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THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

September 9, 1985

FACT SHEET

PRESIDENT'S DECISION ON SOUTH AFRICA MEASURES

- President sending a strong signal to South African Government: apartheid must go; time is now for bold action; actions assert his strong leadership on this issue.
- U.S. policy has long included measures to disassociate ourselves from apartheid.
- Actions are consistent with President's intent to maintain active presence and influence of American companies, churches, teachers, diplomats, in pushing for change in South Africa.
- President shares concerns of American people about racism; his action designed to speak for entire Nation and pull American people together on this important issue.
- President's measures not designed to damage South African economy and hurt those we are trying to help; targeted on specific elements of government apparatus.
- President wants to work with Congress, on a bipartisan basis, to achieve positive and productive changes in the policies of the South African Government.
- E.O. commits U.S. to maintain strong presence in South Africa, supports fair employment practices of U.S. companies, increases USG funds for scholarships and human rights activities.
- E.O. prohibits U.S. banks lending to South African Government, except loans which would promote welfare of all South Africans.
- E.O. bans all computer exports to military, police, and other apartheid-enforcing agencies.
- E.O. prohibits U.S. nuclear exports to South Africa except for items needed for health and safety or for IAEA safeguard programs.
- E.O. requires firms to adhere to principles similar to voluntary Sullivan program; goal is to maintain voluntarism, but those who do not adhere will be denied USG trade assistance.
- E.O. requires USG to consult with GATT partners on Krugerrand ban.
- E.O. requires the Secretary of Treasury to study feasibility of minting and issuing gold coins.
- E.O. directs the Secretary of State to establish advisory committee of distinguished Americans to provide recommendations on measures to encourage peaceful change in South Africa.
- E.O. will implement U.N. resolution, which U.S. supported, banning imports of South African arms.

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THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

September 9, 1985

TO THE CONGRESS OF THE UNITED STATES:

Pursuant to section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(b), I hereby report to the Congress that I have exercised my statutory authority to declare that the policies and actions of the Government of South Africa constitute an unusual and extraordinary threat to the foreign policy and economy of the United States and to declare a national emergency to deal with that threat.

Pursuant to this and other legal authorities, I have prohibited certain transactions, including the following: (1) the making or approval of bank loans to the South African Government, with certain narrow exceptions; (2) the export of computers and related goods and technology to certain government agencies and any apartheid enforcing entity of the South African Government; (3) all nuclear exports to South Africa and related transactions, with certain narrow exceptions; (4) the import into the United States of arms, ammunition, or military vehicles produced in South Africa; and (5) the extension of export marketing support to U.S. firms employing at least twenty-five persons in South Africa which do not adhere to certain fair labor standards.

In addition, I have directed (6) the Secretary of State and the United States Trade Representative to consult with other parties to the General Agreement on Tariffs and Trade with a view toward adopting a prohibition on the import of Krugerrands; (7) the Secretary of the Treasury to complete a study within 60 days regarding the feasibility of minting U.S. gold coins; and (8) the Secretary of State to take the steps necessary to increase the amounts provided for scholarships in South Africa for those disadvantaged by the system of apartheid and to increase the amounts allocated for South Africa in the Human Rights Fund; and (9) the Secretary of State to establish an Advisory Committee to provide recommendations on measures to encourage peaceful change in South Africa.

Finally, this Order (10) commends the efforts of U.S. firms in South Africa that have voluntarily adhered to fair labor, nondiscrimination principles and encourages all U.S. firms to do likewise.

I am enclosing a copy of the Executive Order that I have issued making this declaration and exercising this authority.

1. I have authorized these steps in response to the current situation in South Africa. It is the foreign policy of the United States to seek peaceful change in South Africa, and in particular an end to the repugnant practice and policy of apartheid and the establishment of a government based on the consent of the governed. Recent developments in South Africa have serious implications for the prospects

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for peaceful change and the stability of the region as a whole, a region of strategic importance to the United States. The recent declaration of a state of emergency in 36 magisterial districts by the Government of South Africa, the mass arrests and detentions, and the ensuing financial crisis are of direct concern to the foreign policy and economy of the United States. The pace of reform in South Africa has not fulfilled the expectations of the world community nor the people of South Africa. Recent government actions regarding negotiations on the participation of all South Africans in the government of that country have not sufficiently diffused tensions and may have indeed exacerbated the situation.

Under these circumstances, I believe that it is necessary for this Nation to recognize that our foreign policy of seeking change through peaceful means is seriously threatened. In order for this Nation successfully to influence events in that country, it is necessary for the United States to speak with one voice and to demonstrate our opposition to apartheid by taking certain actions directed specifically at key apartheid policies and agencies.

2. The above-described measures, many of which reflect congressional concerns, will immediately demonstrate to the South African Government the seriousness of our concern with the situation in that country. Furthermore, this declaration mobilizes the influence of the private sector to promote an improvement in the economic prosperity, freedom, and political influence of blacks and other nonwhites in South Africa.

RONALD REAGAN

THE WHITE HOUSE,

September 9, 1985.

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THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

September 9, 1985

EXECUTIVE ORDER

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PROHIBITING TRADE AND CERTAIN OTHER
TRANSACTIONS INVOLVING SOUTH AFRICA

By the authority vested in me as President by the Constitution and laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), the Foreign Assistance Act (22 U.S.C. 2151 et seq.), the United Nations Participation Act (22 U.S.C. 287), the Arms Export Control Act (22 U.S.C. 2751 et seq.), the Export Administration Act (50 U.S.C. App. 2401 et seq.), the Atomic Energy Act (42 U.S.C. 2011 et seq.), the Foreign Service Act (22 U.S.C. 3901 et seq.), the Federal Advisory Committee Act (5 U.S.C. App. I), Section 301 of Title 3 of the United States Code, and considering the measures which the United Nations Security Council has decided on or recommended in Security Council Resolutions No. 418 of November 4, 1977, No. 558 of December 13, 1984, and No. 569 of July 26, 1985, and considering that the policy and practice of apartheid are repugnant to the moral and political values of democratic and free societies and run counter to United States policies to promote democratic governments throughout the world and respect for human rights, and the policy of the United States to influence peaceful change in South Africa, as well as the threat posed to United States interests by recent events in that country,

I, RONALD REAGAN, President of the United States of America, find that the policies and actions of the Government of South Africa constitute an unusual and extraordinary threat to the foreign policy and economy of the United States and hereby declare a national emergency to deal with that threat.

Section 1. Except as otherwise provided in this section, the following transactions are prohibited effective October 11, 1985:

(a) The making or approval of any loans by financial institutions in the United States to the Government of South Africa or to entities owned or controlled by that Government. This prohibition shall enter into force on November 11, 1985. It shall not apply to (i) any loan or extension of credit for any educational, housing, or health facility which is available to all persons on a nondiscriminatory basis and which is located in a geographic area accessible to all population groups without any legal or administrative restriction; or (ii) any loan or extension of credit for which an agreement is entered into before the date of this Order.

The Secretary of the Treasury is hereby authorized to promulgate such rules and regulations as may be necessary to carry out this subsection. The initial rules and regulations shall be issued within sixty days. The Secretary of the Treasury may, in consultation with the Secretary of State,

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permit exceptions to this prohibition only if the Secretary of the Treasury determines that the loan or extension of credit will improve the welfare or expand the economic opportunities of persons in South Africa disadvantaged by the apartheid system, provided that no exception may be made for any apartheid enforcing entity.

(b) All exports of computers, computer software, or goods or technology intended to service computers to or for use by any of the following entities of the Government of South Africa:

- (1) The military;
- (2) The police;
- (3) The prison system;
- (4) The national security agencies;
- (5) ARMSCOR and its subsidiaries or the weapons research activities of the Council for Scientific and Industrial Research;
- (6) The administering authorities for the black passbook and similar controls;
- (7) Any apartheid enforcing agency;
- (8) Any local or regional government or "homeland" entity which performs any function of any entity described in paragraphs (1) through (7).

The Secretary of Commerce is hereby authorized to promulgate such rules and regulations as may be necessary to carry out this subsection and to implement a system of end use verification to ensure that any computers exported directly or indirectly to South Africa will not be used by any entity set forth in this subsection.

(c)(1) Issuance of any license for the export to South Africa of goods or technology which are to be used in a nuclear production or utilization facility, or which, in the judgment of the Secretary of State, are likely to be diverted for use in such a facility; any authorization to engage, directly or indirectly, in the production of any special nuclear material in South Africa; any license for the export to South Africa of component parts or other items or substances especially relevant from the standpoint of export control because of their significance for nuclear explosive purposes; and any approval of retransfers to South Africa of any goods, technology, special nuclear material, components, items, or substances described in this section. The Secretaries of State, Energy, Commerce, and Treasury are hereby authorized to take such actions as may be necessary to carry out this subsection.

(2) Nothing in this section shall preclude assistance for International Atomic Energy Agency safeguards or IAEA programs generally available to its member states, or for technical programs for the purpose of reducing proliferation risks, such as for reducing the use of highly enriched uranium and activities envisaged by section 223 of the Nuclear Waste Policy Act (42 U.S.C. 10203) or for exports which the Secretary of State determines are necessary for humanitarian reasons to protect the public health and safety.

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(d) The import into the United States of any arms, ammunition, or military vehicles produced in South Africa or of any manufacturing data for such articles. The Secretaries of State, Treasury, and Defense are hereby authorized to take such actions as may be necessary to carry out this subsection.

Sec. 2. (a) The majority of United States firms in South Africa have voluntarily adhered to fair labor principles which have benefitted those in South Africa who have been disadvantaged by the apartheid system. It is the policy of the United States to encourage strongly all United States firms in South Africa to follow this commendable example.

(b) Accordingly, no department or agency of the United States may intercede after December 31, 1985, with any foreign government regarding the export marketing activity in any country of any national of the United States employing more than 25 individuals in South Africa who does not adhere to the principles stated in subsection (c) with respect to that national's operations in South Africa. The Secretary of State shall promulgate regulations to further define the employers that will be subject to the requirements of this subsection and procedures to ensure that such nationals may register that they have adhered to the principles.

(c) The principles referred to in subsection (b) are as follows:

(1) Desegregating the races in each employment facility;

(2) Providing equal employment opportunity for all employees without regard to race or ethnic origin;

(3) Assuring that the pay system is applied to all employees without regard to race or ethnic origin;

(4) Establishing a minimum wage and salary structure based on the appropriate local minimum economic level which takes into account the needs of employees and their families;

(5) Increasing by appropriate means the number of persons in managerial, supervisory, administrative, clerical, and technical jobs who are disadvantaged by the apartheid system for the purpose of significantly increasing their representation in such jobs;

(6) Taking reasonable steps to improve the quality of employees' lives outside the work environment with respect to housing, transportation, schooling, recreation, and health;

(7) Implementing fair labor practices by recognizing the right of all employees, regardless of racial or other distinctions, to self-organization and to form, join, or assist labor organizations, freely and without penalty or reprisal, and recognizing the right to refrain from any such activity.

(d) United States nationals referred to in subsection (b) are encouraged to take reasonable measures to extend the scope of their influence on activities outside the workplace, by measures such as supporting the right of all businesses, regardless of the racial character of their owners or employees, to locate in urban areas, by influencing other companies in South Africa to follow the standards specified in subsection (c) and by supporting the freedom of mobility of all workers, regardless of race, to seek employment opportunities wherever they exist, and by making provision for adequate housing for families of employees within the proximity of the employee's place of work.

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Sec. 3. The Secretary of State and the head of any other department or agency of the United States carrying out activities in South Africa shall promptly take, to the extent permitted by law, the necessary steps to ensure that the labor practices described in section (2)(c) are applied to their South African employees.

Sec. 4. The Secretary of State and the head of any other department or agency of the United States carrying out activities in South Africa shall, to the maximum extent practicable and to the extent permitted by law, in procuring goods or services in South Africa, make affirmative efforts to assist business enterprises having more than 50 percent beneficial ownership by persons in South Africa disadvantaged by the apartheid system.

Sec. 5. (a) The Secretary of State and the United States Trade Representative are directed to consult with other parties to the General Agreement on Tariffs and Trade with a view toward adopting a prohibition on the import of Krugerrands.

(b) The Secretary of the Treasury is directed to conduct a study to be completed within sixty days regarding the feasibility of minting and issuing gold coins with a view toward expeditiously seeking legislative authority to accomplish the goal of issuing such coins.

Sec. 6. In carrying out their respective functions and responsibilities under this Order, the Secretary of the Treasury and the Secretary of Commerce shall consult with the Secretary of State. Each such Secretary shall consult, as appropriate, with other government agencies and private persons.

Sec. 7. The Secretary of State shall establish, pursuant to appropriate legal authority, an Advisory Committee on South Africa to provide recommendations on measures to encourage peaceful change in South Africa. The Advisory Committee shall provide its initial report within twelve months.

Sec. 8. The Secretary of State is directed to take the steps necessary pursuant to the Foreign Assistance Act and related legislation to (a) increase the amount of internal scholarships provided to South Africans disadvantaged by the apartheid system up to \$8 million from funds made available for Fiscal Year 1986, and (b) increase the amount allocated for South Africa from funds made available for Fiscal Year 1986 in the Human Rights Fund up to \$1.5 million. At least one-third of the latter amount shall be used for legal assistance for South Africans. Appropriate increases in the amounts made available for these purposes will be considered in future fiscal years.

Sec. 9. This Order is intended to express and implement the foreign policy of the United States. It is not intended to create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any person.

RONALD REAGAN

THE WHITE HOUSE,
September 9, 1985.

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THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

September 9, 1985

REMARKS OF THE PRESIDENT
ON SIGNING EXECUTIVE ORDER
REGARDING SOUTH AFRICA

The Oval Office

10:30 A.M. EDT

THE PRESIDENT: I want to speak this morning about South Africa and about what America can do to help promote peace and justice in that country, so troubled and tormented by racial conflict.

The system of apartheid means deliberate, systematic, institutionalized racial discrimination, denying the black majority their God-given rights. America's view of apartheid is simple and straightforward. We believe it's wrong. We condemn it. And we're united in hoping for the day when apartheid will be no more.

Our influence over South African society is limited. But we do have some influence, and the question is how to use it. Many people of good will in this country have differing views. In my view, we must work for peaceful evolution and reform. Our aim cannot be to punish South Africa with economic sanctions that would injure the very people we're trying to help. I believe we must help all those who peacefully oppose apartheid. And we must recognize that the opponents of apartheid, using terrorism and violence, will bring not freedom and salvation but greater suffering and more opportunities for expanded Soviet influence within South Africa and in the entire region.

What we see in South Africa is a beginning of a process of change. The changes in policy, so far, are inadequate, but, ironically, they've been enough to raise expectations and stimulate demands for more far-reaching immediate change. It's the growing economic power of the black majority that has put them in a position to insist on political change.

South Africa is not a totalitarian society. There is a vigorous opposition press. And every day we see examples of outspoken protest and access to the international media that would never be possible in many parts of Africa or in the Soviet Union, for that matter.

But it is our active engagement, our willingness to try that gives us influence. Yes, we in America, because of what we are and what we stand for, have influence to do good. We also have immense potential to make things worse. Before taking fateful steps, we must ponder the key question: Are we helping to change the system? Or are we punishing the blacks, whom we seek to help?

American policy through several administrations has been to use our influence and our leverage against apartheid, not against innocent people who are the victims of apartheid. Being true to our heritage does not mean quitting, but reaching out, expanding our help for black education and community development, calling for political dialogue,

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urging South Africans of all races to seize the opportunity for peaceful accommodation before it's too late.

I respect and share the goals that have motivated many in Congress to send a message of U.S. concern about apartheid. But in doing so, we must not damage the economic well-being of millions of people in South and Southern Africa. If we genuinely wish, as I do, to develop a bipartisan basis of consensus in support of U.S. policies, this is the basis on which to proceed.

Therefore, I'm signing today an Executive Order that will put in place a set of measures designed and aimed against the machinery of apartheid without indiscriminately punishing the people who are victims of that system -- measures that will disassociate the United States from apartheid, but associate us positively with peaceful change.

These steps include a ban on all computer exports to agencies involved in the enforcement of apartheid and to the security forces; a prohibition on exports of nuclear goods or technology to South Africa, except as is required to implement nuclear proliferation safeguards of the International Atomic Energy Agency, or those necessary for humanitarian reasons to protect health and safety; a ban on loans to the South African government, except certain loans which improve economic opportunities or educational housing and health facilities that are open and accessible to South Africans of all races.

I'm directing the Secretary of State and the United States Trade Representative to consult with our major trading partners regarding banning the importation of Krugerrands. I'm also instructing the Secretary of the Treasury to report to me within 60 days on the feasibility of minting an American gold coin which could provide an alternative to the Krugerrand for our coin collectors.

I want to encourage ongoing actions by our government and by private Americans to improve the living standards of South Africa's black majority. The Sullivan Code, devised by a distinguished black minister from Philadelphia, the Reverend Leon Sullivan, has set the highest standards of labor practices for progressive employers throughout South Africa. I urge all American companies to participate in it, and I'm instructing the American Ambassador to South Africa to make every effort to get companies which have not adopted them -- the Sullivan principles -- to do so.

In addition, my Executive Order will ban U.S. government export assistance to any American firm in South Africa employing more than 25 persons which does not adhere to the comprehensive fair employment principles stated in the Order by the end of this year.

I'm also directing the Secretary of State to increase substantially the money we provide for scholarships to South Africans disadvantaged by apartheid and the money our Embassy uses to promote human rights programs in South Africa.

Finally, I have decided Secretary -- or directed Secretary Shultz to establish an advisory committee of distinguished Americans to provide recommendations on measures to encourage peaceful change in South Africa. The advisory committee shall provide its first report within twelve months.

I believe the measures I'm announcing here today will best advance our goals. If the Congress sends me the present bill as reported by the Conference Committee, I would have to veto it. That need not happen. I want to work with the Congress to advance bipartisan support for America's policy toward South Africa. And that's why I have put forward this Executive Order today.

Three months ago, I recalled our Ambassador in South Africa for consultations so that he could participate in the intensive review of the Southern African situation that we've been engaged in. I have just said good-bye to him. I'm now sending him back with a message to State President Botha underlining our grave view of the current crisis and our assessment of what is needed to restore confidence abroad and move from confrontation to negotiation at home.

The problems of South Africa were not created overnight and will not be solved overnight. But there is no time to waste. To withdraw from this drama or to fan its flames will serve neither our interests nor those of the South African people. If all Americans join together behind a common program, we can have so much more influence for good.

So let us go forward with a clear vision and an open heart, working for justice and brotherhood and peace. And now I'm going to sign the Executive Order.

Q Mr. President, why did you change your mind on sanctions?

THE PRESIDENT: Helen, I haven't. I thought here I tried to explain. We -- I am opposed and could not sign the bill if it came to me containing the economic sanctions which, as we have repeatedly said, would have harmed the very people we're trying to help.

Q But much that's in that -- in your order --

THE PRESIDENT: But there are -- no, there were many things in that bill --

Q Right.

THE PRESIDENT: -- that we could agree with and many of those are incorporated in this Executive Order.

Q But those are basic sanctions, aren't they?

THE PRESIDENT: Not in the sense of the economic kind of sanctions that the bill called for and that, as I say, would have hurt the economy there.

Q And this won't hurt the economy?

THE PRESIDENT: No, I don't believe so.

Q Have you considered any sanctions --

Q Mr. President, you've basically put the weakest measures in the Congressional package. Why should this satisfy those in Congress who want a strong message sent to South Africa?

THE PRESIDENT: Well, we have consulted with some of them and found that there's great deal of improvement for what we're doing

here and they see the intent of this.

Q Mr. President, --

Q Mr. President, South Africa's business leaders have been talking about meeting with its black political leaders, but President Botha has described this as disloyal. What do you think?

THE PRESIDENT: We happen to believe that negotiation is the thing that must take place and we hope that maybe we can persuade them that they should, with the responsible black leaders, they should negotiate with regard to the solution of the problems.

Q Mr. President, can you still call your policy "constructive engagement" now?

THE PRESIDENT: What's that?

Q Can you still call your policy for South Africa "constructive engagement"?

THE PRESIDENT: Yes. You might add the word "active" to constructive. But, yes, I do think it is.

Q But what changes --

THE PRESIDENT: It is similar to what we have been doing in the past.

Q What changes would have to take place in South Africa for you to lift these measures?

THE PRESIDENT: I think the negotiations that lead toward the steps necessary to bring about political participation by all the citizens of South Africa, and when they start those constructive steps, as I have said, there isn't anything that is going to be achieved overnight. And --

Q So a dialogue would be enough?

THE PRESIDENT: No, I think out of that dialogue then would come further steps leading toward, as soon as possible, the end of apartheid.

Q But at what point would you feel free to lift what you have done today?

THE PRESIDENT: That would be hard for me right now to say. I think you have to see the intent and see whether the steps are being taken in a forthright manner, or whether there is some trying to give in here and there but still hold off in the -- from the ultimate results. So let us wait and see what happens.

Q What are you saying in your letter to Botha?

THE PRESIDENT: Well --

Q Basically, is it the same premise?

THE PRESIDENT: I assured him that -- of our desire to be of help in this, and to be of help in the further progress that we hope they intend to make.

Q Well, what kind of reaction do you think your reactions are sending to South Africa?

THE PRESIDENT: What is that?

Q How would you describe the kind of message you think this action is sending to South Africa?

THE PRESIDENT: I think the same kind that we have been using before. It is persuasion, but also indicating that the American people can get impatient with this, that we all feel very strongly about the changes that are needed in that society.

Q You know, Mr. President, since the bill is so similar to what you are proposing, why would you veto it?

THE PRESIDENT: Because, as I say, there were features in there --

Q What? Which ones?

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THE PRESIDENT: This is -- you see, this wouldn't have been necessary if I had what a president should have, which is line-item veto. I could have signed the bill and line-item vetoed out the --

Q What don't you like?

THE PRESIDENT: What?

Q What don't you like?

THE PRESIDENT: Well, as I say, basically let me just sum it up and say the actual economic provisions that we thought would have militated against the chance for prosperity and good living of the people we want to help. But now --

I think I have taken enough here because George Shultz is waiting in the press room to take your questions and to brief you more thoroughly on this whole problem.

Q Would you tell us, however, if you have discussed this matter with Congress, and what kind of response you are going to get? Aren't you in effect stealing their thunder a bit here with what you are doing?

THE PRESIDENT: No, we have discussed this with leaders of the Congress and have been very pleased with the reaction that we got.

Q If these sessions don't bring progress -- the kind of progress you are looking for -- will you take stiffer sanctions then?

THE PRESIDENT: That we'll look at when that comes. But remember, we're talking about a sovereign nation, and there are limits to what another country can do. We can't give orders to South Africa. We're trying to be helpful to them, knowing that there is a large element in South Africa, which also wants an answer to this problem.

Q Do you intend to keep the Ambassador there?

THE PRESIDENT: What?

Q He was recalled several months ago because of displeasure over policy. Will he remain in South Africa?

THE PRESIDENT: Yes. I said goodbye this morning.

Q Have you spoken personally to President Botha about --

THE PRESIDENT: What?

Q Have you spoken to President -- President Botha about --

THE PRESIDENT: No, I've written him.

Now, I think George --

Q Are you going to fire Don Regan?

THE PRESIDENT: -- must be getting very impatient.

What?

Q Are you going to fire Don Regan?

THE PRESIDENT: (Laughter.) Are you talking about the Redskin Football player? (Laughter.)

Q Not quite. I'm talking about the Post articles on the schism in your hierarchy.

THE PRESIDENT: If I fired anybody, it would be The Post. (Laughter.)

Okay. Go join George.

Q I shouldn't have mentioned their name. (Laughter.) Oh, excuse me.

Q How are you feeling, sir?

THE PRESIDENT: What?

Q How are you feeling?

THE PRESIDENT: I feel just fine. Don't I look it? (Laughter.)

Q Are we going to be looking forward to more vetoes after this one?

THE PRESIDENT: What's that?

Q If you're talking about vetoing this bill, are you going to veto others, too? Is this going to be a rough session?

THE PRESIDENT: Oh, I don't know. That'll depend a lot on the fellows on the Hill. I don't want it to be rough, but I've never --

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Q Don't forget your veto pen.

THE PRESIDENT: What?

Q Don't forget your veto pen.

THE PRESIDENT: (Laughter.) I'll just leave it there for future use.

All right.

THE PRESS: Thank you.

END

10:45 A.M. EDT

EXECUTIVE ORDER

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PROHIBITING TRADE AND CERTAIN OTHER
TRANSACTIONS INVOLVING SOUTH AFRICA

By the authority vested in me as President by the Constitution and laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), the Foreign Assistance Act (22 U.S.C. 2151 et seq.), the United Nations Participation Act (22 U.S.C. 287), the Arms Export Control Act (22 U.S.C. 2751 et seq.), the Export Administration Act (50 U.S.C. App. 2401 et seq.), the Atomic Energy Act (42 U.S.C. 2011 et seq.), the Foreign Service Act (22 U.S.C. 3901 et seq.), the Federal Advisory Committee Act (5 U.S.C. App. I), Section 301 of Title 3 of the United States Code, and considering the measures which the United Nations Security Council has decided on or recommended in Security Council Resolutions No. 418 of November 4, 1977, No. 558 of December 13, 1984, and No. 569 of July 26, 1985, and considering that the policy and practice of apartheid are repugnant to the moral and political values of democratic and free societies and run counter to United States policies to promote democratic governments throughout the world and respect for human rights, and the policy of the United States to influence peaceful change in South Africa, as well as the threat posed to United States interests by recent events in that country,

I, RONALD REAGAN, President of the United States of America, find that the policies and actions of the Government

of South Africa constitute an unusual and extraordinary threat to the foreign policy and economy of the United States and hereby declare a national emergency to deal with that threat.

Section 1. Except as otherwise provided in this section, the following transactions are prohibited effective October 11, 1985:

(a) The making or approval of any loans by financial institutions in the United States to the Government of South Africa or to entities owned or controlled by that Government. This prohibition shall enter into force on November 11, 1985. It shall not apply to (i) any loan or extension of credit for any educational, housing, or health facility which is available to all persons on a nondiscriminatory basis and which is located in a geographic area accessible to all population groups without any legal or administrative restriction; or (ii) any loan or extension of credit for which an agreement is entered into before the date of this Order.

The Secretary of the Treasury is hereby authorized to promulgate such rules and regulations as may be necessary to carry out this subsection. The initial rules and regulations shall be issued within sixty days. The Secretary of the Treasury may, in consultation with the Secretary of State, permit exceptions to this prohibition only if the Secretary of the Treasury determines that the loan or extension of credit will improve the welfare or expand the economic opportunities of persons in South Africa disadvantaged by the apartheid system, provided that no exception may be made for any apartheid enforcing entity.

(b) All exports of computers, computer software, or goods or technology intended to service computers to or for use by any of the following entities of the Government of South Africa:

(1) The military;

(2) The police;

(3) The prison system;

(4) The national security agencies;

(5) ARMSCOR and its subsidiaries or the weapons research activities of the Council for Scientific and Industrial Research;

(6) The administering authorities for the black passbook and similar controls;

(7) Any apartheid enforcing agency;

(8) Any local or regional government or "homeland" entity which performs any function of any entity described in paragraphs (1) through (7).

The Secretary of Commerce is hereby authorized to promulgate such rules and regulations as may be necessary to carry out this subsection and to implement a system of end use verification to ensure that any computers exported directly or indirectly to South Africa will not be used by any entity set forth in this subsection.

(c)(1) Issuance of any license for the export to South Africa of goods or technology which are to be used in a nuclear production or utilization facility, or which, in the judgment of the Secretary of State, are likely to be diverted for use in such a facility; any authorization to engage, directly or indirectly, in the production of any special nuclear material

in South Africa; any license for the export to South Africa of component parts or other items or substances especially relevant from the standpoint of export control because of their significance for nuclear explosive purposes; and any approval of retransfers to South Africa of any goods, technology, special nuclear material, components, items or substances described in this section. The Secretaries of State, Energy, Commerce, and Treasury are hereby authorized to take such actions as may be necessary to carry out this subsection.

(2) Nothing in this section shall preclude assistance for International Atomic Energy Agency safeguards or IAEA programs generally available to its member states, or for technical programs for the purpose of reducing proliferation risks, such as for reducing the use of highly enriched uranium and activities envisaged by section 223 of the Nuclear Waste Policy Act (42 U.S.C. 10203) or for exports which the Secretary of State determines are necessary for humanitarian reasons to protect the public health and safety.

(d) The import into the United States of any arms, ammunition, or military vehicles produced in South Africa or of any manufacturing data for such articles. The Secretaries of State, Treasury, and Defense are hereby authorized to take such actions as may be necessary to carry out this subsection.

Sec. 2. (a) The majority of United States firms in South Africa have voluntarily adhered to fair labor principles which have benefitted those in South Africa who have been disadvantaged by the apartheid system. It is the policy of the United States to encourage strongly all United States firms in South Africa to follow this commendable example.

(b) Accordingly, no department or agency of the United States may intercede after December 31, 1985, with any foreign government regarding the export marketing activity in any country of any national of the United States employing more than 25 individuals in South Africa who does not adhere to the principles stated in subsection (c) with respect to that national's operations in South Africa. The Secretary of State shall promulgate regulations to further define the employers that will be subject to the requirements of this subsection and procedures to ensure that such nationals may register that they have adhered to the principles.

(c) The principles referred to in subsection (b) are as follows:

- (1) Desegregating the races in each employment facility;
- (2) Providing equal employment opportunity for all employees without regard to race or ethnic origin;
- (3) Assuring that the pay system is applied to all employees without regard to race or ethnic origin;
- (4) Establishing a minimum wage and salary structure based on the appropriate local minimum economic level which takes into account the needs of employees and their families;
- (5) Increasing by appropriate means, the number of persons in managerial, supervisory, administrative, clerical, and technical jobs who are disadvantaged by the apartheid system for the purpose of significantly increasing their representation in such jobs;
- (6) Taking reasonable steps to improve the quality of employees' lives outside the work environment with respect to housing, transportation, schooling, recreation, and health;

(7) Implementing fair labor practices by recognizing the right of all employees, regardless of racial or other distinctions, to self-organization and to form, join, or assist labor organizations, freely and without penalty or reprisal, and recognizing the right to refrain from any such activity.

(d) United States nationals referred to in subsection (b) are encouraged to take reasonable measures to extend the scope of their influence on activities outside the workplace, by measures such as supporting the right of all businesses, regardless of the racial character of their owners or employees, to locate in urban areas, by influencing other companies in South Africa to follow the standards specified in subsection (c) and by supporting the freedom of mobility of all workers, regardless of race, to seek employment opportunities wherever they exist, and by making provision for adequate housing for families of employees within the proximity of the employee's place of work.

Sec. 3. The Secretary of State and the head of any other department or agency of the United States carrying out activities in South Africa shall promptly take, to the extent permitted by law, the necessary steps to ensure that the labor practices described in section (2)(c) are applied to their South African employees.

Sec. 4. The Secretary of State and the head of any other department or agency of the United States carrying out activities in South Africa shall, to the maximum extent practicable and to the extent permitted by law, in procuring

goods or services in South Africa, make affirmative efforts to assist business enterprises having more than 50 percent beneficial ownership by persons in South Africa disadvantaged by the apartheid system.

Sec. 5. (a) The Secretary of State and the United States Trade Representative are directed to consult with other parties to the General Agreement on Tariffs and Trade with a view toward adopting a prohibition on the import of Krugerrands.

(b) The Secretary of the Treasury is directed to conduct a study to be completed within sixty days regarding the feasibility of minting and issuing gold coins with a view toward expeditiously seeking legislative authority to accomplish the goal of issuing such coins.

Sec. 6. In carrying out their respective functions and responsibilities under this Order, the Secretary of the Treasury and the Secretary of Commerce shall consult with the Secretary of State. Each such Secretary shall consult, as appropriate, with other government agencies and private persons.

Sec. 7. The Secretary of State shall establish, pursuant to appropriate legal authority, an Advisory Committee on South Africa to provide recommendations on measures to encourage peaceful change in South Africa. The Advisory Committee shall provide its initial report within twelve months.

Sec. 8. The Secretary of State is directed to take the steps necessary pursuant to the Foreign Assistance Act and related legislation to (a) increase the amount of internal

scholarships provided to South Africans disadvantaged by the apartheid system up to \$8 million from funds made available for Fiscal Year 1986, and (b) increase the amount allocated for South Africa from funds made available for Fiscal Year 1986 in the Human Rights Fund up to \$1.5 million. At least one-third of the latter amount shall be used for legal assistance for South Africans. Appropriate increases in the amounts made available for these purposes will be considered in future fiscal years.

Sec. 9. This Order is intended to express and implement the foreign policy of the United States. It is not intended to create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any person.

THE WHITE HOUSE,

TO THE CONGRESS OF THE UNITED STATES:

Pursuant to section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. 1703, I hereby report to the Congress that I have exercised my statutory authority to declare that the policies and actions of the Government of South Africa constitute an unusual and extraordinary threat to the foreign policy and economy of the United States and to declare a national emergency to deal with that threat.

Pursuant to this and other legal authorities, I have prohibited certain transactions, including the following:

(1) the making or approval of bank loans to the South African Government, with certain narrow exceptions; (2) the export of all computers and related goods and technology to certain government agencies and any apartheid enforcing entity of the South African Government; (3) all nuclear exports to South Africa and related transactions, with certain narrow exceptions; (4) the import into the United States of arms, ammunition, or military vehicles produced in South Africa; and (5) the extension of export marketing support to U.S. firms employing at least twenty-five persons in South Africa which do not adhere to certain fair labor standards.

In addition, I have directed (6) the Secretary of State and the United States Trade Representative to consult with other parties to the General Agreement on Tariffs and Trade with a view toward adopting a prohibition on the import of Krugerrands; (7) the Secretary of the Treasury to complete a

study within 60 days regarding the feasibility of minting U.S. gold coins; and (8) the Secretary of State to take the steps necessary to increase the amounts provided for scholarships in South Africa for those disadvantaged by the system of apartheid and to increase the amounts allocated for South Africa in the Human Rights Fund; and (9) the Secretary of State to establish an Advisory Committee to provide recommendations on measures to encourage peaceful change in South Africa.

Finally, this Order (10) commends the efforts of U.S. firms in South Africa that have voluntarily adhered to the Sullivan principles and encourages all U.S. firms to do likewise.

I am enclosing a copy of the executive order that I have issued making this declaration and exercising this authority.

1. I have authorized these steps in response to the current situation in South Africa. It is foreign policy of the United States to seek peaceful change in South Africa, and in particular an end to the repugnant practice and policy of apartheid and the establishment of a government based on the consent of the governed. Recent developments in South Africa have serious implications for the prospects for peaceful change and the stability of the region as a whole, a region of strategic importance to the United States. The recent declaration of a state of emergency in 36 magisterial districts by the Government of South Africa, the mass arrests and detentions, and the ensuing financial crisis are of direct concern to the foreign policy and economy of the United

States. The pace of reform in South Africa has not fulfilled the expectations of the world community nor the people of South Africa. Recent government actions regarding negotiations on the participation of all South Africans in the government of that country have not sufficiently diffused tensions and may have indeed exacerbated the situation.

Under these circumstances, I believe that it is necessary for this nation to recognize that our foreign policy of seeking change through peaceful means is seriously threatened. In order for this nation successfully to influence events in that country, it is necessary for the United States to speak with one voice and to demonstrate our opposition to apartheid by taking certain actions directed specifically at key apartheid policies and agencies.

2. The above-described measures, many of which reflect congressional concerns, will immediately demonstrate to the South African Government the seriousness of our concern with the situation in that country. Furthermore, this declaration mobilizes the influence of the private sector to promote an improvement in the economic prosperity, freedom and political influence of blacks and other nonwhites in South Africa.

file

THE WHITE HOUSE

WASHINGTON

John

September 9, 1985



MEMORANDUM FOR FRED F. FIELDING

FROM:

JOHN G. ROBERTS *JGR*

SUBJECT:

South Africa Materials

After our conversation Sunday morning I became involved in drafting and approving as to legality the proposed Executive Order, statutorily required report to Congress, fact sheet, and Presidential remarks. A final version of the Executive Order was formally transmitted, with Office of Legal Counsel approval as to form and legality, at 9:30 p.m. Sunday. Justice also reviewed and cleared the report to Congress required by Section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. § 1703(b). IEEPA also requires the President to consult, "in every possible instance," with Congress before exercising emergency authorities, 50 U.S.C. § 1703(a). Ed Cummings of the State Legal Adviser's office advised me that Secretary Schultz, on behalf of the President, had undertaken such consultation with regard to the President's proposed action.

OMB, State, and Justice determined that the President was authorized to declare a national emergency in this instance. The report to Congress most clearly articulates the justification for this declaration; the President's remarks and the fact sheet, on the other hand, do not focus on the "emergency" situation.

As we discussed Sunday morning, the most difficult legal question was whether the President should follow the procedures of the Export Administration Act as well as IEEPA, or proceed independently under IEEPA. It was the view of Justice and State that IEEPA provided sufficient authority, but the EAA was cited in the Executive Order, not as authority for action but because the export licenses referred to in the Order, that will be prohibited under IEEPA, are issued under the EAA. The EAA establishes a comprehensive system of export controls, but I agree with State and Justice that a strong argument can be made that the EAA system does not displace IEEPA. The consultations and reports required under EAA are required when the President exercises authority under that Act; here he is exercising authority under IEEPA, not EAA.

I nonetheless think we should discuss with Justice and State the possibility of complying with the requirements of the EAA, to the extent possible, to avoid or mute criticism of the President's action.

agree - ^{pls} follow-up.

THE WHITE HOUSE

WASHINGTON

September 9, 1985

MEMORANDUM FOR DAVID L. CHEW
STAFF SECRETARY

FROM: JOHN G. ROBERTS 
ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT: South Africa Materials

This will confirm my oral advice of this morning that Counsel's Office has reviewed the final versions of the proposed Executive Order, report to the Congress, fact sheet, and Presidential remarks, and finds no objection to them from a legal perspective. The final versions of all these items incorporate revisions suggested by this office over the weekend. The first two items were submitted with the approval of the Department of Justice as to form and legality. As you have been advised, 50 U.S.C. § 1703(b) requires that the President immediately transmit the report to Congress, along with a copy of the Executive Order, after he issues the Executive Order.

EXECUTIVE ORDER

PROHIBITING TRADE AND CERTAIN OTHER
TRANSACTIONS INVOLVING SOUTH AFRICA

By the authority vested in me as President by the Constitution and laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), the Foreign Assistance Act (22 U.S.C. 2151 et seq.), the United Nations Participation Act (22 U.S.C. 287), the Arms Export Control Act (22 U.S.C. 2751 et seq.), the Export Administration Act (50 U.S.C. App. 2401 et seq.), the Atomic Energy Act (42 U.S.C. 2011 et seq.), the Foreign Service Act (22 U.S.C. 3901 et seq.), the Federal Advisory Committee Act (5 U.S.C. App. I), Section 301 of Title 3 of the United States Code, and considering the measures which the United Nations Security Council has decided on or recommended in Security Council Resolutions No. 418 of November 4, 1977, No. 558 of December 13, 1984, and No. 569 of July 26, 1985, and considering that the policy and practice of apartheid are repugnant to the moral and political values of democratic and free societies and run counter to United States policies to promote democratic governments throughout the world and respect for human rights, and the policy of the United States to influence peaceful change in South Africa, as well as the threat posed to United States interests by recent events in that country,

I, RONALD REAGAN, President of the United States of America, find that the policies and actions of the Government of South Africa constitute an unusual and extraordinary threat to the foreign policy and economy of the United States and hereby declare a national emergency to deal with that threat.

Section 1. Except as otherwise provided in this section, the following transactions are prohibited effective October 11, 1985:

(a) The making or approval of any loans by financial institutions in the United States to the Government of South Africa or to entities owned or controlled by that Government. This prohibition shall enter into force on November 11, 1985. It shall not apply to (i) any loan or extension of credit for any educational, housing, or health facility which is available to all persons on a nondiscriminatory basis and which is located in a geographic area accessible to all population groups without any legal or administrative restriction; or (ii) any loan or extension of credit for which an agreement is entered into before the date of this Order.

The Secretary of the Treasury is hereby authorized to promulgate such rules and regulations as may be necessary to carry out this subsection. The initial rules and regulations shall be issued within sixty days. The Secretary of the Treasury may, in consultation with the Secretary of State, permit exceptions to this prohibition only if the Secretary of the Treasury determines that the loan or extension of credit will improve the welfare or expand the economic opportunities of persons in South Africa disadvantaged by the apartheid system, provided that no exception may be made for any apartheid enforcing entity.

(b) All exports of computers, computer software, or goods or technology intended to service computers to or for use by any of the following entities of the Government of South Africa:

- (1) The military;
- (2) The police;
- (3) The prison system;

- (4) The national security agencies;
- (5) ARMSCOR and its subsidiaries or the weapons research activities of the Council for Scientific and Industrial Research;
- (6) The administering authorities for the black passbook and similar controls;
- (7) Any apartheid enforcing agency;
- (8) Any local or regional government or "homeland" entity which performs any function of any entity described in paragraphs (1) through (7).

The Secretary of Commerce is hereby authorized to promulgate such rules and regulations as may be necessary to carry out this subsection and to implement a system of end use verification to ensure that any computers exported directly or indirectly to South Africa will not be used by any entity set forth in this subsection.

(c)(1) Issuance of any license for the export to South Africa of goods or technology which are to be used in a nuclear production or utilization facility, or which, in the judgment of the Secretary of State, are likely to be diverted for use in such a facility; any authorization to engage, directly or indirectly, in the production of any special nuclear material in South Africa; any license for the export to South Africa of component parts or other items or substances especially relevant from the standpoint of export control because of their significance for nuclear explosive purposes; and any approval of retransfers to South Africa of any goods, technology, special nuclear material, components, items, or substances described in this section. The Secretaries of State, Energy, Commerce, and Treasury are hereby authorized to take such actions as may be necessary to carry out this subsection.

(2) Nothing in this section shall ~~preclude~~ assistance for International Atomic Energy Agency safeguards or IAEA programs generally available to its member states, or for technical programs for the purpose of reducing proliferation risks, such as for reducing the use of highly enriched uranium and activities envisaged by section 223 of the Nuclear Waste Policy Act (42 U.S.C. 10²~~1~~³) or for exports which the Secretary of State determines are necessary for humanitarian reasons to protect the public health and safety.

(d) The import into the United States of any arms, ammunition, or military vehicles produced in South Africa or of any manufacturing data for such articles. The Secretaries of State, Treasury, and Defense are hereby authorized to take such actions as may be necessary to carry out this subsection.

Sec. 2. (a) The majority of United States firms in South Africa have voluntarily adhered to fair labor principles which have benefitted those in South Africa who have been disadvantaged by the apartheid system. It is the policy of the United States to encourage strongly all United States firms in South Africa to follow this commendable example.

(b) Accordingly, no department or agency of the United States may intercede after December 31, 1985, with any foreign government regarding the export marketing activity in any country of any national of the United States employing more than 25 individuals in South Africa who does not adhere to the principles stated in subsection (c) with respect to that national's operations in South Africa. The Secretary of State shall promulgate regulations to further define the employers that will be subject to the requirements of this subsection and procedures to ensure that such nationals may register that they have adhered to the principles.

(c) The principles referred to in subsection (b) are as follows:

(1) Desegregating the races in each employment facility;

(2) Providing equal employment opportunity for all employees without regard to race or ethnic origin;

(3) Assuring that the pay system is applied to all employees without regard to race or ethnic origin;

(4) Establishing a minimum wage and salary structure based on the appropriate local minimum economic level which takes into account the needs of employees and their families;

(5) Increasing by appropriate means the number of persons in managerial, supervisory, administrative, clerical, and technical jobs who are disadvantaged by the apartheid system for the purpose of significantly increasing their representation in such jobs;

(6) Taking reasonable steps to improve the quality of employees' lives outside the work environment with respect to housing, transportation, schooling, recreation, and health;

(7) Implementing fair labor practices by recognizing the right of all employees, regardless of racial or other distinctions, to self-organization and to form, join, or assist labor organizations, freely and without penalty or reprisal, and recognizing the right to refrain from any such activity.

(d) United States nationals referred to in subsection (b) are encouraged to take reasonable measures to extend the scope of their influence on activities outside the workplace, by measures such as supporting the right of all businesses, regardless of the racial character of their owners or employees, to locate in urban areas, by influencing other companies in South Africa to follow the standards specified in subsection (c) and by supporting the freedom of mobility of all workers, regardless of race, to seek employment opportunities wherever they exist, and by making provision for adequate housing for families of employees within the proximity of the employee's place of work.

Sec. 3. The Secretary of State ~~and~~ the head of any other department or agency of the United States carrying out activities in South Africa shall promptly take, to the extent permitted by law, the necessary steps to ensure that the labor practices described in section (2) (c) are applied to their South African employees.

Sec. 4. The Secretary of State and the head of any other department or agency of the United States carrying out activities in South Africa shall, to the maximum extent practicable and to the extent permitted by law, in procuring goods or services in South Africa, make affirmative efforts to assist business enterprises having more than 50 percent beneficial ownership by persons in South Africa disadvantaged by the apartheid system.

Sec. 5. (a) The Secretary of State and the United States Trade Representative are directed to consult with other parties to the General Agreement on Tariffs and Trade with a view toward adopting a prohibition on the import of Krugerrands.

(b) The Secretary of the Treasury is directed to conduct a study to be completed within sixty days regarding the feasibility of minting and issuing gold coins with a view toward expeditiously seeking legislative authority to accomplish the goal of issuing such coins.

Sec. 6. In carrying out their respective functions and responsibilities under this Order, the Secretary of the Treasury and the Secretary of Commerce shall consult with the Secretary of State. Each such Secretary shall consult, as appropriate, with other government agencies and private persons.

Sec. 7. The Secretary of State shall establish, pursuant to appropriate legal authority, an Advisory Committee on South Africa to provide recommendations on measures to encourage peaceful change in South Africa. The Advisory Committee shall provide its initial report within twelve months.

Sec. 8. The Secretary of State is directed to take the steps necessary pursuant to the Foreign Assistance Act and related legislation to (a) increase the amount of internal scholarships provided to South Africans disadvantaged by the apartheid system up to \$8 million from funds made available for Fiscal Year 1986, and (b) increase the amount allocated for South Africa from funds made available for Fiscal Year 1986 in the Human Rights Fund up to \$1.5 million. At least one-third of the latter amount shall be used for legal assistance for South Africans. Appropriate increases in the amounts made available for these purposes will be considered in future fiscal years.

Sec. 9. This Order is intended to express and implement the foreign policy of the United States. It is not intended to create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any person.

THE WHITE HOUSE,

September 9, 1985.

TO THE CONGRESS OF THE UNITED STATES:

Pursuant to section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(b), I hereby report to the Congress that I have exercised my statutory authority to declare that the policies and actions of the Government of South Africa constitute an unusual and extraordinary threat to the foreign policy and economy of the United States and to declare a national emergency to deal with that threat.

Pursuant to this and other legal authorities, I have prohibited certain transactions, including the following:

(1) the making or approval of bank loans to the South African Government, with certain narrow exceptions; (2) the export of computers and related goods and technology to certain government agencies and any apartheid enforcing entity of the South African Government; (3) all nuclear exports to South Africa and related transactions, with certain narrow exceptions; (4) the import into the United States of arms, ammunition, or military vehicles produced in South Africa; and (5) the extension of export marketing support to U.S. firms employing at least twenty-five persons in South Africa which do not adhere to certain fair labor standards.

In addition, I have directed (6) the Secretary of State and the United States Trade Representative to consult with other parties to the General Agreement on Tariffs and Trade with a view toward adopting a prohibition on the import of Krugerrands; (7) the Secretary of the Treasury to complete a study within 60 days regarding the feasibility of minting U.S. gold coins; and (8) the Secretary of State to take the steps necessary to increase the amounts provided for scholarships in South Africa for those disadvantaged by the system of apartheid and to increase the amounts allocated for South Africa in the Human Rights Fund; and (9) the Secretary of State to establish an Advisory Committee to provide recommendations on measures to encourage peaceful change in South Africa.

Finally, this Order (10) commends the efforts of U.S. firms in South Africa that have voluntarily adhered to fair labor, nondiscrimination principles and encourages all U.S. firms to do likewise.

I am enclosing a copy of the Executive Order that I have issued making this declaration and exercising this authority.

1. I have authorized these steps in response to the current situation in South Africa. It is the foreign policy of the United States to seek peaceful change in South Africa, and in particular an end to the repugnant practice and policy of apartheid and the establishment of a government based on the consent of the governed. Recent developments in South Africa have serious implications for the prospects for peaceful change and the stability of the region as a whole, a region of strategic importance to the United States. The recent declaration of a state of emergency in 36 magisterial districts by the Government of South Africa, the mass arrests and detentions, and the ensuing financial crisis are of direct concern to the foreign policy and economy of the United States. The pace of reform in South Africa has not fulfilled the expectations of the world community nor the people of South Africa. Recent government actions regarding negotiations on the participation of all South Africans in the government of that country have not sufficiently diffused tensions and may have indeed exacerbated the situation.

Under these circumstances, I believe that it is necessary for this Nation to recognize that our foreign policy of seeking change through peaceful means is seriously threatened. In order for this Nation successfully to influence events in that country, it is necessary for the United States to speak with one voice and to demonstrate our opposition to apartheid by taking certain actions directed specifically at key apartheid policies and agencies.

2. The above-described measures, many of which reflect congressional concerns, will immediately demonstrate to the South African Government the seriousness of our concern with the situation in that country. Furthermore, this declaration mobilizes the influence of the private sector to promote an improvement in the economic prosperity, freedom, and political influence of blacks and other nonwhites in South Africa.

THE WHITE HOUSE,

September 9, 1985.

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(STATE/NSC)

SEPTEMBER 9, 1985

SOUTH AFRICA

I WANT TO SPEAK THIS MORNING ABOUT SOUTH AFRICA -- ABOUT WHAT AMERICA CAN DO TO HELP PROMOTE PEACE AND JUSTICE IN THAT COUNTRY SO TROUBLED AND TORMENTED BY RACIAL CONFLICT.

THE SYSTEM OF APARTHEID MEANS DELIBERATE, SYSTEMATIC, INSTITUTIONALIZED RACIAL DISCRIMINATION DENYING THE BLACK MAJORITY THEIR GOD-GIVEN RIGHTS. AMERICA'S VIEW OF APARTHEID IS SIMPLE AND STRAIGHTFORWARD: WE BELIEVE IT IS WRONG. WE CONDEMN IT. AND WE ARE UNITED IN HOPING FOR THE DAY WHEN APARTHEID WILL BE NO MORE.

OUR INFLUENCE OVER SOUTH AFRICAN SOCIETY IS LIMITED. BUT WE DO HAVE SOME INFLUENCE, AND THE QUESTION IS, HOW TO USE IT. MANY PEOPLE OF GOOD WILL IN THIS COUNTRY HAVE DIFFERING VIEWS.

IN MY VIEW, WE MUST WORK FOR PEACEFUL EVOLUTION AND REFORM. OUR AIM CANNOT BE TO PUNISH SOUTH AFRICA WITH ECONOMIC SANCTIONS THAT WOULD INJURE THE VERY PEOPLE WE ARE TRYING TO HELP.

I BELIEVE WE MUST HELP ALL THOSE WHO PEACEFULLY OPPOSE APARTHEID; AND WE MUST RECOGNIZE THAT THE OPPONENTS OF APARTHEID USING TERRORISM AND VIOLENCE WILL BRING NOT FREEDOM AND SALVATION, BUT GREATER SUFFERING, AND MORE OPPORTUNITIES FOR EXPANDED SOVIET INFLUENCE WITHIN SOUTH AFRICA AND IN THE REGION.

WHAT WE SEE IN SOUTH AFRICA IS A BEGINNING OF A PROCESS OF CHANGE. THE CHANGES IN POLICY SO FAR ARE INADEQUATE -- BUT IRONICALLY THEY HAVE BEEN ENOUGH TO RAISE EXPECTATIONS AND STIMULATE DEMANDS FOR MORE FAR-REACHING, IMMEDIATE CHANGE.

IT IS THE GROWING ECONOMIC POWER OF THE BLACK MAJORITY THAT HAS PUT THEM IN A POSITION TO INSIST ON POLITICAL CHANGE.

SOUTH AFRICA IS NOT A TOTALITARIAN SOCIETY. THERE IS A VIGOROUS OPPOSITION PRESS. EVERY DAY WE SEE EXAMPLES OF OUTSPOKEN PROTEST AND ACCESS TO THE INTERNATIONAL MEDIA THAT WOULD NEVER BE POSSIBLE IN MANY PARTS OF AFRICA, OR IN THE SOVIET UNION FOR THAT MATTER. BUT IT IS OUR ACTIVE ENGAGEMENT -- OUR WILLINGNESS TO TRY -- THAT GIVES US INFLUENCE.

YES, WE IN AMERICA -- BECAUSE OF WHAT WE ARE AND WHAT WE STAND FOR -- HAVE INFLUENCE TO DO GOOD. WE ALSO HAVE IMMENSE POTENTIAL TO MAKE THINGS WORSE. BEFORE TAKING FATEFUL STEPS, WE MUST PONDER THE KEY QUESTION: ARE WE HELPING TO CHANGE THE SYSTEM? OR ARE WE PUNISHING THE BLACKS WHOM WE SEEK TO HELP?

AMERICAN POLICY THROUGH SEVERAL ADMINISTRATIONS HAS BEEN TO USE OUR INFLUENCE AND OUR LEVERAGE AGAINST APARTHEID, NOT AGAINST INNOCENT PEOPLE WHO ARE THE VICTIMS OF APARTHEID.

BEING TRUE TO OUR HERITAGE DOES NOT MEAN QUITTING, BUT REACHING OUT; EXPANDING OUR HELP FOR BLACK EDUCATION AND COMMUNITY DEVELOPMENT, CALLING FOR POLITICAL DIALOGUE; URGING SOUTH AFRICANS OF ALL RACES TO SEIZE THE OPPORTUNITY FOR PEACEFUL ACCOMMODATION BEFORE IT'S TOO LATE.

I RESPECT AND SHARE THE GOALS THAT HAVE MOTIVATED MANY IN CONGRESS TO SEND A MESSAGE OF U.S. CONCERN ABOUT APARTHEID. BUT IN DOING SO, WE MUST NOT DAMAGE THE ECONOMIC WELL-BEING OF MILLIONS OF PEOPLE IN SOUTH AND SOUTHERN AFRICA.

IF WE GENUINELY WISH -- AS I DO --
TO DEVELOP A BIPARTISAN BASIS OF CONSENSUS
IN SUPPORT OF U.S. POLICIES, THIS IS THE
BASIS ON WHICH TO PROCEED.

THEREFORE, I AM SIGNING TODAY AN
EXECUTIVE ORDER THAT WILL PUT IN PLACE A SET
OF MEASURES DESIGNED AND AIMED AGAINST THE
MACHINERY OF APARTHEID, WITHOUT
INDISCRIMINATELY PUNISHING THE PEOPLE WHO
ARE VICTIMS OF THAT SYSTEM -- MEASURES THAT
WILL DISASSOCIATE THE UNITED STATES FROM
APARTHEID BUT ASSOCIATE US POSITIVELY WITH
PEACEFUL CHANGE.

THESE STEPS INCLUDE:

-- A BAN ON ALL COMPUTER EXPORTS TO
AGENCIES INVOLVED IN THE ENFORCEMENT OF
APARTHEID AND TO THE SECURITY FORCES.

-- A PROHIBITION ON EXPORTS OF NUCLEAR GOODS OR TECHNOLOGY TO SOUTH AFRICA, EXCEPT AS IS REQUIRED TO IMPLEMENT NUCLEAR PROLIFERATION SAFEGUARDS OF THE INTERNATIONAL ATOMIC ENERGY AGENCY OR THOSE NECESSARY FOR HUMANITARIAN REASONS TO PROTECT HEALTH AND SAFETY.

-- A BAN ON LOANS TO THE SOUTH AFRICAN GOVERNMENT, EXCEPT CERTAIN LOANS WHICH IMPROVE ECONOMIC OPPORTUNITIES, OR EDUCATIONAL, HOUSING, AND HEALTH FACILITIES THAT ARE OPEN AND ACCESSIBLE TO SOUTH AFRICANS OF ALL RACES.

-- I AM DIRECTING THE SECRETARY OF STATE AND THE UNITED STATES TRADE REPRESENTATIVE TO CONSULT WITH OUR MAJOR TRADING PARTNERS REGARDING BANNING THE IMPORTATION OF KRUGERRANDS.

I AM ALSO INSTRUCTING THE SECRETARY OF THE TREASURY TO REPORT TO ME WITHIN 60 DAYS ON THE FEASIBILITY OF MINTING AN AMERICAN GOLD COIN WHICH COULD PROVIDE AN ALTERNATIVE TO THE KRUGERRAND FOR OUR COIN COLLECTORS.

I WANT TO ENCOURAGE ONGOING ACTIONS BY OUR GOVERNMENT AND BY PRIVATE AMERICANS TO IMPROVE THE LIVING STANDARDS OF SOUTH AFRICA'S BLACK MAJORITY.

THE SULLIVAN CODE -- DEvised BY A DISTINGUISHED BLACK MINISTER FROM PHILADELPHIA, THE REVEREND LEON SULLIVAN -- HAS SET THE HIGHEST STANDARDS OF LABOR PRACTICES FOR PROGRESSIVE EMPLOYERS THROUGHOUT SOUTH AFRICA. I URGE ALL AMERICAN COMPANIES TO PARTICIPATE IN IT, AND I AM INSTRUCTING THE AMERICAN AMBASSADOR TO SOUTH AFRICA TO MAKE EVERY EFFORT TO GET COMPANIES WHICH HAVE NOT ADOPTED THEM TO DO SO.

IN ADDITION, MY EXECUTIVE ORDER WILL BAN U.S. GOVERNMENT EXPORT ASSISTANCE TO ANY AMERICAN FIRM IN SOUTH AFRICA, EMPLOYING MORE THAN 25 PERSONS, WHICH DOES NOT ADHERE TO THE COMPREHENSIVE FAIR EMPLOYMENT PRINCIPLES STATED IN THE ORDER BY THE END OF THIS YEAR.

I AM ALSO DIRECTING THE SECRETARY OF STATE TO INCREASE SUBSTANTIALLY THE MONEY WE PROVIDE FOR SCHOLARSHIPS TO SOUTH AFRICANS DISADVANTAGED BY APARTHEID, AND THE MONEY OUR EMBASSY USES TO PROMOTE HUMAN RIGHTS PROGRAMS IN SOUTH AFRICA.

FINALLY, I HAVE DIRECTED SECRETARY SHULTZ TO ESTABLISH AN ADVISORY COMMITTEE OF DISTINGUISHED AMERICANS TO PROVIDE RECOMMENDATIONS ON MEASURES TO ENCOURAGE PEACEFUL CHANGE IN SOUTH AFRICA. THE ADVISORY COMMITTEE SHALL PROVIDE ITS FIRST REPORT WITHIN 12 MONTHS.

I BELIEVE THE MEASURES I AM ANNOUNCING
HERE TODAY WILL BEST ADVANCE OUR GOALS.
IF THE CONGRESS SENDS ME THE PRESENT BILL AS
REPORTED BY THE CONFERENCE COMMITTEE,
I WOULD HAVE TO VETO IT. THAT NEED NOT
HAPPEN. I WANT TO WORK WITH THE CONGRESS TO
ADVANCE BIPARTISAN SUPPORT FOR AMERICA'S
POLICY TOWARD SOUTH AFRICA. THAT IS WHY I
HAVE PUT FORWARD THIS EXECUTIVE ORDER TODAY.

THREE MONTHS AGO, I RECALLED OUR
AMBASSADOR IN SOUTH AFRICA FOR CONSULTATIONS
SO THAT HE COULD PARTICIPATE IN THE
INTENSIVE REVIEW OF THE SOUTHERN AFRICAN
SITUATION THAT WE HAVE BEEN ENGAGED IN.
I AM NOW SENDING HIM BACK, WITH A MESSAGE TO
STATE PRESIDENT BOTHA UNDERLINING OUR GRAVE
VIEW OF THE CURRENT CRISIS, AND OUR
ASSESSMENT OF WHAT IS NEEDED TO RESTORE
CONFIDENCE ABROAD AND MOVE FROM
CONFRONTATION TO NEGOTIATION AT HOME.

- 10 -

THE PROBLEMS OF SOUTH AFRICA WERE NOT
CREATED OVERNIGHT AND WILL NOT BE SOLVED
OVERNIGHT, BUT THERE IS NO TIME TO WASTE.
TO WITHDRAW FROM THIS DRAMA -- OR TO FAN ITS
FLAMES -- WILL SERVE NEITHER OUR INTERESTS
NOR THOSE OF THE SOUTH AFRICAN PEOPLE.

IF ALL AMERICANS JOIN TOGETHER BEHIND A
COMMON PROGRAM, WE CAN HAVE SO MUCH MORE
INFLUENCE FOR GOOD. SO LET US GO FORWARD
WITH A CLEAR VISION AND AN OPEN HEART,
WORKING FOR JUSTICE AND BROTHERHOOD AND
PEACE.

#

THE WHITE HOUSE

WASHINGTON

September 26, 1985

MEMORANDUM FOR FRED F. FIELDING

FROM: JOHN G. ROBERTS *JGR*

SUBJECT: Executive Order Entitled "Prohibition
of the Importation of the South African
Krugerrand"

David Chew has asked for comments as soon as possible (not 4:30 p.m. as indicated on the cover memorandum) on the proposed Executive Order prohibiting importation of South African Krugerrands into the United States. The original version of this order circulated this morning was inadequate in that it did not contain any determination that the national emergency declared in Executive Order 12532 was continuing. The revised version responds to objections on that score raised by me and the Department of Justice. I have reviewed the draft Executive Order and have no objections to it.

I have also reviewed the accompanying report to Congress required by 50 U.S.C. § 1703(b). This report is sufficient under 50 U.S.C. § 1703(b), particularly since it references the previous Executive Order and previous report to Congress. Under 50 U.S.C. § 1641(b), however, the President is required to send to Congress a copy of any Executive Order he issues taking emergency action. This requirement is in addition to the reporting requirement of 50 U.S.C. § 1703(b). I would, accordingly, change the last clause of the last sentence in the second paragraph to read as follows: "I have issued an Executive Order, a copy of which is attached, exercising my statutory authority to prohibit such imports effective October 11, 1985." This ensures satisfaction of 50 U.S.C. § 1641(b), and a record that the requirement was satisfied.

Attachment



U.S. Department of Justice

Office of Legal Counsel

Office of the
Assistant Attorney General

Washington, D.C. 20530

The President,

The White House.

My dear Mr. President:

I am herewith transmitting a proposed Executive order entitled "Prohibition of the Importation of the South African Krugerrand." This proposed order was submitted by the Department of State and has been forwarded for the consideration of this Department as to form and legality by the Office of Management and Budget with the approval of the Director.

The proposed Executive order is approved as to form and legality.

Respectfully,

A handwritten signature in dark ink, reading "Ralph W. Tarr". The signature is written in a cursive style with a large, stylized initial "R".

Ralph W. Tarr
Acting Assistant Attorney General
Office of Legal Counsel



U.S. Department of Justice

Office of Legal Counsel

Office of the
Assistant Attorney General

Washington, D.C. 20530

MEMORANDUM

Re: Proposed Executive order entitled "Prohibition
of the Importation of the South African Krugerrand"

The attached proposed Executive order was submitted by the Department of State. It has been forwarded for the consideration of this Department as to form and legality by the Office of Management and Budget with the approval of the Director.

The proposed order will prohibit the importation of South African Krugerrands into the United States after October 11, 1985. The President has the authority to impose such a ban under the International Emergency Economic Powers Act (IEEPA), see 50 U.S.C. § 1701, which was invoked in Exec. Order No. 12532, 50 Fed. Reg. 36861 (1985). The proposed order makes clear that this ban is an additional step being taken because of the continuing nature of the emergency declared in the previous order.

We have consulted with the Department of State on whether the proposed orders would violate the General Agreement on Tariffs and Trade (GATT). We understand that the United States has completed the required consultation with our allies and that the Department of State does not believe that the ban will violate the GATT.

The proposed Executive order is acceptable as to form and legality.

Ralph W. Tarr
Acting Assistant Attorney General
Office of Legal Counsel

THE WHITE HOUSE

WASHINGTON

September 26, 1985

MEMORANDUM FOR DAVID L. CHEW
STAFF SECRETARY

FROM: FRED F. FIELDING | 5 |
COUNSEL TO THE PRESIDENT

SUBJECT: Executive Order Entitled "Prohibition
of the Importation of the South African
Krugerrand"

Counsel's Office has reviewed the above-referenced proposed Executive Order and the accompanying report to Congress. I have no legal objection to the Executive Order. With respect to the report to Congress, I would change the last clause in the last sentence in the second paragraph to read as follows: "I have issued an Executive Order, a copy of which is attached, exercising my statutory authority to prohibit such imports effective October 11, 1985." A copy of the Executive Order should then be attached to the report. This will ensure compliance with, and create a record of compliance with, the requirements of 50 U.S.C. § 1641(b). That provision requires the President promptly to provide Congress with copies of any emergency Executive Orders he may issue. This requirement is in addition to the reporting requirement of 50 U.S.C. § 1703(b).

I also note that "certian" in line 4 should be "certain."

FFF:JGR:aea 9/26/85

cc: FFFielding
JGRoberts
Subj
Chron

THE WHITE HOUSE

WASHINGTON

September 26, 1985

MEMORANDUM FOR DAVID L. CHEW
STAFF SECRETARY

FROM: FRED F. FIELDING
COUNSEL TO THE PRESIDENT

SUBJECT: Executive Order Entitled "Prohibition
of the Importation of the South African
Krugerrand"

Counsel's Office has reviewed the above-referenced proposed Executive Order and the accompanying report to Congress. I have no legal objection to the Executive Order. With respect to the report to Congress, I would change the last clause in the last sentence in the second paragraph to read as follows: "I have issued an Executive Order, a copy of which is attached, exercising my statutory authority to prohibit such imports effective October 11, 1985." A copy of the Executive Order should then be attached to the report. This will ensure compliance with, and create a record of compliance with, the requirements of 50 U.S.C. § 1641(b). That provision requires the President promptly to provide Congress with copies of any emergency Executive Orders he may issue. This requirement is in addition to the reporting requirement of 50 U.S.C. § 1703(b).

I also note that "certian" in line 4 should be "certain."

FFF:JGR:aea 9/26/85

cc: FFFielding
JGRoberts
Subj
Chron

WHITE HOUSE CORRESPONDENCE TRACKING WORKSHEET

☐ O - OUTGOING☐ H - INTERNAL☐ I - INCOMINGDate Correspondence
Received (YY/MM/DD) 1 1Name of Correspondent: D. Chew☐ MI Mail Report

User Codes: (A) _____ (B) _____ (C) _____

Subject: Executive Order entitled "Prohibition of the
Importation of South African Krugerrand"

ROUTE TO:

ACTION

DISPOSITION

Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
<u>CH Hall</u>	ORIGINATOR	<u>85,09,26</u>			<u>1 1</u>
	Referral Note:				
<u>Asst 18</u>	<u>D</u>	<u>85,09,26</u>		<u>S</u>	<u>85,09,26</u>
	Referral Note:				<u>4 PM</u>
		<u>1 1</u>			<u>1 1</u>
	Referral Note:				
		<u>1 1</u>			<u>1 1</u>
	Referral Note:				
		<u>1 1</u>			<u>1 1</u>
	Referral Note:				
		<u>1 1</u>			<u>1 1</u>
	Referral Note:				

ACTION CODES:

A - Appropriate Action
C - Comment/Recommendation
D - Draft Response
F - Furnish Fact Sheet
to be used as Enclosure

I - Info Copy Only/No Action Necessary
R - Direct Reply w/Copy
S - For Signature
X - Interim Reply

DISPOSITION CODES:

A - Answered
B - Non-Special Referral
C - Completed
S - Suspended

FOR OUTGOING CORRESPONDENCE:

Type of Response - Initials of Signer
Code - "A"
Completion Date - Date of Outgoing

Comments: _____

Keep this worksheet attached to the original incoming letter.

Send all routing updates to Central Reference (Room 75, OEOB).

Always return completed correspondence record to Central Files.

Refer questions about the correspondence tracking system to Central Reference, ext. 2590.

WHITE-HOUSE STAFFING MEMORANDUMDATE: 9/26/85 ACTION/CONCURRENCE/COMMENT DUE BY: 4:30 P.M. TODAYSUBJECT: EXECUTIVE ORDER ENTITLED "PROHIBITION OF THE IMPORTATION OF
SOUTH AFRICAN KRUGERRAND"

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	☐	☐	LACY	☐	☐
REGAN	☐	☒	McFARLANE	☒	☐
WRIGHT	☐	☐	OGLESBY	☒	☐
BUCHANAN	☒	☐	ROLLINS	☐	☐
CHAVEZ	☐	☐	RYAN	☐	☐
CHEW	☐	☒	SPEAKES	☐	☒
DANIELS	☒	☐	SPRINKEL	☒	☐
FIELDING	☒	☐	SVAHN	☒	☐
FRIEDERSDORF	☒	☐	THOMAS	☒	☐
HENKEL	☐	☐	TUTTLE	☐	☐
HICKEY	☐	☐	<u>Clerk</u>	☐	☒
HICKS	☐	☐	_____	☐	☐
KINGON	☒	☐	_____	☐	☐

REMARKS:

Please provide any comments/recommendations by 4:30 p.m. today, 9/26.

Thank you.

RESPONSE:

100-88110-1 9/26/85

David L. Chew
Staff Secretary
Ext. 2702



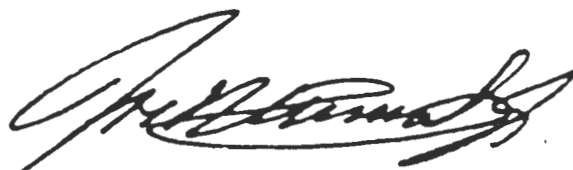
EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

September 26, 1985

Received 00

SEP 29 PM 2 17

MEMORANDUM FOR: THE PRESIDENT

FROM: JOSEPH R. WRIGHT, JR.
ACTING DIRECTOR 

SUBJECT: PROPOSED EXECUTIVE ORDER ENTITLED
"PROHIBITION OF THE IMPORTATION OF THE
SOUTH AFRICAN KRUGERRAND"

SUMMARY. This memorandum forwards for your consideration a proposed Executive order, submitted by the Department of State, that would prohibit import of the South African Krugerrand effective October 11, 1985.

BACKGROUND. Executive Order No. 12532 of September 9, 1985 prohibited certain trade and other commercial transactions with South Africa, pursuant to the President's authority under the International Emergency Economic Powers Act (IEEPA) and other statutes, because of the policy of apartheid maintained by the Government of South Africa. Section 5(a) of that Order also directed the Secretary of State and the United States Trade Representative to consult with other parties to the General Agreement on Tariffs and Trade (GATT) with a view toward adopting a prohibition on the import of South African Krugerrands.

The Department of State and the United States Trade Representative have completed those consultations and believe it appropriate for the President to prohibit the importation of Krugerrands. As set forth in the accompanying memorandum from the Legal Adviser of the Department of State, the Department believes that strong legal arguments can be made that a prohibition on import of Krugerrands is consistent with the international legal obligations of the United States under the GATT. The Department also notes that none of the countries consulted objected to the ban, and that several GATT countries have reached similar conclusions.

At the request of the Department of the Treasury, the import ban will take effect on October 11, 1985, so that Treasury may have sufficient time to develop the regulations necessary to enforce the import prohibition.

In order to ban the import of Krugerrands, it will be necessary for the President to invoke the provisions of IEEPA. In the view

of the Department of State, current conditions in South Africa are sufficient to warrant this additional step in order to deal with the continuing emergency.

In order to comply with the notification provisions of IEEFA, after signing the proposed Executive order, the President also must sign the attached notification informing Congress that he has exercised his authority under that statute and stating the reasons why he believes such action is necessary to deal with the circumstances that constitute the unusual and extraordinary threat to the United States.

As revised, none of the affected agencies has objected to issuance of the proposed Executive order.

RECOMMENDATION. I recommend that you sign the proposed Executive order.

Enclosure

EXECUTIVE ORDER

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PROHIBITION OF THE IMPORTATION OF THE
SOUTH AFRICAN KRUGERRAND

By the authority vested in me as President by the Constitution and laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), in order to take steps additional to those set forth in Executive Order No. 12532 of September 9, 1985, to deal with the unusual and extraordinary threat to the foreign policy and economy of the United States referred to in that Order, and in view of the continuing nature of that emergency, the recommendations made by the United Nations Security Council in Resolution No. 569 of July 26, 1985, and the completion of consultations by the Secretary of State and the United States Trade Representative directed by Section 5(a) of Executive Order No. 12532, it is hereby ordered that the importation into the United States of South African Krugerrands is prohibited effective 12:01 a.m. Eastern Daylight Time October 11, 1985. The Secretary of the Treasury is authorized to promulgate such rules and regulations as may be necessary to carry out this prohibition.

THE WHITE HOUSE,

TO THE CONGRESS OF THE UNITED STATES:

On September 9, 1985, I informed the Congress pursuant to Section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(b), that I had exercised my statutory authority to prohibit certain transactions involving South Africa (Executive Order No. 12532). I also informed the Congress that the Executive Order directed the Secretary of State and the United States Trade Representative to consult with other parties to the General Agreement on Tariffs and Trade with a view toward adopting a prohibition on the import of Kruggerrands.

In order to deal with the unusual and extraordinary threat to the foreign policy and economy of the United States referred to in Executive Order No. 12532, and in view of the continuing nature of that emergency, and in view of the successful completion of those consultations, I am today exercising my statutory authority to prohibit such imports effective October 11, 1985.

All of the measures I have adopted against South Africa are directed at apartheid and the South African Government, and not against the people of that country or its economy. The Kruggerrand measure ordered today was taken in recognition of the fact that the Kruggerrand is perceived in the Congress as an important symbol of apartheid. This view is widely shared by the U.S. public. I am directing this prohibition in recognition of these public and Congressional sentiments.