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MEMORANDUM FOR: Chief, Africa Division/DO
Chief, [redacted] EPS/DO
Chief, Africa & Latin America Division/DI
Associate General Counsel for the DO

FROM: [redacted] Legislation Division
Office of Congressional Affairs

SUBJECT: Testimony Before the Senate Re: South Africa
Sanctions

Attached for your information is a copy of the prepared
statement of the Deputy Secretary of State, John C. Whitehead,
before the Senate Committee on Foreign Relations regarding
S. 2378, the South Africa sanctions bill.



Attachment

OCA/LEG, [redacted] (1 July 1988)

Distribution:

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from the Inter-American Development Bank. ADMIC made approximately 2,300 microbusiness loans averaging \$200 each. ADMIC estimates that one job was created for every loan made. During this same time period, ADMIC also provided skills training and other forms of technical assistance to about 4,800 microenterprises. In addition to providing these services, ADMIC played a leading role in establishing eight affiliate organizations in seven Mexican states and training their directors and staff. It also helped to establish an association of 150 microentrepreneurs and has assisted groups of carpenters, seamstresses, and rug-makers to organize small trade associations. Based upon its performance, ADMIC negotiated a loan guarantee from the U.S. Agency for International Development which was used to establish a \$450,000 line of credit for microentrepreneurs with the Banco Mercantil del Norte. ADMIC's success has also resulted in the creation of a similar state-run program in Monterrey.

Mr. President, each of these examples provides evidence that low cost aid programs are successful in achieving lasting results. In this era of budget restraint, we should realize—as these examples demonstrate—that helping others to help themselves need not cost a great deal of money. The experimental project approach of the Inter-American Foundation has worked well.

ASSOCIATION OF AMERICAN CHAMBERS OF COMMERCE BICENTENNIAL OF THE CONSTITUTION ESSAY CONTEST

Mr. KENNEDY. Mr. President, I am pleased to join Senator STEVENS in congratulating the winners of the Bicentennial Essay Contest held by the Association of American Chambers of Commerce in Latin America.

These students are talented individuals, and I commend them for their contributions to the bicentennial of the Constitution.

Over the 200 years of its existence, the U.S. Constitution has demonstrated a formidable ability to respond to challenges from any source—whether from the militant rivalry of totalitarian governments, or from the more friendly competition of parliamentary democracies, or from the political extremes in this country.

Again and again over the past two centuries, the Constitution has proved its capacity to protect and expand our freedom, while safeguarding the enduring values essential for liberty to grow and flourish.

All of the winners of the bicentennial essay contest should take pride in their achievement. Their participation has enriched their own lives and their countries, by developing a greater understanding of the principle of the separation of powers in the U.S. Constitution that helps to make it the precious charter of liberty and democra-

cy. If the Founding Fathers were here today, I am sure they would be as proud as we are of the achievements of these students.

Mr. STEVENS. Mr. President, a bicentennial essay contest was recently held by the Association of American Chambers of Commerce in Latin America. High school and college students from 13 countries in South America, Central America, and the Caribbean participated in the essay contest. The essays analyzed the separation of powers in the American system of government and the avoidance of political extremes.

Considering recent problems in the Philippines, Panama, and Nicaragua, it is enlightening to see that young people from our southern neighboring countries recognize the greatness of our Nation's constitutional system.

Our attention is usually focused on the problem areas in Central and South America—and for good reason. There are countries that are having serious problems. But these are the exceptions. This contest should serve to remind us that democracy is spreading in Latin America.

The U.S. greatest contribution to this democratic movement has been by example. Our Constitution—the backbone of our Nation—has endured the test of time. These students have recognized this.

Karen Conway, 17, first-place winner from the Dominican Republic wrote:

The Constitution has survived cleavage because of the separation of powers. As a general guide for management, it has adjusted and expanded to the new conditions imposed upon it. The very fact that it is able to adapt to change and isn't explicit has made it workable. The Constitutional Fathers must have certainly intended it this way and must have trusted the American people.

Ricardo Torres de Mello, 17, first-place winner from Brazil, noted:

Some people have criticized the separation of powers arrangement, arguing that it creates confusion, causes delays and contributes to a lack of direction in American government. But this is the prize (sic) that must be paid to safeguard against potential abuses of the powers of the government. Power tends to corrupt!

Robert Lustberg, 16, first-place winner from Mexico said:

The Founding Fathers separated the government into three branches. Yet one must say that the Constitution as well works due to the people which play a role in the political life of a country, for they try to hold the pieces together, and when an anarchist or havoc-wrecker finds his way in, he may very well upset the system. The separation of powers hence can be said to help make the Constitution work for it provides a framework in which the precepts of the Constitution can be easily enforced, making it easier for the Constitution to work.

The other winners of the essay contest expressed similarly enthusiastic perceptions of our constitutional system.

As members of the International Committee of the Commission on the Bicentennial of the U.S. Constitution,

I would like to join Senator KENNEDY in asking unanimous consent that the list of 13 winners of the Latin American Bicentennial Essay Contest be printed in the RECORD.

There being no objection, the winners were ordered to be printed in the RECORD, as follows:

Karina Dawson, 17, Lincoln School Buenos Aires, Argentina.

Ricardo Torres de Mello, 17, Graded School of Sao Paulo, Sao Paulo, Brazil.

Martin Escobar, 15, Escuela Cooperative Santa Cruz, La Paz, Bolivia.

Paulina Bardón, 16, Santiago College, Santiago, Chile.

Karen Conway, 17, Carol Morgan School, Santo Domingo, Dominican Republic.

Michael Torres, 14, American School, Guayaquil, Ecuador.

Tania Brett, 16, American School, El Salvador, El Salvador.

Juan Carlos Guirio Palencia, 18, English-American School, Guatemala City, Guatemala.

Dacia Flores, 18, Maya School, Tegucigalpa, Honduras.

Phillip Bailey, 22, University of West Indies, Kingston, Jamaica.

Robert Lustberg, 16, American School Foundation, Mexico City, Mexico.

Sergio Luis Zanotti Cavazzoni, 17, American School, Asuncion, Paraguay.

Richard Kechichiam, 18, Liceo Miranda, Montevideo, Uruguay.

ADMINISTRATION SOUTH AFRICA POLICY

Mr. PRESSLER. Mr. President, yesterday the Senate Foreign Relations Committee on which I serve began a series of hearings on the issue of U.S. economic sanctions against South Africa.

At the hearing, the Honorable John C. Whitehead, Deputy Secretary of State, presented an explanation of the Reagan administration's views on pending legislation that would impose further economic sanctions on South Africa and Namibia. I thought Mr. Whitehead's exposition of the issues was excellent.

Mr. Whitehead's testimony was professionally competent. He is one of the State Department's most eloquent witnesses. As a public service I ask unanimous consent that the full text of his prepared statement be printed at this point in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY OF DEPUTY SECRETARY OF STATE JOHN C. WHITEHEAD

Thank you, Mr. Chairman, for this opportunity to present the Administration's views on Senate Bill 2378, the Amendments to the Comprehensive Anti-Apartheid Act of 1986. If enacted, this legislation could have important consequences for the future of American diplomacy in South Africa and in the Southern Africa region. For reasons I hope to make clear in my testimony, the Administration strongly opposes Senate Bill 2378. American interests are not served by legislation which requires that we experiment in the economic destabilization of South Africa without genuine prospects of contributing to the solution of that country's problems.

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Despite our strong objections to this bill, we are quick to recognize the feelings which motivated it. South Africa's apartheid system is repugnant to all Americans. While many governments tolerate or even surreptitiously encourage discrimination on the basis of ethnicity, only in South Africa is racial discrimination a civic duty and the failure to practice it a punishable offense. Among nations which profess to identify with Western, democratic values, only South Africa classifies individuals, herds them into groups, and strips them of their individual political rights according to racial and ethnic criteria. This monstrous injustice affronts us all and cries out for redress.

Our aversion deepens when we are confronted by the stubborn resistance of the South African government to appeals for peaceful change. Successive generations of black activists—during the defiance campaigns of the early 1950s and early 1960s, during the Soweto uprising of the 1970s, and in the latest wave of township protest from 1984 to 1986—have been shattered by progressively harsher and more sophisticated forms of official repression. Despite repeated, worldwide censure and the imposition of severe sanctions—some of them dating back more than twenty years—South Africa's governing elite remains steadfast in its determination to retain its monopoly on political power.

Injustice and inequality are entrenched in South Africa, but not all the trends are negative. Over the past ten years, the nature of apartheid has changed markedly. Numerous petty apartheid provisions have fallen by the wayside, the Pass Laws have been scrapped, central business districts have been opened to blacks, and black labor unions have been legalized and have made impressive organizational strides. These changes testify to a growing awareness among many South African whites that apartheid in its purest sense is impractical and uneconomic, if not actually immoral. Consistent with this trend is the finding of the Dutch Reformed Church two years ago that no scriptural justification exists for the practice of apartheid. Another institutional pillar of the Afrikaner establishment, the Broederbond, also broke with apartheid orthodoxy at that time. Regrettably, this willingness to dispense with some forms of racial discrimination has not yet developed into a consensus in favor of addressing the truly critical issue confronting South Africa, which is the issue of permitting all South Africans to participate in deciding how and by whom they are governed.

A clear and dispassionate analysis of the crisis gripping South Africa is required if the United States hopes to play a constructive role there. Our interests demand that we avoid the pitfalls of desperate activism on the one side and resignation and disengagement on the other. We must accept that the transition to a non-racial democracy in South Africa will inevitably take longer than all of us would like. We must also understand that South Africans themselves—black and white—will be the agents of their own liberation, with outsiders, including the United States, playing only a secondary role at best. Above all, we need to acknowledge that such limited influence as we currently possess derives from our continuing presence on the ground in South Africa. A progressive U.S. business presence, an official aid program reaching out to tens of thousands of black South Africans, our persistence in urging South Africans to confront the imperatives of dialogue and compromise and to consider what they are for as well as what they are against—these are the most important assets we have for challenging apartheid. We can condemn, cen-

sure and sanction—as this legislation requires—and hope against logic and experience that we can achieve some beneficial result. Or we can take a longer view which refuses to disengage, preserves our lines of communication, our contacts and our limited resources within South Africa, and positions the United States to intervene positively at the moment when our limited leverage can accomplish the most good.

THE FALLACY OF SANCTIONS

Three years ago, at the height of the violent unrest in black townships across South Africa, it was fashionable to argue that apartheid had entered its final crisis. Activists in South Africa, exiled black leaders and many observers in Europe and the United States predicted that only a final push was needed to topple the system. Comprehensive and mandatory international sanctions were thought by some to be precisely the push required.

These prognostications were obviously wide of the mark. Few persons familiar with existing power relationships in South Africa seriously believe that a rapid resolution of the crisis is possible—with or without sanctions pressure. Surely it was unrealistic to expect the South African government to respond to our pressure by ending the State of Emergency, releasing political detainees or meeting any of the other conditions for lifting sanctions outlined in the Comprehensive Anti-Apartheid Act. Not surprisingly, the South African government refused categorically to meet these demands.

Presumably in recognition of these factors, Congress has modified its expectations. In reporting out HR 1580, the House Foreign Affairs Committee describes sanctions as "part of a medium-to-long-term approach designed to maximize both internal and external pressure on the apartheid regime". The House report further notes that to ensure their effectiveness, sanctions must be multilateralized; that U.S. pressure alone will be insufficient to accelerate the pace of change in South Africa.

It should be clearly understood that the Administration has consulted intensively with South Africa's main trading partners, all of whom are major allies of the United States. For the most part, these governments are strongly disinclined to either follow an American lead or act unilaterally in adopting further punitive sanctions. Our allies either reject or are highly skeptical of the premise that by destabilizing the South African economy, the West can somehow engineer a relatively peaceful transition to democratic rule in South Africa. Moreover, these governments judge—as does the Administration—that international sanctions cannot be effectively enforced without recourse to military measures.

As some of you may be aware, we have received in the past two weeks separate, official communications from the European Community and the British government informing us of their deep concerns over extraterritorial provisions in this bill. Passage of S2378, particularly the secondary boycott features, could lead to GATT disputes with our major trading partners and undermining the U.S. negotiating position in the current round of GATT talks.

We should not, therefore, delude ourselves into thinking that it is possible to internationalize sanctions under American leadership. Our allies will resist this approach, at least until such time as we can demonstrate convincingly that cutting trade links, selling off assets, and relinquishing contracts across the board in South Africa will result in something other than a costly, symbolic protest.

The central fallacy of the sanctions approach is not simply that it isn't feasible. Rather, the problem lies with a fundamental misreading of South African political and economic realities, and with the acceptance of a false correlation between economic pain and positive social change. Simply put, sanctions are the wrong tool brought to the wrong job.

Sanctions are the wrong tool because South Africa has the resources to resist an economic siege and has been preparing for such a contingency for many years. Although heavily dependent on international trade, South Africa has domestic deposits of virtually every key raw material input needed for an industrial economy, with the major exceptions of crude oil and bauxite. The South African government and private sector have spent millions of dollars stockpiling strategic imports—ranging from crude oil and bauxite to computer and aircraft parts; these stockpiles would provide a cushion against shortages until alternative sources of supply could be found or import substitution projects completed.

Based on previous experiences with international embargoes against South Africa, we believe that direct controls on shipments to South Africa would probably not prevent South African importers from obtaining the foreign supplies that they need. One possible exception would be certain high-technology goods, for which adequate enforcement mechanisms already exist.

With regard to South African exports, 65 percent of export earnings are made up of low bulk/high value items such as gold, diamonds and strategic minerals. Most economists believe that an effective boycott of these commodities would be difficult or impossible to enforce. The remaining 35 percent, mainly steel and manufactured products, would be more vulnerable to a general boycott. Even here, however, a boycott would not be airtight. For example, in the past two years sanctions have closed 80 percent of South Africa's traditional export market for steel, yet South African steel exports were only down by about 2.9 percent through October of last year. Given South Africa's proven capacity for trade realignment and diversion and its still untested capacity for full-scale sanctions-busting, we estimate that even reasonably well-enforced comprehensive U.N. sanctions would cut total export receipts by something less than 25 percent.

The net result of a total trade embargo on South Africa would almost certainly be far less dramatic than proponents of the sanctions approach believe. The impact is likely to be a moderate recession over the medium term, comparable to the 1982-1986 period in South Africa. Over the longer term, constraints on growth and a decline in competitiveness could push South Africa deeper into recession.

But, whatever their economic consequences, what counts is the political impact of sanctions. As one leading South African Marxist theoretician recently noted in a reversal of his previous position, the criterion for sanctions should be the question of whether they consolidate the position of the black worker and black organizations. He concludes that sanctions don't meet that criterion. As I will point out, sanctions are far more likely to produce perverse results: mild discomfort, at most, for white elites, but a risk of severe economic dislocation for the black work force.

THE ECONOMIC COSTS TO THE UNITED STATES

Sanctions are not cost-free for the United States. S. 2738 will require U.S. business to find new markets, assuming they are avail-

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able, for over \$1.2 billion in annual exports of mostly manufactured and high-technology goods. The forced liquidation of over \$1 billion in direct U.S. investment will change little in South Africa except to consolidate the position of local business interests acquiring these assets at well below market value. It is reasonable to expect that at least some U.S. companies will challenge the constitutionality of this provision on the grounds that it results in the confiscation of assets without fair compensation.

While the precise impact of sanctions on the U.S. economy is hard to measure, some industries will be more seriously affected than others. Studies indicate that the U.S. coal industry has already lost an estimated \$250 million over the past three years. A sizable portion of the loss is due to market distortions caused by existing U.S. sanctions against South Africa. Foreign customers of the U.S. government enriching services who use South African uranium provide approximately \$350 million a year in revenues. Some of these customers will take their enrichment business to Europe and the Soviet Union if the U.S. cannot process their material.

These estimates do not include the potential cost of South African countersanctions. Even a temporary disruption of strategic mineral exports to the United States would have serious repercussions over a broad range of U.S. industries.

According to the U.S. Bureau of Mines, the direct economic costs to this nation resulting from a decision to embargo South African strategic and critical minerals imports are estimated at \$1.85 billion per year. About 94 percent of these estimated costs are for two platinum-group metals (PGM's), platinum and rhodium.

Platinum is primarily used in the production of automotive catalytic converters, and about two-thirds of 1986 total domestic industrial consumption was used for this purpose. In 1986, the United States imported 86 percent of its platinum supplies from South Africa.

Outside the Soviet Bloc, there are insufficient alternative supply sources to South Africa to meet United States platinum metal requirements. In 1986, the total production of countries other than South Africa and the Soviet Union, including domestic primary and secondary production, could only satisfy about 40 percent of United States demand.

Rhodium is a very rare metal absolutely essential for compliance with Clean Air Act auto emissions standards for nitrous oxides. Omitting the Soviet Union and other centrally planned economies, U.S. consumption of rhodium was almost one-half of the Western world total. The primary application of rhodium is in the production of automotive catalytic converters. Over 70 percent of U.S. consumption (93 thousand ounces in 1986) was used in this application in 1986. Rhodium demand is increasing worldwide as emission-control requirements are placed on nitrous oxide emissions, and as the control requirements are applied to a larger fleet of vehicles. In 1986, South Africa provided about 53 percent of Western world supply, the Soviet Union 38 percent, and secondary recovery 5 percent. There are insufficient non-South African rhodium supplies to meet U.S. demand.

It should be pointed out that while the South African government has never threatened the U.S. with a disruption or a cut-off of strategic minerals supplies, it is certainly has this option. Pretoria also has the option of slapping countersanctions on neighboring black states, all of whom are critically dependent on South African trade or transport routes or both. Passage of this bill

would put South Africa's intentions to the test with regard to both the U.S. and our interests in stable development of the region.

THE POLITICAL COSTS OF SANCTIONS

If sanctions are the wrong tool, they are also being used for the wrong job. Ostensibly aimed at influencing South Africa's key decisionmakers, sanctions miss this target altogether while hitting everyone else, causing collateral damage in precisely those sectors of South African society which are pushing hardest for fundamental, peaceful change.

If comprehensive, international sanctions against South Africa are extended, we should anticipate that the main losers will be South African blacks. They will be the first to suffer the effects of a prolonged recession in terms of lost opportunities, lost jobs, and decreased government spending on black housing, black education, and services provided to black townships. This is unintended and possibly tragic economic implication of the sanctions approach.

At the same time, the forced withdrawal of U.S. corporations from South Africa will end funding and logistical support for a wide range of programs designed to promote black economic empowerment, foster black self-reliance, and build professional and leadership skills. U.S. and other Western corporation play an important part in helping to sustain an estimated 2,000 such programs which exist at the grassroots level. In the face of mounting restrictions on most forms of opposition political activity, these programs provide a vital organizational network and fall-back position for those blacks working to build the power bases necessary for challenging the government.

In less direct fashion, we stand to lose other opportunities to deflect repressive measures directed at blacks. If the threat of a total economic embargo on South Africa becomes reality, the South African government have even fewer reasons to heed outside advice on what it regards as its internal political affairs. Although our standing with the South African government will have even fewer reasons to heed outside advice on what it regards as its internal political affairs. Although our standing with the South African government declined sharply following passage of the Comprehensive Anti-Apartheid Act in 1986, we retained enough influence to argue persuasively in favor of a stay of execution for the Sharpeville Six. We have also successfully lobbied to postpone and, hopefully, sidetrack pending legislation which could end all foreign funding to groups whose activities the government broadly defines as "political." These are small but significant achievements. We cannot realistically expect to repeat them if we continue down the road toward punitive trade embargoes and a severance of ties with South African officialdom.

I cannot accept the argument that by inflicting additional economic hardship political frustration on South African blacks we create the conditions necessary for a successful challenge to apartheid system. Nor is it reasonable to think that sanctions will have a demoralizing effect on white elites, thereby rendering them more vulnerable to pressures for fundamental change. Under any conceivable sanctions scenario the South African government will assign top priority to protecting white jobs and to ensuring that the police and military are funded at levels sufficient to avoid any decline in their capabilities. The suppression of new outbreaks of black unrest is a foregone conclusion. To suppose that outside powers can rearrange government priorities through economic quarantines and reduced

contact with South Africa is to misread tragically the staying power of the African minority and its determination to put its security ahead of all other interests, including the interests of South Africa as a whole.

South African blacks will be the primary, but not the only, victims of an international sanctions campaign against South Africa. Other victims will be those South African whites who most closely identify with American democratic ideals and who support black aspirations for a more just society. Leaders such as Frederik van Zyl Slabbert, Wynand Malan, Helen Suzman, and Denis Worrall staunchly oppose an economic and diplomatic quarantine of South Africa. As they struggle to build bridges across South Africa's racial divide, they need the support that a strong U.S. presence—both official and unofficial—provides. They have seen sanctions contribute to a siege mentality among whites which the ruling National Party has successfully fostered and exploited by converting to its ranks thousands of relatively moderate, English-speaking voters over the past two years. They have also witnessed a steady erosion over the past year of fundamental civil liberties even in the hitherto protected sphere of white politics. The same noose which has been used to strangle black dissent is now coiled expectantly around the white, reformist opposition. By dissociating ourselves from South Africa, we simply make it easier and less costly for authorities to pull that noose tighter.

By the same token, ultra-conservative factions in South Africa are increasingly drawn to the prospect of cutting trade links, ending the U.S. business presence in South Africa, and limiting contact with the West. From their standpoint, a strong American presence is an unwelcome restraint on South Africa's internal and external policy options. Conservatives resent what they regard as American meddling in South Africa's internal affairs, including our financial and moral support to anti-apartheid groups, and our persistence seeking ways to dismantle racial barriers and promote dialogue. They also resent American films and television programs, our music, journalism and popular culture because of their supposedly subversive influence on a younger generation of Afrikaners. South Africa's U.N. representative was speaking to this constituency when, in responding a few months ago to harsh criticism of South Africa in the General Assembly, he invited the international community to "do its damndest" to Pretoria. He could have as well added: "and close the door behind you." Neither hardliners in the National Party, nor the growing conservative opposition, nor the more militant organizations even further to the right will mourn the absence of Americans from South Africa.

SANCTIONS AND THE BLACK OPPOSITION

Claims that the overwhelming majority of South African blacks support sanctions cannot be substantiated. Certainly respected black leaders of community, labor, church and student organizations, as well as the ANC and PAC in exile, continue to call publicly for further punitive measures against Pretoria. Some, like Archbishop Desmond Tutu, believe that sanctions are the only alternative to uncontrollable violence. Leaders of the Front Line States have also, in past years at least, been outspoken in calling for U.S. and Western sanctions against South Africa.

Yet there are signs that over the past two years a serious rethinking of the sanctions strategy has taken place. Some mass organizations, such as conservative black churches

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and Chief Buthelesi's Inkatha movement which claims to represent more than six million Zulus, have always been opposed to international sanctions. Other organizations, such as the National African Federated Chamber of Commerce, which represents most major black business interests, officially subscribe to sanctions while leaving individual members ample room to express doubts. Even within the staunchly pro-sanctions COSATU, debate simmers over the wisdom of promoting international embargoes.

While it would be wrong to infer that black opposition leaders are simply out of touch with their rank and file, debate over the effectiveness of sanctions is unquestionably livelier now than ever before. This new mood is captured in Soweto playwright Gibson Kente's popular drama "Sekunjalo," which depicts comrades destroying a township by intimidating, burning and boycotting. It ends with a declaration of hatred for Afrikaner rule and a dance routine in which the actors sing "Who's gonna plant that cane? Who's gonna drive that train? Who's gonna fly that plane?" Kente's actors recount the events of the 1850s when the Xhosa nation killed its cattle and burned its grain in the faith that the dead would rise and the Russians would come to drive the British into the sea. The actors compare those times with the current calls for sanctions and bemoan the self-destructive tradition of black South African resistance to white rule.

The Marxist intellectual and leader of the black-consciousness-based National Forum, Neville Alexander—hardly an apologist for apartheid—makes the same argument from a different perspective. He wrote recently that "I believe . . . that the insistence on total sanctions is senseless—as senseless as an unqualified academic boycott and unlimited school boycotts—which amount to suicide if you do not have real power, and if the government is not yet so weak that such pressure can bring it to its knees."

Across South Africa's borders, reassessments of the effects of sanctions and possible South African countersanctions on the economies of the Front Line States are also underway. As a result, Front Line leaders have modified their rhetoric, moved serious discussions of sanctions to the margins of international meetings and abandoned plans to apply sanctions of their own. Trade between South Africa and most neighboring states has actually increased over the past year.

These observations are not meant to suggest that black South Africans have come to terms with white domination, or that South Africa's black-ruled neighbors have accepted the status of satellites to the region's economic superpower. What has occurred, I believe, is that sanctions have been re-evaluated and strong misgivings have developed about both their high costs and effectiveness.

KEEPING OPEN U.S. OPTIONS

I alluded earlier to the combination of outrage and impatience with which many Americans react to the situation in South Africa. But neither we nor South Africans can afford U.S. policies motivated primarily by passion. There exists a broad American consensus on what is wrong in South Africa and on the steps South Africa and its citizens must take to correct these wrongs. This consensus could provide the basis for a realistic, workable, and non-partisan approach to the South African crisis.

Any sound American policy toward South Africa must take into account at least two fundamental constraints. First, we must accept that South Africa's crisis in an en-

during one. There are no quick solutions. Resorting to drastic remedies, such as the misuse of American power to destabilize the South African economy, only increases chances of a catastrophic outcome for all South Africans. Second, we must also accept that our leverage is limited. South Africa can survive—even thrive—without trade or contact with Americans. Our mission should be one of using all available means to maximize our influence and leverage. This can't be achieved through a policy of economic and diplomatic dissociation from the problem.

Operating from these premises, the Administration has constructed an approach which emphasizes both the protection of enduring U.S. interests in South Africa and the promotion of rapid, fundamental change in that society. This approach has a number of key elements.

The Administration has undertaken strenuous efforts to keep open all our lines of communication, to expand contracts across the racial and political spectrum, and to open up opportunities for the kinds of negotiations which are South Africa's only alternative to a slow descent into civil war. Over the past eight years, all groups in South Africa, including the full range of opposition movement leaders, have had access to the highest levels of our government. We continue to make it clear to the South African government that we believe it has a special responsibility to create the necessary conditions in which negotiations with credible opponents can take place.

Expanding our assistance to apartheid's victims is a top priority. South Africa's struggling black communities need our financial support, our technical and professional training, and our help in developing organizational and leadership skills. These are the building blocks from which the disadvantaged majority will construct a more just and more democratic future for South Africa. To the extent that numbers of blacks already possess the knowledge and the skills, and hence the economic power, that a modern industrial state requires, they have greatly strengthened their bargaining position vis-a-vis South Africa's governing elite. We must work to develop further this leverage and to help turn it to political advantage. This is the central thrust of our official aid program to South Africa. Obviously, sanctions-induced unemployment, a turn by South Africa towards autarky and tighter state control of the economy, and a reduced American presence in South Africa would all work against this effort.

In dealing with South Africa, we must continue to put a strong emphasis on the regional context. Turmoil in South Africa continues to spread outwards in shock waves which threaten the economic and political stability of neighboring states. Our regional diplomacy is committed to reducing these states' economic vulnerabilities and to easing misunderstandings and tensions in their dealings with South Africa.

In this regard, negotiations currently underway to secure Namibian independence and the withdrawal of all foreign troops from both Namibia and Angola assume special importance. A negotiated solution would be a signal achievement for American diplomacy and would win widespread approval throughout Africa. Progress has been made which even sympathetic observers would have said a short time ago was impossible. We have laid down the conceptual basis for a settlement and brought all parties to the realization that Namibian independence, the removal of foreign armies from Angola, and the resolution of Angola's internal conflict are interrelated problems.

None of these problems can be solved in isolation from the others.

Our mediation continues, and it is important that Congress not undercut this effort by ordering drastic changes in our bilateral relationship with one of the negotiating parties. While it may be in South Africa's best interests to achieve a negotiated settlement in Angola and Namibia, Pretoria could well decide that a harsh, diplomatic rejoinder to expressions of U.S. hostility is a higher immediate priority.

As a final note, I would like to point out that in a few months' time a new U.S. administration will enter office and will no doubt undertake a review of U.S. policy toward South Africa and the region. It would be wrong for Congress to commit the United States, in the final days of this administration, to the extreme measures contemplated in S2378. To do so will deny the new Administration the option of continuity in U.S. policy while at the same time seriously restricting its choices before it has even entered office.

The South African dilemma will be with us for some time to come. The only reasonable course Americans can adopt is one which ensures that we retain as many diplomatic tools and channels of influence as possible in the search for ways to remain relevant and involved in finding a solution. Regrettably, S2378 takes us in precisely the opposite direction.

APARTHEID AS IT AFFECTS NOSIPHO

Mr. METZENBAUM. Mr. President, I rise today to talk about one of the most poignant and painful aspects of the strife that has engulfed South Africa.

During the Senate's hours of debate over the situation there, we have addressed many issues.

We have debated the effects of sanctions on the black minority;

We have considered how Pretoria's actions destabilize the region as a whole;

And we have discussed the appropriate role for international corporations to play in ending apartheid.

In my view, the Senate has played a constructive role in charting the course of United States foreign policy toward South Africa. Yet, Mr. President, I think that in our debate over landing rights, Krugerlands, and disinvestment we sometimes overlook the day-to-day suffering meted out by Pretoria's apartheid regime.

Now is a particularly important time to remember the painful consequences of apartheid for the children of South Africa.

Last year, I attended a symposium on the plight of South African children. Many have been caught in the web of mass arrests under Pretoria's martial law "justice system." In fact, nearly one-third of the total number of blacks detained by the Police during the 3-year-old "state of emergency" were children.

Mr. President, the numbers are shocking. The state of emergency was recently extended, and the number of children arbitrarily jailed remains unconscionably high.