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MB 10/1/1/4

11 September 1981

S E C R E T

The Honourable Alexander M. Haig Jr.,  
Secretary of State,  
WASHINGTON D.C.

Dear Al,

RELATIONS BETWEEN SOUTH AFRICA AND ZIMBABWE

In discussions with you and other members of the Administration the question of relations between South Africa and Zimbabwe has invariably been raised. I feel that it may be useful to bring some of the salient features of our relations to your attention.

To place the matter in perspective, I should point out that South Africa has traditionally maintained good relations with its neighbour to the North. Economic necessity ensured that this co-operation was continued by the governments of Mr. Smith and Bishop Muzorewa. Economic good sense suggested that this relationship should continue during the government of Mr. Mugabe on the basis of principles South Africa has always espoused - mutual respect and non-interference in each other's affairs. South Africa was prepared to continue the relationship and to proceed with substantial financial aid which had been programmed before the April, 1980, elections, during his predecessor's term of office. The relationship envisaged would, however, require an acceptable degree of sober realism and moderation on both sides.

From the beginning of his term of office Mr. Mugabe has however sought to limit relations with South Africa. He was not willing to entertain the maintenance of diplomatic relations between the two countries. On the contrary, he announced a policy of severing all possible ties with South Africa. For practical reasons he has not been able to sever commercial ties but he has nevertheless voted in favour of sanctions against South Africa at the United Nations, saying he supports them in principle. The restrictions he has placed on the repatriation of dividends affect South African companies especially adversely and his Minister of Finance

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has talked of nationalizing South African investments. In another area, he has terminated sports contacts. The Zimbabwe Broadcasting Corporation is required to be offensive to South Africa.

There has been a measure of confusion about two issues in particular, viz. the employment of Zimbabwe labour in South Africa and the preferential trade between the two countries.

As also applies to other neighbouring states, South Africa has traditionally been willing to allow Zimbabwe citizens to work in South Africa. It is desirable that the employment of foreign labour should be on an organized and orderly basis and it has long been the policy of the South African Government to obtain the agreement of neighbouring governments for the recruitment of labour there. Thus the arrangements are acceptable to these governments.

After Mr. Mugabe's assumption of power, South Africa continued to employ Zimbabwe labour. On 6 February 1981, however, the Zimbabwe Government announced that the Employment Bureau of Africa Ltd (the recruiting arm of the South African Chamber of Mines and by far the largest recruiter of foreign labour) would not have its licence renewed to recruit labour in Zimbabwe for the South African mines. Its recruiting operations would cease forthwith and its depot would close once the 5 000 Zimbabwe mine workers in South Africa had been repatriated on the expiry of their current contracts. It is neither consistent with South Africa's approach, explained above, of securing the agreement of neighbouring governments for the recruitment of labour there, nor a practical proposition to continue recruiting in Zimbabwe against the wishes of its government. When the agreement with Zimbabwe expired, at the end of its tenor, no representations for its renewal or extension were received. There thus no longer being an umbrella agreement, of the type existing with all our other neighbours, South Africa had no option but to decide to repatriate the workers on the termination of their contracts. Against the background of official Zimbabwe rhetoric highly critical of the presence of these workers in South Africa, there was only one conclusion to be drawn. Ironically this decision by the South African Government was then exploited by the Government of Zimbabwe as another unfriendly act.

The question of trade between the two countries should also be seen in the proper perspective. The preferential Trade Agreement between the former Rhodesia and South Africa had been in existence since 1964. It provided for the preferential treatment of a large number of Zimbabwe exports to South Africa, as well as for preferential treatment of a variety of South African exports to Zimbabwe. An important feature of the Agreement was that it stipulated that, with a few exceptions, no import and export control measures should apply to the movement of goods between the two countries. As a result of the Unilateral Declaration of Independence by

the former Rhodesia, that country, for balance of payments reasons, found it necessary to apply import control to all imports. Because of the special circumstances then pertaining, South Africa agreed to the application of control measures to imports from South Africa. This worked to the detriment of a number of South African concerns in many ways.

The preferential agreement continued for another year after the change of Government in April 1980, but since the special circumstances by then no longer existed it was decided to revert to the normal Most Favoured Nation Treatment. At the time this decision was announced an official South African delegation was in Salisbury discussing trade relations and various trade problems which had arisen between the two countries. During the course of these discussions South Africa indicated that it wished to normalise trade between the two countries on the same basis as with other members of G.A.T.T. Notice was, therefore, given of the termination of the then existing preferential agreement in accordance with the provisions of the agreement. The effect is that from April 1982 the trade between the two countries will be normalised and will be conducted on the basis of Most Favoured Nation treatment.

Unfriendly motives were also attributed to South Africa for withdrawing a number of locomotives that had previously been made available on loan to Zimbabwe. However, South Africa required locomotives to satisfy her increased needs during the winter months, and these were withdrawn on the expiry of the lease agreement. Zimbabwe's problems in this area have continued and have been publicly debated. South Africa has been given to understand that Zimbabwe would welcome South African assistance to alleviate the problem. We would indeed be willing to consider any request for assistance sympathetically, on the understanding that it was directed to us in the appropriate fashion at a government-to-government level.

The factor which, however, was mainly responsible for the interruption of the co-operative attitude between the two countries was the increasingly hostile tone adopted by the Zimbabwe administration and media. Hardly had Mr. Mugabe "won" the election than he and his party began not only indulging in intemperate attacks against the South African Government but also giving a sympathetic hearing to the A.N.C. Mr. Mugabe made known the full moral and political support of Zimbabwe for those campaigning to overthrow the South African Government. He acquiesced in the presence of an A.N.C. Liaison Officer in Zimbabwe when South Africa knew that an A.N.C. office in Maputo had been the nerve centre for sabotage and terrorism attacks launched against installations in South Africa. The unwarranted vocal criticism of South Africa has grown steadily in volume and severity, as you will see from the extracts from statements by Zimbabwe officials that I attach by way of illustration. These actions can in no way be reconciled with accepted principles of good-neighbourliness. While the

South African Government has refrained from responding in kind to the attacks on it, it has been obliged to take note of them, taking into account the recent history of the region and the realities of domestic opinion. It is this situation which has led to the termination of previously programmed financial aid.

All the leaders of Southern Africa face the choice between confrontation and co-operation. There can be no stability or peace in the region as long as some leaders connive with subversive elements aiming to overthrow neighbouring governments. My Government has no choice but to act against subversion planned and launched from across South Africa's borders. Dr. Crocker displayed a clear grasp of the nature and extent of the problem in his recent address in Honolulu.

The South African Government remains prepared to co-operate with the Government of Zimbabwe as with any country in this region. The Government is ready to work towards the stabilization of the region which will benefit all its peoples. As you know one of the priorities of the Prime Minister and the Government is the promotion of regional development and co-operation. As far as Zimbabwe is concerned this is simply not possible as long as it maintains its attitude of actively assisting an organization which is committed to and engaged in terrorism against South Africa. Nor is co-operation made easier by a continuous stream of vitriolic statements and invective. We believe in dialogue to remove obstacles and bring about better understanding. We trust that the Government of Zimbabwe will eventually come to the same conclusion.

With warm personal regards,

Yours sincerely,

A handwritten signature in black ink, appearing to read 'R. F. Botha'. The signature is stylized with a large initial 'R' and a long horizontal stroke extending to the right.

R. F. BOTHA