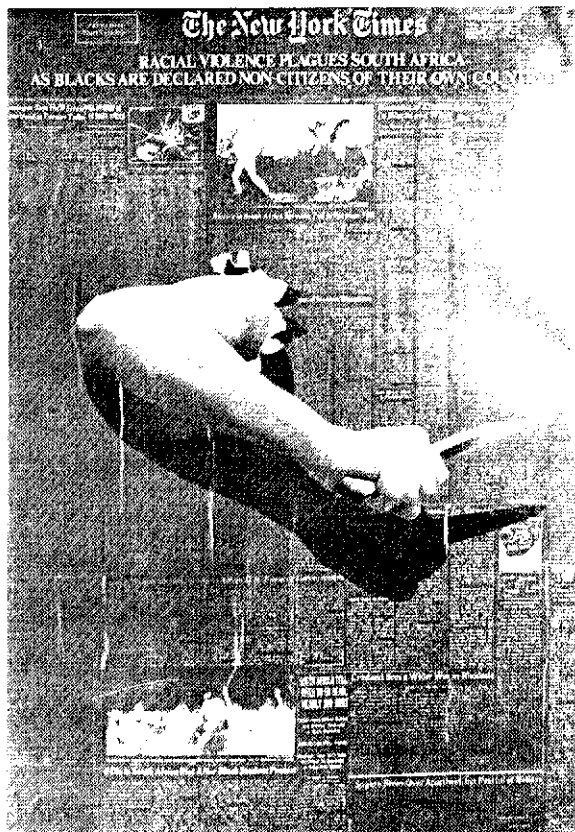
A 'Freight Services' storage depot in Salisbury, Rhodesia.

Artists Against Apartheid

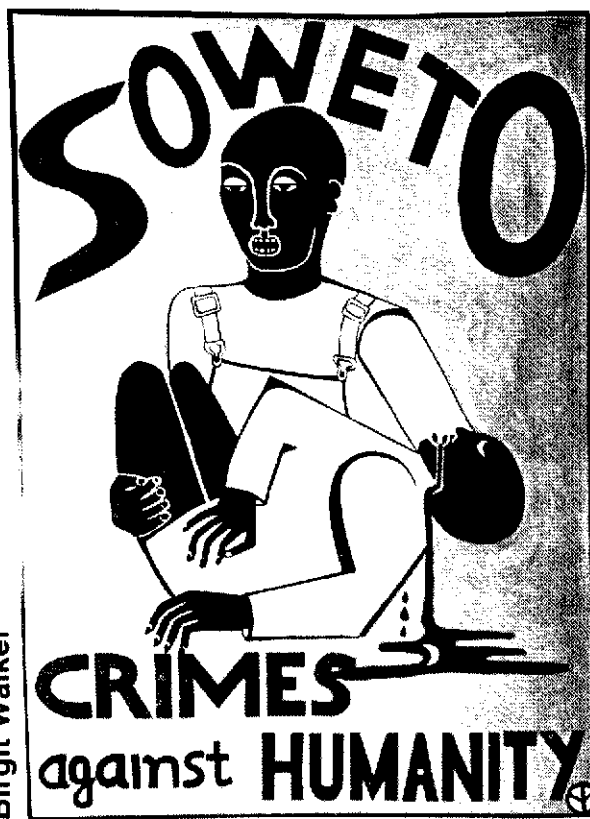
One powerful picture can do the work of hundreds of words. Yet, until recently, there was almost no graphic art in the US which expressed the pain and the power of the struggle for freedom in South Africa. There were plenty of pamphlets and leaflets, some good slide shows and films—but nothing people could take home, or pin on the factory wall to use as a mobilizing reminder of South African repression and resistance—of the role the \$ plays in holding the horror in place, of the need for Americans to work in support of the freedom struggle.

Worrying about that gap last year, Ray Gould of the American Committee on Africa and Herb Yavel, a graphic art expert, came up with the idea of organizing a nationwide poster contest to encourage artists to think about South Africa.

Brian Everitt



Chas. M. Bankoff



Birgit Walker

The response was extraordinary. Posters came from all over the US, from big towns and tiny villages, from inside prison, from workers, college students, school children, from unions and church groups—375 posters, some professional, some complex, some very simple, but all vibrating with concern for the men and women and children struggling to break the chains of Apartheid, exploitation and oppression in South Africa.

The posters were judged on April 27, and awards, made possible by a \$1,300 grant from the Africa Office of the National Council of Churches, were made in five categories: college, high school, grade school, open category, and best-in-show.

Subsequently, a showing of all 375 posters was held at the Church Center for the UN and a smaller number of posters was exhibited in the main lobby of the UN visitors' center.

ACOA hopes the posters will be widely shown around the US in the coming year, in exhibitions arranged by local groups. The Committee has also produced a twelve poster anti-apartheid 1978 calendar, in co-operation with the United Nations Center Against Apartheid. The calendar will be sold to raise funds for people struggling against apartheid. □



Sid Bingham



John Chun



Mary Nash

A Fine Face for Apartheid

by Shelly Pitterman

The first anniversary of the Soweto uprising had just been commemorated by renewed violence in South Africa when some 350 American business officials gathered in Rye, New York on June 20 and 21 for an exclusive and secluded conference hosted by the South African government. The purpose of the meeting, which featured an address by former US Treasury Secretary William Simon, was to spur American investment in South Africa. [See *Southern Africa*, August, 1977]

The Rye conference is a recent example of how South Africa, through its increasingly sophisticated lobbying and public relations campaigns, hopes to foster more support in the US. The propaganda effort concentrates upon South Africa's perspectives on Communism in Africa, US investment opportunities, discrimination and apartheid, the homelands policy, Transkeian 'independence', and international sports competition.

Although active for many years—South African connections were subjects for investigation during the 1963 Congressional hearings on the Foreign Agents Registration Act—the South African campaigns have rapidly expanded since 1974.

That year marked the beginning of South Africa's detente policy with select Black African states and the end of Portugal's colonial presence in Angola and Mozambique. South Africa's growing isolation forced a rise in the 1974 Department of Information budget to almost that of the Department of Foreign Affairs. This, as well as a 33% increase in the number of foreign Information representatives, are indicative of the mounting concern with foreign opinion and the determination to influence it.

Information Service Grows

At the Rye Conference, L.E.S. de Villiers, Deputy Secretary of the Department of Information, hosted a seminar on "Strategies for Enduring Investment." The Department of Information, under the direction of Dr. Eschel Rhodde since 1974, has coordinated the overseas public relations and lobbying operations. Its American branch, the Information Service of South Africa (ISSA), has an annual budget of about \$700,000. Under its auspices influential Americans have

been sent on subsidized trips to South Africa, though only if the Department of Information is certain that upon returning to America the guest will provide positive publicity for the South African government. In 1976, at least 12 American journalists visited South Africa at government expense. The ISSA also publishes magazines such as the *South African Digest*, which in 1975 had a total circulation, within South Africa and abroad, of 108,000.

In 1974, the Department of Information hired the Washington law firm Collier, Shannon, Rill and Edwards. This firm has intimate connections with the Republican Party and has represented the Tool and Stainless Steel Industry, a most active supporter of the Byrd Amendment, the law which made the US an ongoing violator of UN imposed sanctions against the illegal Rhodesian regime. The firm received \$57,246.34 from South Africa in 1974. By 1976, this figure had increased to approximately \$70,000 judging by the \$35,077 paid for the six months ending September 12, 1976.

Buying Friends, Influencing People

Donald DeKeiffer, an associate at Collier, *et. al.*, also attended the Rye Conference to act as mediator for Secretary de Villiers's seminar on investment. DeKeiffer is paid \$50 an hour to improve South Africa's stature in Washington and to sway Congressional votes on issues of key interest to South Africa. Behind the scenes, DeKeiffer organized Congressional support for the reversal of limitations on Export-Import Bank operations in South Africa and worked successfully for the sugar industry towards a Congressional ban on cyclamates.

During the six months ending September 12, 1976, DeKeiffer spent at least \$8,877.00 on "entertainment" for "Washington representatives of various American corporations and Congressional staff members," according to his report to the Justice Department. Public relations personnel and lobbyists for foreign governments are required under the Foreign Agents Registration Act of 1938 (FARA) to bi-annually report their activities and expenses to the Justice Department, although recent US Justice Department action against another un-official arm of the SA image apparatus—the SA Foundation, makes it clear that such reports frequently mask the truth.

In 1974, DeKeiffer circulated to Members of Congress a pamphlet on the security of the Cape Sea route. More recently he wrote and presented to Representative Philip Crane (R-Ill) and John Dent (D-Pa) a "fact sheet" opposing a House resolution against US recognition of Transkei, the South African homeland which became 'independent' in October 1976. The "fact sheet" was inserted into the Congressional Record without being labelled as having originated from a foreign agent as required by FARA. The resolution, which needed a two-thirds vote for approval, only failed by 23 votes.

Plans for the Rye Conference were initiated by the South African Foreign Trade Organization and the Central Reserve Bank of South Africa. The Conference itself was organized by Sydney D. Baron, Inc., a New York public relations firm with close ties to the Democratic Party. The South African Department of Information hired Baron, Inc. in February 1976 for \$365,000 annually. The revised, 1977 contract provides for \$650,000 annually, an almost 100% increase which reflects South Africa's expanding concern for winning the support, or at least the ambivalence, of American public opinion.

Seeking Black Support

In 1976, ten employees of Sydney S. Baron, Inc. were registered as working on the accounts of the Republic of South Africa, the Ministry of Economic Affairs of the Republic of China, and the Electronics Industries of Japan. Of these, Andrew Hatcher, an advisor to President Kennedy and currently Vice President International of Baron, Inc., has assumed the prominent role in South Africa's public relations operations in the US.

Andrew Hatcher is Black. He has thus been of particular importance to South Africa in its efforts to influence Black American perspectives on southern Africa. Hatcher has visited with the influential 100 Black Men business organization and told the *Daily World* (6/23/77) that the Rye Conference emphasized attracting investment from Black American businessmen. Baron, Inc. also distributes public relations materials to libraries, newspapers and interested individuals. *South African Scope*, a two page glossy tabloid with articles sympathetic to South Africa, is

continued on page 19

Overview

. . . freedom in southern Africa will not mean the birth of ideal democracies, where all citizens enjoy human rights, civil liberty, and a consumer society to boot. Popular governments in Rhodesia, Namibia, and later in South Africa will face immense problems of poverty, disruption and unrealizable expectations. They will also inherit a legacy of mutual hostility and bitterness. The racial prejudice which has been inculcated by years of deliberate indoctrination, and by bitter experience, will not disappear when majority rule begins.

But it is only after freedom has been won in the states of southern Africa that the positive struggle to build human equality and dignity can begin . . .

*President Julius Nyerere
July 1977*

Mozambique has been under fire from several quarters lately. Literally, of course, from the Rhodesian army, but also from a hostile western press, and from several US congressmen, who recently opposed the granting of any US aid, on the grounds that human rights were being grossly violated in Mozambique.

Angola too has re-emerged in the US press—with a seven-part series in the *Washington Post* that deals most sympathetically with UNITA's war against the government of Angola, and carefully avoids looking too closely at South Africa's role in that operation.


Rose-colored spectacles are not useful for people seriously concerned with understanding society in order to change it. In the long run, apologists, who defend any action of their "utopia," whether it be the establishment of labor camps, the physical elimination of all opposition, or the making of totally unprincipled alliances, serve only to weaken the international struggle for human justice and freedom.

On the other hand it is useful to remember that much of the most pious criticism of countries like Angola and Mozambique comes from sources whose major interest is to prevent the establishment of successful socialist states. It is not human rights they are really concerned with, but corporate rights; the right to "free trade," to "open investment," and to unlimited profit.

As is clear from the long Maputo communique reported on in our Mozambique section, the young states emerging in Africa are burdened with a terrible legacy of poverty, racism and surviving reactionary forms of economic and social organization, whose influence lingers on even after the formal structures are destroyed. As President Nyerere points out in his review of the situation in the poor nations, the young countries also face an international economic system heavily weighted against their growth and progress.

But there is another side to the Maputo communique. It reflects both a high level of honesty, the ability to criticize oneself, as well as a clear grasp of the relationship between the different forces involved in the struggle to build (or destroy) a new society in Mozambique. It is the ability to involve the people at the grass roots, the ability to speak honestly to the people, that has always been FRELIMO's strength. The analysis of current problems made by the recent Council of Ministers meeting indicates the survival and strengthening of that tradition. And it is not altogether irrelevant to point out that the US press, so quick to reveal secret re-education camps, and to search out hidden resistance to FRELIMO or MPLA, totally avoided commenting on the serious, detailed and public critical analysis made by the government of Mozambique of its own functioning.

news briefs

 **IN SOUTH AFRICA** the number of political detainees known to have died in the last 16 months while in police custody has risen to 15. The latest death was that of Phakomile Mabija, 27, who was said by police to have fallen from the sixth floor of a police station.

In a move suggesting that the importance of South Africa's minerals is already well-understood in some quarters, the French Atomic Energy Commission has agreed to provide a R90-million interest-free loan to South Africa's Randfontein Estates to develop a major gold and uranium project in the Republic.

In return, the French are being granted a 10-year exclusive right to Randfontein's uranium oxide production amounting to about 900 tons a year.

The contract comes at a time when Britain is rejecting South African approaches to negotiate fresh uranium supply contracts.

The French are already supplying South Africa with its first nuclear power station, located near Cape Town.

The strong performance of South Africa's mineral exports so far this year has led to estimates that total exports excluding gold could climb by 50% over last year's R1.67 billion.

Thanks mainly to new facilities at Saldanha Bay and Richards Bay, iron ore exports for the first four months of the year rose to R52.2 million compared with R7.4 million in 1976. Exports of bituminous coal rose to R58 million from about R3.2 million. Further development of that area can be expected with the report that BP Southern Africa is planning to spend R6.25 million on coal-mining projects located near the new Richards Bay rail line.

Sales of gem and industrial diamonds by the South African Central Selling Organization, which is responsible for marketing the majority of the West's diamonds, totalled \$1.09 billion for the first six months of 1977. This represented a 38% increase over the year-prior period.

While South Africa continues to emphasize its "critical strategic position" along the sea route linking the Atlantic and Indian Oceans, the fact is that Far East-European cargo ships went back to using the Suez Canal when it reopened two years ago. That, plus a collapse of world tanker trade, are the major reasons why the number of ships rounding the Cape yearly has dropped from nearly 27,000 in 1970 to about 20,000 last year. Recently increased taxes and charges have discouraged many ships from berthing in South Africa but offshore services still bring in about R10 million a year.

A \$28.75 monthly raise in July brought wages of the country's 21,000 white miners to an average of \$563. The country's 440,000 black miners got a 6% hike, which raised average wages to \$124.

During the first three months of 1977, 186,000 black workers accepted employment in the mines, compared with 164,000 during the same period a year prior. Kwa Zulu mine recruits for the first three months totaled 10,000. Last year, the number of mine workers from that bantustan totaled 27,500, showing an almost 100% rise from 1975 figures.

The considerable increase in black South African workers is probably primarily attributable to current job scarcity in other, traditionally more attractive fields.

The University of Port Elizabeth calculated that it cost an African family at least R135 a month to maintain a minimum standard of living in Soweto in April, and about R200 a month to live at a reasonably decent level. The Johannesburg Chamber of Commerce, which also calculates a poverty level figure, came up with an estimate of R152. This included only R2 for medical expenses and R1.60 for education. Most African families don't even make that much, however: manufacturing wages for Africans currently average R141 a month, while in the retail trade the average is R82.

According to official South African sources, Armscor, South Africa's arms supervisory agency, will spend about R1 billion this year on military equipment. About 60% will be spent locally, with about 20-25% going to subsidiaries and the rest to private enterprise. Last year, Armscor concluded about 25,000 contracts with South African suppliers.

As reported last month, white emigration is on the rise in South Africa. Additional figures show there was a net loss of 746 whites in March, the first time in over a decade this has occurred. April showed a small net gain of 50.

The *Financial Mail* reports that a study at Witwatersrand University last year found that 82% of medical students about to get their degrees said they planned to leave. The figures were 72% for architects and 75% for law students.

Among those who are actually leaving, professionals rank first, followed by production workers and clerical workers.

A Johannesburg magistrate ruled in June that a banned person contravened her banning order when she had lunch with one other person. The judgment involved Sheila Weinberg, who was banned and placed under house arrest without explanation last November after being active in the organization of black trade unions. Ms. Weinberg was given a suspended nine-month prison sentence for her ban violation.

In the past, South African police have not prosecuted banned people for meeting with one other person. The new ruling could be interpreted to mean that even family members couldn't meet with a banned person.

According to the South African Institute of Race Relations, 138 persons currently are banned.

Steve Biko, honorary president of the Black People's Convention, was acquitted in July on charges of obstructing justice and persuading others to commit perjury.

The banned black consciousness leader still faced a charge of communicating with two other banned persons.

Government statistics show that the average lifespan of a white South African male is now 64, compared with 59 for Asians and 48 for coloureds. No official statistics are kept for blacks.

White females now have a life expectancy of 72, compared with 63 for Asians and 55 for coloureds.

The figures also show that whites are more prone to suicide. In 1975, 518 white men and 131 white women committed suicide. This compared with 69 Asian men and 19 Asian women, and 112 coloured men and 32 coloured women.

A World Wilderness Congress is to be held in Johannesburg Oct. 23-28 under the joint auspices of the US-based International Wilderness Leadership School. Both are the creation of Ian Player, a South African who will chair the meetings. Patrons include several South African Foundation trustees.

Apparently South Africa is still a good place for conferences in some peoples' eyes. The 3000-member International Advertizing Association, based in New York, is planning to hold its twenty-seventh world conference there in 1980.

 **US-SOUTH AFRICA** two-way trade increased by 29% last year, making the US South Africa's second biggest trading partner. The US passed both Britain and West Germany to become South Africa's top source of imports, according to the *Sunday Times* of London.

Imports from Britain decreased by about 6% during 1976, while exports rose by about the same amount. The report also said South Africa's balance of trade with West Germany is beginning to shift in South Africa's favor.

France, another major South African trading partner, is looking to expand its interests in South Africa. Between 1972 and 1975 trade between the two countries more than doubled, with exports to France rising to R115 million and imports from France climbing to R245 million. The *Rand Daily Mail* reports that French direct investment in South Africa now totals about R139 million, and indirect investment (stocks and shares) now totals about R597 million.

US visitors to South Africa still keep turning up. Latest are Governor of South Carolina James Edwards, who recently spent two weeks there looking for a South African firm to invest in his state, and Donald McAlvany, marketing vice-president of International Investors Incorporated, and co-director of ACSA—Americans Concerned About South Africa. McAlvany planned to address the national convention of the American Legion in Colorado, August 19 on his return home; felt sure his concerns would be met with sympathy.

In order to facilitate US-South African trade, the US Consulate General in Johannesburg is now offering a free service providing up-to-date details on over 20,000 US companies. The system one of only eight being tested world-wide, uses equipment manufactured by the 3M Company.

 **MOZAMBIQUE** will receive a British loan of five million pounds to be used for the purchase of British goods and services under agreements signed in July. Details were also worked out for the use of an additional 10-million pound loan approved last year for energy supply projects and road construction.

Britain plans to give Mozambique 5,000 tons of wheat in addition to the financial aid.

Sweden agreed to give the country more than \$1 million to aid victims of last February's floods, which caused crop losses estimated at over \$3.5 million.

More than 3.5 million people have been vaccinated in a campaign which began just over a year ago. All children between 6 and 15 are being vaccinated against tuberculosis, all children between six months and three years are getting anti-measles vaccinations, and the whole population is being vaccinated against smallpox.

The campaign, expected to take three years, is reported ahead of schedule.


In another health development, public meetings are now being held to discuss a bill under which most aspects of medical care will be free. The bill is expected to become law in September or early October.

More than 120,000 people have moved into cement houses since the

nationalization of rented buildings in February 1976.

Julio Carrilho, Minister of Housing and Public Works, said in an interview in *Noticias*, a Maputo daily, that 31,000 families have moved into better housing in the last 17 months. Of these, 19,000 are in Maputo.

Mr. Carrilho said, however, that the country is very short of decent housing. There are less than 100,000 cement homes in the country equipped with water and electricity.

 **ZIMBABWE'S PATRIOTIC FRONT** has denied responsibility for the Aug. 6 bombing of a Salisbury department store that killed 11 persons, eight of them black.

Joshua Nkomo, speaking in Guyana, said ZAPU had nothing to gain from attacks which harmed its own people. He added that Patriotic Front fighters would soon hit Rhodesian military installations in reprisal.

Two days after the Salisbury bombing, two white missionaries were slain in an attack also blamed on liberation forces by the Rhodesian authorities. As previously reported in *Southern Africa* there are now well-documented cases where such claims have been used to cover the activities of Smith's troops.

Rhodesian authorities' ability to maintain low and stable interest rates is beginning to break down under the related pressures of higher inflation, waning investor confidence, and increased government borrowing, which in the current year is expected to top the previous figure of R165 million.

The city of Salisbury recently agreed to an 8.75% interest rate on a public borrowing, compared with 7% in 1976.

Prime Minister Smith predicted last February that revenues would be R530 million in the current fiscal year. At present levels, military costs are absorbing close to R200 million of this amount.

Anglo-American Corp. of South Africa has decided to pull its prospecting staff out of Rhodesia because of the deteriorating security situation.

Anglo-American intends to maintain its current operations, which include coal, nickel and chrome mines and a major interest in the iron and steel industry.

update

More Obstacles In Namibia Talks

The South African-controlled territory of Namibia is lurching towards independence, but many problems remain unresolved in the ongoing negotiations.

Under pressure from Western allies in the UN, South Africa has agreed to allow elections in Namibia in which the SWAPO liberation movement could participate, but there has been no agreement on a timetable for the withdrawal of South African troops.

SWAPO is expected to win a Namibian election if given time to organize. South Africa, meanwhile, is moving ahead with its own plans for the territory, and both sides are jockeying for position.

South Africa's new Administrator-General for Namibia took office last month, assuming administrative powers previously held by Pretoria. His appointment has never been approved by SWAPO.

Another controversial development is South Africa's recent announcement that it will hold on to Namibia's only deep-water port, Walvis Bay.

The important fishing center became a British Crown Territory nearly a century ago, and was administered from South Africa during German rule of Namibia. When South Africa began to administer the enclave after World War Two, control was transferred to Windhoek, Namibia's capital.

As its only viable port, Walvis Bay is Namibia's window to the world. SWAPO has said it would oppose a settlement that handed the port to South Africa.

Angola Rebels Claim Capture of Border Towns

The Angolan opposition group UNITA is claiming military successes in the southern part of the country.

In communiques from Paris, Johannesburg and Windhoek, UNITA claims the capture of several towns along Angola's border with Namibia in Cuando-Cubango province.

Continued fighting in the area has been confirmed by Angolan government sources as well as by SWAPO,

the Namibian independence movement. Both Angola and SWAPO maintain that UNITA guerrillas are trained, supplied, and sometimes accompanied on their operations by South African troops stationed in Namibia.

US A.I.D. Studies Southern Africa (Again)

The US Agency for International Development (A.I.D.) is gearing up for a new \$1 million study of potential economic assistance programs in southern Africa. The project is part of the \$100 million special aid program for southern Africa which is expected to receive final Congressional approval this month.

UN to Review Rhodesia Peace Plan

Britain and the US are hoping to get UN approval this month on their new settlement plan for Rhodesia.

The Anglo-American proposals were presented late last month to the African front-line presidents and afterwards to Rhodesian Prime Minister Ian Smith. They involve the disbanding of the Rhodesian army in favor of a UN peacekeeping force, followed by the creation of a Zimbabwean army based largely on the guerrilla forces. A British resident commissioner, meanwhile, would oversee an electoral process terminating in black majority rule.

Prime Minister Smith has indicated he will reject the proposals, at least initially. Both the front-line presidents and the leaders of the Patriotic Front have raised objections to the proposals as well.

France Snubbed for South Africa Ties

French foreign minister Louis de Guiringaud's abrupt departure from Tanzania late last month has caused his government more troubles than he bargained for.

De Guiringaud cut short a planned three-day visit to Tanzania when Tanzania refused to apologize for the student protest against French-South African ties that greeted him at the airport. To add insult to injury, however, South African finance minis-

ter Owen Horwood characterized de Guiringaud in the wake of the incident as "this new little foreign minister who fled when he was confronted with a demonstration."

France swiftly rebuffed South Africa for the remark, which it said was "contrary to the most elementary customs."

Tanzanian officials, meanwhile, have been flooded with congratulations from African statesmen and Tanzanian citizens for their stand on the issue.

Politician Shake-Up Continues in Zambia

In the latest of a series of government shake-ups, Zambian President Kenneth Kaunda has dismissed the influential Minister for Home Affairs, Aaron Milner.

Kaunda said serious accusations had been made against the Minister and that a full investigation would be made. Milner, who is a long-time friend of the President, has reportedly been implicated in illegal financial dealings.

In April, Axon Soko, the Minister of Mines and Industry, and Zogani Banda, Minister of Power, Transport and Communications were sacked. They were accused of collaboration with the banned United Progressive Party led by Simon Kapwepwe. The Minister of Land, Natural Resources and Tourism was removed at the same time for "abuse of office."

In July a further Cabinet reshuffle reinstated Mainza Chona as Prime Minister, removing Elijah Mudenda, who had held the post since 1975, when Chona requested other duties.

The recurrent changes in the Zambian Cabinet, plus others in the military and the party Central Committee, are all seen by political observers as part of the move to strengthen the humanist and socialist leadership of the ruling UNIP party before the December 1978 general elections.

Malawi Releases Political Prisoners

Over 1,000 political prisoners have been released from Malawi's jails in the last four months, including Richard Banda, a former Justice Minister and Attorney General, and Alec Nyasulu, a long-time speaker of the National Assembly. Eight Malawian journalists detained four years ago were also released.

Reports from former detainees say that over 200 political prisoners remain in Malawi jails.

UPDATE is written by Africa News Service, which also publishes a weekly digest available to individuals for \$28 per year. Address correspondence to P.O. Box 3851, Durham, NC 27702.

continued from page 14

distributed to approximately 4,500 weekly publications located primarily in suburban and rural areas.

In August 1976, Baron also agreed to encourage "the presentation in the American media of a balanced and fair treatment of the Republic of Transkei." The contract with the Transkei government stipulated that Baron, Inc. would receive \$50,000 annually as payment for operating the Transkei Development and Information Bureau. In addition, Transkei hired another Black American, J. A. Parker of the Washington-based J. A. Parker Associates, to act as "exclusive agent in the US for the planning and conduct of all (Transkei's) public relations activities." In return, Parker, as director of Friends of Transkei, monthly receives fees of \$10,000 and expense allowances of \$5,000.

South Africa's public relations and lobbying activities in the US have also been carried out by second-generation employees such as Lester Kinsolving and Bernard Beame. Kinsolving, an Episcopal priest and syndicated columnist, received over \$2,500 in stock and expense money from DeKeiffer in 1975 and 1976. He appeared at stockholders' meeting of 13 companies where church groups were pushing resolutions to sever business ties with South Africa. When asked about his activities, Kinsolving said, "I asked stockholders to repudiate any proposals whatsoever offered by the National Council of Churches because of its massive hypocrisy in social concern for Africa."

Mayor's Son

Bernard Beame, son of Mayor Abraham Beame of New York, was hired by the South African Freedom Foundation (SAFF) and the Foreign Affairs Association of South Africa (FAA) in September 1976 to write, produce and direct two films on Transkei and the Soweto uprising. The contract with the SAFF, a business organization founded in June 1976, stipulated that Beame would get \$60,000 for a 30 minute film on the Transkei. The FAA, another active group of South African millionaires, hired Beame for \$60,000-\$90,000 to make a 30 minute or 60 minute film on "the recent disturbances within South Africa."

Organizations such as the SAFF and the FAA have assumed a prominent role in South Africa's influence-gathering campaigns. Werner Ackermann, a South African millionaire and member of the FAA, had by 1975 subsidized the

Justice Department Sues South African Lobbyists

The furor in Washington over improprieties by foreign lobbyists that was touched off by the South Korea scandal has left South Africa largely untouched. At least that was the case until July 20, when the Justice Department filed a suit in the US District Court in Washington, against former lobbyists for the South African Sugar Association (SASA) and the South African Foundation, seeking to acquire all details of the lobbying activities since 1970.

The Justice Department charges that the Sugar Association made secret cash campaign contributions, provided private jet transportation and financed trips to South Africa for members and staff of the House Agricultural Committee, including its former chairman, Rep. W. R. Poage. This Committee had jurisdiction over the sugar quota system until it was abolished in 1974. Under the quota system, South African and other importers were assigned a percentage of the US import market and received a price for their sugar above the world market price. South Africa reportedly sold \$125 million worth of sugar to the US under this system in the years from the late 60's until 1974.

The suit says that the South African Sugar Association (SASA) financed a 10-day trip in August, 1973, to South Africa for Rep. William C. Wampler (R-Va), a member of the Agriculture Committee, and John F. O'Neal, who was then general counsel of the committee.

Named in the complaint are the New York law firm of Casey, Lane and Mittendorf and two attorneys formerly with the firm, John R. Mahoney and Philip McKnight. A spokesman told the *Washington Post* that the firm, which once registered as lobbyist for SASA, no longer represents the South Africans, but according to Justice Department records the firm collected about \$800,000 in fees from SASA from 1962 until the recent termination of its contract.

The South African Foundation and its director, John Chettle, were also named in the Justice Department suit, with the allegation that the Foundation was used as a front by the SASA to disguise the source of funds for Congressional trips to South Africa in 1972 and 1973.

The Justice suit says that in 1970 Poage and other congressmen were on a trip through Africa when the South Africans offered a private executive jet to transport him and two unnamed congressmen roundtrip between South Africa and Rhodesia.

"Knowing that the SASA hospitality so proffered would create a conflict-of-interest situation," the suit says, the defendants "arranged to make it appear outwardly that the foundation, rather than SASA, was host."

In 1972, Mohoney and McKnight learned that Poage would be in Rhodesia with his administrative assistant, C. Doyle Henington, SASA again paid for a jet and again masked its contribution, the suit charges.

Poage was ousted from the chairmanship of the Agriculture Committee in 1975 by the House Democratic caucus.

The suits says that the South African Foundation was also used to disguise SASA's financing of the Wampler-O'Neil trip in 1973. Wampler told a *Washington Post* reporter that as far as he knew, the foundation financed his trip.

The Justice Department is only charging the SASA and the Foundation with incomplete reporting under the Foreign Agents Registration Act, and is not investigating any wrongdoing by members of Congress. But the incident may prove embarrassing to Representative John Flynt who accepted a Foundation-paid trip to South Africa for himself and his wife in 1972. Flynt is Chairman of the House Ethics Committee, the Committee on Standards of Official Conduct, which is currently investigating the Korea scandal. □

travels of 39 foreign legislators and businessmen to South Africa. Last November, an entourage of eight Congressional aides visited South Africa at the

FAA's expense, thus using a convenient alternative to laws forbidding Congressional travel at a foreign government's expense. Each US visitor

costs an estimated \$3,000 for a two week trip. While in South Africa, the Department of Information provides for the American guests, although Representative Robert Bauman (R-Md) was escorted by the FAA itself while he was in South Africa last November.

Foreign Affairs Association

The Foreign Affairs Association obtains its estimated \$500,000 annual budget from eight major individual contributors and the General Mining Group, an organization of South Africa's major mining companies. However the *Baltimore Sun* (11/17/76) reported that a US State Department spokesperson asserted that Ackermann and the FAA "have close ties to (South African) government agencies, the Information Department and the Foreign Affairs Department." Furthermore, *Business Week* (4/21/75) reported that Ackermann's trips are "actually paid for by the South African Department of Information."

Only days after President Carter's energy speech of April 18, another defender of the apartheid regime, the Club of Ten, inserted an advertisement in the *New York Times* asking, "Is the US going to allow her oil lifeline, and that of Western Europe, to remain in peril until Russia decides the moment is right to strike?" The Club of Ten, which has a London mailing address, is composed of about 20 businessmen who, according to the *Times* (3/17/77), "move about the world all the time, not in personal mini-jets, but in big personal jets." Millionaire Werner Ackermann is a member of both the Foreign Affairs Association and the Club of Ten. This reflects the general

interlocking of membership which is characteristic of South Africa's business organizations functioning abroad.

The Club spent about \$35,650 on advertisements in 1973. In February 1977, it inserted a shrilly anti-Communist advertisement in the *New York Times*, the *Washington Post*, the *London Times* and the *Guardian* which alone is estimated to have cost more than \$100,000. Readers were warned about the dangers of a Soviet take-over in countries like Angola—and South Africa, in contrast, was presented as a 'reliable' member of the so-called free world. A *Guardian* investigation in 1974 conducted by Adam Raphael—as well as the revelations made by Gerald Sparrow, who resigned from the Club in late 1976—confirm that the Club has financial connections with the Department of Information.

The South African Foundation (SAF), with offices in Washington, has engaged in both lobbying and public relations activities. Its US budget in 1975 was \$113,000, and because its trustees are the nation's top 301 businessmen, the SAF is thought to have funds ten times that amount at its disposal if necessary. Since 1960, when the SAF was first founded, it has invited over 100 politicians and 75 journalists and businessmen to visit South Africa. In 1976, guests included Rep. Les Aspin (D-Wisc.); Rep. David Bowan (D-Miss.); Professor Arthur Smithies, an economist and defense consultant to several US government agencies; and Ed Fuelner, of the House Republican Study Committee. The Foundation's president, Dr. Jan Marais, chairman of the South Africa Trust Bank, has also met with high-ranking government officials, journalists and busi-

nessmen in Washington. In 1975, Marais met with 10 senators, 6 representatives, the editors of the *Washington Post*, the *New York Times*, *Time* and *Newsweek*. Officials from the Defense and State Departments were also present and attended the reception given by Vice President Nelson Rockefeller for Marais.

The SAF inserted a 10 page advertisement in the *New York Times Magazine* of February 22, 1976 extolling the virtues of American investment in South Africa. This theme, which served as the basis for the Rye Conference, has gained acceptance in the Carter Administration. The Foundation publishes and distributes the *South Africa Foundation News*, *South Africa International* (circulation of 9,000) and the *Information Digest*, of which more than 20,000 have been distributed.

While in Vienna for meetings with Vice President Mondale last May, Prime Minister Vorster discussed with South Africa's Ambassador to the US the need for improving their country's image in America. Expressing concern, Vorster said that, "I don't say that Americans are ill-informed, but I often wondered whether the interpretation of their information is correct." According to the *Times* (5/22/77), South African Foreign Minister F. F. Botha "made it plain that US opinion regarding his country was one of his main worries." Thus DeKeiffer, Hatcher and the numerous business organizations operating in the US are playing a critical role in expanding South Africa's efforts to reverse its growing international isolation and preserve its vicious system of apartheid. □

U.S./South Africa

Carter Wins South Africa Aid Package

The Carter Administration's plan to vastly increase aid to majority-ruled states in southern Africa has been adopted by Congress, despite numerous conservative attempts to defeat it. Increasing US economic aid to southern Africa was recommended as long

ago as 1969 in the Nixon Administration's NSSM 39, as one means for increasing US influence and encouraging support for US southern Africa policy from black-ruled states. But it is only with the advent of a Democratic Administration, along with the ex-

panded role of the front-line states, that a large increase has been requested and authorized.

The Administration planned to use the \$100 million as a first contribution to a multilateral Zimbabwe Development Fund, which it hoped would en-

courage both the Smith regime and the liberation movements to come to a negotiated settlement. But when the British and Americans made no visible progress on the Rhodesian negotiations, the Administration went along with a Congressional reprogramming of the funds for the independent countries in the region.

The purpose to which the money will be put has not yet been specified. Authorized for political purposes as Security Supporting Assistance, it is not intended for economic development programs. The Congressional authorization bill states that it may be used for improving regional transportation links and for "trade credits for the purchase of US products to those countries in the region adversely affected by blocked outlets for their exports and by the overall strains of the world economy." It will also be used to continue the training program for southern African students which began after Sharpeville and has expanded since the Portuguese coup. Some of it will also be available for refugee assistance. One million dollars has been allocated to an AID-run study of the "development needs" of southern Africa and possible future US assistance. (This study will probably be kept under closer control by AID's Africa Bureau—now headed by Goler Butcher—than a similar controversial study on Zimbabwe and Namibia that was contracted to the African American Scholars Council last year.)

Conservatives Stall

Congressional conservatives fought the southern Africa aid package at every step, seeing it as support for radical states which harbor guerillas fighting

against the minority regimes. They failed by only four votes to delete the \$100 million in the foreign aid authorization bill in the House on May 24. They then succeeded in requiring a special presidential finding that aid to Tanzania, Zambia, Mozambique and Angola would be in the US foreign policy interest. When the House considered the appropriation of the money, it adopted a complete cut-off of any bilateral assistance or US participation in multilateral programs to the two countries conservatives see as the greatest threat—Mozambique and Angola. But

on August 5 the Senate dropped the prohibition on multilateral aid and provided for direct aid by affirmative action by both the Executive and the two Houses of Congress.

Though the conservatives were not able to defeat the Carter aid for southern Africa, it is now clear that southern Africa is increasingly becoming one of their main targets. Long-time supporters of the South African and Rhodesian regimes have now added attacks on the front-line states as part of their strategy for protecting minority rule in southern Africa. □

US Trains Vorster's Spies

The Johannesburg *Sunday Times* of July 24 carried a report that South Africa has agents of its super-secret Bureau for State Security (BOSS) working undercover in the United States and other countries, and that "they are highly trained—in America and West Germany."

The front page story was based on an interview with Alexander van Wyk, deputy head of BOSS. Van Wyk said his men have been working abroad for more than five years and added: "Most Western countries have undercover agents here—I know those from America, Britain, France and Germany. Every now and then we get together and discuss our mutual interests."

Mr. Van Wyk was commenting on claims by Sir Harold Wilson that BOSS had burgled his private London home for secret documents while he was Prime Minister.

Sir Harold also accused BOSS of being behind a plot to overthrow Britain's Labor government, and said there was a pro-South Africa faction within M15, the British secret service.

Van Wyk said that BOSS looks after external security and likened the bureau's work to that of the CIA in the United States. "Our agents collect information. Their job is certainly not to try to overthrow a British government, whether we like this one or not."

"There would be no sense in it and anyway, we don't have the money.

"It would mean paying out huge sums to people with the influence to do something tangible.

"Each intelligence network must have its priorities. Ours is the security of South Africa, not bringing down the British government."

In a remarkable admission, Van Wyk added, "Britain is thousands of miles away. If it were Tanzania that is involved, which is closer to us, it might be a different matter."

US-SA Intelligence Links

The presence of BOSS agents in Britain and other countries has been known for years. The presence of formal US-South African ties was confirmed at a meeting of US ambassadors in Africa held at Abidjan, Ivory Coast, in May. Discussing possible policies toward South Africa, they were reported to have considered "severing links between American and South African intelligence agencies."

Following up the *Sunday Times* report, a New York-based organization, the Episcopal Churchmen for South Africa (ECSA), is now using the provisions of the Freedom of Information Act to prove the connections more carefully. On July 30 in letters to eight government agencies William John-

Administration Angry at Gervasi Allegations

Not unexpectedly the Carter Administration reacted angrily to allegations by Sean Gervasi (reported in last month's *Southern Africa*) that US-produced arms are being shipped to South Africa with the knowledge of the US government. The Diggs Africa Subcommittee was told by State Department officials one week after Gervasi's testimony that their investigation of Gervasi's testimony was "95% complete," and that they had found it to be "baseless." The State Department investigation was based on inquiries of corporate arms producers, governments of third countries through which indirect transfers had been al-

leged, and the US embassy in South Africa. William Lewis of State's Office of Inter-African Affairs told the Diggs Subcommittee that "Mr. Gervasi's statements that the United States has not implemented the embargo and has engaged in surreptitious conduct or has been colluding with other governments is totally false and tententious." The CIA also reportedly told the Subcommittee the following week in closed session that Gervasi's charges were false. Nevertheless, according to some sources, despite the bluster, no serious attempt has been made to deal with the documentary proofs adduced by Gervasi. □

ston, president of ECSA, requested disclosure of all ties between BOSS, the South African Police and military intelligence and the Central Intelligence Agency, Federal Bureau of Investigation, National Security Agency, State Department, Defense Department, Defense Intelligence Agency, Department of Justice and National Security Council.

In a letter to the CIA, Johnston requested copies of all documents on:

- *the training of agents of the South African Bureau for State Security (commonly called BOSS) in the United States, and their training by personnel of the Central Intelligence Agency in the United States or elsewhere, at present, in the past and projected into the future;*

- *the presence and operations of the Bureau for State Security and its agents (together with their names and*

addresses) in the United States, at present, in the past and projected into the future;

- *training and cooperation between the Central Intelligence Agency and the South African government's military intelligence agencies, including army, air force and navy, and including reservists, commando and special units, at present, in the past and projected into the future;*

- *training and cooperation between the Central Intelligence Agency and the South African Police, including the Security Branch, the CID, riot police and para-military police, at present, in the past and projected into the future.*

Similar letters asking about their own involvement were sent to the seven other agencies.

By late August ECSA had received in reply a form letter from the State Department asking him to define his

request "more simply," and a form letter from the Justice Department enclosing his original letter, addressed to Deputy Attorney General, and asking for more specific instructions as to which section of the Justice Department the letter should go!

There was no response from the CIA the FBI or the National Security Council. The Defense Department said it had "no information on the training of BOSS agents" and ignored all other questions, the Defense Intelligence Agency responded somewhat similarly, and the National Security Agency assured Johnston that a thorough search had disclosed no information.

Convinced that Van Wyk was not mistaken about his information, Johnston intends to pursue the matter as energetically as possible in the coming months. □

Zimbabwe

More and More Talks!

There has been a flurry of diplomatic activity on the Rhodesian issue in the weeks since Rhodesian Prime Minister Ian D. Smith advanced his latest proposals for an "internal settlement." Beset by domestic political squabbles, attacks from the ultra-right Rhodesian Action Party, and an escalating guerrilla war, Smith declared on July 18 his intention to dissolve his current parliament, hold August 31 elections, and launch a settlement with "moderate" black Rhodesians. Thus Smith was rejecting outright the "one-man, one-vote" "Western" plan, and seeking a continuing mandate from the primarily white electorate for his own plans.

London and Washington, certain that such a scheme must fail, responded to Smith's announcement by stepping up their own effort to construct a plan for a "peaceful settlement" of the Rhodesian question. In a round of mid-August talks in London, US Secretary of State Cyrus R. Vance and British Foreign Secretary David Owen were joined alternately by South African Foreign Minister Roelof F. Botha and Bishop Abel Muzorewa, head of Zimbabwe's United African National Council. With Western support, Muzorewa has recently moved closer to open support for the so-called

Anglo-American initiatives toward a negotiated settlement.

The ANC leader was said to have arrived in London as an active partner in talks with Owen and Vance—that is, with what he termed a "four-point plan" for Zimbabwean independence. But apparently few details of Muzorewa's plan survived the meetings, and they seemed in hindsight designed chiefly to boost the bishop's sagging credibility as an independent force.

Peacekeeping Force

At this writing, few details of the Anglo-American effort had been made public. But of those that had been announced, the most important was the creation of a UN "peacekeeping force" that would eventually lead to the dissolution of both the Rhodesian security forces and the guerrilla forces operating as the Patriotic Front.

The proposal seemed an unlikely compromise. In anticipation of such a measure, the Patriotic Front had earlier announced that it was "firmly opposed to the stationing of any foreign peacekeeping force in Zimbabwe during the transition period to independence." UN forces were included in that category. The five "front-line" states—Mozambique, Tanzania, An-

gola, Zambia and Botswana—have fully supported the Front's position.

The proposal for a "neutral" force in Zimbabwe during the transition to independence, along with other parts of the new British-American plan, were first disclosed by UN Representative Andrew Young in a late-August visit with Nigeria's head of state, General Olesegun Obasanjo. The pro-Western leader reportedly committed an unspecified number of troops to the peacekeeping force.

But it was clear that parts of the new plan, at least, had been advanced to selected leaders on both sides of the conflict prior to Young's announcement in Lagos. Washington officials disclosed some details, if not the entire plan, to Tanzanian President Julius Nyerere in mid-August. Following on this briefing of a leading member of the "liberation" side, South African Foreign Minister Botha was invited to London for lengthy discussions with both Owen and Vance.

Both leaders were apparently expected to carry the proposals back to their camps for discussions. At this writing, front-line presidents are expected to meet in Lusaka to work out a unified response to the plan, while Smith is now scheduled to meet with

South African Prime Minister Vorster in Pretoria.

There were few surprises in the other disclosed proposals. Britain would be assigned the task of organizing elections in Zimbabwe during the transition. And there was the ever-present Western aid package to boost the Zimbabwean economy—a hold-over from last year's efforts by then-

Secretary of State Henry Kissinger to set up a Zimbabwe Development Fund. But even on these points, there appeared little chance for agreement between two factions of a conflict that are basically in agreement on nothing whatsoever. The aid package, for example, has been denounced by Zimbabwean nationalists as unacceptable for an independent nation.

Studies have maintained that the fund first proposed by Kissinger was essentially designed to maintain the pro-Western economy as it currently stands in white Rhodesia. So there appears little chance of any effective level of approval being won by the latest Western effort to defuse the conflict in Zimbabwe, even though the final returns are not yet in. □

South Africa

Soweto Challenges White Authority

The people of Soweto are in the front line of the struggle of the black people of South Africa against the apartheid regime. In recent months they have been fighting to maintain the main political gain of this past year—the existence of mass-based, popular organizations that represent the political aspirations of and have political legitimacy for the black population. Through these organizations the residents of Soweto have been pushing forward in a limited but very sharp way by demanding black people control black communities. In South Africa such a demand attacks the core of white supremacy just as the students campaign against Bantu education challenges its ideological foundations.

Committee of 10

Denied legitimacy by the South African regime, the Committee of 10 continued to speak for the 1.25 million people living in Soweto, South Africa's most populous black city. This committee, first formed in early June after student pressure brought about the collapse of the government-approved Urban Bantu Council (see *Southern Africa*, July-August 1977), is composed of ten prominent Soweto residents including representatives from the Black People's Convention and the Soweto Students Representative Council. It was initially hailed by some Afrikaans papers as "a body of sensible Blacks" who would be able to replace the students as the main political force in the township.

Not exactly living up to these expectations, the Committee of 10 has



Soweto

UN/P. Davis

formulated a five-year plan leading to self-rule by an elected municipal administration. The plan, enthusiastically supported by a Soweto audience when it was presented in July aims at improving black living conditions by providing that the elected black administration would:

- assume the power to levy taxes;
- establish departments to control education, housing, public works and health;
- take control of police functions;

- seek financial aid from the Organization of African Unity, the International Monetary Fund, and other governments and institutions.

The South African government placed a ban on mass rallies which were to have been held to show popular support for the plan, and this action contributed further to the tension which now permeates Soweto.

Even within its restricted framework (it is only calling for black majority rule in a segregated black

urban community), the local self-government proposal presents a clear challenge to the South African regime policy of denying urban African any rights, while claiming to provide "self-rule" by creating independent bantustans in the rural areas.

This checkerboard division of the country has been totally rejected by the mass of South African blacks, who claim the right to live, work and wield political power throughout one unified South Africa.

No Bantustan Acceptable

Many of the organizations represented on the Committee of 10 were also involved in an all-day meeting called in July by the Black Peoples' Convention at Hammanskraal to discuss bantustan independence. The organizations at the meeting included the South African Students Organization, the Soweto-based Black Parents' Organization, the Union of Black Journalists, the Black Priests' Solidarity Group, the South African Students' Movement, the South African

Teachers' Association, the Black Womens' Convention and black trade unions.

The meeting resolved "to mobilize all black people in Azania (South Africa) to demonstrate in no uncertain terms their rejection of Bantustan independence." The group stated that the independent bantustans were part of the government's policy of "divide and rule" and were intended to "pre-occupy and misdirect the vast creative energies of the people away from the true goals of liberation."

While trying to stifle support for the Committee of 10 plan, the South African government has gone ahead with trying to gain acceptance for its streamlined version of the UBC, now to be called community councils. As currently planned these bodies would be composed of members elected on an ethnic basis and would have authority over a black police force. All decisions would be subjected to veto by the white Bantu administration boards. The constant stressing of

ethnic divisions is one particularly resented feature of South African political control right now. One student summed it up: "We have had enough of being separated although we are one nation."

Soweto Under Siege

The sense of common purpose and a determination to keep struggling are reflected in constant skirmishes between people and police all over the country. The students in Soweto and Alexandria (Johannesburg) were boycotting classes in late July and August, and similar actions were reported from Pretoria.

The police have been using increasing violence, setting dogs on students, or shooting at the slightest so-called "provocation." The toll of dead is rising again and a black reporter recently described Soweto as "under siege." Hundreds of students were arrested in late July and the first weeks of August, as Minister of Police Jimmy Kruger issued a warning: "We are going to get tough." □

American Firms Run for Cover in South Africa

by Reed Kramer

"South Africa causes us more problems than almost any other place where we have investments," says the vice president of a major US corporation. Rising black militance, deepening economic difficulties, and growing international criticism have indeed made the white-ruled nation a much less attractive site for capital than it was just a few years ago.

But foreign investors are definitely not abandoning South Africa, and in recent months, several US firms have tried to devise ways to maintain their still-profitable involvements while reducing their risks.

Phelps Dodge Corporation, for example, recently struck a deal with a South African mining group which absolves the US copper giant from any further capital expenditure while insuring it lucrative income from a developing copper-lead-zinc-silver venture. In May, Phelps Dodge sold 51% of its previously wholly-owned subsidiary, Black Mountain Mineral Development Company, to Gold Fields of South Africa, a subsidiary of the London-based Consolidated Gold Fields, Ltd.

According to corporate Secretary Robert Seaman, Phelps Dodge took on the partner because it did not want to

invest further funds in South Africa. He says the company spent nearly \$25 million on development work during the past five years.

The \$170 million project at Aggenys in northwestern Cape Province will be financed by both foreign and domestic loans. Gold Fields is believed already to have raised about \$60 million from international banks, led by Citibank of New York. Bank officials have refused to discuss the deal on the record, but informed sources say Citibank has put about \$10 million of its own funds in the project.

Citibank, which is already under fire from American church groups and a recently-formed Committee to Oppose Bank Loans to South Africa, apparently extended the latest credit reluctantly. Ironically, a major reason for the decision was the bank's client relationship with Phelps Dodge, which is now responding to critics of its role in a new South African venture by saying "We do not expect to have to dedicate any more capital to it."

Even without further investment, Phelps Dodge will reap significant rewards: Current projections foresee annual net earnings of about \$65 million, of which Phelps Dodge will receive \$30 million or more.

On one level, the Phelps Dodge/Gold Fields partnership is welcome news in Pretoria. For years, the government has stressed its desire to see strategic industries transferred into local hands. As with International Telephone and Telegraph's recent decision to sell its major South African holding to a Johannesburg electronics firm, however, both government and business leaders are worried about declining American confidence in their country's future.

ITT denied that its move was prompted by protests, either in South Africa or the US. "We still have a very prominent presence there," says spokesperson Tom Freeman. "The agreement from a business standpoint makes a lot of sense: we are merging into another company, and we collect a very good price in stock and cash."

ITT will end up with 36% of the common stock of Allied Technologies and 11% of the preferred stock. The deal transforms Altech into South Africa's largest electronics manufacturing firm and gives ITT a stake in a profitable and growing concern.

A similar, though less advantageous pact was struck last November by Chrysler, which merged its ailing \$35 million subsidiary into an auto firm owned by South Africa's largest finan-

cial conglomerate, Anglo-American corporation. Chrysler now owns one-quarter of the newly-created company, Sigma Ltd., and will receive 35% of all profits or losses Sigma incurs.

Just how many other American companies can or will follow this formula for retaining their interests while lowering their profiles remains unclear. Some have adopted less drastic measures. Chase Manhattan Bank has promised to pass up loans "that, in our judgment tend to support the apartheid policies." General Motors has announced a freeze on investment until apartheid policies are abandoned.

There is no evidence that these moves have much substance. Chase representative in South Africa Stephen Pryke told the *Financial Mail*: "We're just carrying on as before." Car sales have plummeted, so that expansion would not be justified under any conditions.

The common thread in all these corporate actions seems to be the desire to reduce public criticism. Andrew Hatcher, a New York public relations expert who works for the South African government, believes that such protests are on the decline. "The whole issue of disinvestment has been diffused," he argues.

Hatcher's firm, Sydney S. Baron and Company, has a \$365,000 annual contract to promote South Africa's image here, particularly in the business community. Hatcher says a re-

cent high-level, off-the-record seminar that his firm put on helped turn the tide. Most of the 350 American businessmen who came," asserts Hatcher, "were impressed by what the South African speakers said about the country's future."

Key advocates of the South African position were Chris van Wyk, who heads Senbank, part of a growing and influential Afrikaans banking group, and Gerhard de Kock, deputy governor of the Reserve Bank, who has recently been named a senior economic advisor to Prime Minister Vorster.

The dialogue with these well-connected South Africans is a crucial part of the drive to restore investor confidence. But Hatcher admits that the ITT move is a setback to his efforts.

"ITT has the muscle and the guts to press ahead with reforms, if it had

chosen to," he says. "Instead, they worked out a way to sell their subsidiary and keep the proportion which represents the profit they would make anyway."

When 12 major US corporations issued the "statement of principles" last March, pledging to work for an end to discrimination in their South African operations ITT was a conspicuous absentee.

This reform push by US firms is still primarily oriented towards appeasing domestic critics, and any hope it has of sparking change in South Africa is weakened when major companies opt for the "low profile" approach. Ironically, South African companies have demonstrated more serious commitment to reforms, but even they remain paralyzed by timidity in the face of the government's determination to keep the pace of change extremely slow.

Squatters Driven Out

In August, after months of threats, the government finally moved in to destroy the homes of thousands of black squatters near Capetown. As reported in *Southern Africa* (June/July), there are well over one quarter of a million African and Coloured men and women living in miserable squatters' camps in the Cape. These people have been forced to live under terrible

conditions because the authorities refuse to build sufficient houses (there is a seven year waiting list for a house even if you are 'entitled' to one) and because of apartheid laws which declare many people to be illegally in the area, or classify them as migratory workers, not entitled to have their families with them, or make them ineligible for housing for some other reason.

In the last year the squatters in a number of camps have begun to organize themselves. Perhaps this fed the government's determination to "clear them away." Early in August the authorities moved into the Modderdam Road Camp. Using tear-gas and dogs to clear the way they began smashing down the people's homes with bulldozers.

About 100 white demonstrators, including Ms. Judith Williams, wife of an economics officer in the US Embassy, joined the people in an effort to save the homes, but within a few hours the walls were down, and trucks were carting off families to their so-called homelands in the Transkei and Ciskei, over 700 miles away.

There are no jobs in those areas, and the government of the Transkei has already said it will not allow South Africa to use it as a dumping ground. So the squatters will be back, swelling the ranks of those whose daily experience is teaching them that there is no place for them inside the system and that they have to organize. □



Squatter's home

UN

Namibia

SWAPO Stands Firm In Settlement Talks

Mr. Sam Nujoma, President of the South West Africa People's Organization, headed the eight-person SWAPO delegation which met with representatives of the five Western members of the United Nations Security Council—the United States, United Kingdom, France, West Germany and Canada—in New York on August 8. The three and a half day talks on the issue of the independence of Namibia ended in the issuing of a similarly worded communique from the US Mission to the UN and from SWAPO.

The talks were 'frank and useful.' The two sides 'agreed that there exist possibilities for a negotiated settlement of the issue consistent with Security Council Resolution 385. Some issues remain to be clarified. The participants have therefore, agreed to meet again at an early convenient date.' The five are expected to report to the South Africans, and the US's chief negotiator Ambassador Donald McHenry flew on to London where Secretary of State Cyrus Vance was meeting with British Foreign Secretary David Owen, and South African Foreign Minister Roelof Botha.

Phased Withdrawal

After the meeting Nujoma told reporters that SWAPO is prepared to go on with 'the western sponsored mediation for at least one more round.' He laid out a timetable which he hoped the western group would now put to the South Africans. Pretoria would have three months to withdraw all its troops from occupied Namibia. After that, SWAPO proposed that there be a six-month election campaign preparatory to electing a government which would take the territory to immediate independence. South Africa, on its side, has been pressing for elections to be held as soon as possible, while its administrative machinery is still intact; one date proposed being before Christmas 1977.

SWAPO also reiterated its call for a United Nations peace-keeping force to ensure South African military and police withdrawal and to replace the

occupation forces. Nujoma stressed SWAPO's insistence that the United Nations have a strong presence during the transition period, to 'supervise and control' the elective process—the specific language of Security Council resolution 385.

The obvious UN representative to carry out the world body's role in Namibia is UN Commissioner for Namibia Martti Ahtisaari, but reports from Turnhalle sources in Windhoek, Namibia's capital, assert that the Commissioner is unacceptable because he is 'too close to SWAPO and the churches.'

Pretoria Marches On

In the meantime, Pretoria's newly-appointed administrator general, Marthinus Steyn, is due to take over the occupation establishment in the International Territory on September 1, exactly two years after the opening of South Africa's Turnhalle Conference, a device which the South African government now claims it has abandoned.

However some features of the Turnhalle proposals appear alive, if not well, and are being swiftly promoted by South Africa. The regime is busy creating 'ethnic' area legislative councils, one feature of Turnhalle's scheme for a three-tier governmental system. An opening ceremony at Outjo when South African Judge J. J. Strydom swore in the Damara Legislative Council was almost broken up by protesting members of the umbrella group, the Namibia National Front. Further, on June 10, the South African State President issued proclamation R. 117 providing for the 'establishment and management of townships' in the three northern bantustans in the Territory. This, too, is in accord with Turnhalle's three-tier blueprint for control at the municipal and township level.

Recruiting a South (West) Africa Army

In another attempt to retain control in the future, the government is moving to establish a South West Africa national army 'of all ethnic groups.'

A South African Major General, Jannie Geldenhuys, has been installed in Windhoek to carry out this mission and command South Africa's South West Africa Defense headquarters with its 50,000 man Pretorian military force. Forty-two-year-old General Jannie Geldenhuys has studied abroad, according to the *Windhoek Advertiser*, and is expert in armored warfare and the field of military nuclear technology.

The South African Defense Force is actively recruiting men for military training from six of the eleven 'ethnic groups' represented in the South African-sponsored Turnhalle Conference. Training of Damaras was to have begun on August 15; Ovambos, Kavangos, Whites, Reheboth Basters and Namas are in varying stages of readiness. The remaining five groups will be organized militarily as fast as possible. In March, South African Defense Minister Piet W. Botha presented a white paper in the Cape Town Parliament outlining Pretoria's defense aims. It stated that military assistance was being provided to the three northern border bantustans at the request of those 'governments' and of the Turnhalle Conference . . . 'to assist the inhabitants and the various population groups of South West Africa to shape their own political future and to prevent any external interference in any sphere in that Territory.'

At a seminar of the SWAPO Elders Council held in early August in Katutura township, Windhoek, Namibians were called on not to participate in military training which was aimed at 'reducing the Black masses' in Namibia.

Fighting Continues

The war in Namibia's northern regions continues unabated between soldiers of SWAPO's Peoples Liberation Army of Namibia and the South African occupation forces. South African Minister of Justice, Prisons and Police James Kruger, speaking at the opening of a new police station at Omaruru on August 12, hailed the

South African Police for, among other virtues, doing 'duty as soldiers.

In related developments, two south-

ern Angola towns, Cuangar and Calai, just across the border, appear to have fallen to resurgent UNITA guerrillas,

South Africa's allies during the Pretorian advance—and retreat—from the former Portuguese colony. □

New Spate of Trials

A South African judge sitting in Windhoek on July 15 sentenced four SWAPO members to prison terms under Pretoria's Terrorism Act. Benjamin Chrispus Uulenga received 15 years after being convicted of armed infiltration of his own country. Ruben Itengula got 12 years for canvassing for SWAPO. Michael Shikongo and Lazarus Carl Guiteb received five and eight years for aiding the others. Justice J. J. Strydom warned that unless the courts acted severely, law and order would be threatened in 'South West Africa.'

Also on July 15, in another Windhoek courtroom, SWAPO official Victor Nkandi was charged in connection with the 1975 assassination of bantustan Chief Filemon Elifas. Nkandi and fellow SWAPO officer Axel Johannes both refused to testify as state witnesses in last year's Swakopmund Terrorism trial—conducted by Judge Strydom—and were given a year's imprisonment for contempt of court. When their sentences expired this past spring, Johannes and Nkandi were turned over to Elifas' successor in the Owambo 'homeland.' The South Africans will try to make Johannes testify against his comrade in a trial due to begin in September.

In yet another political trial, a Lu-

theran pastor, the Rev. Naboth Imene, is being charged with violations of the Terrorism Act. The Windhoek *Advertiser* reports he circulated a letter appealing to his fellow clerics for shoes, clothing, radios, newspapers—'necessities for the men of the bush.' The letter, says the prosecutor, was 'intercepted through the post.' High officials of the Ovambo-Kavango Lutheran Church are being implicated in the case. The Lutheran Church—Namibia's largest by far—has, along with the Anglican and Roman Catholic, become more and more outspoken and resistant to South African rule and the Turnhalle Conference scheme.

Late in May, word came that the South African State President had signed an executive order for Nduvuu Filemon Nangolo, a SWAPO member who had returned to Namibia armed and who had been convicted of having 'common purpose' with the perpetration of a murder committed by another person. The 25-year-old Nangolo was wounded in a shoot-out in Windhoek last year was paralyzed from the waist down. Appeals were directed to South Africa and to President Jimmy Carter—based on humanitarian grounds and on the fundamental issue that all South African acts in Namibia are

'illegal and invalid,' as declared by the United Nations Security Council and affirmed by the International Court of Justice. The US ambassador and representatives of the United Kingdom, France, Canada and West Germany all made representations to South Africa. A US State Department official wrote that the American government approached the Nangolo matter 'not only on the legal grounds which have been repeated to the South African government many times over, but also as an appeal for clemency . . . the United States deeply regrets that South Africa could not see its way clear to heed the appeal.' Nduvuu Filemon Nangolo was hanged at 6 a.m., May 30, in Windhoek, and buried within the hour.

The five Western powers who had already begun their negotiations for a Namibian settlement with Pretoria were noticeably reluctant to press too hard in the Nangolo case because the man was convicted of complicity to murder rather than under the more political Terrorism Act. Pretoria may have found a way to pursue executions of Namibians; the upcoming trial of Victor Nkandi will probably be conducted under similar criminal statutes. □

Mozambique

No Easy Task

In mid-July, the Council of Ministers met for several days with the provincial governors, in a series of important meetings designed to deal with some of the serious problems now confronting Mozambique. The meeting, chaired by President Samora Machel, issued a long communique at the end of its deliberations, which has been widely distributed in Mozambique, in an attempt to involve as many people as possible in the process of understanding and correcting mistakes. One of the points most consistently stressed as various difficulties were examined, was the need to end

the separation between the people and the administrators. Frequent references to the experiences during the war of liberation drew on the understanding generated in those years, that the people mobilized provide a tremendous force for change.

Shortages—Supply Problems

The period since independence has been one of severe economic dislocation. There have been serious shortages, both at the level of popular consumption, and in the flow of raw materials and equipment necessary to keep the economy functioning. The

people have not always been able to obtain enough food, clothing and medicine—because of problems of production and transport. At the same time there have been many interruptions in the supply of seeds, fertilizers, agricultural equipment, spare parts and so on.

The communique analyses the various factors that underlay the shortages, differentiating between responsibilities that could be assigned internally—as weaknesses within the system that is trying to build a new society—and problems that were deliberately generated by hostile sabotage.

Flaws in State Structure

The meeting reviewed the problems that still existed in a system of state administration inherited from the colonial context. There was often slow and poor communication between various central, provincial, district and local structures. Frequently a bureaucratic approach to solving problems made quick and sympathetic responses impossible, so that swift action was only possible at the ministerial level, where individuals would cut through red tape and take the responsibility of authorizing some particular action. Administration still tended to be top-heavy and over-centralized, and ministries needed to increase their support for the provinces. Looking at the internal process critically, the communique says:

We apply the greater part of our time and energy in concentrating effort, experience and material and human organizational resources at the level of the central structures. Thus we withhold from the grassroots level the responsibility and initiative which would enable it to solve its own problems. Moreover, at the local level the principle has not yet been accepted that local problems should, where possible, be solved locally . . . without indulging in the habit of always transferring the task of providing solutions to higher levels.

During the war FRELIMO had developed popular solutions to many problems. Now many structures were rejecting this experience and showed a lack of initiative and imagination in overcoming difficulties, claiming lack of means. Often, in such situations, difficulties could be overcome by applying available means and mobilizing popular support.

Individualism

The meeting went on to analyze not only structural inadequacies of the system of administration, but the problems arising from the many incorrect attitudes that still permeated the officials within the structure.

There is apathy in facing the problems of the people; liberalism; a lack of a sense of responsibility . . . a lack of the spirit of austerity; a wastage of the people's goods.

There is also, according to the communique, a lack of professional interest, or of interest in increasing professional and scientific knowledge. There are problems of elitism, there are still very great wage differences, there is an almost total lack of control over the



Tempo
There are shortages everywhere but these teachers have used their imagination to overcome the lack of teaching aids.

mobility of people; individuals display unlimited ambition for posts, particularly those vacated by departing foreigners; departmentalism survives in all the ministries and services, and there is obstructionism towards the new structures as they begin to exercise their authority. Such attitudes originate from the individualistic and divided manner in which the problems are approached, and are a consequence of not having superceded the type of structure, organization, thinking and methods used by colonialism.

Insufficient Planning

Another problem dealt with was the failure to carry out plans that were made. Discussion seemed to indicate that often this was because priorities had not been clearly enough established.

. . . planning attempts are made involving good ideas, but due to inadequate means it is often impossible to implement these ideas; . . . there is a lack of programming day to day activities; there is incomplete knowledge of the means available; there is no clear definition of what is a priority. . . . The lack of organization and programming in work, the lack of adequate methods of work, and the absence of responsibility and control in carrying out of duties, are factors which contribute to low

productivity and constitute shortcomings used by the enemy.

Two themes appear to have lain at the center of the long discussions—firstly, the problem of internal inadequacies, and secondly, the direct and indirect activities of the external enemy and its internal agencies. The communique stressed that the main source of Mozambique's difficulties lay in the activities of its international enemy—imperialism.

Sabotage

When FRELIMO took over, some of the hopes of the capitalism rooted in our country were destroyed. Capitalism was forced to change tactics. It launched an economic war to cause economic and social chaos, attempting to get the most out of the power-sharing that characterized the transitional government. After the proclamation of independence and the first immediate nationalization measures, when all hopes of influencing FRELIMO were lost, capitalism intensified its aggression and openly resorted to backing internal destabilization.

The enemy's activities aim at preventing the Mozambique people from winning the battle of production that will facilitate the creation of the material conditions needed for the revolution to succeed. Thus,

basic products, raw materials and spare parts we import do not arrive. Products arrive in a deteriorated state or rendered completely useless. Machines and equipment are deliberately dispatched incomplete or with technical faults. False debits are introduced into the country to disorganize our financial system. Forged air tickets are produced to obtain currency illegally. Documents are stolen to receive payment abroad for our exports. Under-invoicing and overinvoicing are rife. Indiscipline is reported in hospitals, schools, production units and in the various institutions generally. . . . Sabotage is carried out by delaying or refusing to transport products to the consumer distribution points, by a lack of interest in purchasing products from the peasants, and by sabotaging our young commercial structure.

Rhodesian Aggression— A Part of the Whole

The Smith regime's constant attacks on Mozambique, most frequently aimed at civilian targets, at goods and means of production, were seen not as isolated acts of a desperate regime, but as part of the international campaign against the young state.

Classic forms of psychological war were also being used against the Mozambican people. Radio and press campaigns, controlled from abroad, distort and lie, spreading wild rumors

about FRELIMO leaders, attempting to create an atmosphere of permanent instability and fear.

Measures to Be Taken

Faced with such a situation it is imperative to take steps to end it. Accordingly, the following measures are deemed necessary:

- (1) To stiffen party representation in the state apparatus and in other sectors.
- (2) To strengthen political studies so as to be collectively organized in all working sectors, particularly in the state apparatus.
- (3) To accelerate the organization of village communes, municipalities and co-operatives.
- (4) To establish councils to control productivity, which will supervise rising production within the state services and study and submit to the leadership methods of evaluating the productivity of civil servants.
- (5) To enable the national supply commission fully to discharge its responsibilities; the manner in which it carries out its duties must be dynamized.
- (6) The national supply commission has been expanded to embrace the provinces and must set up branches to solve: (a) the supply problem; (b) the problem of marketing; (c) the problem obstructing customs-clearance;

and to establish and list priorities and quantities of imports.

- (7) Establishment of provincial government must be accelerated and provincial ministry representatives appointed.
- (8) To dynamize the activities of planning centers, to program and supervise the performance of tasks and supervise work methods.
- (9) To ensure that planning of national activities will be truly national.
- (10) To accelerate the adoption of measures for staff training.
- (11) Sabotage and indiscipline must be severely punished; this presupposes the drawing of new laws.
- (12) As a work method we must methodically record our experiences—the basis of our inspiration.
- (13) The gains of independence must be realized by giving priority to the liberated zones and the border areas.
- (14) We must remain permanently interested in the problems of the people, not neglecting the small problems.

Conclusion

We are aware that with these measures, provided they are strictly implemented by us all, we shall be taking wider steps towards consolidating our power and victories. □

observers of policy in the new Carter administration. The contributors are almost all well-informed liberal academic Africanists, and the books therefore a useful indication of both the virtues and limitations of that perspective.

The Kitchen volume was prepared as part of one of the more recent of the Rockefeller family's opinion-molding ventures: The Commission on Critical Choices for Americans. Included in the Commission's studies were seven volumes with regional focuses, coordinated by Nancy Maginnes Kissinger. Helen Kitchen, director of this Africa Area Study, was editor-in-chief of *Africa Report*, published by the African American Institute, from 1961 to 1968.

The message of this 11-chapter volume for policy-makers is a familiar one to Andy Young-watchers: Keep cool and don't panic because of Soviet aid or talk of socialism; Africa's going through lots of changes, and will go through

more; "it is not possible to render Africa stable by force of arms," but "we should relate to 'radicals' and 'moderates' alike on a basis of mutuality of interest."

The essays begin with a word-happy highly abstract discussion of modernization by Princeton professor Manfred Halpern, continue with Ali Mazrui's suggestions on judicial, administrative and diplomatic processes for conflict resolution, and include four substantive chapters on economic issues, concluding with a detailed discussion of the possibilities of aid. Other essays deal with the OAU, defense, the media, and southern Africa. There is also an anonymous contribution from a Marxist perspective which is pessimistic about most African countries' futures, and sees for the most economically viable the choice between a Brazilian or a Chinese model of development.

The thrust is critical of lack of attention to Africa, and of panicky, un-



Africa: From Mystery to Maze (Critical Choices for Americans, v. XI), edited by Helen Kitchen (Lexington, MA: Lexington Books, 1976), \$19.95.

Southern Africa in Crisis, edited by Gwendolen M. Carter and Patrick O'Meara (Bloomington: Indiana University Press, 1977), \$12.50.

Perhaps the best way to characterize these two books is as sets of briefing papers, designed to orient makers and

sophisticated policies based on inadequate knowledge of Africa. But conspicuously absent is any consideration of the possibility that there may be real contradictions between African interests and American foreign policy based on creating a world order congenial for a capitalist United States.

The limitation is particularly clear in the comments in the volume on southern Africa, and applies as well to the Carter/O'Meara collection. There is consensus on dissociation from South Africa's white regime, but also an overwhelming preference for evolutionary rather than revolutionary change in that country.

Thus, Helen Kitchen (p. 6) tells us, "The prospect of avoiding a major race war becomes more remote if we make pariahs of the Vorsters of southern Africa who have opted (albeit belatedly and now out of calculated self-interest) to try to build bridges between blacks and white within and outside the Republic." And John Marcum (pp. 124-5) talks of South Africa's best hope being in detente, and speaks of converting American enterprise in South Africa into a force for social change.

Colin Legum, in concluding the Carter/O'Meara book, strikes a similar note, with his description of a "hopeful, but unfortunately less likely" scenario of South African government right-wing realism beginning negotiations at home, defusing more militant

opposition and winning strong Western backing. The alternative, which he clearly fears, is "revolutionary upheavals and the development of militantly African anti-Western attitudes that threaten not only the security of the large white resident communities and essential Western interests, but indeed the peace of the world."

But the liberal alternative to revolution is not to support the intransigent white regimes, it is to call for dissociation and to put pressure on for a shift to reform. And so the thrust of *Southern Africa in Crisis* is critical of the white regimes.

Separate essays deal with Rhodesia, Mozambique, South Africa, Angola, Namibia, Botswana, and (together) Swaziland and Lesotho. All are clearly written, informed, and informative.

Most sympathetic to the liberation struggle and sceptical of the maneuvers of the white regimes and the western powers is the essay by Elizabeth Landis on Namibia. The essay on Rhodesia, written by Patrick O'Meara as the Geneva conference was beginning, seems overly trusting of Smith, Kissinger and Vorster, and strikingly fails to point out the reluctance of Vorster or the West to act effectively against Smith.

Writing on South Africa, Gwendolen Carter surveys the history, focusing on the clash of Afrikaner and African nationalism, and shows the

inadequacy of the apartheid "solutions" and most reform proposals. She poses the question: "what political changes that satisfy blacks will be accepted by whites?" She stresses the Afrikaner choice between the *laager* (stockade) and pragmatism, calls for the United States to "keep open channels with the majority" and to urge a national convention in South Africa, and stops. There is no consideration of the innumerable ways in which the United States bolsters the military and economic strength of the white regime, nor of the steps that could be taken to diminish that effect.

The essays on the independent countries of southern Africa are by and large sympathetic to the problems faced by those countries and the regimes in control. Tony Hodges does seem piqued that FRELIMO didn't immediately nationalize all foreign business, or give first priority to organizing elections, dismissing as rhetoric the commitment to step-by-step revolution and missing the point of its systematic development of mass participation and rural development. But Marcum's essay on Angola is on the whole sympathetic to the MPLA. The chapters on Botswana, Lesotho and Swaziland present admirably brief overviews of the political and economic situation of those countries, often neglected in discussions of southern Africa.

There is, then, much that is useful in these two books—a certain sympathy with African interests, scepticism and/or opposition to Kissinger-style Cold War counterinsurgency and diplomatic maneuvering in Africa. Much like the Carter administration.

And there are common sticking points as well: don't look in these books for support for revolution in South Africa, for an emphasis on the intimate link between the South African system and the capitalist economies of the West, for the identification of Western economic interests and pro-Western ruling classes as enemies of African development. That, the authors of these essays and the Carter administration would likely reply, would be "extremism."

— William Minter

William Minter is a writer at Africa News, and author of the recently published Imperial Brain Trust: The Council on Foreign Relations and U.S. Foreign Policy (Monthly Review Press).

FESTAC '77 (Mohn Gordon Ltd., London, 1977; US distributors UNIPUB, Box 433, New York, NY 10016), \$15.

Produced as a souvenir album for The Second World Black and African Festival of Arts and Culture which took place January-February 1977 in Lagos, Nigeria, this square 152-page volume has an elegant dust jacket showing the fifteenth century Benin ivory mask, the symbol of the festival, on a dark blue field and contains many beautiful full color art reproductions that make it as valuable for connoisseurs of African sculpture as it is a memento of the festival itself. Presum-

Herb Yavel, a graphic arts consultant, recently helped organize a nationwide anti-apartheid poster competition.

ably printed before the event took place the book has no actual account of FESTAC but does contain a catalogue of festival events as well as many dance, fashion and genre photos of the black and African world which are in themselves both beautiful and interesting. The several discerning essays on such subjects as African Cosmology, Identity and Ideology, Music, Cinematography, Poetry, Literature and Oral Literature, Soul and Style, The Dispersion of African Peoples, and Aboriginal Society in Australia make this a fine reference work for Sociology and Black Studies student alike. Its text centers on the emergence of a new African cultural identity from the debris of colonialist domination and stresses both the merits and shortcomings of the artistic expression that is propelling the new Africa onto the world's cultural scene.

— Herb Yavel

RESOURCES

With a new administration in office, it is important to evaluate its policy on southern Africa in perspective, remembering the contrast under past administrations between the rhetoric of self-determination and the *de facto* collaboration with the white regimes. There is still no one book giving an overview of United States policy towards the region, but more and more is being published; sorting out the useful material from the misleading is becoming more and more time-consuming.

Two recent anthologies provide a useful starting point. The special issue of *Africa Today* (Denver) for July-September 1976, is entitled *Southern Africa and US Foreign Policy*. The two lead articles, by George Shepherd and Neil Leighton, are sceptical of the Kissinger-announced changes. Other articles, particularly on Rhodesia, Namibia, and Angola and Mozambique, on South Africa's nuclear development and on mercenaries, reflect a similar focus on *de facto* US ties with the white regimes. A larger anthology, edited by Frederick S. Arkhurst, focuses on *US Policy Toward Africa* (New York: Praeger, 1975), presenting papers and comments from a seminar sponsored by the Phelps-Stokes Fund. The participants reflect a range of perspectives, including an official view presented by Herbert J. Spiro from the State Department. Of particular relevance to southern African issues are the essays by Immanuel Wallerstein, placing US interest in Africa in the context of the world economy, and by George Houser, with an overview of US policy in practice.

For considerably more detail the reader can turn to two books published by Greenwood Press (Westport, CT). Barbara Rogers has written *White Wealth and Black Poverty: American Investments in Southern Africa* (1976), giving the details of investment country by country, as well as showing how that investment has supported the system of white supremacy. [See *Southern Africa*, March 1977 for full review.] Mohammed El-Khawarizmi and Francis A. Kornegay, Jr., of the African Bibliographic Center, have edited a series of essays on *American-Southern African Relations*. These essays focus on guiding the reader to what has

been written on the subject, and are an indispensable source for anyone trying to dig more deeply into the details of US involvement.

But none of the studies mentioned so far have a major focus on the evolution of policy thinking towards southern Africa within the foreign policy establishment and the government. For that topic there are two books recently published, and several older ones that are still relevant. Of most importance is the text of the NSSM 39 study, published in this country by Lawrence Hill (Westport, CT, 1976) under the title *The Kissinger Study on Southern Africa*. It was this study that formulated the famous assumption, "The whites are here to stay and the only way that constructive change can come about is through them. There is no hope for the blacks to gain the political rights they seek through violence, which will only lead to chaos and increased opportunities for the communists." In spite of Kissinger's 'shuttle diplomacy' and the more pro-African image of the new Carter administration, it is worth reading this 1969 study carefully, comparing with *de facto* US policy, and asking how much is really changing.

Still of relevance, perhaps more than ever in view of the current talk of "transition," are the books written by Waldemar Nielsen for the Council on Foreign Relations (*African Battleline*, Harper & Row, 1965; *The Great Powers and Africa*, Praeger, 1969). His outline of the task of American diplomacy in southern Africa strikes a very contemporary note: "first, to develop contact and communication with those political groups presently not in control of government but likely to assume control in the future, in order to exert some influence on the character of the regimes they will establish; second . . . helping to reduce or counter those internal or external factors which could frustrate evolutionary change and lead to violence and disruption; and third . . . nonetheless to attempt to maintain workable relations with existing re-

gimes in order to assist transition and to protect current American interests and objectives." (*African Battleline*, p. 139).

More current is the book by Anthony Lake on *The "Tar Baby" Option: American Policy Toward Southern Rhodesia* (Columbia University Press, 1976). [Reviewed *Southern Africa*, April, 1977.] Published for the Carnegie Endowment for International Peace, the book has considerable detail on the evolution of policy. Nevertheless, it is probably less interesting for its content than for its author, a rising star in Carter's foreign policy establishment. In the book Lake clearly repudiates the "tar baby" policy, formulated at a time when he was on Kissinger's staff and, in his words, "peripherally involved from time to time in work on southern African issues," but only insofar as Rhodesia is concerned. On South Africa the book is extremely vague, advocating at best "setting clear limits on the scope of our official relations with South Africa" (p. 278).

In understanding how United States policy evolves towards the remaining white-ruled states of southern Africa, the history of other states in the area, now independent, remains relevant. Two books worth consulting for this kind of background are Stephen R. Weissman, *American Foreign Policy in the Congo, 1960-1964* (Cornell University Press, 1974), and William Minter, *Portuguese Africa and the West* (Monthly Review Press, 1973).

Available from the American Committee on Africa: posters submitted in the recent nationwide anti-apartheid poster competition. Interested groups should contact Ray Gould, director of special projects. Groups are being asked to pay all transportation costs (approximately \$25.00 for 10 to 20 posters) and take responsibility for the posters' care and safe return. It is hoped that groups will also make a contribution, determined on ability to pay, to help defray expenses.

A twelve-poster 14"x19" anti-apartheid 1978 calendar will be available in September at \$4.00. (Write for bulk discounts.) Proceeds will go to the Africa Fund to support its work in behalf of victims of apartheid and to assist projects in Africa supporting liberation movements. Orders are now being accepted by ACOA, 305 E. 46th Street, New York, NY 10017. Phone: 212-838-5030.

SURVIVAL

Survival, a play about the realities of African life in and outside South African prisons, will begin at New York's Astor Place Theatre on September 16. Ticket prices are \$4 and up. The South African cast of four recently completed a successful tour on the west coast.

action news notes

BANK CAMPAIGN SCORES NEW SUCCESSES . . . The National Council of Churches is implementing withdrawal of its payroll account for its 380 employees from Citibank in New York, in protest of the bank's policy of making loans to South Africa. In Chicago, a vice-president of First National Bank of Chicago told a meeting that the bank "will make no loans to South Africa, i.e. to the government of any of its agencies or corporations, in the near future." In California, Bank of America said it is "re-evaluating" its loan policy, an action which follows mass meetings and fund withdrawals.

Recent research has turned up the names of more than 40 banks around the country, in addition to those previously identified, which have made loans to South African governmental corporations or which have financed loans to US companies in connection with such companies' South African trade. The list is available from the Committee to Oppose Bank Loans to South Africa, 305 East 46th St., New York, N.Y. 10017.

Other resources:

— *The Interfaith Center on Corporate Responsibility has prepared a slide show on bank loans to South Africa. It features Nina Simone and a big pink piggy bank. The film is available from ICCR, 475 Riverside Drive, Room 566, New York, N.Y. 10027.*

REFUGEE AID . . . A coalition of groups including the United Church of Christ, the Patrice Lumumba Coalition and the Black Theology Project is calling for donations of clothing and medical supplies to be sent to front-line states to aid in assisting refugees. Arrangements have been in effect for a number of months to ship all items from a single point.

The following are the items needed:

- 100,000 (minimum) warm blankets
- 50,000 (minimum) children's sweaters and pants
- 100,000 (minimum) pairs of boots for men, women and children

— As many tons of medical supplies and equipment as possible, including

- first aid kits
- surgical tape
- surgical scrub (e.g. betadine)
- antiseptic (e.g. alcohol, witch hazel, hydrogen peroxide)
- antibiotics (anthromycine, tetracycline, etc.)
- surgical tools (e.g. scissors, scalpels, syringes with needles, etc.)

Following is shipping information:

— All items collected should be packed in sturdy cardboard boxes, and uniformity in packaging will expedite matters, saving money, time and precious space.

— Organizers must contact a trucking company to transport packed items to:

c/o D & F Trucking Company
3050 Elmhurst Lane
Portsmouth, Virginia
Telephone: (804) 488-4771
(Monday-Friday 8 a.m.-5 p.m.)

— No C.O.D.'s will be accepted, thus organizers must raise funds to absorb costs of transporting items to shipping-point in Norfolk, Virginia.

— Co-workers in Norfolk, Virginia will receive, handle, store and ship items on the free shipping spaces allotted to goods for liberation struggles.

The coalition also encourages those groups who can to raise additional money to help with shipping costs.

For additional information, contact:

United Church of Christ
Commission For Racial Justice
Africa Program
1029 Vermont Avenue N.W.
Suite 208
Washington, D.C. 20005
(202) 737-2600

Patrice Lumumba Coalition
Administrative Offices
475 Riverside Drive - 8th Floor
New York, New York 10027
(212) 662-1235

Black Theology Project
475 Riverside Drive - 3rd Floor
New York, New York 10027
(212) 678-6276

OPPOSING BANISHMENT . . . Episcopal Churchmen for South Africa is calling for letters, phone calls and telegrams to protest the treatment of Winnie Mandela, South African apartheid opponent and wife of ANC leader Nelson Mandela. Ms. Mandela, banished in May to a remote province,

recently was charged with violating her banishment regulations.

The church group suggests that expressions of condemnation for the South African regime's actions be sent to President Carter and to Ambassador Donald B. Sole, South African Embassy, 3051 Massachusetts Avenue, N.W., Washington, D.C. 20500.

Expressions of support may be sent to Ms. Mandela at 802 Phatakahle Township, Brandfort, OFS, South Africa.

FLAGS NEEDED . . . ZANU has sent a request for flags and for T-shirts with the ZANU flag on them for use in the liberation struggle. Details are being worked out for a shipping address, which will be printed as soon as it's available.

The New York ZANU Solidarity Committee publishes a monthly news bulletin and is trying to collect clothing and medical supplies specifically for ZANU. For more information write P.O. Box 181, Bronx, N.Y. 10453. There's also a Chicago ZANU Support Committee, 1220 West Grace St., Chicago, IL 60613.

LETTER OF THE LAW . . . Following a previously reported opinion by Wisconsin's state Attorney-General that the state university regents should

If your group is planning a stockholder campaign, an educational meeting, a demonstration, or some other action involving a southern Africa issue, tell us and we'll pass the word through this monthly column.

If your group has just engaged in such an action, send us a report. Be as specific as possible: tell us how many people showed up, how many leaflets were handed out, or how much money was raised. Include ideas, tips, and samples of any materials you've developed.

The deadline is the 10th of every month before the month of publication, e.g. material for inclusion in the October issue must reach us by September 10. Our address is: **News and Notes**, Southern Africa, 156 Fifth Avenue, Room 707, New York, NY 10010.

dispose of investments in companies which do significant business in South Africa, governing bodies of at least three other institutions—the University of Massachusetts, Stanford, and the University of Maryland—are checking to see if they are in violation of any state statutes. The Wisconsin opinion was based on a law which prohibits the regents from investing knowingly in companies that practice discrimination.

In Carbondale, Illinois, more than 250 members and supporters of the Southern Illinois University Coalition Against Racial Exploitation demonstrated on July 27 to demand that the university withdraw its investments in corporations that do business in South Africa. The protest followed revelations that a non-profit fund-raising organization for the university has over \$500,000 worth of stock in six multinational corporations with ties to South Africa.

Foundation director Joseph Goodman, who previously had said he "could care less" about the connections, said after the action that if the foundation were presented with proof of the companies are discriminating against blacks, the investments would be terminated.

MORE ON INVESTMENTS . . . An increasing number of pension funds are looking at the investment situation with regard to South Africa. TIAA-CREF, a fund that handles investments for many secondary school and college teachers' retirement trusts, voted its shares in favor of anti-investment stockholder resolutions during the spring.

The California Public Employees Retirement System sent letters of concern to all companies in its portfolio doing business in South Africa.

The Bank of America reported that it was conducting research into the practices of 22 US companies in South Africa on behalf of an unnamed public pension fund managed by the bank.

The Northern California Interfaith Committee on Corporate Responsibility has called on the Alameda County Board of Supervisors to cease investing pension funds in companies which do business in South Africa. The group, which includes Catholic and Protestant church investors as well as individuals, researched the pension fund's stock portfolio, finding that such investments were not returning yields as high as those made locally.

ICCR noted in testimony before the board that the San Francisco City and County Retirement Board has agreed to consider issues of social-economic import involving corporations in which it holds stock.

KRUGERRAND SALES STOPPED

. . . Marc Rice, a large downtown Oakland jewelry store, agreed on June 18 to stop selling Krugerrand jewelry after picketing by anti-Krugerrand forces. The store—which had previously sent a letter from the group to the District Attorney—also agreed to post a sign announcing that it had stopped all Krugerrand sales.

In Cleveland, a coin store also stopped selling Krugerrands after picketing there.

Starting in early June, members of the Chicago Solidarity Committee Against Apartheid have been picketing each Saturday in front of Carson Pirie Scott, one of the city's major department stores, to oppose Krugerrand sales. About 900 people had signed a petition as of mid-July, and the group reported many customers have refrained from entering the store.

TENNIS, ANYONE? . . . ACCESS, the American Coordinating Committee for Equality in Sport and Society, led a demonstration of about 200 people in front of the New York office of the US Tennis Association on August 4. The demonstrations were protesting USTA's invitation to South Africa to participate in the US Open.

ACCESS also called for a protest September 11 at Forest Hills, the final day of the tournament.

ACCESS is a coalition of civil rights, religious, political and sports groups which opposes all US sports contacts with South Africa. For further information write Rich Lapchick, ACCESS chairperson, Virginia Wesleyan College, Norfolk, VA 23502.

GROUNDING . . . Intensive efforts by the Holland Committee on Southern Africa led to a decision by the Dutch government to refuse an export permit to the Fokker Aircraft Co. to deliver a plane to Suidwes Lugdiens in Namibia. Suidwes Lugdiens is a subsidiary of the South African transport conglomerate Safmarine.

Fokker had agreed to lease the F-28 type aircraft to the Namibian company

for a year, with an option to purchase.

The Holland Committee (formerly the Angola Committee) opposed the deal on the grounds that the aircraft could be used for military purposes by South Africa and that the sale would thus violate the UN arms embargo against South Africa.

The Committee enlisted the support of the country's largest union and eventually won the support of the country's two top parties during the course of debate on the issue, which received wide attention in the South Africa press.

Fokker, which maintained that it needed no export license, said it would abide by the government's August decision.

ON THE HIGH SEAS . . . A radio operator is needed to join the crew of the "FRI," a sailing ship out of New Zealand which is on its way to Namibia with a cargo of banned books. Still making its way along the West Africa coast is the "Golden Harvest," which set out from England with a similar cargo last October under the sponsorship of groups including the Movement for a New Society in Philadelphia. The "Golden Harvest" was delayed by an accident off Gambia.

For further information, contact the Philadelphia Namibia Action Group, 4811 Springfield Avenue, Philadelphia, PA 19143.

Footnote: PNAG is also getting ready to extend the boycott of Del Monte sardines to the East Coast. They report they have action ideas they'd be glad to share.

BRIEFS . . . Some 1,206 students at Oberlin College absented themselves voluntarily from dinner on May 12, resulting in a savings of \$1,194 which was sent to the OAU Refugee Fund.

. . . Nearly 100 demonstrators picketed the First National Bank of Boston for two hours on June 17 to draw attention to the bank's loans to South Africa. Chris Nteta, a member of the African National Congress, addressed the gathering, which was called to mark the anniversary of the Soweto uprising. . . . The Southern Africa Support Committee of Pasadena is engaged in a leafletting of supermarkets in the Los Angeles area as part of Del Monte boycott activities. The Committee is also continuing to collect clothes for southern African refugees.

SOUTHERN AFRICA

Name _____

Address _____

New Renewal

Change of Address _____

(enclose label) _____

SUBSCRIPTION RATES:

Individuals (Domestic and Foreign)	\$8.00 per year
Institutions (Domestic and Foreign)	\$18.00 per year
Introductory 7 month offer	\$4.00
Airmail:	
Africa, Asia, Europe	\$20.50
South & Central America	\$17.50
3 month trial	\$1.00

Southern Africa Committee
156 Fifth Avenue
Room 707
New York, NY 10010

6
Northwestern Univ Lib,
Serials Dept
Evanston IL 60201

12/77

BULK RATE
U.S. POSTAGE
PAID
DURHAM, N.C.
PERMIT NO. 851