

Have They Got It Right?

According to a report by the US House Foreign Affairs Committee, the success of sweeping new US sanctions will be "medium to long term" and "at the margin". It is intended that the Bill, now titled the Anti-Apartheid Act Amendments of 1988, will "act as a depressant on South African business confidence". At the same time US companies forced out by the law must negotiate transferring their business assets to their employees or their unions, the report states. The value of those assets in a deliberately depressed economy is not addressed, as Simon Barber, a Washington-based correspondent pointed out in stories filed to SA newspapers. The report makes it clear that should there be a Chernobyl-type accident at Koeberg or other South African nuclear facilities, the US would be barred even from providing assistance "for humanitarian reasons to protect public health and safety". It says the measures "will not result in any noticeable decline in the US economy", and, according to an appended finding by the Congressional budget office, will only cost the US taxpayer \$5 million next year, rising to \$14 million in 1993. This is in stark contrast to recent estimates that the existing sanctions have already cost the US coal industry at least \$250 million and could cost the nuclear processing industry close to \$300 million annually. (See Wall Street Journal editorial, May 5, published in this edition.) Earlier legislation, the report argues, has failed because South Africa is a "dedicated sanctions buster" and because the mildness of the 1986 Comprehensive Anti-Apartheid

Poverty - -The Enemy Of Democracy

Only large-scale sanctions applied by united international action would bring white South Africa to its knees, says Dr Mangosuthu Buthelezi. He told a group of American industrialists and business people visiting Ulundi that it was "unthinkable" to him that sane people - knowing the facts about South Africa's mass poverty - could support actions which could succeed only if mounted on a scale large enough to destroy the country's potential growth. Such large-scale sanctions would commit South Africa permanently to Third World poverty because the vastly spreading poverty they would create would become the mortal enemy of democracy. Only a totalitarian state could emerge to survive against the background of the total destruction of the South African economy. "Democratic governments need the means to govern for the benefit of the people, otherwise in the end there is always revolt against them," he said. "Rob South Africa of its future economic growth potential and you rob it of its future democratic potential."

Act "has encouraged the South African Government to believe that it can hold on to its monopoly of power indefinitely." The Bill is said to be supported by COSATU, NACTU, UDF, AZAPO, ANC, PAC, the SA Council of Churches, Archbishop Desmond Tutu and the Rev Allan Boesak,



who are described as the "preponderance of those whom blacks have indicated they regard as representative leaders."

The jobs already lost

The Durban Chamber of Commerce has described as "conservative" the claims by Dr Mangosuthu Buthelezi, Chief Minister of KwaZulu and President of Inkatha, that between 60 000 and 100 000 jobs for blacks had already disappeared because of disinvestment. Chamber president, Mr Ivan Dodd, said in a recent Press interview with the Durban Daily News that if jobs lost and jobs not created were taken into account, this figure would be even higher. "What has to be understood is that the lack of new inventory from the industrial community impairs new developments, and many new jobs which ordinarily would have been developed, are not being created," he said. "In fact our

economy needs to grow in real terms at between 4 and 5% a year and between 5 and .6% in Natal, simply to mark time." Mr Dodd told the Daily News that Dr Buthelezi was "absolutely right" to have refuted calls by Archbishop Desmond Tutu for greater punitive action and for full sanctions against South Africa. "Archbishop Tutu, in calling for sanctions, seems to be ignorant of the fact that organised business has consistently sought to improve the lot of the black, not necessarily for altruistic reasons, but because the development of mass markets are essential for its own survival. "By calling for sanctions, he is impairing the only real machinery that exists for change and the upliftment of the black people in South Africa. "This fact is patently clear from our recent past when during periods of high economic growth, more black people have been integrated into the free enterprise economy than during periods of stagnation and negative economic growth."