CHAPTER-V

POLITICS OF SANCTIONS
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The previous chapter examined at length how the United Nations, Non-Aligned Countries and African Organisations laid stress on the imposition of sanctions against South Africa and considered it to be a peaceful solution of the racial problem. This chapter is devoted to the politics of sanctions. It sets out to describe and analyse the urgency of sanctions. It discusses role of multi-nationals, attitude of super-powers and major hurdles in the application of sanctions against South Africa. The discussion would begin with why the sanctions against South Africa has become imperative to day?

The Need for Sanctions

Today the domination of white rulers and their imperial structure has been dismantled in the great continent of Africa, yet the only area of South Africa is still under white domination and black natives there have been forced to lead a slave-like life. The white government have implemented its apartheid policy with such brutality that the International Community termed it to be a 'Crime Against Humanity'. The white racist regime has extended its genocide within the national boundaries to cause death and destruction in the whole Southern Africa. By pursuing the policy of apartheid, by aggressive action against the 'Front Line' states, the South Africa has been
violating international peace and security. Thus gradually the International Community has realised that sanctions are the only peaceful solution of the racial problem.

In fact, sanctions are steps taken when there is a breach universally accepted legal obligations and practice. They are applied with a purpose of making the recalcitrant state comply with the accepted norms of behaviour.¹ They aim at rectifying a situation threatening peace and security.

The imposition of mandatory sanctions against South Africa has been a sequel to myriad political and economic developments going back several years which poses threat to international peace and security. Here it would be pertinent to attempt a brief survey of those events which would help in analysing the situation and understanding the complexities involved.

(a) Of some time past the social, economic and political situation has been very explosive in South Africa as the whites who constitute less than 4.5 million in a population of thirty-million blacks, dominate the black natives. The blacks have been forced to lead a slave-like life by imposing racial laws. Even the whites do not try to understand that the native blacks are also human beings

and not cattle or pigs. The master and slave laws impose the most ignominous conditions of service of the blacks and scattered over their family life. Pass laws restrict their freedom of movement and habitation. The cheap labour, discriminatory labour laws, inferior type of education and health care, economic exploitation etc., are some of the other instances of the worsening situation of blacks. The latter have no authorised political voice, they are not even allowed to join political parties. Legislative powers are vested in the Parliament chosen by the whites. In South Africa, the Parliament is supreme and no court invalidate its laws. The racist regime has been increasing its military power to supress the liberation movement launched by the blacks under the aegis of the ANC, PAC. It maintains a massive army of 90,000 as against 2,000 being claimed by the minority government spending $5 million while the millions of children are starving to death.

Further, apartheid in South Africa and denial to its non-white people of any share in effective government and of equal rights before the law make for a provocative and disturbing element in international relations. It has become a matter of great concern for the international organisation. The ground for its concern are two fold;

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the possibility of threat to peace and a question of denial of human rights. 3

(b) Admittedly colonisation and imperialism are issues on which public opinion is sensitive.

Besides the United Nations, three other bodies viz. NAM, ANC and OAU have been concerned with South African issue. They had pledged to remove all vestiges of colonial rule and racial discrimination from Africa. Their proposals, resolutions and communiques served to build up public opinion in favour of South African rights.

(c) Moral pressure was being brought to bear against the trading partners in the United Nations, in the common wealth meetings and by anti-racialists at home.

(d) Nationalism gained impetus in South Africa. The negatives were seen becoming more vocal in their demands. They were seen becoming more active towards the attainment of the goal of national self-determination. It is a well known fact that nationalism may lead to a reform of the pattern of racial segregation under which they had lived. But the actual gains fall for short of expectations closely examined, the question of self-determination for South Africa seems yet far.

the nationalists had organized themselves under the banner of African National Congress which was later banned; the party laid great stress upon making constitutional and political gains instead of merely agitating against racial discrimination.

Within the UN, the African group was becoming increasingly restive at the inability of the world body to exercise a positive role in South Africa. This lobby acquired wide-spread support from Asian, African and several other countries as well. Thus, the South African issue had been taken up as a matter of priority in the international organization. A large majority by which the General Assembly approved its resolutions on the issue, was indicative of the world wide concern about the explosive situation in South Africa.

Thus, the above mentioned issues can be identified in the South African issue, each developing inevitably towards the escalation of the crisis.

It is a well-known fact that Apartheid remains at the very hard core of South African's policies. Reform is not what is needed, a complete structural change in the political, economic and social institutions of South Africa for full eradication of Apartheid. Now a consensus exists that aspects of the South African situation justify some form of collective action. However, there had been a lack of consensus about the form of collective action earlier. The South Africa was 'urged' requested and invited to reform its racial laws. It was subjected to expressions of 'regret' when the republic paid no head to International Community's request. The consensus had also emerged on
the apartheid as a crime against humanity. The world body recognised the legitimacy of the Liberation Movement of the Blacks. The racial policy had been incompatible with the provisions of the United Nations Charter and Declaration of human Rights. Consensus also centred on the issue that reliance on violence and repression by the South African racist regime and its continued denial of human and political rights to the great majority of South African people would certainly lead to escalation of violent conflict and to a racial conflagration in South Africa with serious international repercussions.

The practice of apartheid has been denounced on the following counts:

(1) It is thoroughly repugnant to the moral sense.
(2) It constitutes a continuing threat to world peace.
(3) It is a serious impediment to the development and growth of Southern Africa and of all black Africa.

Thus, the apartheid system must be eradicated. All the measures adopted by the world body have failed. Since all criteria enshrined in Chapter VII of the UN Charter exists in South Africa, imposition of economic sanctions has become imperative in such situation sanctions are seldom regarded as the ideal weapon; rather they are seen as the least-led alternative.

The economic factors have a profound importance for the government's capacity to sustain itself internally. Pretoria's strength both militarily and economically has not suffered decline over the years. Rather, the Republic has been drawn fully in the International market. To quote professor Hobart Houghton, "For the past 100 years it has ranked high amongs those countries in which International trade represents a major portion of total economic activity, and in the future, imports and exports are likely to ensure greater not lesser importance as South Africa is drawn ever more fully into the international economy. The economic factors are also important in any calculation of foreign policy, for without the maintenance and extension of existing trade outlets, the Republic's domestic economic position will be increasingly jeopardized. Similarly economic progress is of vital importance for the success of Bantustan Scheme and government's claims for it in the external sphere. In the name of national integrity and sound economy, the racist government extends its economic ties with the outside world. But the real objective of.


7. I think it is clear to all of us that but for the soundness and strength of our economy, we should have been hard put to maintain ourselves, to protect the integrity of our land and the independence of our people against the openly expressed aggressive designs of certain states ETE Donges, Minister of Finance Quoted by J.E. Spencer, Ibid. p.45.
such a policy is to offer increasing profitable opportunities to overseas investors and to make the life of the whites prosperous not of the blacks and to retain the white man's guiding hand as the best guarantee of internal security and political stability. It have already devised a prototype nuclear device which does not require testing under present technological advances.

Such economic and military development has been aggravating dangers not only to neighbouring states but also to World peace. Thus imposition of sanctions against South Africa has become imperative. Time has come for all moral incantations to give way to practical action.8

There are two complementary reasons why economic sanctions against South Africa can achieve the desired objective of compelling that country to come to negotiating table.

First, the high growth rate of South Africa has been due to external investment and technology transfers. Some estimates of South African dependence on outside sources run as high as 40 per cent of its requirements. In principle, there is nothing wrong with external investment. However, South Africa is a unique case, its economic health is the very weapon used to support the system of racial discrimination.

Second, the loss of the minerals which from the bulk of imports from South Africa by industrialised countries will affect the industrialized countries less than had been feared previously, even on a fairly long-term basis. On the other hand, sanctions are almost certain to cripple South Africa's foreign exchange position. Furthermore, the minerals from Southern Africa, new sources of supply, a system of recycling and prudent use of existing stockpiles could, in the opinion of experts, make up for the loss of South African minerals in the event of sanctions.\footnote{Ibid.}

The sanctions provided under chapter VII of the UN charter are the most appropriate and effective means to force South Africa to abrogate its racial policy and to ensure the Republic's compliance with the decisions of the United Nations as well. The purpose of sanctions is:

(1) to force South Africa to abandon its racist policy of apartheid and to put an end to its illegal occupation of Namibia;

(2) to demonstrate, by action, the universal abhorrence of apartheid and solidarity with the legitimate aspirations and struggles of the people of South Africa and Namibia;
(3) to deny the benefits of international co-operation to the South African Regime so as to oblige it and its supporters heed world opinion, to abandon the policy of racist domination and to seek a solution by consultation with the genuine leaders of the oppressed people;

(4) to undermine the ability of the South African Regime to repress its people, commit acts of aggression against independent states and pose a threat to international peace and security;

(5) to remove economic support from apartheid so as to mitigate suffering in the course of the struggle of the people of South Africa and Namibia for freedom and thereby promote as peaceful transition as possible. 10

It is clear that when economic measures are used as sanctions, the object is to deter states from pursuing policies which do not conform to accepted norms of international conduct. To propose policies in compliance with the United Nations Charter is considered to be in the interest of the international community and sanctions are viewed as penalties which relate specifically to acts which the international organization condemns.

Moreover, economic strength has always been recognised as a vital component of power. In the course of war it is an obvious target for attack, by military as well as by economic means. In the course of hostilities a well-defended target could be cut off from supplies and re-inforcements by encirclement and its surrender by this means swallows by bombardment. 11

The possibility of imposing sanctions against South Africa was first raised in the 1950s. In 1962, the General Assembly again considered sanctions and it approved voluntary measures that called for the breaking off of diplomatic relations, the closing of ports to ships flying the South African Flag, the boycotting of all goods sold by South Africa, the refusal of landing privileges to South African aircraft. 12 But did not affect the racist government of South Africa.

On the question of the imposition of sanctions against South Africa there has been a persistent demand since 1964 when an unofficial international conference was held in London. But there could be no consensus on sanctions in the security council. Rather two divergent views have been advanced on the question of sanctions against South Africa by pro-sanctions and anti-sanctions

groups.

Pro-sanctions

Those who are pro-sanctions support the subject on the ground that timely imposition of sanctions can avoid racial blood-shed in South Africa. As the black Africans intensify their liberation movement, the racist government has been adopting more and more repressive measures to crush the movements. The blacks have also been adopting armed struggle finding no alternative to carry out their liberation movement including violence though their violence is quite defensive. Consequently the rising tides of mass resistance against apartheid has been inexorable and relentless. To avoid such a blood bath sanctions are the peaceful measures to eradicate apartheid. As Winnie Mandela also observes that tools of this nature which are instrument of liberation would lessen the blood-bath we are heading for. 13

India's Prime Minister, Mr. Rajive Gandhi had been Chief Advocate of this argument of pro-sanctions group. He accepted it in a declaration presented to him by the organizers of the national seminar of parliamentarians on apartheid. The declaration appealed to the international community to adopt and apply collectively and

individually effective and comprehensive mandatory sanctions in accordance with the UN Charter. This would force the South African government to negotiate with the leaders of the black majority.\textsuperscript{14} In fact, India from the very beginning has advocated sanctions as the only peaceful way to change the racial policy. In 1986, India had called for comprehensive and mandatory sanctions by other countries against it as the last non-violent option, left to end apartheid.\textsuperscript{15}

Mr. Rajiv Gandhi in his address at the Harare Summit of NAM, reiterated that 'sanctions could yet bring a relatively peaceful transition to racial equality and majority rule'. Such measures can force the white-led government to come to negotiating table. Else, unprecedented violence would multilate the finest flowers of South Africa.\textsuperscript{16} He further stated when the apartheid regime closes all avenues for peaceful change, the national liberation movement for international sanctions, to supplement their own boycott campaign in South Africa as the only effective peaceful measure shall try to persuade their oppressors to seek the path of conciliation.\textsuperscript{17}

The supporters of the sanctions argued that sanctions will facilitate the end of apartheid. By

\begin{itemize}
\item \textsuperscript{14} The Tribune, July 25, 1986.
\item \textsuperscript{15} Indian Express, Nov. 7, 1986.
\item \textsuperscript{16} Times of India, Sept. 3, 1986.
\item \textsuperscript{17} Keynote: While addressing at the sanctions workshop organized by the Nigerian Committee against Apartheid, Jee Nigeria, Dec. 1982, p.8.
\end{itemize}
imposing sanctions, the trading partners would have to cut off their economic ties with South Africa. Once this takes place, then eradication of apartheid would be easy. The fact is that the economic collaboration and investment in South Africa make liberation difficult and intensify the oppression and exploitation of the majority. The west is also supporting the racist regime along with transnational corporations.

(2) Anti sanctions: Others, opposing sanctions argue that (a) sanctions will hurt South Africa's black more than the whites: The British Prime Minister Mrs. Margaret Thatcher; is the foremost advocate of this argument. She rejects economic sanctions on South Africa because she believes that economic sanctions could increase violence in South Africa and they would lead to greater turmoil and more killing between black people.¹⁸ She reiterates such a view towards the close of the Commonwealth Meeting that sanctions would only harm the blacks and front line states. So she would not like to be accused of causing greater hardships to the people of South Africa.¹⁹ This argument is supported by the South African Government. South African Consul General in New York has declared that the pullout of American Business would cause

¹⁸. The Tribune, June 14, 1986
¹⁹. The Statesman, Aug. 5, 1986
the greatest suffering to the very people, the blacks it is intended to benefit by depriving them of jobs that will ultimately close their access into middle class. Similarly, the Ex-Prime Minister of South Africa P.W. Botha has claimed that sanctions would principally harm, the black population. Some of the black leaders have made the same argument which has been given wide publicity by the apartheid regime. Lucas Mangope Chief Minister of the Bophutswana "Homeland" stated that the mere idea of total economic sanctions from abroad to assist us makes one shudder. We the black people will be the first to suffer. Jennifer James holds the view that sanctions may further fragment the unity of the population. He justifies his argument stating that white loyalty to the system will remain high so long as it produces benefits without personal costs to whites. If the system cannot deliver benefits, cracks may develop in the loyalty of the system's white beneficiaries. Such cracks are likely to deepen in an extended period of economic disruption. Moreover divisions between different sections of the community will surface and further fragment the unity of the population.

(b) Sanctions will be harmful for the prosperity of South Africa because of its dependence on multinational corporations for high technology and any lack of its

22. Ibid p. 30
access to foreign technology could cripple South Africa. In the face of sanctions, the South African economy could not adequately meet the demand for spare parts of high technology equipment. Moreover, investments would result in social and economic benefits for all South Africans, including blacks. In the face of such a cut off, the South Africans would intensify their efforts to achieve self-sufficiency in the most crucial sectors of their economy. Such attempts would likely to meet with failure, because the market is too small to make such a policy cost effective. The restriction imposed on economic growth by the apartheid system effectively keeps millions of black people out of the market place. It limits potential for the establishment of industries which require large markets to achieve economic production.

In this way the growth of South African Economy would be severely affected by the termination of external capital on which it has relied.

(c) The opponents of sanctions also consider sanctions immoral and ineffective. Having a character of retaliation, the sanction can never be effective. For example P.W.Botha has announced the possibility of

24. Ibid. p. 556
27. Dr. Simon Brand Quoted by Davis, Cason, Hovey Op. cit.
cessation of deliveries of chromium to countries which have adopted or were intending to adopt economic sanctions against South Africa. He said, by setting a trap for South Africa, they will ultimately hurt themselves. The racist regime has also announced that it would soon resort to the expulsion and forcible immigration from the Republic of South Africa of approximately 15 million 29 foreign workers. In such a situation, how would a country impose economic sanctions which cover over 60 percent of its needs in Chromium and other minerals. Without the Universal support, sanctions could not be proved effective. The cessation of delivery of such raw materials to USA could result in a loss of several million jobs in USA as well as in Britain according to Botha's calculation. The opponents, summarizing the arguments, consider the sanctions immoral. The west oppose sanctions also on the ground that they hurt their economy and increase unemployment.

Opposing sanctions on the above mentioned grounds, the western countries prefer two other approaches to sanctions which might pave the way for a peaceful change causing no damage to South African Economy or West's interests. These two approaches are known as the 'persuasion' and "Constructive engagement" approaches.

28. P.W. Botha Quoted by Filip Svetic "Sanctions are nevertheless effective" Review of International Affairs (Belgrade) No. 857 Vol. 36, 1985, p. 17
29. Ibid
PERSUASION:

One of the ideas most persistently advanced in Western Countries is that there are ways of persuading the whole minority in South Africa to produce change. This can be made possible by keeping open of the "channels of communications" with the white minority. It means the way of promote change is through 'contact' and 'persuasion' and that hope for "reform" rests on building bridges and keeping "doors" open. Severence of economic or other links will only make the white minority 'retreat into the laager' where the beneficial influence of the arguments of outsiders will be lost.

No doubt, it was an approach that could pave the way for peaceful change but it could not be implemented because of its being contradictory in nature. This approach assumes that it would be from the white minority that the necessary change will come when the case is reversed. As it is a well known fact that the internal logic of the apartheid system have shown that the minority has never wanted the transference of power to majority. The apartheid system perceives that any move towards the change would harm the minority's interests. For a long period when the minority has held total political power in 1910, it has never done so, because in terms of the white

power system from which the minority's wealth and power are derived, to do so would be irrational. Thus, the minority regime has no intention of allowing change that would lead to the elimination of apartheid.

Rather the persuasion has proved futile. It has been tried before by its present day overseas advocates and by the people of South Africa and Namibia themselves. They have tried to argue for the regime to change. But it has no effect. The response from the regime has been not to eliminate apartheid but to make it more extensive. Moreover, the advocates of persuasion admit that the approach has been unlikely to produce more than the most insignificant changes even when sincerely promoted. It is also admitted that the regime has had countless opportunities to listen to those who wish to persuade it. But the minority regime may choose to ban them out of existence instead of listening of their plea.

It is correct to admit on the part of the advocates of persuasion that they have pressed for some changes. There have been some changes but those changes are minor in effect. In fact, they are not real changes in the terms of required changes that will end apartheid. They cannot point to any fundamental change in the direction of the removal of apartheid. Of course, there are some doubts whether the advocates of persuasion are sincere in promoting the approach. Though the governments and

31. Ibid.
corporations which proclaim the advantages of this approach, argue that as they are in a more powerful position, their persuasion can have more effect than even that of the people themselves.

But the corporations or the governments drawing higher profits never admonish the racist regime to drop apartheid, bantustans, cheap labour and any other elements of the system. It is also realised that the measures that rely on friendly relations with the minority regime cannot proved effective. Thus ways of confrontation and isolation have been developed. Some changes which have taken place in South Africa have come about as a result of isolation and not as a result of maintenance of contact with the regime.

Contacts cannot bring any fundamental change but encourage the minority and deepen its determination to go on as far as possible because contacts implies measure of acceptance. Thus, persuasion has been tried and found wanting as a means of bringing about the fundamental change required in South Africa because its advocates are seen protecting the regime and perpetuating the system. Since it encourages the regime and rules out more effective approaches, the persuasion approach is not to bring any fundamental change rather it is, now, to actually undermine the struggle of the people. Of course, the situation in South Africa today demands much more.
CONSTRUCTIVE ENGAGEMENT:

The 'persuasion' approach has failed. It is now realised that dialogue cannot be enough and to achieve peaceful change, more effective measures than persuasion are required. The 'constructive engagement' approach is an idea of maintaining links with South Africa. It is adopted by the United States Government which implies both involvement in South Africa. The phrase 'Constructive Engagement' rests on the following assumptions:

(a) that the apartheid regime has sufficient economic and military power to manage any internal or external pressures for change;

(b) that the Pretoria government can be persuaded to agree to an internationally recognised settlement in Namibia if its withdrawal from Namibia is linked to the withdrawal of Cuban troops from Angola;

(c) that progress can be made faster in resolving the problems of South Africa if the United States tones down public criticism of apartheid and instead expands and utilises the existing official channels for criticism and persuasion;

(d) that once assured of American credibility and goodwill the racist regime requires taking steps to reform the apartheid system up to, if possible, the establishment of a constitution for "Power sharing".
The policy of "constructive engagement" had been spelled out in 1980 by Chester A Crocker. He writes; "A tone of empathy is required not only for the suffering and injustice caused to blacks in a racist system, but also for the awesome political dilemma in which Afrikaners and other whites find themselves... American powder should be kept dry for genuine opportunities to exert influence. As in other foreign policy agendas for the 1980s the motto should be underpromise and overdeliver... for a change". 32

The Crocker approach makes its own very ambitious promises to the American Public and to the international community. It also offers the prospect of increased American prestige 33 and the adoption of positive measures to change the apartheid policy. The United States is the most active imperialist power in South Africa. It is a region very rich in mineral resources and regarded as part of US sphere of influence. The US administration prefers to use its influence and resources to assist a solution of the problem rather than the negative approach of isolating the region. Its advocates argue that the very phrase "constructive engagement" involves maintaining contacts and supporting those inside and outside the white minority who are committed to peaceful change.

33. Ibid
Describing its foreign policy towards South Africa, the US former under Secretary of State for political affairs, Lawrence S Eagleburger says "our national interest and interests of the West demand an engagement constructive and peaceful, in the affairs of South Africa." The advocates of 'constructive Engagement' argue that economic links and investment could be used as an instrument of change, and the "reform" of apartheid. Through the adoption of "enlightened" policies and employment practices, investors could improve the standard of living, prospects and general conditions of life for African Workers. It could actually contribute to African advancement and the breakdown of the apartheid system itself.

This approach has been greatly supported in the West as a positive measure to the peaceful solution of apartheid. It has been heavily promoted by the Western Powers perhaps because of the fact that the West wants to secure change without bloodshed and without damage to its own interests. The Reagan Administration has decided that American business should be encouraged to remain in South Africa and to assist in the process of gradual change of South African Society. The idea of 'constructive engagement' coincides to the decision of US Administration as it assumes that the forces of reform in South Africa

must be strengthened by continuing economic links. It is heavily promoted by the British foreign office and the US State Department. It is believed that this approach would provide a means of securing improvement in South Africa through governmental and business initiative. It also maintains that South African industrialization has been the key to racial equality. The South Africans themselves have been the initiators of this idea through advocates of reform programmes which include professional, business, and educational groups. In the United Kingdom, it has been formalised by the government into its voluntary code of conduct for companies operating in South Africa. The codes lays stress on the removal of discrimination in work place practices, facilities, trade union, recognition and improvements in wages paid to African workers. Although the codes differ in means of implementation, their common objective is to improve the situation getting deteriorated under apartheid labour practices through the voluntary agreement of major foreign based corporation's to alter some of the policies of their subsidiaries. The code has been adopted later by the European Economic Community.

In the United States, the code has been adopted with the hope that it may contribute to the change in South Africa. As crocker puts it, constructive Engagement promises that if the United States can steer between the

36. Ibid
twin dangers of abetting violence in the republic and aligning the blacks with the cause of white rule, only then change in South Africa could be achieved. The United States seemed to believe that P.W. Botha has been different from others. His programme of limited reforms deserves to be encouraged and applauded by the United States. It may also be implemented with the impression that the Afrikaner dominated political establishment should be encouraged to set a pace of change. Crocker's priority has been to encourage the process of 'White led Change'. He argues that Botha has already initiated a "drawn out couped" that has been putting into power a group of "modernizers" who were "pragmatic, flexible and determined. Therefore US policy-makers should bolster Botha's position and encourage his promodernization tendencies. The US administration also appears to believe that constructive engagement would also be helpful in promoting peace in the region. It also believes that situation can be improved and controlled by the American backing thereby South Africa could promote peaceful relations with black-ruled states. Then South Africa could play an important role of regional power promoting peace. Once Namibia achieves independence, other regional tensions would be reduced, State department hope in that eventuality recalcitrant South African Whites would also see peaceful co-existence with neighbouring black-

ruled states. Keeping in mind self-interest the U.S. Administration avoids strong and detailed criticism of apartheid. The Administration views that such statements would weaken Botha's ability to pursue reform. The Administration also views that the United States could work to restore its place as a legitimate and important regional power. It would also help to end its polecat status in the world. But in the meantime, the US Administration cautions the South African Government that it would help the regime only when the liberation Movement is away from apartheid. The Reagan Administration also seeks to reverse what Crocker perceived to be a mistaken US preoccupation with the "ultimate goal" of power-sharing and full political participation" and to give greater attention to "the process of getting there." Thus, Washington becomes more willing to support near and medium-term reforms short of power sharing, "provided that the process would be consistent with a non-racial order."

But the policy of "Constructive Engagement" has failed and has been sharply criticized. The policy is only a change in the tactics because whatever reforms have been made by the regime have been only within the framework of

39. San Ford J. Ungar Peter Vale; op. cit
40. Clough: op. cit. p. 326
apartheid. They have not to dismantle apartheid and have not been the result of constructive engagement but initiated only to appease public criticism.

In fact, all the tactics adopted by the Western Governments in the name of peaceful change are to protect their interests and to check the expansion of communism in the region. Thus, the Western powers are against the armed struggle because they view that armed struggle would go in favour of communism. The reagan administration asserts that only an orderly non-violent transfer of political power to majority ruled government is to be favoured by the West whereas an escalating armed struggle waged by the liberation movements is what the Soviets favour.

Moreover, the United States insists that apartheid is not the problem of South Africa and is not a threat to international peace and security. That is why the Reagan Administration has been totally opposed to calls for sanctions and disinvestments against the racist regime. This is also a striking element concerning the political side of Reagan's policy of "constructive engagement."

The adoption of code of conduct and "Constructive Engagement" fails to achieve its objectives. Even the South African government's response has not been positive because the United States Administration has been willing

to make only symbolic gestures to Pretoria regime. It never indicates the forthcoming reciprocal measures. While earlier Botha and now Clark Government wants more concessions out of "Constructive Engagement". For instance, recognition of South African Homelands have been shunned by the International Community. Even the Code of Conduct has been considered to be a specific tool to promote "Constructive Engagement". The African trade unions have not been recognized. No efforts have been made to improve the conditions of the black workers. It is because the Code has been treated within a frame as general as possible and voluntary. The corporations takes it as they are not as much as in need of such codes as their governments. The purpose behind such approaches has been only to put real pressure on South Africa for certain types of change, only to quiten the international opinion and their and not to change the structure of the apartheid regime. The corporations and the United States never threaten the apartheid regime. They only pose not to dismantle the system which is responsible for the deteriorating conditions of Africans. All this suggests the major flaws at the heart of the "Constructive Engagement". The supporters of the approach are not concerned with human rights but with their high profits.

Moreover, such approach can not be justified as nothing appears to be "constructive" in this approach. How can an approach considered to be "constructive" to make
real changes while the propounder of the approach has never been participating in the making of rules which govern them.

The supporters of "Constructive Engagement" strongly feel that if they got enough time to implement the approach, they would reap the harvest in time. But on close scrutiny, it may be said that this approach has totally failed at all fronts. It can satisfy neither the Africans nor the public opinion. Moreover, it is not found to be consistent to the expectations of the racist regime. Instead of making real changes, it has strengthened the apartheid system rather. Meanwhile, the United States' Programmes and behaviour at the United Nations can not be supposed to justify the term "Constructive" as it has been totally opposed to the call for sanctions and disinvestment and other International Measures purporting to condemn apartheid and to eliminate apartheid. Here it would be pertinent to quote some such resolutions which have been opposed by the United States.

1. Resolution condemning South Africa's continued massacre of the oppressed people as well as the arbitrary arrest and detentions of leaders and activists of mass organizations and demanding their immediate and unconditional release;

2. Calling for comprehensive sanctions against the apartheid regime and support of the liberation struggle in South Africa;
A Programme of work of the United Nations special committee against apartheid to promote the international campaign against apartheid.

A resolution condemning the continuing and increasing collaboration with the racist regime of South Africa.

Calling for concerted international action for the elimination of apartheid.

An appeal made to all governments and information media, non-governmental organizations and individuals to lend their co-operation to the United Nations in disseminating against the apartheid regime.

An International convention against apartheid in sports.

Thus, this is the reason that "Constructive engagement" cannot be termed to be constructive. Moreover we are not convinced that such a diplomatic support to the racist regime Pretoria would actually contribute to the real changes in South Africa. Both the approaches deny the need for action to end collaboration. Meanwhile, both the approaches can not assist the liberation struggle because economic collaboration continues to prop up apartheid and because of it; the racist regime has constantly been denying the demand of world body to end apartheid.
Moreover, economic collaboration is one of the pillars on which apartheid has been founded. Thus it is realised that action is needed to be taken to eventually, end all forms of economic links with South Africa; that is process of disengagement.

**ECONOMIC DISENGAGEMENT:**

"Economic disengagement" suggests that approach involving breaking of economic links with South Africa. In the 1970s, various groups began to call for disengagement from South Africa. For it was argued that increased disengagement would bring enough benefit to blacks to solve their economic and social problems which have been caused by apartheid. That no encouragement should be given to the increased financial involvement of foreign corporations in South Africa. That the prospect of an Economic Growth would not necessarily weaken the intensity of discrimination. Thus, economic disengagement sought to organise and apply stockholder pressure on companies for changes in their operational policies. Thus 'Economic disengagement' has generated counter arguments on "Constructive Engagement". The objective of economic disengagement is to support the struggle against apartheid waged by Africans. Only full eradication of apartheid will transform the African Society. Any financial involvement

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would necessarily strengthen the system of apartheid. The proponents of Economic Disengagement are inclined to accept this view. A leading advocate of this approach has been the world council of churches. The Board of Social Responsibility of General Synod of the Church of England has put in their report: Facing the Facts, the United Kingdom and South Africa.

"Even if the code were fully implemented and satisfactorily monitored, it is still fighting a man in armour with a cardboard sword. We are no longer only concerned with small involvements in working conditions and standard, or with the abolition of petty apartheid. As we have seen, the abolition of petty apartheid can go hand in hand with the strengthening of grand apartheid. We are concerned now to align ourselves with our Christian brethren in South Africa in their struggle for freedom. We believe that the General Synod and the Church Commissioners should both now take as a guiding principle solidarity with the black struggle against apartheid and that their resolutions and their actions should be seen to express this solidarity. This means disengagement!"

The above paragraph of the report clearly reveals that the proponents of this approach are disinclined to

accept any economic collaboration with the racist regime. For it is argued that such involvement will never serve the interests of the black people because only some reforms of the system will be meaningless. Thus, the advocates of the approach by stress on the contribution to the liberation struggle of the Africans.

Meanwhile for over two decades, black leaders have called for the imposition of sanctions and the application of other forms of economic pressure against South Africa. The black leaders view that economic isolation of South Africa as the most effective non-violent way for eradication of apartheid. They advocate economic disengagement for it is a direct response to the failure of constitutional struggle to end the apartheid regime. Dr. Nelson Mandela has also observed the failure of passive resistance:

"Since its formation, the African National Congress adhered strictly to a constitutional struggle. It put forward its demands and resolutions. It sent delegations to the Government in the belief that African grievances could be settled through peaceful discussion.... But while Government remained unmoved... what have been the fruit of moderation? The past thirty years have seen the greatest number of laws restricting our rights and progress. Until today we have reached a state where we have almost no rights at all."

At the same time, the black leaders favour a peaceful and non-violent solution at any cost. They claim that economic disengagement would weaken the economy of South Africa thereby, lead to fundamental change. They advocate economic disengagement in the belief that economic collaboration supports the apartheid regime and maintains the minority's dominance. By severing all economic ties South Africa can be isolated and thereby limit its capacity for survival. The black leaders also claim that economic disengagement is the most effective peaceful solution. The halting of the flow of oil, computers, capital, technology and weapons is accepted by black leaders as the most effective way for the international community to play a positive, non-violent role in bringing about fundamental change. No doubt, economic disengagement would help in the full eradication of apartheid and contribute to the speedy destruction of apartheid system. But its implementation would have a gradual effect. It would take too long and the blacks need their freedom at the earliest at any cost because they have already waited for too many years falls short of what is required.

Selective Sanctions:

The foregoing pages have highlighted that "Persuasion and Constructive Engagement" have proved to be unsatisfactory noting at the same time the limitation of

48: Davis, Cason, Hovey; Op. cit., p. 554
economic disengagement. Then it is realised that for the speedy destruction of apartheid, selective sanctions should be imposed in a situation where the trading partners continue to prevent the imposition of full-scale sanctions against South Africa. Thus selective sanctions are better than none at all. Presuming that no one would oppose the important measures, however, they might be in a limited way, which will assist the liberation movement. Dr. Nelson Mandela also states that "every effort to isolate South Africa adds strength to our struggle". 49

But selective sanctions also cannot be effective unless action respected by all governments is not adopted. For a measure adopted by one government can not be binding on others. If a government severs links with South Africa, it does not mean that others would also adopt such measures. Other's collaboration with the racist regime might have continued. This will reduce the effectiveness of such measures.

Another weakness of selective sanctions is its lack of comprehensiveness. For instance the arms embargo will never be fully effective even if it is fully implemented unless action is taken against other forms of collaboration with South Africa. Selective sanctions can not be effective even if they are adopted by the super powers if adopted as a soft option. For instance, President Reagan's

selective sanctions against South Africa include a US ban on the supply of certain type of computers, nuclear technology and loans except for those that benefit the non-whites and which are meant for humanitarian purposes and public welfare without discrimination. In the name of humanitarian and public welfare, such measures fail to cause any damage, either to apartheid or to the United States trade. For example, the US bank loan is subject to a condition that if Pretoria government needs such loans for the benefit of black community, it would not be banned. It is very much clear that the racist government would not hesitate to certify that loans were needed for the welfare of the black community and it is Pretoria government not the Reagan government which will decide, for whose welfare, the loans will be spent. Thus, the United States selective sanctions are hedged in by so many "Waivers" that eventually ways and means could be found to carry on the trade with Pretoria without causing much damage either to apartheid or to the US - South Africa Trade and Commerce though some decline in the turnout is not ruled out.

Suffice it to mention here that selective sanctions cover one or more aspect of collaboration while others are left untouched. This inevitably, reduces its effectiveness. Thus what is required is the most effective

51. Ibid, p. 139.
action against apartheid, action which severs all collaboration. This can be possible only through the implementation of mandatory and comprehensive sanctions.

MANDATORY AND COMPREHENSIVE SANCTIONS:

Having discussed at length the approaches of "economic disengagement" and "selective sanctions" in the previous pages we conclude that both the approaches are not adequate because they can not stop all collaboration with the apartheid regime. Nor can they assist the people in their liberation struggle. They may also not hasten freedom for the people of South Africa and Namibia. The comprehensive mandatory sanctions is the most effective action which can serve the purpose. For it may have the effect of stopping all collaboration with apartheid South Africa. The advocates of such sanctions are of the view that sanctions must be seen as a means of isolating the regime and so riding the freedom struggle inside South Africa itself. If the sanctions are understood in this context and implemented in a proper way, their imposition would be effective and contributive.

Sanctions are imposed by the United Nations Security Council under the Chapter VII of the United Nations. This section provides for action "with respect to the peace, breaches of the peace and acts of aggression". Since all these situations prevail in South Africa, the Security Council has pasted the resolution imposing
comprehensive and mandatory sanctions on the ground that South Africa's raids on frontline states and its acquisition of arms constitute a threat to peace.

But without paying heed to the United Nations resolutions, South Africa still constitutes a threat to the peace of region continuing with its apartheid policy and aggressive acts and illegal occupation of Namibia. On all these counts it is a straight forward matter to justify a ban on economic collaboration with South Africa. So comprehensive and mandatory sanctions have been favoured by the International Community.

It is not enough merely to pass the resolutions and to declare ban on the economic links with South Africa. First of all sanctions must be seen as a contribution to the success of the liberation struggle in South Africa and as an approach of confrontation with the regime, with the total elimination of apartheid and the transfer of power to the majority as its objective. What is required for effective implementation of sanctions is that they must be mandatory and need to be properly supervised and implemented. Above all they would need to be comprehensive and imposed immediately and effective action against Pretoria Regime covering all collaboration all countries. But some of the countries particularly USA and UK ruled out such sanctions.
THE UNITED STATES OF AMERICA: REAGAN RULED OUT SANCTIONS:

President Reagan of United States ruled out sanctions against South Africa. He urged United States business houses to stay in South Africa and continue investing in the racist regime. The United States rejected sanctions with the view that by co-operating with Pretoria as much as possible Washington could encourage the white regime to reform its own system of apartheid.

In a major policy speech in Washington, Ronald Reagan said, Apartheid is morally wrong and politically unacceptable. If South Africa wishes to belong to the family of Western Nations an end to apartheid is a pre-condition. He further admitted that apartheid must be dismantled adding that "time is running out for moderates of all races in South Africa". Deputy Secretary of State Mr. Dam also stressed: "all Americans find repugnant the system of racial discrimination called apartheid that is practiced there we are united in our belief that apartheid is morally abhorrent, politically unsustainable and economically wasteful. But moral indignation, no matter how natural and justifiable, is not a substitute for an effective foreign policy certainly not for an activist world power that seeks change in a manner that will benefit all South Africans". Recognising that there should be a

52. Ibid, p. 140
53. Ibid
non-violent change towards a more just order. Mr. Dam emphasised that it is the position of this administration that sanctions, such as those in the legislation before you today, would be counter productive, they are more likely to strengthen resistance to change than to strengthen the forces of reform. Moreover, they do not even put us, as some say, "on the side of right". If our moral imperative as Americans is to encourage freedom and reform, we must reject sanctions.  

It is very surprising that on the one hand, the United States considers apartheid as inhuman, immoral practice and condemns the Pretoria regime for such practices, on the other hand, the US administration is not in favour of any further punitive measures like comprehensive sanctions which are the only effective measure to end all collaboration with South Africa. Moreover, the United States administration justifies the decision of rejecting the sanctions on the ground that it would hurt the blacks in South Africa and the front line states.

President Reagan clarifies the US position 'Looking at the map, Southern Africa is a single economic unit tied together by rails and roads, Zaire, in its Southern mining region depends upon South Africa for the three fourths of its food and petroleum. More than half the electric power

that drives the capital of Mozambique comes from South Africa. Over one-third of the exports from Zambia and sixty five percent of exports of Zambia leave the continent through South African ports. Highlighting the inter connection of the frontline states with South Africa, President Reagan adds, "South Africa is like a Zebra. If the white parts are injured the black parts will die soon."

On July 22, President Reagan again urges the South African Government to draw up a time-table for eliminating apartheid laws, releasing all political prisoners and legalising banned black political movements in order to enter into dialogue with its opponents. He appeals to congress and to West European countries to resist this emotional clamour of punitive sanctions, however and endorses the opposition of Mrs. Thatcher to the imposition of sanctions which would weaken the South African economy.

Most of the speech of Ronald Reagan justifies his opposition to sanctions. He argues that when reforms have been made in South Africa because of the US more progress towards justice has been made there. That in recent years, there has been a dramatic change. Black workers have been permitted to unionise, bargain collectively and build the strongest free trade movement in all of Africa. The infamous pass laws have been ended as have many of the laws denying blacks the right to live, work and own property in

56. Keesings Contémorary Archives. 34597.
South African cities.\textsuperscript{57}

The Deputy Secretary of state has also supports Mr. Reagan's attitude saying, "Black trade unions have become a powerful force in industry. The government has suspended the forced removal of settled black communities. It has just announced that it will support repeal of two of the more odious aspects of apartheid, the mixed marriages act and that portion of the immorality act that proscribes sexual relations between the races. Central business districts are being opened to black businessmen. Cities throughout South Africa have abolished the trappings of petty apartheid such as segregated parks and swimming pools. The government has acknowledged the need to consult and negotiate with representative blacks outside the tribal homelands.\textsuperscript{58}

But on the ground of Reagan's speech, South Africa can not be considered a just society. Much remains to be done. Such as Ronald Reagan said, "The state of emergency must be lifted. There must be an opening of the political process. He also accepts that the time had come when the people of South Africa must have a say in their Government and there could be no turning back."\textsuperscript{59}

\textsuperscript{58} Kenneth W. Dam: Op. cit.
Thus, the most of the speech of Reagan clearly reveals that Reagan favours a peaceful change in South Africa and condemns South Africa for its apartheid policy, yet, he resists international community's decision to implement mandatory and comprehensive sanctions because of its own interest. The changes which have been taken placed, are not real changes but they are some reforms within the apartheid system only to appease international criticism. Mr. Ronald Reagan is also of the view that a time-table for elimination of apartheid laws should be made. All political prisoners should be released. Nelson Mandela should be released to participate in the country's political process.60

Reagan favours imposing of limited sanctions not comprehensive sanctions as the US Presidents' statements reflects his ambition to keep South Africa within the west ambit only for his business interests in that country. That is why the US policy makers assume that there is still a chance for peaceful change. He views that sanctions will cripple the region, While South Africa is a powerful political, economic and military machine, its day of reckoning could be postponed for years.61

South Africa to day is at a highly dangerous cross road. Violence is constantly being escalated. At the

60. Ibid, p. 140.
same time, three senators, two democrats and a member of Reagan's Republican party, press ahead with a bid to force a senate vote on tough sanctions to encourage the white minority government to end its apartheid policy. The senate makes it clear that it is in favour of imposing economic sanctions against South Africa's white led government. The sanctions that it would impose include: barring US leading rights to South Africans Airways; prohibiting new investments or bank loans, banning the import of South African uranium and coal; and barring the import of products produced by industries owned or controlled by the south African Government.

However, the US President fails to announce any US initiative to encourage Pretoria to begin talks with leaders of South Africa's black majority. Rather the United States was waiting the outcome of a European Community peace mission in South Africa by the British Foreign Secretary, Sir Geoffrey Howe and of a meeting on sanctions in London in August, 1986 of the 40 members commonwealth group of Nations62.

In fact, Zambian President Kenneth Kaunda gave a severe blow to attempts by Sir Geoffrey Howe to bring peace to South Africa, accusing him of working to maintain the apartheid system. the Prime Minister Mrs. Thatcher was accused of kissing apartheid. Mr. Howe's mission was calculated to postpone sanctions as is clear from his outlined five points:

62. He visited South Africa in accordance with the decision taken by EC Meeting in Hague.
(1) Apartheid must give way to a non-racial and fully representative society; (ii) credit must be given to the South African government for reforms already implemented to the apartheid system, but change must be faster and more far reaching; (iii) apartheid could most effectively be removed through negotiations; (iv) The imposition of sanctions should be set aside for the time being; (v) every opportunity must be taken to advance the chance of dialogue.

Thus, the ANC representatives were not prepared to meet him. Mr. Kenneth Kaunda, in the capacity of EC representative, agreed to meet him. Describing his visit as a conspiracy between the US and British government to support the white-led government by opposing sanctions, he rebuked Mr. Howe publicly. This made it clear that Mrs. Thatcher was not in favour of imposing sanctions rather she tried to postpone the implementation of sanctions. Mr. Kaunda described Mrs. Thatcher's position as 'very pathetic indeed' and suggested that she was obsessed with gold, diamonds and platinum. Mrs. Thatcher sabotaged the mission of the common wealth group of nations in London. US President also continued strongly to oppose the pressure from the anti-apartheid lobby for the imposition of punitive sanctions against South Africa.

63. Keesings Contemporary Archives, 34597.
64. Ibid, 34651
Meanwhile a group of six congressmen visited South Africa on Jan., 7-th-1986, to assess the effects of the limited sanctions imposed by President Reagan and to express solidarity with black Africans. The group stated that they had received a little encouragement to hope that the president planned to introduce major reforms in South Africa. At the same time, an estimated 35,000 to 90,000 people took part in an anti-apartheid demonstration in New York on June 14, in support of the imposition of full economic sanctions.

The Nordic countries also supported the imposition of sanctions. They also criticised the US administration for their policy towards South Africa. Accordingly the US congress approved the punitive measures. The democratic controlled house of representatives on June, 1986 approved by voice vote without recorded opposition a measure which sought to impose a total trade embargo on South Africa.

The Republican dominated senate on Aug.,15, they approved by 84 votes to 14 measures which would ban new US investment in South Africa, bank loans and imports of certain items produced by companies controlled by the South African government, including coal, uranium, textiles, agricultural products and steel.

65. Ibid, 34599
In addition, the measure sought annul landing rights in the USA to the state-owned South African Airways, to restrict South African government use of the US banking system. Both for the Bill with more than the two/thirds majority required to override Presidential veto. But President Reagan still was not prepared to support sanctions. White House spokesman stated that administration's position on sanctions had not changed and that the measures called for would impede rather than advance the goal of promoting change in South Africa. He also implied that President Reagan would employ his right of veto.

Even after the bill has been passed in senate; Mr. Reagan continued to be disinclined to accept the decision of imposing full sanctions. Rather, he continued to indicate his strong opposition to the imposition of comprehensive sanctions. Now, he justified his opposition on the ground that ANC as consisting of Soviet armed guerrillas was promoting terror. Describing the ANC anti-apartheid fighters as "Soviet armed guerrillas" he called for an end to their struggle". In his policy speech, he indicated that Moscow was aware of the strategic stakes in South Africa and the Soviet Union will be the main beneficiary, if the west pulled out from South

66. Ibid
67. The Statement has been made prior to the voting in the Congress.
The speech reveals that the US Administration believed the racist regime's propaganda alleging ANC as communist. Even few liberal congressional representatives had the courage to oppose the measure, for fear of being thought of communists.

Moreover, Mr. Pik Botha criticised Mr. Howe for not taking account of reforms which had been carried out in South Africa. He denounced Mr. Howe's purpose and EC demands by declaring that he would never do this as long as ANC remained under communist control: and continued to advocate armed resistance.

On the threat of international sanctions, he said, if we are forced until our backs are against the wall we will have no alternative but to stand up in self-respect and say to the world, you won't: "force South Africans to commit national suicide."

The above statements of Mr. 'Pik' Botha clearly indicates that Mr. Reagan's speech has provided endorsement of Pretoria Regime's projection of democracy and majority rule in the country as to under the communist influence.

69. 'EC demands to unconditional release of Nelson Mandela and ANC to unban and be legalized to enable its leaders to participate in dialogue with government' Keesings Contemporary Archives, 34597.
70. Ibid.
71. Ibid.
He also argues that you can't get rid of slavery because of side effect would be unemployment.

Thus, to sum up the US President's policy speech calculated to persuade congress as well as other countries not to impose comprehensive sanctions. Though, he was in favour of limited measures, as noted earlier, but he was severely against the full sanctions for his own interest. He justified his opposition on the ground that sanctions would hurt the blacks of South Africa and frontline states. Seeking to suggest that the Botha Government would willingly dismantle apartheid, U.S. President tried to alter the terms of debate on the international initiative to force the recist government to abandon its policy. He announced his new policy which opposed economic sanctions and encourage collaboration with the regime. He announced such policy at a time when international public opinion demanded imposition of sanctions. His argument that sanctions would hurt the blacks' has become spurious as blacks are prepared to gain freedom at any cost.

U.K. Opposes sanctions: The reason for Britain's opposition to sanctions is mainly self interest. Prime Minister Mrs. Thatcher has been against sanctions because they would not work. Stressing that Britain wants to see the release of Nelson Mandela, the suspension of violence and the opening of negotiations yet she has been opposing sanctions.

viewing that sanctions would cripple South African Economy and a weak economy could not help the blacks in secure their rightful role in government. To quote Mrs. Thatcher: "I think that in the end we shall get rid of apartheid without sanctions and without destroying the economy of South Africa and I hope the day may not be long distant. It will be through constant encouragement, persuasion and the recognition that only when these things are done can all races see their hopes for a better life for themselves and for their children realised."73

It is quite intriguing that on the one hand Mrs. Thatcher is inclined to accept that apartheid is hurtful for blacks and there is much to condemn detention without trial, violence and at the same time, she says that they will hit the black population as well as the white population. They will damage the very people you are trying to help."74

But the fact is that Mrs. Thatcher's concern is not the interest of the black population but her own economic interest in South Africa. Britain is perhaps the biggest trading partner of South Africa. Britain has indeed crucial Financial States in racist regime.

73. 'External Affairs and Defence' The Review, April, 1989, p. 131.
Trade Union Congress in March 1985 indicated that GLC's holdings in these firms totalled £62.5 m £17.1 m in shell; £16.7 m in British Petroleum; £82 in ICL, 7.5 m in GES 9 m in Barclays Bank. If sanctions were imposed, British exports to South Africa would be at stake as British trade led by GEC, ICL, ICI- bring in better than £1 billion a year would be affected, as well as jobs would also be lost in Britain if sanctions were imposed. It is estimated that about 1200 British companies being assets in South Africa employ 3,50,000 workers; apart from associate partnership in South African companies in which 55,000 workers are employed. It is worth noting that Britain would get high profits from South Africa and all this is at the cost of black's interests. British workers have jobs in South Africa and that all blacks are excluded from employment and training in these companies. Thus the real interest of Britain in South Africa is earnings from investments and financial operations in South Africa. Though it is hard to obtain real information it can be estimated that "these invisible earnings amount to some £1.9 billion a year.

In this way, Mrs. Thatcher's opposition of sanctions is merely motivated by self interest and her

77. K.P.Bham Mathey: 'Why Britain is against Sanctions' Mainstream, Vol. 26(27), Nov. 27, 1988, p. 27.
78. Sivare Ramakrishnan.
pleas that sanctions would make workers redundant, affect black labour in loss of jobs and will bring civil disorder, may be regarded misleading.

Mrs. Thatcher insisted on opposing sanctions. In an interview, Britain's opposition to economic sanctions against South Africa has been made to rest on the ground that they won't work and will hurt the majority black population. 79 This clearly shows that British policies can be disconcerning even to the basic question of racial discrimination. Moreover, they would neutralize against UK's aim of progress and encouraging South Africa further down the path of reform rather than responding with more punitive sanctions. 80 But the fact is that condition of African majority remains unchanged. Some changes which have been considered to be reforms are meaningless for blacks.

It is now well realized that an effective package of economic measures could affect profits and hurt white businessmen thereby intensify the growing crises of investors. Confidence in the stability of the racist regime, they would stop new investments. The white Government would be forced to abandon its policy.

Here, it may be pointed out that the aim of the sanctions is not to destroy the South African economy or to destroy the whites. But they are to reduce that country's capability to preserve apartheid system, so pressuring it to accept a peaceful transition to majority rule. Contrary to the west's view that sanctions will not work we assume that to attain desired results they should be focussed on key sectors, such as:

(a) Termination of the activities of transnational corporations and an end to the transfer of any and all kind of nuclear technology and technology related to production of oil from coal.

(b) Total ban on trade.

(c) An end to transnational corporations bank loan to any sector of the South African economy.

(d) An end to further investments.

(e) Oil embargo.

These are the key sectors which are helpful for the development of the Africans according to the opponents of sanctions and if sanctions are applied in these sectors they would hurt the blacks. Whereas the supporters of sanction claim that transnational corporations and investments tend to strengthen apartheid system. Before reaching any conclusion, let us see the role of transnational corporation to make it clear how they have been dominating the economic of South Africa.
After the world war II transnational corporations and bank fostered South Africa's economic expansion. About four/fifths of foreign investment in African manufacturing is founded in South Africa. Despite the numerous resolutions passed by the United Nations General Assembly, the Western countries are constantly increasing their business concern in South Africa. At the same time, the transnational corporations banks have also been constantly expanding their concerns by opening new branches with the support of South Africa's biggest trading partner followed by the United Kingdom, Japan, Federal Republic of Germany. The United States is also the biggest exporter to South Africa. Four Western Countries viz. the United States, the United Kingdom, Japan and Federal Republic of Germany account for approximately 40 percent of South African total trade.

Taking a specific case of United States; the total investments by the US banks and multinational corporations are rising year after year. For example in 1973, the US investment in South Africa was $ 1240 millions and it had increased to $ 1458 millions by 1974. This figure reveals that in one year alone the U.S. investments


in South Africa had registered an over-all increase of $218 million which came to about 17 percent. Official South Africa Statistics show that foreign investment there has roughly tripled since the mid 1950's to almost $12 billion. About two thirds of this is direct long term investment which gives multinationals direct control over their business in South Africa. The US multinationals provide about a fifth of all foreign direct investment second only to British firms.

It has been calculated four our of five dollars of U.S. investment in African manufacturing industry are invested in South Africa factories.

In 1984 it was identified that 1068 Transnational Corporations were operating in South Africa out of which 406 were from the United States of America, 364 from the United Kingdom of Great Britain and Northern Nether Land, 142 from Federal Republic of Germany, nations which have branches in South Africa or which are parties to joint ventures in South Africa. This is clear from the table given below:

84. Ibid. p.74.
85. Ibid. p. 105.
### Table I

<table>
<thead>
<tr>
<th>Country</th>
<th>Number of Transnational Corporation in South Africa</th>
</tr>
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<tbody>
<tr>
<td>Australia</td>
<td>24</td>
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<tr>
<td>Austria</td>
<td>02</td>
</tr>
<tr>
<td>Belgium</td>
<td>06</td>
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<tr>
<td>Canada</td>
<td>21</td>
</tr>
<tr>
<td>Denmark</td>
<td>03</td>
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<tr>
<td>Finland</td>
<td>01</td>
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<tr>
<td>France</td>
<td>20</td>
</tr>
<tr>
<td>Federal Republic of Germany</td>
<td>142</td>
</tr>
<tr>
<td>Hong Kong</td>
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<td>Italy</td>
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<td>Malaysia</td>
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<td>Netherlands</td>
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<td>364</td>
</tr>
<tr>
<td>USA</td>
<td>406</td>
</tr>
</tbody>
</table>

**Total:** 1068<sup>86</sup>

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The transnational corporations are of particular importance in the modern sector of South African economy. They are equally important in the preservation and growth of white minority economy and thereby they become essential to sustain apartheid system in South Africa. Though, their labour force is composed mostly of black workers who because of apartheid system are restricted to the lower job-categories and receive lower pay than white workers.

These Transnational Corporations have engaged in the most sophisticated sectors of South African economy, such as motor vehicles, petroleum, chemicals, electronics, mining and other financial services.

Most major transnational corporations in the motor vehicles industry are active in South Africa, major automobile and truck manufactures such as Ford General Motors and Volkswagen have established production facilities in South Africa. It is also estimated that in Motor Industry, which accounts for twenty percent of manufacturing production, nine of twelve largest car manufacturers are subsidiaries of transnational corporations based outside South Africa. Japanese

87. Report of the Eminent Persons (United Nations Publication) p.89, Transnational Corporations employ 600,000 workers of whom 400,000 are blacks.
88. Ibid. p.44.
automobile producers have not established local production facilities because of its laws and regulations but models from Mazda, Nissan and Toyota are produced and sold in South Africa under licensing agreements with significant components imported from Japan. Total investments in the industry is estimated to be R 4.5 billion with an additional R '3 billion invested in component manufacturing. 90

In electronics and computers, both sectors, providing the technological basis for much of South Africa's economic and military power, foreign based transnational dominate. The South African market is too small to enable local production facilities to achieve the volume needed to be able to set prices at world market levels 91 and in this sector. Transnational Corporations dominate because these products have both civil and military uses. The United States Corporations for example, accounts for 75 percent of sales and 77 percent of rentals of computers and much of the remainder is made up by the British ICL and Siemene of the Federal Republic of Germany. 92

In fact Motor Works and Electronics have become key points to under pin the racist regime. To continue

91. Ibid. p.48.
with its apartheid policies the regime requires repressive measures to crush the liberation movements. For this purpose and to implement the repressive measures, the regime requires a highly mechanized army and police. Thus, the South African army, police and state machinery rely on advanced electronics and transport equipments. These sectors are of key importance to the efforts of the Government to strengthen its military capacities and most of these products have both civilian and military uses. Telecommunications and Radar systems are important examples of dual-use-equipment supplied by foreign corporations. Moreover, military industrial complex is needed for repressive measures and sophisticated repressive machine can be built on the basis of close operation with industry and with local capital. The racist regime's ties between private and state capital have grown closer after Soweto massacre because that massacre had forced the regime to grow militarisation of South Africa for the survival of the racist policy. Thus, motor works and electronics had become key-points for their strategic importance which lies in the fact that they are goods to the military and goods of civilian uses, without which the army could not function. TNCs are also important because of Regime's external dependence on the technology of foreign partner who simply distribute foreign machines with an annual growth rate in computers of 40 percent for the four-year period up to the end of 1982 and a growth late of 25

percent in electronics in 1981 alone and this foreign interest is unlikely to diminish.

As a result of vigourous competition of TNCs South Africa's chemical industry has grown rapidly over the past decade. Several South African chemical firms are subsidiaries of Transnational Corporations or have extensive ties with transnational corporations through partial ownership, joint ventures or licensing agreements. In chemicals also, the racist regime rely heavily on the imported technology. African explosive and chemical industry (AECI) South Africa's largest chemical company and the dominant firm in Fertilizer is 38 percent owned by imperial Chemical Industries Limited ICL and local subsidiary of the West Germany. Hoechst and Sentrachem in which British petroleum has a 20 percent holdings dominates an industry which produces 5 percent gross national product. It is also strategically crucial for South Africa's industry and military. Moreover the British Chemicals Company, ICL, together with the Government owned British petroleum, aids the South African parastatal. Sentrachem too acquires complex, capital intensive inputs to develop its domestic chemicals industry which has

94. Chris Child, Op.cit. p.10. It is South Africa's largest chemical company and the dominant firm that as it supplies 7031 percent of the amonia market.

95. Ibid.

96. Ibid.

constructed a dozen oxygen plants for SASOL.

Besides Motor Vehicles, Electronics and Chemicals, TNCs continue to play an important role in the mining sector also. Foreign transnational Corporations are involved in South African mining largely through joint ventures with local companies and governmental enterprises for instance, Canadian company, OIT-Fer et Titane, formerly known as Quebec Iron and Titanium Corporation, a subsidiary of standard oil of Ohio has an interest in a South African Titanium mining and smelting project jointly with the government's IDC and the private union corporation. Rio Tinto Zinc Corporation Limited, a United Kingdom holding company, has a wide range of interests in South Africa, including joint ventures in copper, Uranium, nickel, silver and gold. The mining exportation depends on demand from the developed market economies.

In energy sector especially in petroleum industry TNCs are of crucial importance and still a major portion of investment is from overseas. The energy sector is

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99. Ibid.

dominated by just five foreign controlled oil companies. The five firms are Mobil, Coltex, British Petroleum, Shell. Total owning 85 percent of retail outlets and three of the country's four major refineries and having in the 4th part ownership with the Government. The above figure reveals that TNCs dominate the domestic petroleum industry with the above mentioned five firms.

These firms still provide half of South Africa's oil refinery capacity. At the same time, the government has encouraged industries to convert from using oil to coal. Thus, SASOL has constructed three coal gasification plants to use coal as a source of liquid fuel. The US Engineering Company Flour became the overall contractor for South Africa's US 4 billion SASOL oil from coal project, designed to produce 30 percent of South Africa's oil needs by the mid 1980s.

The nuclear plant is fully state owned and SASOL, the corporation that owns the coal gasification plants, was owned partly by the government and partly by private investors. Foreign Transnational Corporations have played a major role in the construction and operation of these plants. U.S. firms have provided essential technology to

103. Ibid.
South Africa's nuclear energy, oil and oil from coal industries. All is chalmers and Foxboro Corporation have made important inputs to the government's nuclear enrichment project, helping South Africa to acquire the capability to produce nuclear weapons. Fluor Corporation and Westinghouse, have worked on the coal gasification plants. The two nuclear plants at Koeburg were constructed by framatome a French consortium using technology licensed from Westinghouse. In 1983 the United States Department of Energy authorized 12 United States Corporations to perform work at Koeburg. Framatome and flour engineering, the latter a South African subsidiary of the united states corporation maintains Koeburg under a three year contract with government for an estimated $ 12 million. South Africa also has a small reactor at pelindaba producing radio isotopes for research purposes, a pilot uranium enrichment plant at valindaba and a commercial enrichment plant construction, all built under contract by transnational corporations.

The valindaba nuclear plant was built with equipment supplied by corporation of Federal Republic of Germany, France and Switzerland. In 1983, the United

106. Ibid.
107. Ibid.
States Department of energy authorized 12 United States Corporations to perform work at Koeberg. Officials of the Department of believe that four of the companies obtained contracts and performed technical service. In the same year, Framatome and Fluor. Engineering, the latter a South African subsidiary of the United States Corporation, signed a three year maintenance contract for the Koeberg Plant for an estimated $12 million.

The South African Council on scientific and Industrial Research bought two powerful computers from United States Corporations, both capable of nuclear related research. Those computers were of such advanced technology that the excess for export had to be approved by the subgroup on nuclear export co-ordination.

As the above description makes it clear that transnational corporations have been dominating and concentrating their activities in all the Sectors of importance in South African economy. South Africa is highly dependent on these TNCs. But at the same time, the country heavily relies on technology. Access to technology is by no means all, as the blacks are not skilled workers because of lack of educational restrictions under apartheid system. Thus, a major proportion of workers comprises of these emigrates. The investors have also brought with them

108. Ibid. p.76.
with them technical and managerial expertise with them who are given much importance. As Mr. J. B. Vosters observes "these migrant workers" come to stand by South Africa in its time of need". It is a fact that in the first nine months of 1982, as many as 36,000 skilled workers emigrated to South Africa, 45 percent of them from the United Kingdom alone. In 1984, 23,000 British workers made the same journey. In 1986, 46,000 workers were available.

The emigration is also significant in the military sector also especially in the nuclear sector, where South Africa is deficient in the skills that are required and the knowledge needed to develop it.

**Role of Foreign Investment in South Africa**

Apartheid system rests upon cheap labour and Foreign Investment therefore in developing the South African apartheid economy, foreign investments have played a prominent role as local resources would have been quite insufficient to have made any large-scale economic development. For example, Chris Child states that without massive British investment, the South Africa's mining, diamond industry would not have developed.

South Africa is heavily dependent on foreign investment even to day for its economic development. Until recently well over half the foreign investments in South

African were in the form of direct investments made by foreign companies in their South African branches and associations. Britain was the largest inveter and the Federal Republic of Germany has shown faster rate of growth in direct investment.

Table 2

Stocks and flows of foreign direct investment in South Africa, by major country 1973-83.

<table>
<thead>
<tr>
<th></th>
<th>United Kingdom (Millions of pounds)</th>
<th>United States (Millions of dollars)</th>
<th>Federal Republic of Germany (Millions of deutschmarks)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stock</td>
<td>Flows                               Stock</td>
<td>Stock</td>
<td>Flows</td>
</tr>
<tr>
<td>1973</td>
<td>-</td>
<td>86.1</td>
<td>1167</td>
</tr>
<tr>
<td>1974</td>
<td>997.26</td>
<td>117.5</td>
<td>1463</td>
</tr>
<tr>
<td>1975</td>
<td>-</td>
<td>152.7</td>
<td>1583</td>
</tr>
<tr>
<td>1976</td>
<td>-</td>
<td>200.6</td>
<td>1668</td>
</tr>
<tr>
<td>1977</td>
<td>-</td>
<td>106.6</td>
<td>1792</td>
</tr>
<tr>
<td>1978</td>
<td>1782.8</td>
<td>85.5</td>
<td>1968</td>
</tr>
<tr>
<td>1979</td>
<td>-</td>
<td>48.8</td>
<td>1906</td>
</tr>
<tr>
<td>1980</td>
<td>-</td>
<td>232.3</td>
<td>2350</td>
</tr>
<tr>
<td>1981</td>
<td>2826.0</td>
<td>291.6</td>
<td>2619</td>
</tr>
<tr>
<td>1982</td>
<td>-</td>
<td>227.7</td>
<td>2512</td>
</tr>
<tr>
<td>1983</td>
<td>-</td>
<td>-</td>
<td>2319</td>
</tr>
</tbody>
</table>

Available data for the three major home countries as the Table-2 indicates; the United Kingdom Foreign direct

investment was about £3.0 billion in 1982. United States stocks were valued at $2.3 billion in 1983. The table also gives an indication that United States stock grew rapidly in the period from 1970 to 1981. Stocks from FRG have also risen sharply since 1973.

Thus, constantly increase in foreign investment reveals that the region heavily relies on foreign investment.

All major sectors the country depend on foreign investment. As in 1980 when the South African Reserve Bank took a survey of foreign investment the foreign investment was substantial in almost economic sectors. (See Table 3).
Table 3

Distribution of South Africa's external liabilities by economic sector, in 1980 (Percentage).

<table>
<thead>
<tr>
<th>Economic Sector</th>
<th>Total</th>
<th>Foreign direct investment</th>
<th>Other external liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture Forestry &amp; Fishing</td>
<td>0.4</td>
<td>0.8</td>
<td>-</td>
</tr>
<tr>
<td>Mining &amp; Quarrying</td>
<td>13.3</td>
<td>8.1</td>
<td>18.0</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>29.9</td>
<td>41.0</td>
<td>19.5</td>
</tr>
<tr>
<td>Electricity, gas &amp; water construction</td>
<td>8.1</td>
<td>-</td>
<td>15.6</td>
</tr>
<tr>
<td></td>
<td>0.4</td>
<td>0.7</td>
<td>0.1</td>
</tr>
<tr>
<td>Wholesale &amp; retail catering &amp; accommodation</td>
<td>10.4</td>
<td>16.7</td>
<td>4.6</td>
</tr>
<tr>
<td>Transport, Storage &amp; communication</td>
<td>4.5</td>
<td>1.0</td>
<td>7.9</td>
</tr>
<tr>
<td>Finance, Insurance real estate &amp; business service</td>
<td>26.9</td>
<td>30.9</td>
<td>23.1</td>
</tr>
<tr>
<td>Community social and personal service</td>
<td>5.3</td>
<td>-</td>
<td>10.3</td>
</tr>
<tr>
<td>Other</td>
<td>0.7</td>
<td>0.6</td>
<td>0.8</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

The table reveals that 41 percent of all foreign direct investment in South Africa has been in manufacturing. 31 percent of foreign direct investment in finance, 17

percent in trades and 8 percent in mining. The manufacturing sector has accounted for almost 20 percent of external liabilities other than direct investment.

Foreign Investment and Modern Technology:

The investors are also important for South Africa as they bring with them modern technical and managerial resources developed elsewhere in the world. No doubt South Africa offers advantages to these investors in the form of cheap labour, raw materials and sympathetic government but all this is useless in the absence of required technology. The country is rich in resources but lacks in technical means to make the best use of them. A survey in South Africa in 1973 found that 74 percent of the manufacturing firms interviewed said that at least 90 percent of their technology was of foreign capital.

It is well known that modern industry requires more sophisticated techniques to raise productivity. The country lacks modern managerial skills, especially in the personnel management. This lead to incompetence. With certain outstanding exceptions the general management is poor in the extreme. 112

Foreign Investment and South Africa's Trade

Foreign investment has been also playing an important role in South Africa's trade. It develops new export sectors and expands existing ones in establishing productive capacity that can display import. ARMSCOR TNCs. For example, after 1963 arms embargo, South Africa, decided a move towards self sufficiency. In 1968, various national arms production companies were incorporated into the Armaments development and production corporation (ARMSCOR). Making producers, it reduced South Africa's dependence on foreign weapons.

The Banking and South Africa Economy

The financial sector of the South African economy is more dependent on foreign capital. In fact, before the second world war when it was predominantly a primary producing country dominated by small enterprises and peasant farming, there was no need for a sophisticated banking system. After the second world war, the economy was much more complex and the development of a modern banking system became necessary to channel domestic and financial resources. It is through this that the government could exert some control over the economy. At that time financial resources were not being efficiently allocated. This posed dangers of instability in the banking sector and the government could not effectively control the monetary

113. Ibid.
system. South African government began to give priority to develop banking sector to cope with these problems. Since 1949 the South African government played a major role in sponsoring the development of sophisticated money and credit markets in order to alleviate these problems. The development of banking sector had to depend on the foreign dominated banking sector.

The South African banking sector have been dominated by five groups Barclays, Standard, New Bank, Volksas and the Trust Bank. Since then the foreign banks have been playing a prominent role in the South African economy and helping the Pretoria Government in periods of crisis. In the past they have played a crucial role in mobilizing domestic investment and in financing government expenditure. They continue to play pivotal role in the South African economy even today.

The South African government still depends on overseas lenders for the success of its trade and investment programmes; as well as for its nuclear and military development. Foreign capital enters South Africa in the form of trade loans, large international bonds and direct loans from a bank to South African borrowers as well as through project financing. Between 1972 to 1984 the number of loans and value of loans has been as indicated in Table 4 on p. 295.

114. Ibid.
Table 4

Publicly reported long term bank lending to South Africa 1972-84

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of loans</th>
<th>Gross lending (Millions of US dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1972</td>
<td>21</td>
<td>543</td>
</tr>
<tr>
<td>1973</td>
<td>16</td>
<td>624</td>
</tr>
<tr>
<td>1974</td>
<td>19</td>
<td>831</td>
</tr>
<tr>
<td>1975</td>
<td>31</td>
<td>947</td>
</tr>
<tr>
<td>1976</td>
<td>28</td>
<td>1499</td>
</tr>
<tr>
<td>1977</td>
<td>12</td>
<td>298</td>
</tr>
<tr>
<td>1978</td>
<td>31</td>
<td>725</td>
</tr>
<tr>
<td>1979</td>
<td>22</td>
<td>496</td>
</tr>
<tr>
<td>1980</td>
<td>14</td>
<td>884</td>
</tr>
<tr>
<td>1981</td>
<td>11</td>
<td>479</td>
</tr>
<tr>
<td>1982</td>
<td>39</td>
<td>1865</td>
</tr>
<tr>
<td>1983</td>
<td>31</td>
<td>1789</td>
</tr>
<tr>
<td>1984</td>
<td>38</td>
<td>1487</td>
</tr>
<tr>
<td>Total</td>
<td>313</td>
<td>12466</td>
</tr>
</tbody>
</table>

The table 4 indicates the lending of 313 loans to South Africa with a gross value of $12.5 billion. In the period from mid 1982 to 1984 alone, the Hill Samuel group limited of the United Kingdom was the largest participant in loans to South Africa with 19 loans and with a total value of £1.4 billion, however the share of the total actually loaned by Mill Samuel is not disclosed.116

The second largest participant in syndicated loans and bond is the Ned bank group limited of South Africa. However, the United States Banks, particularly, Citicorp and J.P. Morgan and company, have announced policies of not lending to the South African Government. This change, in the case at least of citicorp has been direct response to a policy adopted by the city of Newyork, whereby the city will withhold its business from any bank lending to the South African government. Despite this policy this lending to private sector more than from $495 million to $1.1 billion in December 1984, and lending to banks in South Africa tripled in the same period, from $1.1 billion to $3.2 billion.117

The above figures clearly indicate that the United States continues to lend to South Africa and the policy adopted by Citibank has proved ineffective.

117. Ibid.
Furthermore, the foreign banks come to help the country in economic critical state. For example, on the eve of Soweto uprising in 1976 when there was a tense economic situation in South Africa, the United States Banks came to the rescue of the South African government by pumping loans to the extent of $2 billions between January 1975 and 1976. Again in 1978, the South African economy was in the grip of serious economic crisis. Its defence import bill rose from $1 billion in 1976 to $2 billion in 1978. There was a net increase of 500 percent in the import bill of South Africa on account of oil and defence purchases. Then also citibank and others came to the rescue of South Africa by providing loan of $135 million.

In addition, the foreign banks help the Pretoria regime to attain self-sufficiency. For example, to control mandatory system and perform other functions of the government, South Africa requires sophisticated computer system. The regime receives computers and technology from U.S. which helps it to become self-sufficient in strategic and armaments production.

This is evident in case of ESCOM and in areas of transport and communication. The ESCOM has been able to secure a huge loan to attain self-sufficiency though the US Banks refuse to help in the electrification of the black township of Soweto. In transport and communication, South Africa

120. Ibid.
had been provided a loan of $75 million by the Morgan Bank of United States. 121

Thus, for control over monetary system, attaining self-sufficiency and the success of the political system, the recist regime has been heavily dependent on foreign banks.

Trade

Trade has been also central to economic policies of a country. After the second world war because of industrialisation, South Africa has developed as big an appetite for imports as it has for foreign investment. It has been heavily dependent on external imports. It is because of the inability of its industry to produce the most advanced items and components to meet the requirements of modern industrial states. Despite the fact that South Africa is rich in minerals and produces its own food, it is badly deficit in these areas and has to rely on overseas supplies. Its main trading partners as in the past are Western Europe, United States.

The main trading partners of South Africa are shown in the Table 5 given on p. 299.

121. Ibid.
Table 5
South Africa's main Trading Partners 1983-84
(Millions of US dollars)

<table>
<thead>
<tr>
<th>Country</th>
<th>Imports by South Africa</th>
<th>Export by South Africa</th>
<th>Total Trade</th>
</tr>
</thead>
<tbody>
<tr>
<td>United State of America</td>
<td>2133</td>
<td>2278</td>
<td>2144</td>
</tr>
<tr>
<td>Japan</td>
<td>1745</td>
<td>1850</td>
<td>1600</td>
</tr>
<tr>
<td>UK</td>
<td>1701</td>
<td>1639</td>
<td>1319</td>
</tr>
<tr>
<td>Federal Republic of Germany</td>
<td>1960</td>
<td>2359</td>
<td>899</td>
</tr>
<tr>
<td>Italy</td>
<td>485</td>
<td>525</td>
<td>415</td>
</tr>
<tr>
<td>France</td>
<td>509</td>
<td>507</td>
<td>583</td>
</tr>
<tr>
<td>Belgium-Luxembourg</td>
<td>224</td>
<td>252</td>
<td>315</td>
</tr>
<tr>
<td>Netherlands</td>
<td>236</td>
<td>274</td>
<td>113</td>
</tr>
<tr>
<td>Switzerland</td>
<td>235</td>
<td>239</td>
<td>92</td>
</tr>
<tr>
<td>Canada</td>
<td>143</td>
<td>166</td>
<td>150</td>
</tr>
<tr>
<td>Sweden</td>
<td>141</td>
<td>194</td>
<td>53</td>
</tr>
</tbody>
</table>

The table 5 indicates that there are four major trading partners of South Africa viz United Kingdom, United States of America, Federal Republic Germany and Japan. United States is the largest trading partner of South Africa and bilateral trade is still growing. In 1984 and 1985 the South African Trade of percentage had been as follows:

Table 6

<table>
<thead>
<tr>
<th>Exports</th>
<th>As % of total exports 1984</th>
<th>As % of total exports 1985</th>
<th>Imports from</th>
<th>As % of total imports 1984</th>
<th>As % of total imports 1985</th>
</tr>
</thead>
<tbody>
<tr>
<td>US</td>
<td>8.4</td>
<td>8.9</td>
<td>West Germany</td>
<td>15.1</td>
<td>16.7</td>
</tr>
<tr>
<td>Japan</td>
<td>7.7</td>
<td>8.3</td>
<td>US</td>
<td>15.9</td>
<td>12.7</td>
</tr>
<tr>
<td>Britain</td>
<td>4.3</td>
<td>6.1</td>
<td>Britain</td>
<td>11.1</td>
<td>12.3</td>
</tr>
<tr>
<td>Italy</td>
<td>2.5</td>
<td>4.2</td>
<td>Japan</td>
<td>12.9</td>
<td>10.1</td>
</tr>
<tr>
<td>W. Germany</td>
<td>3.9</td>
<td>4.0</td>
<td>France</td>
<td>3.8</td>
<td>4.5</td>
</tr>
<tr>
<td>Holland</td>
<td>2.4</td>
<td>3.2</td>
<td>Italy</td>
<td>3.5</td>
<td>3.3</td>
</tr>
<tr>
<td>Switzerland</td>
<td>6.8</td>
<td>3.2</td>
<td>Switzerland</td>
<td>1.8</td>
<td>2.1</td>
</tr>
<tr>
<td>France</td>
<td>2.2</td>
<td>2.0</td>
<td>Holland</td>
<td>1.8</td>
<td>2.0</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>1.8</td>
<td>1.8</td>
<td>Belgium</td>
<td>1.6</td>
<td>1.8</td>
</tr>
<tr>
<td>Belgium</td>
<td>1.7</td>
<td>1.7</td>
<td>Australia</td>
<td>1.3</td>
<td>1.2</td>
</tr>
<tr>
<td>Spain</td>
<td>0.6</td>
<td>0.9</td>
<td>Sweden</td>
<td>1.4</td>
<td>1.2</td>
</tr>
<tr>
<td>Israel</td>
<td>0.7</td>
<td>0.9</td>
<td>Canada</td>
<td>1.1</td>
<td>1.0</td>
</tr>
<tr>
<td>Canada</td>
<td>0.7</td>
<td>0.7</td>
<td>Spain</td>
<td>0.8</td>
<td>0.8</td>
</tr>
<tr>
<td>Australia</td>
<td>0.7</td>
<td>0.6</td>
<td>Argentine</td>
<td>0.8</td>
<td>0.8</td>
</tr>
<tr>
<td>Denmark</td>
<td>0.6</td>
<td>0.6</td>
<td>Norway</td>
<td>0.7</td>
<td>0.8</td>
</tr>
<tr>
<td>Special</td>
<td>48.6</td>
<td>45.8</td>
<td>Special</td>
<td>14.7</td>
<td>15.7</td>
</tr>
<tr>
<td>Categories</td>
<td></td>
<td></td>
<td>Categories</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>91.8</td>
<td>92.8</td>
<td>Total</td>
<td>88.9</td>
<td>87.2</td>
</tr>
</tbody>
</table>

The table gives an indication of favourable trade balance. Its total export was 91.6 percent in 1984 and 92.8 percent in 1985 while its import was 88.9 percent in 1984 and 87.2 percent in 1982 respectively. It depends in trade particularly on the United States, Britain, Japan, West Germany.

The above figures reveal that South African trade is favourable but it still deficit in other areas. This is clear from the Table 7.
Table 7
South Africa—Composition of foreign trade by Commodity Export from South Africa:
(a) Exports from South Africa (b) Imports (Value M. US$)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>0-9 Total</td>
<td>2150</td>
<td>3540</td>
<td>4420</td>
<td>4790</td>
<td>-</td>
<td>0-9</td>
<td>3510</td>
<td>4880</td>
<td>8160</td>
<td>8490</td>
</tr>
<tr>
<td>0+1 Food + live animals beverages</td>
<td>445</td>
<td>800</td>
<td>1250</td>
<td>1410</td>
<td>1171</td>
<td>0+1</td>
<td>125</td>
<td>170</td>
<td>265</td>
<td>235</td>
</tr>
<tr>
<td>and tobacco</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2+4 Crude materials (excluding fuels)</td>
<td>500</td>
<td>930</td>
<td>890</td>
<td>1030</td>
<td>1220</td>
<td>2+4</td>
<td>120</td>
<td>210</td>
<td>315</td>
<td>220</td>
</tr>
<tr>
<td>animal vegetable oils fats.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Minerals fuels etc.</td>
<td>115</td>
<td>125</td>
<td>110</td>
<td>125</td>
<td>190</td>
<td>3</td>
<td>290</td>
<td>335</td>
<td>1210</td>
<td>1200</td>
</tr>
<tr>
<td>5 Chemicals</td>
<td>89</td>
<td>140</td>
<td>215</td>
<td>295</td>
<td>195</td>
<td>5</td>
<td>280</td>
<td>460</td>
<td>840</td>
<td>660</td>
</tr>
<tr>
<td>6+8 Basic manufactures Misc.</td>
<td>690</td>
<td>1250</td>
<td>1440</td>
<td>1260</td>
<td>1720</td>
<td>6+8</td>
<td>950</td>
<td>1260</td>
<td>2090</td>
<td>1820</td>
</tr>
<tr>
<td>manufactured goods.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7 Machines &amp; Transport equipment</td>
<td>160</td>
<td>205</td>
<td>260</td>
<td>270</td>
<td>245</td>
<td>7</td>
<td>1730</td>
<td>2410</td>
<td>3360</td>
<td>4240</td>
</tr>
<tr>
<td>9 Goods not classified by kind.</td>
<td>151</td>
<td>90</td>
<td>255</td>
<td>130</td>
<td>49</td>
<td>9</td>
<td>15</td>
<td>35</td>
<td>80</td>
<td>65</td>
</tr>
</tbody>
</table>

124. UN Statistical Book 1977, (Table 152).
The table 7 reveals that South Africa is heavily dependent on import in machines and transport equipment and because of this deficiency it can not compete in International Market. It has to import on a large scales.

Oil is a commodity which is of great importance to any advanced industrial economy but South Africa has none of its own. However, South Africa has massive coal reserves, oil provides only 25 percent of South Africa's primary energy needs, coal is most important source of South Africa's energy. Yet oil, especially that part which is composed of diesel oil is essential for military and industrial purposes.

South Africa has to depend on foreign help to meet its oil requirements. It has been estimated that crude oil imports today stands at around 15 million tons.\textsuperscript{125} Five major transnational oil corporation supply most of this. This include shell, GP, Mobil and Caltex. Total Oil is likely to be one of South Africa's most important imports. Its reliance on the International oil companies is not likely to be reduced though it has invested more than 10 billion\textsuperscript{126} in the construction of oil from coal plants with the hope that half of its oil needs will be met with domestic sources. The first plant for the purpose was set up in 1978 that is


\textsuperscript{126} ANC Statements, 'Oil Fuels Apartheid' Sechaba May, 1985, p.21.
SASOL. But the plant produces only 5000 b/d of oil products which only one percent of South Africa's oil requirements. However, the remaining 99 percent has to be imported.

The regime boasts of fulfilment of its requirements through domestic resources. As the former Director of the strategic fuel Fund Dr. DF Mostert in August, 1984 said, "Today, I can say that we can not be blackmailed any more due to SASOL which have come on stream". But the country has to depend on overseas transfer of technology. For example SASOL which the regime claim to be its own achievement requires a great deal of foreign technology. Thus, South Africa has to depend on its foreign friends to meet the oil requirements.

Therefore, that transfer of technology, transnational corporations, oil, trade and foreign investment and banking are the key sectors of economic collaboration with South Africa and South Africa has to heavily depend on foreign capital trade and technology to meet its requirements. That is why there is force in the pleas made by international community that all governments should take effective measures to terminate economic collaboration with the racist regime in accordance with the relevant resolution of the United Nations and that all governments should:

127. Ibid.
(a) Prohibit all direct or indirect trade or commercial transactions between the nationals of companies and the racist minority regime.

(b) Prohibit the supply of strategic materials to South Africa or Namibia.

(c) Prohibit all loans, investments and technical assistance to the racist regime of South Africa or the illegal administration of Namibia.

(d) Refrain from extending any documents, credits, guarantees, or other incentives or protection in respect of export to South Africa or Namibia.

(e) Take appropriate action in international and regional agencies to secure the denial of all assistance and commercial or other facilities to South Africa or Namibia.

(f) Refuse landing and passage facilities to all aircrafts belonging to the racist minority regime of South Africa or to companies registered in South Africa or Namibia.

(g) Prohibit airline and shipping lines registered in these countries from providing services to and from South Africa or Namibia.

(h) Provide facilities to aircraft or shipping vessels proceeding to or returning from South Africa or Namibia.

(i) In particular, city and local authorities or territorial subdivisions of member states should refrain from purchasing products from and discourage economic links with South Africa or Namibia.
(ii) Withdraw investments held by them in companies with interests in South Africa or Namibia and withdraw accounts with banks that collaborate with the racist minority regime of South Africa or the illegal administration of Namibia.

(iii) Deny contracts or facilities to transnational corporations or financial institutions that collaborate with South Africa or Namibia.

(iv) Action by specialized agencies and other intergovernmental organizations:

All specialized agencies and other intergovernmental organizations should, within their respective mandates, adopt appropriate measures towards the cessation of collaboration by transnational corporations with the racist minority regime of South Africa and assist in the implementation of measures adopted at the international and national levels in accordance with relevant resolutions at the United Nations.

In particular, all specialized agencies and other intergovernmental organizations should:

(a) Withhold facilities from or investment of banks, financial institutions or corporations that provide loans to or engage in commercial or other transactions with South Africa or Namibia.

(b) Deny contracts or facilities to transnational corporations or financial institutions that collaborate with South Africa or Namibia.
(c) The United Nations also urged the all governmental organizations to campaign against all forms of collaboration between transnational corporations and the racist regime.128

The Security Council also urged the member states in resolution 566 (1985) to take the following voluntary measures against South Africa;

The stopping of new investments and application of disincentives to that end;

It again, in an another resolution, urged the member states to:
Suspend all new investment in South Africa;
Suspend or guaranteed export loans;
Prohibit all new contract in the nuclear field;
Prohibit all sales of computer equipment that might be used by the South African army and police.129

Thus, the international organizations passed various resolutions to end economic collaboration with South Africa. But its structure has a loophole that its resolutions are voluntary and to the extent they are imposed, it depends upon the concerned state. That is why these measures have not been implemented effectively so far.

128. G.A.Resolution 1761 (XVII);2054(XX);2202(XXI);2307 (XXII),2396(XXIII);2506(XXIV),2671(XXV);2775(XXVI); 2923(XXVII);3068(XXVIII);3151(XXIX);3324(XXX);3411 (XXX),32/105(1977),5-9/2(May,1978);33/183(1979);34/92 (1979);34/93(1979);35/20(1980);35/227(1981);E-S-8/2 (1981);36/121(1981);36/172(1981);37/69(1982);37/233 (1982);38/36(1983);38/39B,39/50(1984);39/72(1984).

Some of its member states, especially the western countries remain non-cooperative on the question of sanctions. The special committee also considers these resolutions as a minimum program of action especially for western countries that have so far failed to impose sanctions against South Africa unlike the African, nonaligned and socialist states. They are having financial and strategic interest for which the west has become a constraint in the way. Here it would be pertinent to highlight the strategic interests.

South Africa's Strategy and West's Interest in the Country:

The Western powers adopt non-cooperative attitude on the question of sanctions for its own financial and strategic interest in the country. Besides South African Government is aiming at strengthening the country at all its weak points. The regime tries to buy time to produce controlled change falling well short of the transfer of power to the majority. In the meanwhile it tries to crush the liberation movement completely. Thus, the apartheid regime's watchwords are: "destroy the liberation movement, co-opt those you can, repress those you can not." To fulfil this strategy the regime continues to take help from its trading partners which are doing for the sake of their interest.

Hence, for a few years, the key western countries have continues to follow a very different course from those of most of the world. They speak loudly with the voice of the rest of the world. But they actually do not adopt the line of international community. It is their policy to extend rather

than to sever their economic links with South Africa. In recent years, the west has been playing negative role against the racist regime.

It is surprising that the western powers who advocate democracy and give priority to human rights in their constitution, support the heinous system of apartheid which is against the democratic principles and human rights. Thus, it is very difficult to interpret such a contradictory policy of western powers. It seems that in the context of South Africa, their appeal to democracy and human rights is merely a cover. But it is obvious that supporting policy of the west towards South Africa is because of self-interest rather than of altruism.

South Africa's huge mineral resources are very essential for the economies of industrial countries such as western Europe and Japan for which they depend heavily on South Africa. The West's reliance on the Republic's in South Africa. Africa supplies significant proportion of the following raw materials; diamond 75%, gold 70%, radium 50% plantinum 46%, chrome 36%, mangnese 30%, copper 20%, uranium 20%. For the most part this world's copper and has major reserves of iron are about 30 million tonnes a year\textsuperscript{132}.

The strategic importance of South Africa should not be separated from the raw material importance. the most


\textsuperscript{132} Ibid, p.37.
important among these strategic materials is chrome. South Africa is capable of meeting the growing needs of western industry as its chrome reserves represent 70 percent of the world reserves.\textsuperscript{133} It also ranks second as producer of manganese after USSR. Other ores extracted in significant volumes in South Africa are amosite, crocidolite, asbestos, chrysotile, antimony, vermiculite, phosphate etc.\textsuperscript{134}

Thus the above figures indicates South Africa's riches in minerals. South Africa is the world's leading producer of gold. It is also the world's largest producer and contains the largest known reserves of platinum (at Rustenberg). From an energy point of view the country has coal only which represents 80 percent of total African reserves (4% of world reserve).\textsuperscript{135}

In addition to minerals its important strategic position is of west's interest. Calling South Africa a "Friendly Country" Ronald Reagan confessed: "Can we abandon a country that has stood beside us in every war we have ever fought, a country that strategically is essential to the free world in the production of mineral we all must have."\textsuperscript{136}

Thus the Republic is rich in minerals and minerals are of great concern for the west. They continue inflow of

\begin{flushleft}
\textsuperscript{133} Ibid.  \\
\textsuperscript{134} Ibid.  \\
\textsuperscript{135} Ibid.  \\
\textsuperscript{136} Ronald Reagon Quoted by Brian Bunting 'United States Strategy in Southern Africa'; Sechaba April 1985, p.7.
\end{flushleft}
arms with millions of dollars from USA and Western Europe, the resumption of arms supply by Britain, transfer of nuclear technology and processing plant by West Germany and France all demonstrate west's interest in South Africa.

The racist regime also serves the west as a key to western strategy for safeguarding the Cape route through which pass 70% of Europe's oil supplies. The level of usage of the Cape route is about 2300 ships per month which includes about 600 oil tankers. This gives a total of over 27,000 ships per year about half of which call in South Africa annually, the rest navigate the Cape without stopping. It is also reported that about 28% of US imported oil travels the Cape route.\(^\text{137}\)

Moreover South Africa has become of greater importance for the West because of Soviet presence in Angola and Mozambique. In fact both super powers are interested in the region both strategically and economically. The United States and its allies had the view that Soviet control of portion of this region would pose a serious threats to the vital sealinks of communication and commerce for raw materials. They also pose a threat to Cape route which has military importance for the West. Soviet's presence in Angola, Mozambique can threaten Western shipping and disrupt

oil and raw material supplies that pass around South Africa. 138

Keeping in mind the destruction and devastation of its major cities during the world wars, the Soviets appear determined to prevent war from reaching Soviet territory. It lays emphasis on the export of part of arms as military aid to third world countries professing to be socialist and more likely to be friendly. But the USA and its allies take it as a threat to their interests in South Africa. The west views with serious alarm the increased Soviet's political presence in the Indian Ocean and South Atlantic Region. This is owing to the fact that Soviet control of portions of this region or its activity in the region centres on the vulnerability of the Cape route which is directly of military importance to the West.

Thus the western interest lies in preventing potentially hostile bases on shores or transportation routes of importance to the United States and its allies. This is the reason of presence of US military in Indian Ocean.

Besides economic and strategic importance of South Africa, the Republic has become of crucial concern for the key western countries for the fear of Soviet expansionism. However, after the Sharpeville Massacre in 1960, Western

countries friendly to South Africa have loudly condemned her policies. At the United Nations, South Africa has become the polecat of the world. Most of the third world countries, from the outset have been attempting to secure her diplomatic isolation. Sharpeville Massacre only hardened their attitude and has resulted in the expulsion of South Africa from Common Wealth in 1961.

The Britain and USA, determined not to lose touch with African opinion for fear of seeing them driven into alliance with the communist state, the US has been soft against the South African racist regime. such determination of the USA has been based on the belief that without a soft western attitude towards apartheid, it would be impossible to encourage South Africa to take the risks entailed in a forward policy against the now more likely expansion of Soviet influence in Africa. In particular, South Africa now has to be persuaded to exert military strength in Angola and assist in the creation of regimes in Rhodesia and Namibia which would be acceptable to organization of African unity, but remaining pro-western in their outward orientations.139 That is why the West have worked to prevent political change in South Africa while the West has its major economic priorities, the USSR has no real economic stake in Africa because its

miniral reserves are adequate for its need. From the Soviet's point of view the essential issue is strategic. It is determined by the need to defend its territory and Eastern Europe. Also to promote its hegemonic designs whose goal has been the establishment of a communist world\textsuperscript{140}.

The USSR has also been standing by the liberation movements because it wants a political change in the Region. It is interested in changing the economy of Africa by liberating it from their Western oriented private enterprise system to a system of state capitalism along marxist-Leninist prescription\textsuperscript{141}.

The Republic has become a centre of attraction because of its nuclear potentialities. Though it is not clear that the Republic possesses nuclear bombs or not, but it is confirmed that it possesses the ability to produce with its enriched uranium. The Republic's nuclear potentiality has greatly increased the chances of extended super power involvement and has drawn South Africa into the centre of global strategic considerations. Her nuclear capacity probably has a greater significance..... as a

\textsuperscript{140} Gerard Chaliand, \textit{Op. cit}, p. 41
political virility symbol at home and abroad and in global setting, as a source of influence and a bargaining factor in relation with the Eastern and Western blocks\textsuperscript{142}.

Moreover, the Western Countries oppose sanctions because South Africa is of much importance in trade and financial sphere. This is also indicated in the statements. The Minister of Trade of the United Kingdom States that "the development of active trade with South Africa constitutes a very important part of (his) government's policy and that his government has remained firmly opposed to trade sanctions against South Africa."\textsuperscript{143}

The policy of her majesty's Government is that civil trade with other countries should be determined by commercial considerations and not by the character of the governments of those countries. We can not allow our trade with South Africa to be reduced.\textsuperscript{144}

The statement reveals that the country is having no concern with the form of government, its policies, its trade or financial interest which determine the policy towards South Africa. Similarly, the order trading partners are against the sanctions for their own interests. Though they raise voice, against apartheid policy but they do not want to prohibit investments and

\textsuperscript{142} James Barber, Jesmond Blumfeld and Christopher R. Hill. \textit{The West and South Africa: (Chattam House Papers 14 Royal Institute of International Affairs)}, 1982, p.14.


\textsuperscript{144} Cecil Parkinson, then State Minister at Department of trade cited in Centre against apartheid: Notes & Documents, 6/84, July 1984, p.34.
and trade for long. Rather they justify investment and TNCs on the following grounds:

(a) **Investment will be helpful to the eradication of apartheid:**

It is argued that investments from Western Financial Institutions are justified on the ground that they would bring complete destruction of apartheid in South Africa. In support of this view they hold that in South Africa, there is a dual nature of economy. On the one hand, a single subsistence sector and on the other hand, a modern capital intensive sector operate. Investments from overseas would facilitate excessive industrialisation which would create a shortage of stalled white labour. Consequently, the blacks would enter in this sector and this would be helpful to fill up the gap between whites and blacks to some extent. Thereby apartheid will gradually be totally destroyed. The apartheid policy would really become plausible to the extent that shortage of investment capital would make it impossible to provide jobs in the advanced sectors not at a low level. This is best calculated to end racial separation and discrimination...the main effect of a shortage of investment-capital will not be to reduce wages in European controlled industry but to perpetuate the dual nature of the economy.145

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(b) Investments bring more prosperity:

This argument is based on the ground that more industrialization will lead to the enrichment of the country and that would result in economic and social benefit. This would benefit all the Africans. Since industrializations is facilitated only by accelerated overseas investment, thus, more investment brings more prosperity.

(c) More investment means more jobs:

It is argued that investments from abroad are in the benefit of the Africans including blacks because they create more jobs for all by making possible the expansion of existing industries as well as by enabling to set up new ones. Blacks will be benefitted from the creation of new jobs. Therefore, investment should be stepped up in the interest of all sections of population.

(d) Investment will be helpful for bringing change in the apartheid system:

The investments are also justified on the ground that investments can be seen as an instrument to bring about change within the apartheid system. Many companies claim that their operations in South Africa will help to change the apartheid system. In the face of strong anti-apartheid pressure, a large number of companies are virtually claiming to have changed their priorities from
that of seeking super profits to becoming major agents of change.  

How the activities of Transnational Corporations defended:  

The TNCs will change apartheid system by improving the conditions of the workers:

The TNCs are helpful for improving the conditions of the workers. One of the strongest pillars of apartheid system is migrant labour system which has adverse effect on their family life and under this system there is no guarantee of their service. The adverse effect also includes the cheapening of black labour. By providing jobs to them and improving their condition, the TNCs might break that pillar thereby bringing change in the system. It is noteworthy that the TNCs employ 600000 of the country's total labour force while the affiliates of TNCs only 4,00,000. Therefore, transnational corporations have a dominate position. They play important role in the economic development. The opponents of sanctions view that activities of transnationals contribute to a peaceful political change in the country. They eventually benefit the black majority through job creation and a gradual improvement in living standards.

They view that termination of their activities would hurt blacks interests and would not help abolish

apartheid. To improve the conditions of the labour, the TNC's deploy the code of conducts. These emphasize the need for foreign affiliates to practice racial equality and they refer to the principle of equal pay for equal work.

The European Community's Code of Conduct:

The code, which applies only to black workers calls on TNCs:

(a) To facilitate labour union organization and activities;
(b) Counter the effects of the migrant labour system;
(c) Improve wage rates;
(d) Promote policies of equal pay for equal work;
(e) Take steps to improve the living conditions of employees, which includes housing, health, education and;
(f) De-segregation of places of work.

The Canadian Code of Conduct:

In addition to above mentioned principles there is also emphasise on training programme to upgrade black employees, rather than recreating white personnel and integrating of working, dining, recreational, educational and training facilities.

The Australian Code of Conduct:

It lays stress on the principle of equality of treatment irrespective of race equal pay for equal work,
equal opportunity and professional advancement. It covers fringe benefits taking into account the social and economic hardships imposed on the majority of the population by the apartheid regime.

The Sullivan Principles were formulated by Lean Sullivan, a member of the Board of Directors, of Motors in the United State of America. They were also designed to promote racial equality in employment practices for United States firms operating in South Africa. They tend to promote programmes which can have a significant impact on improving the living condition and quality of life for the non-white population and to be major contributing factor in end of apartheid. These principles call for the non-segregation of the races in all spheres eating, comfort and work facilities; offer equal and fair employment practices for all employees; with equal pay for equal work and the initiation and development of training programmes that will prepare blacks in substantial numbers for supervisory administrative, clerical and technical jobs. This could also cause an increase in the number of blacks in management and supervisory positions an improvement in the quality of employees' lives outside the work environment, areas such as housing, transportation, schooling, recreation and health facilities.

In this way, the code of conducts adopted by TNCs are for the betterment of black African workers and

321

steps towards racial equality.

Thus, through the implementation of these codes of conduct, the transnational corporations would improve the condition of workers and their living standards. It would provide wide opportunities of work and freedom of mobility of black workers to seek employment opportunity wherever they exist. In this way they would be helpful to abolish migrant labour system. Furthermore, the TNCs also would provide assistance to the black community taking account of their socio-economic miserable conditions under apartheid. For example, the report on Sullivan principles stated that approximately R.11 million was contributed by companies to various programmes for the education of non-employees, including scholarships 250 "adopted" schools and aid to other schools. R. 7.9 million was contributed to other programmes such as housing legal aid and health. Going by the views of the opponents of sanctions, the TNCs should remain in South Africa and thereby pave the way for incremental change.

It is correct that investments and TNCs are helpful for the development of the country. By transferring technology and investing capital, they contribute to the development of the country. But, in turn, they get high profits and lead to the development, prosperity of the whites only. Blacks are not benefitted. In fact, there is a totally reverse picture.
In reply to the argument, that by helping to expand industries, they provide more jobs to the blacks and expansion of industries results in the shortage of white skilled labours and then blacks get opportunities to be employed, it may be pointed out that how can the blacks be employed. When they are not skilled and they can not be skilled labourers until the educational system is under the restrictions of the apartheid system. Moreover, even if the blacks are employed to the certain jobs when the whites were not available, they are not given the same wages.

This is no denying the fact that the foreign investment and TNCs is crucial for development of South Africa but at the same time in turn they get high profits. for example the investors receive heavy returns on their direct investment as the following tables indicates:

Table 8(a)

Average rates of return on British Direct Investments Overseas 1968-76

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<tbody>
<tr>
<td>South Africa</td>
<td>11.7</td>
<td>12.0</td>
<td>11.8</td>
<td>11.0</td>
<td>11.0</td>
<td>18.7</td>
<td>20.9</td>
<td>19.6</td>
<td>21.3</td>
</tr>
<tr>
<td>World</td>
<td>9.4</td>
<td>9.4</td>
<td>9.8</td>
<td>9.3</td>
<td>10.9</td>
<td>15.8</td>
<td>14.8</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Developing countries</td>
<td>9.1</td>
<td>9.7</td>
<td>11.4</td>
<td>10.5</td>
<td>11.3</td>
<td>16.1</td>
<td>17.5</td>
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</tr>
</tbody>
</table>
Table 8 (b)
Average rates of return on US direct investment 1969-77

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<tr>
<td>South Africa</td>
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<td>18.4</td>
<td>11.9</td>
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<td>19.5</td>
<td>9.2</td>
<td>12.0</td>
<td>11.4</td>
</tr>
<tr>
<td>World</td>
<td>12.7</td>
<td>12.6</td>
<td>11.6</td>
<td>12.9</td>
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<td>14.2</td>
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</tr>
<tr>
<td>Developing countries</td>
<td>18.8</td>
<td>17.9</td>
<td>15.1</td>
<td>16.0</td>
<td>26.2</td>
<td>53.6</td>
<td>29.1</td>
<td>25.5</td>
<td>24.8</td>
</tr>
</tbody>
</table>

The table indicates that United Kingdom gets heavy returns on its direct investment. But the United States do not receive so high returns after 1972. Because South Africa does not earn as high profits as are earned by oil companies in oil producing countries. Yet both the countries receive high profits.

To pay such heavy returns it has to borrow. In addition to preserve the system it has to spend a huge amount on arms or military build up. The Clark report of US Senate clarifies that the South African defence import bill rose from $1 billion in 1976 to $2 billion in 1982. The Report further states that there was not increase of 500 percent in the import bill of South Africa on account of oil and defence purchases alone.149 Faced with this economic strain, it had to borrow. Consequently it was in the heavy

grip of external debt. In 1985 it owned to British Banks 5.3, US Banks 3.2 French 2.5 Swiss Banks 1.1. Its total debt was £ 14 million.

In such a situation, when the country has to pay such a huge amount of debt how can prosperity be brought through investment and TNCs.

In reply to the argument that investment means more prosperity, it is true in case of whites where investment has resulted in economic growth but it has not improved the conditions of the blacks. Despite the ever increasing prosperity, the gap between the White and blacks has been widened as confirmed by statistics. The Black's who are 70% of the work force, share in national income less than 20 percent, while the whites who make up only 18 percent of work force earn 64 percent of all income in South Africa. This pattern has not been changed. In addition wage difference still exists. For example wages in all manufacturing firms has been 1,290 dollars for whites, 460 dollars for Indians, 365 dollars for coloureds and 320 dollars for Africans. They (black) live in 'Bantustans' where they are having no facility of life, while for the whites the standard of living is enormous. It is evident from the following figures, more than 90 percent of white house-holds have refrigerators while less than 2 percent of white/African families have one. Only one African family out of 1,000 has a telephone, few have automobiles.

Moreover, the job opportunities are also for whites. The investors bring with them the skilled labour also. Consequently, there is unemployment, among blacks. African the unemployment is officially listed at 500,000.\textsuperscript{154} It is observed that investment in apartheid not only buoy the racist regime and oppresses African workers, it also destroys jobs.\textsuperscript{155} Thus investment is not helpful for creating more jobs on the part of the blacks.

Furthermore, the Government justifies the low wages paid to the blacks on the ground that if their (Blacks) wages were to be raised, the blacks would have to face more unemployment. For example, if average wages were to be raised from 61 cents to R.I. per shift, about 20 marginal gold mines would have to close, causing some 85,000 Africans and 8000 whites minors to lose their jobs.\textsuperscript{156} Furthermore, the TNCs through adopted codes of conduct to improve the living conditions of the blacks, provide wages or financial assistance only necessary for them. They are also opposed to any revision of wages of the black workers on the ground that all the companies can not afford and they would close down if higher wages were given the blacks.\textsuperscript{157}

\textsuperscript{154} Ibid , p. 12.
\textsuperscript{155} From a correspondent 'Will Sanctions Against Pretoria Succeed', Organiser, 38(19) Sept. 1986, p. 5.
\textsuperscript{156} Dr. S.C. Saxena : Op. cit. 0, p. 91.
In reply to the argument, it may be pointed out that why this is not applicable in case of whites. The increase in white wages never results in closing of job opportunities. Professor Arkim also expresses similar views giving an example. 2000 mine workers received in April, 1970 an increase of 4.4 percent on standard rates of pay (amounting to R 4 million) as well as improved medical benefit allowances and sick leave provisions, and this increase did not force the closure of marginal mines. In addition to this, the transnational corporation however adopted codes of conduct which laid stress on equal pay for equal work and provided training facilities and financial assistance, but the difference between blacks and whites still remained.

The investments, TNC's can not be seen as catalyst for change as they are actually functioning to bolster the apartheid system. The argument that they will bring change is merely a myth. In fact, they only legitimize their investments, TNC's activities in South Africa and to facilitate the free flow of overseas capital. The investments and transnational companies are functioning as a partner of apartheid system. As discussed earlier, the foreign companies and foreign capital facilitate the economic development of the country. But this is meant for the whites only. On the basis of this developed economy which foreign investment maintain South Africa has been able

to build up security forces and militaryawanth. They deploy against both its own people and against neighbouring countries. Those countries whose banks have provided the finance to carry through South Africa's massive programme of State Corporation/investment. They also provide oil, capital and high technology equipment like computers etc. which the country is unable to produce itself which is of vital importance for its military development.

The racist regime uses its military strength against the opponents of the system. The TNC's provide arms and related weaponry which enhance South Africa's military capability to crush the liberation struggle. Thus, they have become increasingly organically linked with indigenous South African capital. With the state corporations it has become an instrument to strengthen apartheid. Abdul S. Minty writes:

"All overseas investments help to bolster apartheid. Such investments enable the white power system to afford a vast machinery of coercion in order to keep the black population in submission. Overseas investors contribute directly to the vast resources expanded in the police and military forces as well as in the bureaucrate procedures necessary to maintain white domination and race rule. Once capital has been invested in South Africa, it also begins to fuel trade so that there is a wider pay off."
There is also the important question of technology. Capital investment in South Africa takes with it modern technology which helps to develop the apartheid economy. This transfer of technology is not only restricted to civilian merchandise but is also becoming particularly significant in terms of South Africa's growing armed industry within the republic. The flow of capital investment from British Companies to South Africa also takes with it a large number of skilled white experts many of whom eventually settle in that country. Thus, capital investment in South Africa involves a whole set of other relationships, all helping to reinforce the apartheid system.\(^{159}\)

When the western companies and financial concerns are challenged and exposed to the reality of the situation, they resort to claims that they will do "what little good they can" in the situation rather than "take the easy way out" by the withdrawing from South Africa.\(^{160}\)

Chris Child also expresses the same view stating that economic links with South Africa serve to build up, sustain fuel, finance and supply the apartheid cheap labour economy and bolster the apartheid regime and its military, in keeping the system in place.\(^{161}\)


\(^{160}\) Ibid.

Similarly, the corporation cannot change the system rather they are partners in the system as a company becomes tied up in the system. All companies accept that they must both operate within the framework and respect South Africa's racist and oppressive laws. This resulted in active involvement and massive acceptance of the laws and policies of apartheid South Africa.

The TNCs are oppressive in that their presence helps maintain apartheid. The presence of TNCs strengthen those forces which enforce apartheid. Since the corporations have to work within a system and to operate in a country, they can not go against the law's and policies of the system. S. Clarke is also of the same view. 162

The trading partners also consider economic sanctions immoral because in supplying arms, technology, there is nothing objectionable. In reply to this argument it may be pointed out here that the supply of equipments and other type of help is not objectionable. What may be objected is that the racist regime makes use of it to the repressive and brutal measures against the majority people. It spends a large proportion of budget on military build up to implement its repressive and aggressive measures. All of us are aware of this. Even then by supplying such equipment, technology clearly can be seen as a partnership

in the system. Again, it is very contradictory, rather surprising that the countries who have been contributing for a long to strengthen or ensure survival of racist regime through investment in TNCs are worried about the black's interests when they argue that sanctions would hurt the blacks more while they are also aware of the fact that their collaboration with the racist regime cannot provide facilities and equal status to the blacks and still they continue the collaboration with the racist regime. The ultimate sanction would be a trade embargo enforced by a blockade. America and other trading partners oppose such measures in the United Nations while rest of the world is in favour of such measures. If the rest of the World with the Russian help begins to threaten the embargo, would these countries come to the rescue of the Pretoria Regime. Quite possibly not.

Furthermore, the investments and TNCs could not bring change in the system so far. The Government of South Africa continues to base the country's political, legal, social and economic system on an institutionalized form of racism. The white minority regime has continuously used its military, political, economic and legislative powers to dominate and suppress the black majority. This domination has been achieved through white control of state, enforcement of racial separation and discrimination,
administrative and political-fragmentation, the exclusion of the black majority from political participation and political opposition. The black majority has no fundamental rights, not even that of full citizenship of its country.

These words are as true today as four years ago. No doubt the economic sanctions would hurt the blacks, but they are prepared to pay its price at any cost. Sanctions can hurt very hard indeed but over a period, perhaps as long as a decade, they will grind it down. The sanctions would make the economy crumble and the already over-burdened economy would be unable to cope effectively with the costs of implementing apartheid policies and defending itself against popular resistance.¹⁶³

Moreover, the black insists that economic hardship, is an acceptable price to pay for putting new pressure on apartheid. "Our colleagues in South Africa are saying to us, go ahead, we have suffered, but we are willing to suffer a little longer. But they want complete destruction of apartheid not reforms."¹⁶⁴

It becomes very clear from the above description that investment and TNCs can not bring change in apartheid system. Rather they are functioning to bolster the system. Thus, there is a consensus that if sanctions are imposed in these key sectors, the regime would be pressurised to abandon its policy because militarily it is

¹⁶⁴ 'Russell Watson, Op cit, p. 12
strong but overburdened economy is vulnerable. As it was reported that between 1975 and 1978 personal savings as a proportion of GDP fell from 8.7 percent to 5.1 percent. If foreign capital is not forthcoming to fill the gap, a healthy rate of domestic investment can only be sustained by increasing personal taxation or increasing company profit. This is not politically easy to do when the living standards of black have been declining (See Table 9):

Table 9.

South Africa, earnings by racial categories, percentage and annual increases (decreases) in real earnings, 1971-78.

<table>
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<tbody>
<tr>
<td>Whites</td>
<td>3.8</td>
<td>-0.2</td>
<td>0.6</td>
<td>21.1</td>
<td>-0.6</td>
<td>-1.9</td>
<td>-1.9</td>
<td>-4.5</td>
</tr>
<tr>
<td>Coloureds</td>
<td>7.7</td>
<td>22.2</td>
<td>3.7</td>
<td>0.7</td>
<td>1.4</td>
<td>-0.8</td>
<td>-0.06</td>
<td>-6.3</td>
</tr>
<tr>
<td>Asian</td>
<td>9.1</td>
<td>3.6</td>
<td>3.5</td>
<td>2.1</td>
<td>3.5</td>
<td>4.4</td>
<td>3.0</td>
<td>-3.4</td>
</tr>
<tr>
<td>Black</td>
<td>3.0</td>
<td>4.5</td>
<td>7.4</td>
<td>11.5</td>
<td>11.7</td>
<td>5.1</td>
<td>3.8</td>
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</table>

Thus, South Africa is still extremely vulnerable to interruption to its supply of capital from abroad. It is also clear that future sanctions remain a powerful tool for pressure as South Africa is weighed down by a serious

166. Euromoney, supplement, June 1979 Quoted by S.Clark Ibid, p.35.
debt crisis. It is reported that if all the debt now due next year is repaid, South Africa will need, in the absence of capital inflows, a balance of payments surplus of about R 6.7 billion and it would have to repay $ 8 billion over the next four years. In such is through constraining domestic consumption and growth which would put the apartheid regime in severe political danger and economic sector will be a source of pressure for change. But this can be possible if measures were adopted at national and local levels.

But the west remains non-cooperative. The arguments or other solutions given by the West are only for the sake of their super profits and to escape to impose economic sanctions. They success in their purpose because of the following points:

Constraints of Obstacles in the Implementation of Sanctions

The idea of international enforcement programme is not easily reconciled with the concept of State Sovereignty and several difficulties spring from this basic issue.

Sanctions can be imposed against a state when it becomes clear that, the state has adopted aggressive attitude, violated human rights and is guilty of threat to international peace and security. This calls for international control system. South Africa is identified as an aggressive, violator of peace and against the human rights. There is also an international organization which empowers to impose sanctions. Even though it is unable to implement sanctions because its jurisdiction is to initiate sanctions and to pass resolutions for the purpose, to implement sanctions is state's jurisdiction. Whereas the initiation of sanctions is the function of the international organization, their actual application is a state activity. To what range and to what extent they will be applied by the individual state is an issue which falls within the domestic jurisdiction of a state and the United Nations lacks any sanctioning authority in the matter.  

Thus centralized decision of the security council is applied in a decentralised manner. Consequently, there is an absence of uniformity of application by the several states and therefore, there is no cohesion and strength in the enforcement programme.

The attitude of the states towards sanctions is determined by its own state's involvement and interest in

the issue. National interest is the strongest imperative in international affairs and is hardly ever conditioned by moral precepts and idealism Legum writes: "National interest is the determining factor in power politics. No major power has ever been willing to commit a large part of its resources for purely moral purposes."

Therefore, if application of sanctions contradicts the national interests states do not feel bound to apply them. They may also become indifferent to and inactive in the implementation of sanctions the initiation of which they might have supported earlier. That is why the key western countries have continued to follow a very different course from those of most of the world. They speak loudly with the voice of the rest of the world, they actually are not in the course of line of international community because of National interest financial profit and fear of communist expansionism as discussed in foregot of pages.

The fear for investments for trade, the dread of financial losses has been one of the greatest tumbling blocks in the way of action by great powers.

It is well known that the United Nations passed so many condemnatory resolutions on South Africa's


170. Suzanne Cronje :'Sanction Against South Africa' New Africa: May 1964, p. 16
continued application of apartheid, but white-led South African government paid no heed to its resolutions. The Sharpeville massacre in 1960 has turned the attitude of the United Nations. Then, the UN adopted a tough attitude towards South Africa. It blamed the South African Government for African loss of life and recognized that the situation might endanger international peace and security. Thus, it has become a matter of international concern. Doxey rightly observe that opposition of apartheid is worldwide. In the face of the programme of decolonization and eradication of racial discrimination to which African nations are pledged, apartheid in South Africa and denial to its non-white people of any share in effective government and of equal rights before the law make for a provocative and disturbing element in international relation. 171

The matter has been taken up by the security council in the situation in South Africa which might endanger international peace and security. It called upon the racist government to abandon its policy. 172 Even then the resolution have not been implemented. The Security Council is empowered to apply sanctions against the recalcitrant state. But this can not be applied until there is consensus of the member states (of big power). The

172. S.C. Resolution134 (1960), 1960
resolutions are of recommendatory in nature and the member states do not abide by its resolutions. To implement the resolution, is a state activity. The sanctions are moral obligations not compulsions. The international organization can merely use moral pressure to secure the compliance of states. Thus inability of the United Nations to compel states co-operation is a basic weakness of the sanctions programme.

This non-compliance makes a loophole in the sanctions net and efforts made by the U.N. and smaller power towards sanctions has been demoralized. The big powers are not ready to impose sanctions declaring national expediency to be of primary importance. Thus, they have made mockery of obligation under articles 24, 25 of the charter.

Full implementation of the UN resolutions has become a problem because it depends upon the political will of the member states. To participate in voting and to adopt resolutions is voluntary. The states may abstain or withdraw their commitments or use their veto power. That is why the implementation of sanctions against South Africa has posed a problem. The super powers' political will does not allow them to apply sanctions. Thus they adopt indifferent attitude on the question of apartheid.
In 1960 when the Security Council observed that the situation in South Africa might endanger international peace and security, it called upon the South African government to abandon its policies. Britain and France abstained from voting on this resolution. Again it passed a resolution stating that the situation in South Africa was 'seriously' disturbing international peace and security. It solemnly called upon all states to cease forth the sale and shipment to South Africa of arms and ammunition of all types of military vehicles.

In a resolution adopted in 1977, all the countries were called upon to implement fully the arms embargo against South Africa. The US and the UK once again vetoed a resolution by non-aligned members of the UN security council to impose mandatory economic sanctions against South Africa. France abstained from voting.

It has been observed that mandatory economic sanction could not be imposed against South Africa because of consistent American and British vetoes and this had given wrong signals to the Pretoria regime. That is why the racist regime had constantly been defying the everhelming international opinion against apartheid. Defending veto, the US ambassador Herbert gave an explanation that broad sanctions would result in an indiscriminate damage to the

173. Ibid 181(1963), 1963
entire South African economy. Mandatory sanctions were 174 flatly inimical to peaceful change. The British delegate P.M. Maxey said "call for mandatory sanctions were not acceptable to his country. Moreover, Britain remained opposed to the economic boycott of South Africa because that would not work". 175 The French Ambassador Claude de Krmoularia said "he was abstaining from voting on the resolution because the time was not appropriate to impose sanctions". 176

Thus due to the veto power the security council has not been able to impose economic sanctions against South Africa and South Africa continued with its racial policy. Consequently the Africans and the international community had become frustrated due to the continued use of vetoes by the United States and Britain. In June, 1986 A Conference on sanctions was also held in Paris but the Western powers boycotted the conference on sanctions and they had faced severe criticism, and alleged of being protector of apartheid in South Africa. The Nigerian ambassador Joseph Garba, Chairman of the UN Special Committee Against Apartheid, said, a small powerful group of countries was standing firm in blocking the imposition of sanctions. These few countries were also the ones with an extensive stake in apartheid in South Africa. Some of them as members of the Security Council had the power which

175. Ibid
176. Ibid
they exercised frequently to veto moves for sanctions. 177

The common wealth Secretary General Shridath Ramphal described the boycott of the Paris meeting as a great error of judgement "you have the principal trading partners of South Africa standing aside from this opportunity to talk about the whole gamut of useful sanctions that the governments involved were in complicity with apartheid." 178 He regreted "I regret very much that these countries are not here. They do a disservice to the conference and an even greater disservice to themselves." 179

Thus lack of the political will of the member states is a major blow to the implementation of sanctions. Good faith and political will of member states is necessary to implement measures on visaged in resolutions. For example the responsibility of the major trading partners of South Africa has been emphasized. It has been stressed that these states should realize that as long as South Africa continues to receive assistance and to enjoy political and other connections with the outside world, especially with them it will continue to flout and defy UN resolutions and decisions. An expert committee set-up by the security council in 1964 to study the feasibility of sanctions against South Africa submitted report that opposition of sanctions from the trading partners of South

177. Ibid; p. 158.
178. Ibid
179. Ibid
Africa and their attitude in the United Nations has been a blow to international boycott movement.

One of the main obstacles is the assistance still being extended despite repeated condemnation by certain countries, chiefly through economic and military collaboration with South Africa. Despite the isolation of South Africa financial and military assistance to the racist regime has continued. In this assistance transnational corporations have played a crucial role. They have helped the regime to become self-sufficient in the face of sanctions. South Africa has also been assisted militarily in spite of the arms embargo imposed on South Africa by security council. But as a result of collaboration by TNCs South Africa has acquired the capability to produce nuclear weapons as well as crude oil.

Support and assistance has also been extended to the South African regime by banks and even by organizations belonging to or associated with the UN system such as the International Monetary Fund in defiance of UN decisions. The assistance given by banks is justified on the ground that politics is no concern in the dealings. The assistance is given only on economic basis. But in case of South Africa as the indigenous work force is paid

180. S.C. Resolution 418(1977), 1977
lower wages in comparison to white labour force, they earn very small portion of national income. Normally the International Monetary Fund should not provide further loans to South Africa. But it continues to provide loans under SDR and provided $1.1 billion to South Africa in 1982.\textsuperscript{181}

Despite the fact that the other developing third world countries that actually needed its assistance are not getting satisfactory assistance in comparison to South Africa. Thus International Monetary Fund has also proved helpful for the regime to preserve its policy.

Importance of Campaign

Thus no country can be forced to implement the UN resolution which envisage comprehensive sanctions. Being universally essential for the success of economic boycott movement, it is realized it can be achieved only through external pressure. In such a grave situation, no one can wait indefinitely and helplessly in the face of daily destruction of the moral values of civilization. Freedom and racial equality can not be sacrificed at the altar of economic and commercial interests. Whereas there is an overwhelming international support for the imposition of sanctions the black people have also called for the economic boycott of Africa saying, "the economic

\textsuperscript{181} UN Chronicle, Vol. 23, Aug. 1986, p.34.
boycott of South Africa will entail undoubted suffering for Africans. But if it is a method which shortens the day of bloodshed, the suffering to us will be a price we are willing to pay.\textsuperscript{182} What is needed is impressive international campaign focussed, in particular, on trading partners, so that a climate of opinion favourable to and unstoppable pressure for a positive security council might be generated.

A clear understanding of the situation is necessary for the imposition of sanctions. In addition people of other countries do not have much knowledge of the racial policy of the regime because of lack of information. The leader of a black led lobbying group in Washington is reported in \textit{Time Magazine} as saying many American knew nothing about apartheid before the demonstration began. Now there is a new understanding of South African regime.\textsuperscript{183} Such as understanding is required to get the support of international community and external pressure is necessary to persuade the trading partners.

Without massive campaign, there could not have come even the present consensus on sanctions which has had some influence on South Africa's future reforms. Without campaign effective sanctions would not yet have been on the world agenda. It is the result of campaign that the issue

\textsuperscript{182} Albert Luthuli, 'South Africa Imposes Sanction against Neighbouring States' \textit{Secular Democracy}, Vol.20(1-12) Jan., 1987, p. 46

\textsuperscript{183} Cosmas Desmond; 'Sanctions and South Africa' \textit{Third World Quarterly}, Vol. 8(1), Jan.,1986, p. 91
of South Africa is on the agenda of the United Nations and has become so important that the international body has been considering it since 1962.

Moreover, due to campaign, Internationally, it is widely recognized that it is the apartheid that caused miseries to South Africans. No reform would be meaningful for the blacks, no justice and freedom even until the power is transferred to the majority in South Africa, and apartheid itself has to be tackled because many other man-made problems are the consequence of apartheid. As a means to its solution, there has been growing support for the United Nation's comprehensive mandatory sanctions. The General Assembly has authorised Security Council to take the decision of imposing such measures.

The Sharpeville massacre gave a new turn to the attitude of the United Nations towards South Africa. Ever since sharpeville massacre, the United Nations has been concerned with action which may be taken by Member States, separately or collectively in conformity with the charter, to discuss the South African government from its present racial policies and to persuade it to go forward towards a positive alternative. Even then, sanctions have not been implemented fully because of opposition of the west. When the United Nations General Assembly called on the security

184. E.S. Reddy, Apartheid; The United Nations And The International Community: (Vikas Publishing House) 1986, p. 4
council to impose sanctions in December 1983, 124 countries supported the move, with only 16 votes against and 10 abstentions. This explicitly shows that though most of the United Nations Members are in the favour of imposition of sanctions, even then, the trading partners are not co-operative in such action. Thus, it is vital that campaigns are mounted on a major scale to realise the members of the security council that they will not use their veto to block moves for sanctions. This particularly applies to the Britain, the United States, France which have used their veto power in the past. Such a mandatory action requires the support of all permanent members of the United Nations Security Council instead of their repeated vetoes.

Meanwhile, anti-apartheid and solidarity movements were set up in response to and inspired by the call of the African people for supporting justice and freedom and to aid their struggle. These have led to determined campaigns in publicising the facts about apartheid in South Africa, inform public opinion, and agitate the non-white majority to secure the release of political prisoners and detainees and for the isolation of the racist regime. It is recognized that a clear understanding of the situation in South Africa is required before a speedy government action. To keep the South Africa, education is considered to be pre-requisite because in South Africa, education is also based on the racial
policy. Keeping in view such a situation, the Security Council invited the Secretary General to establish a programme for the education and training abroad for South Africans. The year, 1978-79 was observed as an International Anti-Apartheid year to mobilise public opinion. It was to rouse the international community for this purpose.

There has been strong campaign to stop new investment in South Africa, especially in the United States and Britain to end bank loan. There has been a campaign against trade missions and the promotion of economic links through diplomatic channels. In response to this campaign, the National Union of students, some churches and council withdrew their accounts from Barcley Bank. There has also been "Boycott Campaign" to dissuade individuals and organizations from purchasing South African goods. For instance, the decisions of local authorities in Great Britain have been of particular importance. The councils held a conference on local authority action against Apartheid. At the Conference their aim was to discuss ways in which local authorities, in their region could adopt practical measures to help in the isolation of the South African regime. In the United States, Labour Student solidary movement which displays international solidarity with the struggle against apartheid, is of great importance. They hold rallies to stop further investment and demonstrate against economic collaborations with the
racist regime. Such actions of solidarity movements in Western countries are of great importance as they help in ending collaboration with the apartheid system. President Oliver Tambo rightly said in a message, "Your efforts towards ending collaboration with the apartheid regime form a vital part of our struggle to build a non-racial unitary and democracie South Africa." 185

Meanwhile, the campaign to isolate the racist regime has been launched in the West particularly in Britain and U.S.A. Apartheid is being condemned by a concerted anti-racist campaign, British government's policy towards South Africa have been challenged. In 1983 some of the local councils sent a joint letter to Mrs. Thatcher stating: "We are writing to urge you to re-examine enterly the basis of British policy towards apartheid and problems of the regime.....it requires a much greater effort by the international community, in which Britain must play its full part. We hope that your government will abandon its oppositions to measures designed to increase South Africa's international isolation, and in particular to support United Nations mandatory economic sanctions." 186

At the same time, the Europeans including Spain and Portugal condemned apartheid policy and called for

185. George Johannes, 'Solidarity in Britain' Sechaba, Sept., 1985, p. 25
186. Ibid, p. 20
lifting the state of emergency, release of Dr. Nelson Mandela and all other political prisoners and the opening by Pretoria regime of real negotiations with the representatives of blacks.

It is noteworthy that not only anti-apartheid and solidarity movements, but all who consider themselves supporters of the human rights and democratic values should make efforts to achieve such norms in South Africa also. The efforts must involve all sympathetic individuals, organizations, so that they and their members, see the campaign for United Nations comprehensive mandatory economic sanctions as the centre place of their activity in solidarity with the people of Southern Africa and so that such a campaign receives a higher priority.

The campaigning methods include petitions, leaflets, meetings and conferences, marches and demonstrations. It is impossible to cover up campaigning methods at all levels. Suffice here to say that methods and character of campaigning may vary from country to country. What matters is that international community should direct its efforts in such a way as to support the idea of isolation and generate pressure for sanctions on a large scale as quickly as possible.

It is also vital that new ways must be found to arouse the enthusiasm and to involve many more people
because it must now be seen as the major question in relation to South Africa. Apart from the fact that apartheid need to be more and more widely known campaigns are to be intensified and linked with sanctions world public opinion be mobilised to secure decisions to halt investment and all other forms of economic collaboration with South Africa. Efforts should be redoubled in such a way that the permanent members would not use veto power and "sanctions issue" should be seen as a centre place in the United Nations by all the Africa. Mrs. Thatcher continued to speak out against sanctions saying that sanctions would damage South African economy which is bound to affect the blacks more adversely than the whites. She would like parliament to take some tiny measures addition to oil arms and sporting links. The reason behind her decision to impose tiny measures was that Britain stood alone in opposing sanctions. She knew that Britain's case of opposing sanctions had already been weakened by South Africa's rebuff to Commonwealth "eminent persons group". In Commonwealth conference at Nassau, she was told that sanctions should be imposed.

Indian Prime Minister Late Rajiv Gandhi expressed his hope that Mrs. Thatcher would agree to mandatory economic sanctions against South Africa if the Commonwealth decided to impose them. when he asked that if she refused to go along with sanctions, India or other

countries should leave commonwealth. Mr. Gandhi replied that it is hardly for 43 to leave, so the onus is on Britain, it will be for Britain to decide what they want to do. 188

Thus it is the pressure of international opinion that forced Mrs. Thatcher to reconsider her decision. At the London, Mini-Summit she indicated that she would not stand in the way of the European Economic Community instigated a ban on uranium, coal, iron and steel. She appeared to accept a ban on investments and a voluntary ban on tourism. 189

Thus we have noted that the West was prepared to impose tiny measure not comprehensive sanctions. The Europeans always deferred move on sanctions and favoured pressuring the racist regime to introduce political reforms and release the ANC leaders. But the blacks were ready to make any sacrifice for the eradication of apartheid. They wanted its full eradication not reform of apartheid. They wanted to remove apartheid at any cost.

Mr. Boesak, the black leader stated that we do not want reform apartheid system, but its removal. 190 The black Commonwealth leaders also threatened either to quit Commonwealth or to impose sanctions against Britain if she failed to impose comprehensive sanctions. But the West did not give much credence to such a threat. Moreover,

188. Ibid.
190. Ibid.
Reagan's strategy worked out as Mr. Botha in 1985 had declared that the government was prepared to restore South African Citizenship to 5,000,000 blacks of the four nominally independent Homelands.* Negotiations were to begin with the leaders of these Homelands to qualify another 2,000,000 more in future. 191

Though such announcement had much importance but not for blacks because Mr. Botha had not decided any date for the grant of citizenship. He had also not clarified whether or not citizenship would include the right to vote or to share power or the government would change the homeland policy or not. Even then the west claimed that Pretoria government heeded their voice and made such reforms. Thus sanctions are not needed. It seems that such announcement is only an option to thwart liberation struggle. But the blacks in South Africa carry on their struggle and the West sticks to opposition of sanctions and ending of apartheid, while government of South Africa refuses to have such things. Then at 1985 Commonwealth leaders conference, it was decided to send a group of eminent persons to seek a dialogue with South African government. Meanwhile, Botha continued to hope that his huge crackdown against black radicals, of whom about 4,000 had been detained would bring peace even as debate went on sanctions, while black South Africans continued to be humiliated and tortured red by the racist regime.

* These Homelands: Ciskei, Boputhswana, Transkei and Venda.

191. Keesings Contemporary Archives 33896.
Meanwhile, the international opinion has strongly come out in favour of sanctions. It has become clear that there is no alternative to economic sanctions. The group of Eminent Persons have laid emphasis on economic measures. Zambia's President Kenneth Kaunda said that a trade embargo was the only way to force Pretoria's white dominated government to end apartheid racial laws and prevent a holocaust engulfing South Africa.¹⁹²

The group of Eminent Persons also wanted the imposition of sanctions as the white-led regime did never try to improve the situation. They argued that whites had failed to make any adjustment which took into account the interests or rights of Africa's indigenous peoples, and thus only course open to Africans was to fight back until the tables had been turned, the conquerors defeated and Africa restored to the control of its owners.¹⁹³

Now, it has become clear that there is no alternative to sanctions. The international community has realised that only economic sanctions against South Africa can pave the way for a peaceful change and stop blood bath in the region. The Indian Prime Minister Rajiv Gandhi called for immediate and comprehensive sanctions against South Africa describing them as the only alternative to a terrible bloodbath in the region. As we noted earlier, the

Commonwealth members strongly favoured sanctions. Mrs. Thatcher was left alone. Then she came under pressure from EEC leaders to bow to the majority wanting sanctions against South Africa.

It was argued that the trade embargo would make a big dent in South Africa's exports to community but would not damage EEC economics seriously. A package of positive measures was worked out by the EEC. It included humanitarian aid for the victims of apartheid under the then prevailing state of emergency in the country. It was proposed to put ban on fruits, vegetables, wine, iron, steel, coal, gold coin.\(^\text{194}\) The British opposition labour leader, Mr. Neil Kinnock said that the British Government should be made to fall in line with all other member countries of the Commonwealth who favoured imposition of mandatory sanctions against South Africa.\(^\text{195}\)

It is true that due to financial profits, the trading partners especially U.S. and Britain did not want to make such a sacrifice, nevertheless, they had to bow before the international pressure. Furthermore the blacks themselves had been calling for economic sanctions. The people of South Africa themselves had been loudly and clearly calling for sanctions to help them to end apartheid. If it meant extra sufferings, they had been saying they would endure that as a means of shortening the

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\(^{194}\) The Tribune, June 27, 1986.

\(^{195}\) The Times of India, May 29, 1986
sufferings they already endured under apartheid. In this way the blacks refuted the claim of the west that sanctions would hurt the blacks.

Meanwhile, India has urged the world community to force a United will and enforce immediate and effective mandatory sanctions as well as to recognize the liberation movements of South Africa. Rajiv Gandhi said "we must now reinforce political freedom with economic development with the SWAPO tricolour going up in a building in the sports village in South Delhi, India became the first country in the world to have granted full recognition to the liberation movements'. The SWAPO leader Sam Nujama alleged the imperialist powers i.e. Britain, Germany and the United States were responsible for delaying independence of Namibia. Reiterating SWAPO's solidarity with the people of South Africa under the leadership of ANC, Sam Nujama thanked the Indian government and people of India for their contribution to the liberation movement of South Africa and Namibia and for granting full diplomatic recognition to SWAPO.

The SWAPO leader also emphasised on the need of imposition of sanctions which had become now inevitable. He said, "what we want is the intensification of the global sanctions against the regime as an additional pressure to

accept Namibia's independence and eradication of apartheid, the principle of rule of law, without armed aggression and destabilisation of the African independent states particularly the frontline states. It is a fact that every one realised that the time had come to take action. The Africans passed everyday with further sufferings and tortures by the racist regime. Particularly since soweto massacre, their sufferings have constantly been escalating. The inhuman practices of the racist regime has turned the African people into pariahs in their own land. Thus, decisive action has become inevitable. Sanctions can be considered such action as would lead to the negotiations and thereby pave peaceful way to destroy the system of apartheid and to build a democratic system. The leaders of the except the trading partners the rest of the world is in favour of imposition of sanctions. This is evident from statements made by the leaders of international community.

H.E. Mr.Allan Wagner say that at the present level of violence, the imposition of sanctions was the only peaceful course acceptable. Mr.Amadou M'Bow observes, No one was happy with the idea of imposing draconian measures, against a whole nation, but there was little choice. Those who made it impossible to apply the proper pressure on South Africa would ultimately bear a heavy resposibility

for the sufferings in South Africa and growing instability in Southern Africa. The Director General of UNESCO agreed with Bishop Desmond Tutu and Albert Luthuli who were among the first to advocate economic boycott of South Africa knowing that such a measure would certainly cause suffering for the Africans, but the blacks were willing to pay it as the fastest way to end apartheid and to stop bloodshed. Thus the black leaders called the international community to impose sanctions against South Africa to help the people to establish a new, non-racial and democratic South Africa. Sanctions was the way to bring effective pressure to bear upon the South African regime in order to turn back from the road to disaster and the point of no return before it was too late says Joseph N. Garba:

According to Mr. Shridath Ramphal, "only sanctions effective economic measures which should be rigorously applied with determination, would compel the dismantling of apartheid and ensure that freedom was no longer denied in South Africa:"

Major General Ibrahim Babangita stresses that Arms embargo economic sanctions are no longer a theoretical option to be debated upon, but a practical and mandatory necessity in order to stem the tide of the racist holocaust.

199. Ibid
200. Ibid
201. Ibid p.6
202. Ibid, p. 7
203. Ibid
Mr. Danial Ortega, President of Nicaragua, that "mandatory sanctions against Pretoria are the most effective peaceful means available to the international community for this purpose."

Mr. Rajiv Gandhi, in his message to the conference stated: "the time for verbal denunciation is over. The time for concrete, immediate action has come. There should not and cannot be any encouragement to efforts for so-called reforms of the evil, system of apartheid. It has to be totally uprooted and destroyed. The only peaceful way to end apartheid's to enforce mandatory sanctions against Pretoria. The alternative is violence and blooshed."

In fine, India has played a pioneering role in the U.N., even before some of African states achieved full independence in support of the decolonization. Mahatma Gandhi's experience of liberation movement in South Africa has greatly influenced India's freedom. His name continues to inspire the African freedom struggle still today. Later on Indian Prime Minister Pandit Nehru, Mrs. Gandhi, Mr. Rajiv Gandhi, have continued to denounce apartheid system in strong words. India has been equally critical of the racist regime in South Africa and the Western position on the issue. It has criticised the West for giving

204. Ibid.
205. Ibid.; p. 54
encouragement to efforts for the so-called reforms of the evil system which it has wanted to be uprooted. Thus, India has urged the world nations in the name of humanity to forge a united will and enforce immediate and effective mandatory sanctions against Pretoria.

It is also a fact that the repressive acts of Pretoria Government and brutal massacre of innocent people can not be stopped. But the end of apartheid era is independent because international public opinion can not be avoided any longer. Human rights can not be repressed for long, moral values cannot be allowed to be destroyed, repressive and inhuman practices can not be allowed to continue for ever. The question is whether the change will come in an explosion of violence or it will be a result of bloodshed. Humanity do not demand freedom at the cost of human lives. Thus, bloodshed can still be avoided, thousands of human lives can still be spared by a peaceful transition of minority rule which is possible only through the imposition of economic sanctions which is aimed at forcing the country to give up its nefarious system of alternative to comprehensive sanctions under the United Nations Charter.

In the light of above description we may conclude that there is no alternative to comprehensive economic sanctions to solve the problem of racial
discrimination. As a result of campaign, various countries have adopted legislation banning trade with South Africa.

The Danish Government in mid December, 1985 drew up legislation, promulgated in May, 1986, terminating the import of South African coal and approved a bill banning all trade between the two countries.

In Norway the government has announced a total ban on export of refined petroleum products shipped to South Africa. Fruit and vegetable imports have been prohibited earlier. All other trade has been made subject to licences.

The European Economic Community despite the reluctance of the United Kingdom and to a lesser extent, of the Federal Republic of Germany agreed in 1986 to suspend imports of iron, steel and gold coins from South Africa as a part of a package thus prohibiting most forms of new investment.

In this direction the United States has made a remarkable progress. It has adopted a legislation imposing a total ban on:

(a) Most new investments in and private loans to South Africa.
(b) Loans to the South African Government.
(c) Export of computers and oil.
(d) Direct air links between South Africa and the United States: and
(e) Imports of uranium, coal, iron, steel and textiles.

Thus, speedy imposition of United Nations comprehensive mandatory economic sanctions against South Africa is of the greatest importance to the people of South Africa and to those of the whole regime. This is the only way to provide maximum support to those engaged in the liberation struggle. By denying the foreign support to the regime which has for so long enabled it to resist the freedom struggle and by undermining its ability to oppress the people of South Africa, sanction would push the white-led government to come to the negotiating table. It is clear from the fact that limited economic sanctions adopted by U.S.A. and Britain have proved successful.

Consequently the racist Government invited African leaders to the negotiation table. It lifted emergency and removed ban from ANC. Dr. Nelson Mandela and many other political prisoners were released some of the acts such as Mixed Marriages Act, Pass Laws, population registration Act etc. have been abolished. But the real goal has not been achieved so far. While much have to be done to attain the real goal, the U.S.A. and U.K. have announced to life sanctions from South Africa. Though the steps taken by F.W.Flark are important towards the elimination of
apartheid but pillars of apartheid still exist. Bantustans one of the strongest pillar of apartheid has not been abolished. There is a need to widen, tighten more pressure of sanctions on the Pretoria Regime until apartheid is fully eradicated.