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## US-Argentine Relations

March 1986

**Background:** Argentina is the second largest country in the Southern Hemisphere, after Brazil, and the eighth largest in the world. Its population is 97% European, primarily descendants of Spanish and Italian immigrants but including British and other European strains. The Indian population, estimated at 50,000, is concentrated in the peripheral provinces of the north, northwest, and south. Eighty percent of the population live in urban areas, with more than one-third of them in the metropolitan area of the capital, Buenos Aires. Seven years of education is compulsory; 94% of the 30 million Argentines are literate.



The country's topography ranges from subtropical lowlands in the north to the towering Andes in the west and the bleak, windswept Patagonian steppe and Tierra del Fuego in the south. Argentina's heartland is in the rich temperate plains, known as

the pampas, in the east central part of the country. This is some of the finest farmland in the world, producing large quantities of wheat, corn, sorghum, and sunflower seeds and providing year-round pasturage for Argentina's important cattle industry. Argentina is one of the largest exporters of foodstuffs in the world.

**Consolidation of democracy:** Argentina is now well into its third year of democratic civilian government. The November 1983 election of President Alfonsin marked the end of 7 years of military rule, and the cause of representative government was given a boost by the mid-term November 1985 congressional elections. Since assuming office, President Alfonsin has begun dealing with the legacy of human rights problems left by military rule. At the public civil court trial of nine former governing junta members, five were sentenced and four acquitted. The Alfonsin government is seeking to develop a role for the armed services consistent with Argentine defense needs and civilian control.

**Economic and debt issues:** Argentina, traditionally one of Latin America's most prosperous countries, is in the midst of a new economic program designed to cure its serious inflationary problems and lay the groundwork for future economic growth. The Austral Plan, named for the new Argentine currency, has been successful in cutting the inflation rate from a monthly 30% to 2%-3% per month. The government is beginning to move forward on structural changes designed to ensure economic expansion. Argentina maintains a responsible position in dealing with its \$50 billion external debt, refusing to join those calling for either outright repudiation or arbitrary limits on debt payments. US and Argentine officials meet frequently on economic and commercial matters.

Foreign policy issues: The democratic Government of Argentina has pursued a balanced foreign policy, and its international positions have coincided with US positions in a number of major areas. The moderation of Argentine foreign policy is reflected in its search for a peaceful solution to the dispute with the United Kingdom over the Falkland Islands (known in Argentina as the Islas Malvinas). We have supported the Argentine resolutions on this issue at the UN General Assembly for the past 4 years. Argentina also has joined with Brazil, Uruguay, and Peru in the Contadora Support Group, which seeks to aid the Contadora peace process in Central America.

Nuclear issues: Argentina has the most advanced nuclear program in Latin America. Significant portions of that program are not under international safeguards. Argentina has signed the Treaty of Tlatelolco, a hemispheric nonproliferation accord, but has not put it into effect. Despite its insistence on safeguards agreements for its exports, Argentina has declined to adopt full-scope safeguards for its national nuclear program. International concern about the lack of safeguards is lessened by President Alfonsin's personal commitment to the peaceful development of nuclear energy, evident in his recent overture to Brazil on nuclear cooperation, his establishment of civilian control over the previously military-dominated program, and his drastic slashing of the nuclear budget.

US policy objectives: An economically strong and politically pluralistic Argentina is in the US interest. Our policy objectives toward Argentina are designed to:

- Maintain friendly relations;
- Support the consolidation of democratic institutions;
- Assure maximum cooperation between the two countries; and
- Resolve any differences in the spirit of mutual respect and hemispheric understanding.

US-Argentine relations are cordial and cooperative and involve daily official and private contacts at all governmental, business, social, and cultural levels. Based on a shared respect for democracy, ties have strengthened since the return of democratic government to Argentina in December 1983. Reflective of this renewed warmth was President Alfonsin's successful March 1985 visit to the US.



Geo Lewis

**For Your  
Information**

A handwritten signature in black ink, appearing to be "MR" or a stylized version of the name.

**Rabbi Morton M. Rosenthal**

823 United Nations Plaza  
New York, N.Y. 10017  
212-490-2525



# LATIN AMERICAN REPORT



PUBLISHED BY THE ANTI-DEFAMATION LEAGUE OF B'NAI B'RITH

April 1986

## Argentina

Legal proceedings to determine the true identity of Pedro Ricardo Olmo the man who claims he was born in Spain and speaks Spanish with a heavy German accent are continuing in the Argentine court of Buenos Aires. Observers in Buenos Aires are increasingly optimistic that the judge will determine that Pedro Olmo is actually the notorious Nazi war criminal Walter Kutschmann. Spanish authorities have reportedly forwarded documents showing that Pedro Ricardo Olmo Andres was a priest who died in Madrid in 1969. Authorities are also conducting handwriting tests, using Kutschmann's handwritten SS curriculum vitae.

It was an ADL initiative, undertaken in 1983, that resulted in the Federal Republic of Germany asking for his arrest and extradition in September, 1985. Kutschmann was arrested on November 14, 1985 and has been under arrest since then; two Argentine courts rejected his petition to be released on bail. Olmo's true identity was first made public by Simon Weisenthal in 1975. After a burst of publicity, Olmo was retired from the German electrical supply firm OSRAM and continued to live quietly in Argentina.

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Anti-Semites in Argentina have increased the tempo and scope of their activities in recent months. A major theme of anti-Semitic propaganda is that Jews represent a threat to the nation's sovereignty and that the Radical Party, led by President Raul Alfonsin, is involved in a Jewish plot to seize territory.

The infamous "Andinia Plan" has been restated anew. La Nacion, a major Buenos Aires daily, reported, without qualification, (1/5/86) that the Jewish community was studying the possibility of establishing a settlement of 10,000 "Israelis" within ten years in the southern tip of Argentina. The article said that hundreds of Jewish backpackers were in the area in order to carry out a study of the region's climate, flora, fauna, and the potential riches of the area for the future settlement. It quoted a so-called "Israeli spokesman" Alberto Levy, saying that the project has the approval of Argentine authorities. The president of the White Flag Provincial Defense Party, Ezequiel Avila Gallo, requested that President Alfonsin release information about the proposed settlement, adding that

if it is found that the group is made up of Israeli military personnel, "then the plan Andinia continues ahead." Dr. David Goldberg, president of the Jewish community's umbrella organization, DAIA, denounced the report as "one of many tall tales or fables" promoted by anti-Semites. Goldberg stated that the DAIA is "going to get to the bottom of this and determine which organizations are responsible for these reports."

The notorious Argentine anti-Semite Federico Rivanera Carles has formed a new "Social Nationalist Movement" (Siete Dias 11/14/85). In the interview with Siete Dias, Rivanera Carles readily acknowledges he is a racist and anti-Semite. "I consider every Jew an asocial being.... For that reason Judaism cannot enjoy, in a national state that does not want to be destroyed, any kind of citizenship.... There are only two options: to dominate the Jews or to be dominated by them," said Rivanera Carles. He is recruiting members for the Social Nationalist Movement with posters in downtown Buenos Aires. He also published a new anti-Semitic book, La Naturaleza de Judaismo (The Nature of Judaism) and announced another, titled "Anarquismo, Judaismo y Masoneria (Anarchy, Judaism and Masonry).

Anti-Semitism entered the recent debate surrounding the showing in Argentina of the controversial film "Hail, Mary" by French director Jean Luc Godard. Edmundo Fernandez, First Vice-President of the city council in Rosario and the leader of the Peronist block charged that "international Judaism" arranged for the filming of "Hail, Mary" in order to subvert Argentine society. Fernandez called Godard "that Jewish director who is trying to offend that which we love the most, the Virgin Mary." David Czarny, president of the DAIA in Rosario, protested the remarks made by Fernandez. His letter to the president of the city council pointed out that Jean Luc Godard is not Jewish, and that in his autobiography, Godard confesses to be a PLO sympathizer who had made two PLO propaganda films. Czarny also criticized the absolute silence of many council members who failed to react to Fernandez's remarks. The letter stated "The Jews... remember well that the Holocaust did not begin in Auschwitz, but in the words and laws filled with hatred by the Nazis."

At the conclusion of the monthly Mass organized by the Relatives and Friends of Victims of Subversion (FAMUS) in December, 1985, an angry mob yelling "Jew! Go to the synagogue, Communist!" attacked two photographers as they tried to take photos of the wife of ex-President Jorge Videla. A monthly Mass by FAMUS honors the military personnel who died during the so-called "dirty war" against subversion, in the 1970's. FAMUS supporters also blocked traffic in front of the church after the mass and yelled insults at the "Mothers of the Plaza de Mayo", while praising General Videla and singing the national anthem.

The president and general secretary of the Hebraica Community Center of Argentina protested the shouting of anti-Semitic slogans during a soccer tournament. A letter to the president of the Gymnasium and Fencing Club of Buenos Aires (GEBA) denounced the fact that two spectators from the GEBA, who were "visibly instigated by many of the older people" spent the majority of the game yelling "Jews, are going to explode, all are going to the ovens, we are going to make soap out of them."

Saul Ubaldini, Secretary-General of the General Confederation of Laborers

(CGT) criticized the Speaker of Argentina's Chamber of Deputies, Cesar Jaroslavsky, who is Jewish. Speaking at a general strike rally in Buenos Aires, Ubaldini said that Jaroslavsky deserved an "Oscar for the best comedian." This comment touched off a series of anti-Semitic chants to which he reacted by stating that "the (Jewish) community has nothing to do with this. There are black sheep everywhere." The President of B'nai B'rith in Argentina Elbio Svidler, denounced the anti-Semitic incident as "unacceptable in a free and pluralistic society" and charged that it is "targeted against democracy itself."

Raul Guglielminetti, wearing a Nazi flag appeared on the cover of Gente magazine (1/2/86). The photo was taken last year at a small party where everyone wore Nazi symbols and flags. In an interview on Radio Continental (1/3/86) Guglielminetti admitted that the photos were true and stated "in my case I do what I want."

\* \* \*

Pro-Arab activities are also intensifying. Leaflets were distributed and posters commemorating November 29 as the "Day of Solidarity with the Palestinian People", were plastered on walls in Buenos Aires and Cordoba. Among the posters were some provided by the United Nations Public Information office. Nueva Sion reported (12/9/85) that the building of the Jewish organization "Maccabi" in Cordoba was covered with posters, signed by the Argentine Committee of Solidarity with the People, calling for armed conflict as a solution to the Mid-East conflict.... The creation in Argentina of the "Organization of Support for the Libyan Nation", was announced by Patricia Bullrich, a leader of the "Peronist Youth". Speaking at a meeting attended by the Ambassador of Libya, Ms. Bullrich emphasized the need to establish a "deep accord with Libya and with Colonel Qaddafi." She added, "The greatest homage to the Libyan revolution is to continue the Peronist revolution in our country.".... Pro-Libyan posters signed by the "Syrian Cultural Association" appeared on walls in downtown Buenos Aires in February. The posters attacked the United States and the "Zionists" for the Sabra and Shatila massacres.

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More members of the Jewish community have entered public service. Jacobo Fiterman was appointed Secretary of Public Works for the Municipality of Buenos Aires by President Raul Alfonsin. His appointment, in January, was seen by the Argentine press as part of the tendency by Alfonsin to de-politicize public agencies by appointing the most qualified individuals to key posts. Fiterman is a well-known engineer and builder, who was president of the Argentine Zionist Organization.... ...Dr. Marcos Aguinis was recently promoted from Under Secretary to Secretary of Culture by President Alfonsin, following the resignation of Secretary Carlos Gorostiza. Dr. Aquinas, a neurosurgeon, is also an accomplished writer. ...Oscar Julio Shuberoff was recently elected rector of the National University of Buenos Aires by the University Assembly, the first time in twenty-one years that the university rector was democratically elected. Shuberoff was previously Dean of the Faculty of Economic Science and President of the Institute of Administration of the Argentine Federation of Graduates in Economic Science.

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Throughout the celebration of Hanukkah a ten-foot high "menorah" was lit every night in the Uruguay Plaza of Buenos Aires. It was erected by the Lubavitch movement, with the support of various Jewish organizations and the

collaboration of the city government of Buenos Aires. The lighting of the "menorah" on the first night of Hanukkah was reported by many daily newspapers in Buenos Aires.

\* \* \*

The family of David Graiver was awarded \$82 million in damages and 40 lots of property as indemnification for property confiscated by the former military regime. The civilian government accepted the out-of-court settlement in order to prevent future litigation by members of the Graiver family. A military tribunal convicted and imprisoned five family members who were exonerated by civilian courts after the return of democratic government.

## Bolivia

President Dr. Victor Paz Estenssoro recently awarded the nation's highest honor, "The Condor of the Andes" medal, to Circulo Israelita of La Paz, the Jewish community umbrella organization. The Chief of Protocol for the government who presented the award to Guido Friedheim, President of the Circulo Israelita, emphasized the important accomplishments of the organization, now celebrating its 50th anniversary, in the field of education as well as social and cultural assistance.

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The Bolivian Minister of Foreign Affairs, Dr. Guillermo Bedregal Guitierrez, announced in early February that his government would soon open embassies in Saudi Arabia and Egypt. Dr. Bedregal indicated that it was important for Bolivia to be represented in those countries because they "are part of a region that has 70% of the world's reserves of oil." Dr. Bedregal also announced that Bolivia would soon name ambassadors to the Soviet Union and the People's Republic of China.

## Brazil

The Brazilian Ministry of Foreign Affairs ordered an investigation in January to find out how "heavy arms" manufactured in Brazil ended up in the arsenals of the PLO. A Jornal de Brasilia editorial in January said that "we must ask if the contracts for the sale of Brazilian arms to the countries of the Middle East contain clauses that explicitly prohibit the delivery of war materials to third parties..... Brazil must take the necessary measures to prevent a repetition of such acts."..... The Argentine newspaper La Razon reported (12/29/85) that Brazil, "the major exporter of arms to the Third World," will sell to Saudi Arabia 1,000 Osorio tanks and an undetermined amount of Astros 2 rocket launchers and Tucano fighter airplanes. In October 1985, AVIBRAS, the Brazilian airplane factory, signed a (U.S.) \$300 million contract with Saudi Arabia for Brazilian made missiles.

Former Foreign Minister Olavo Setubel, on instructions from President Jose Sarney, guaranteed to the Libyan Ambassador in Brazil that the Brazilian government would not adopt any measures against the Libyan government. According to a source in the foreign ministry, (Correio Braziliense 1/86) a general in the high command of the Brazilian armed forces advised President Sarney that "support by Brazil of the United States boycott of the government of Mouammar Qaddafi of



Libya would bring uncalculated harm to the Brazilian arms industry, which currently exports innumerable military equipment to that country." Tiempo Argentino reported (1/10/86) that Brazil hopes that trade between Libya and Brazil in 1986 will reach (U.S.) \$1 billion or more, including the sale of Brazilian combat planes and industrial products of high technology."

Engesa, S.A., Brazil's leading exporter of arms has denounced a U.S.-led trade embargo against Libya. Stating that his firm will continue to supply Libya with arms, Jose Luis Whitaker Ribeiro, managing director of Engesa S.A., which produces tanks, armored cars and other weapons said in an interview published in March, that he anticipates that his company's exports to various countries this year will total (U.S.) \$600 million. Libya sent a military mission to visit factories that produce Brazil's widely sold weapons systems, reportedly to procure Cascavel armored personnel carriers, which have proved to be effective in desert warfare, the Osorio medium tank, which will go into assembly line production next year, and Tucano trainer planes. Whitaker described the Reagan Administration's pressure on other countries to impose an embargo on Libya for allegedly harboring international terrorist groups as a "game of interests." "The United States sells arms to friendly nations", he said, "so they have no right to tell us not to sell to our friends." He added, "A negative aura has formed around (Libyan leader) Mouammar Qaddafi, but I know him personally and I can affirm that he is a highly intelligent and balanced person."

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Dr. Roberto Costa de Abreu Sodre, who became the Minister of Foreign Affairs in February, was formerly governor of the State of Sao Paulo and also served as President of the Brazil-Israel Chamber of Commerce. In his speech appointing Dr. Abreu Sodre to the post, President Sarney called for a policy in the Middle East which would establish links of friendship with the countries of the area, the creation of a Palestinian state, the evacuation of occupied Arab territories and "the right of all people of the region--including Israel--to live in peace within secure borders that are internationally recognized." According to a spokesperson for the Israeli Embassy in Brazil, the speech by President Sarney "did not present anything new." "As far as the Palestine question goes, Brazil has its ideas and we have ours" he added, "we don't agree with them, but we believe it is legitimate to live with a divergence of ideas...." The first official statement Abreu Sodre signed as Foreign Minister was an eleven-line note condemning the invasion of southern Lebanon and expressing "concern" with the "repeated aggression." It did not cite Israel as the aggressor.

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Several members of the Jewish community have been appointed to prestigious posts, both in and out of government. In Porto Alegre, Prof. Marisa F. Soibelman was appointed Director of the Municipal Division of Culture, which manages the city's cultural center, theatres, museums, public libraries and historical archives. Prof. Maria Augusta de Almeida Feldman became the Director of the Division of Schools for the Porto Alegre Department of Education and Culture. She is responsible for the city school system and educational policy.... Dr. Jose Goldemberg was recently named Dean of the University of Sao Paulo, the largest in Brazil. A well known authority on energy and physics, Dr. Goldemberg previously directed the Energy Company of Sao Paulo and was President of the Brazilian Society for the Progress of Science.... Sadly, Jacob Salvador Zweibel, a four-term member of the Sao Paulo State Legislature, died of a heart attack only five hours after taking office as Secretary of Culture for the City of Sao Paulo.

Janio Quadros, Mayor of Sao Paulo, promptly nominated Helio Dechtiar, another Jewish community leader, to replace him.

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The Jewish community in Brazil's southern-most state, Rio Grande do Sul organized a "Week of Protest" in November 1985, on the 10th anniversary of Brazil's vote in favor of the UN resolution equating Zionism with racism in 1975. City Councilman Jorge Goularte called upon Brazil to immediately revoke its vote against the State of Israel, calling the UN Resolution a "great absurdity." "Brazil," he added, "was worried about oil and degraded itself." Representative Norton Macedo of the Liberal Front Party from Parana moved in the Chamber of Deputies to appeal to President Sarney that Brazil "re-evaluate the vote it cast 10 years ago in the UN equating Zionism with racism." Rep. Macedo declared that "To refute the act committed by the UN is a moral obligation for those who are genuinely interested in the struggle against racism and racial discrimination."

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Ronaldo Gomlevsky, President of the Jewish Federation of Rio de Janeiro, filed a complaint with the Regional Electoral Tribunal protesting the anti-Semitic tactics of Wilson Leite Passos, a candidate for mayor from the Partido Nativista Brasileiro (Nativist Brazilian Party). According to Gomlevsky, campaign workers used a vehicle covered with the Nazi flag, from which they broadcast anti-Semitic slogans such as "Down with international Zionism and Communism that want to destroy the family!" from the loudspeakers. Supporters of Leite Passos also distributed pamphlets containing Nazi symbols.

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Alfred Winkelmann, known as the "Nazi host" in Brazil, died on December 28, 1985 at the age of 73. Winkelmann was the owner of the Hotel Tyll in Itatiaia in the State of Rio de Janeiro, which was the well-known meeting place for Nazis living in Brazil. In April 1978, police disrupted an international meeting of Nazis who had gathered at the hotel to commemorate the 80th anniversary of the birth of Adolf Hitler. According to the Brazilian magazine Fatos (1/20/86), despite Winkelmann's notoriety, "the news of his death was clothed in mystery and was not publicized in any journal."

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The state governor of Sergipe, Joao Alves Filho, has proposed a "mini-agrarian reform" in which 20,000 hectares of currently arid soil would be irrigated based on the technology he observed during his recent visit to Israel. ...Israeli irrigation technology will be utilized in a project run by the Grupo Bompreco, to produce ninety thousand tons of food per year. According to Joao Carlos Paes Mendonca, president of the Bompreco supermarket chain, the project will involve an area of 8,600 hectares in Petrolina, Pernambuco, also located in northeast Brazil. Mendonca, who is also a member of the National Monetary Council, stated that the technologies of the United States, Hungary and Israel would be used because "they are the countries which have the best technology in irrigation for agriculture."

## Chile

The Chilean Jewish Group for Peace which was organized early last year published its first bulletin recently. The stated purpose of the group is "to channel our social, political and ideological concerns in reference to Israel and

the Arab-Israeli conflict, Zionism and the Jewish community, and also to the critical situation of Chile today." The organization professes "a belief in a Judaism that carries at its deepest roots the dignity of man and his rights, liberty, social justice and fraternity of all people."

## Colombia

Palestinians in Colombia may have been involved in the occupation of the town of Morales on February 3, by the "Batallon America", the activist wing of the newly-formed "National Guerilla Coordination" (CNG). According to the Peruvian magazine Dominical (2/16/86), confidential reports leaked from the Colombian intelligence service in late December, 1985 indicated that the nation's diverse guerilla groups were coming together in order to operate in a united manner and were "counting on the support of a contingent of around 300 Palestinians, probably PLO." The Colombian Third Army Brigade also reported "the creation of an international guerilla force in the southwest of the country in order to extend subversive action to Panama, Venezuela, Ecuador and Peru." The report cited CNG and the Battalion America as the names of the newly-formed group.

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The Confederation of Jewish Associations of Colombia (COAJ) is conducting a program called "Bricks for Colombia" to aid the victims of the volcanic eruption which buried the town of Armero last October. The project, developed by the Jewish community and Israeli philanthropist Abie Nathan, employs 200 people in a brick factory in the area, producing about 10,000 bricks a day which are given without charge to the survivors of Armero, so they can build new homes. The Jewish community of Colombia previously provided 12 tons of medical supplies donated by Israel as well as 30 tons of food, medicines, bedding and drinking water to the area immediately after the disaster.... The year-old organization, American Jewish World Service, based in Boston, made an initial grant of \$110,000 to the Bricks for Colombia project in January, 1986.

## Costa Rica

Father Dr. Benjamin Nunez, former Ambassador of Costa Rica to Israel, the United Nations and to UNESCO told 700 invited guests at a "Conference on Israel, Zionism and the United Nations" held at the U.N. building in New York, on November 10, 1985 that the resolution equating Zionism with racism was an "anti-scientific invention of evil." He expressed his belief that Zionism "is an invincible battle, because it is the battle of national redemption". Father Nunez, the only participant from Latin America, told the conference, which marked the tenth anniversary of the United Nations resolution, that the good relations Israel enjoys in Latin America are "threatened by black oil, red tendencies and brown movements," the latter referring to the resurgence of neo-Nazism in Latin America.

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The Centro Israelita Sionista of Costa Rica, the community's umbrella organization, and the Sisters of Zion organized a discussion of "The challenges of the modern world for Judaism and Christianity" to commemorate the 20th anniversary of the Nostra Aetate Declaration of Vatican II. The participants included Father Victor Hugo Munguia, Professor in the Central Seminary, Dr. Ricardo Fulknes, Professor in the Biblical Seminary, and Rabbi Pinchas Brener, Chief Rabbi of

Caracas, Venezuela. The moderator of the discussion was Dr. Jaime Daremblum, Professor of Political Science at the University of Costa Rica and a columnist in the Costa Rican newspaper La Nacion.

## Cuba

A symposium titled "Zionism and the International Community" held last December, 1985 in Havana was used as a forum to attack U.S. and Israeli policy. Armando Entralgo, the Director of the Center for African and Middle Eastern Studies (CEAMO), the sponsoring organization of the symposium, charged that "Zionism is intimately related to capitalist imperialism and would not be possible without the backing of powerful circles in the international financial oligarchy." The symposium, held at the Arab Union of Cuba, was presided over by Jesus Montane Oropesa, member of the Political Bureau of the Party Central Committee, member of the Secretariat and Chief of the General Department of Foreign Relations. Delegates from Algeria, Kuwait, Venezuela, Mexico, Panama, Libya and other countries, as well as the PLO, attended.

## El Salvador

The government of El Salvador recently sent a new ambassador to Jerusalem approximately 16 months after the previous ambassador was recalled. The newly appointed ambassador, Enrique Gutfreund, is a senior economic advisor to the Salvadoran government. Although El Salvador transferred its embassy from Tel Aviv to Jerusalem in April 1984, it had not appointed an ambassador to the post until now. In a cable to El Salvador's president, Jose Napoleon Duarte, the ADL said "the action, which reflects moral strength and political courage, supports a premise that is both legal and logical: every country has the right to determine which city shall be its capital" and expressed ADL's "anticipation that other countries will follow El Salvador's example by reestablishing their embassies in Jerusalem."

## Honduras

When the new Honduran Ambassador to Israel, Moises Starkman Pinel, presented his credentials last December in Jerusalem, the entire ceremony was conducted in Hebrew. Ambassador Starkman, who studied international relations and Latin American affairs at the Hebrew University, is the first Honduran Ambassador-in-residence; previous ambassadors were based in Europe. The new Israeli ambassador to Honduras is Shlomo Cohen who was previously the deputy director of the Department of Central American and Caribbean Affairs in the Foreign Ministry. He also served for several years as First Secretary in the Israeli Embassy in Uruguay. Honduran Foreign Minister Edgardo Paz Barnica announced in late 1985, during an official visit to Israel, that the two countries would exchange resident ambassadors in order "to strengthen the excellent relations we have had with the Jewish State for more than 30 years." At the same time, he also announced that a group of Israeli experts would travel to Honduras in early 1986 to advise the government on 15 projects involving agricultural cooperation, irrigation and training

for the diversification of production in the country side as well as for a program of telecommunications. A delegation from the Israeli Knesset will soon travel to Honduras to meet with members of the Honduran Parliament in Tegucigalpa.

## Mexico

The earthquake that spread death and destruction in many sections of Mexico City had an unexpected side effect--it triggered numerous anti-Semitic articles in the capital's major newspapers. Focusing on the death of garment workers who were killed when the quake hit with devastating effects in the city's garment district, various journalists charged that Jews who owned some of the factories were more eager to rescue their machinery and merchandise than the workers who were trapped or killed. In the articles that appeared during a two-month period, they also accused the factory owners of exploiting the workers and failing to pay them severance pay. Several papers carried Streicher-like political cartoons on these themes.

The Jewish community made another contribution, in March, to the national reconstruction fund. The latest contribution of 250 million pesos, earmarked for the rebuilding of a public high school, brings the Jewish community's total contribution to about (U.S.) \$3 million.

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Israel and Mexico have taken steps to resolve the dispute over bilateral trade relations. Earlier this year the Mexican press reported that Israel was going to curtail its purchase of Mexican oil because the Mexican government had failed to abide by its January, 1985 agreement to purchase (U.S.) \$100 million in Israeli chemicals and other products. Mexico bought only \$2 million during the period in which Israel spent \$600 million for Mexican oil. At the end of February both countries signed a new agreement providing for increased use of Israeli technology by Mexico and the purchase of 20 million barrels of oil by Israel. Israel publicly thanked PEMEX, the Mexican national oil company, for being a constant source of supply in defiance of the Arab boycott.

## Nicaragua

President Ronald Reagan, in his nationally televised speech on March 16 said that the only synagogue in Managua had been "desecrated and firebombed" and the Jewish community "forced to flee Nicaragua". Rabbi Balfour Brickner of New York, in a widely publicized New York Times article headlined "Rabbi Disputes Reagan Point About the Jews in Nicaragua," (3/19/86) claimed that "The Synagogue in Managua was abandoned during the fighting in 1978" and that most Jews left of their own accord. The Times article also stated that the incendiary bomb was thrown onto the synagogue lawn.

In response to the unusually wide publicity given to Rabbi Brickner's inaccurate remarks, ADL immediately issued a "White Paper on Sandinistas and Jews." That document is attached.

Fred Luft, who served as secretary and historian of the Nicaraguan Jewish community, wrote a letter to the editor which the Times did not publish. He said



that the synagogue's two Torah scrolls "were removed from the building and taken out of the country days before the fall of Somoza in July, 1979. One of those scrolls was brought personally to Miami by one of the spiritual leaders of the community and is now in a North Miami synagogue. This happened exactly June 6, 1979." His letter also stated that "we did not abandon the synagogue building... we left behind two caretakers who were living in the building... the Sandinistas forced them out of the building so they could claim the building as 'abandoned' and use it for their own purposes."

## Paraguay

A small group of neo-Nazi youth distributed anti-Semitic pamphlets in Asuncion during the official preview of the film "The Boys From Brazil" in February. The pamphlets, which called the film "A lie: Jewish Propaganda" also called Jews "Communists" and proclaimed "Death to the Jews, Hitler was Right." The film had been censored for many years by Paraguayan authorities.

## Peru

Three Iranians recently occupied the Peruvian Embassy in Copenhagen, held two diplomats hostage for two hours, and unfolded a red flag of the Peruvian Communist Party which proclaimed "Down With Imperialism." They also displayed a poster and shouted slogans supporting the Sendero Luminoso (Shining Path) guerrilla movement which operates in the Peruvian countryside. Coupled with recent events in Colombia, several Peruvian and other Latin American newspapers expressed concern over the increasing evidence of a growing network of support and training among international terrorist groups. Tiempo Argentino of Buenos Aires reported in December that at least twelve members of the Sendero Luminoso were receiving "military and terrorist training in Libyan territory."

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The Jewish Association of Peru denounced to the press the "suggestion" made by Senator Miguel Angel Mufarech in Oiga magazine (3/10/86) that "neither Jews nor women" participate in the mission to 13 Arab countries planned for April and May. The magazine Caritas also reported that the Peruvian businessmen and government officials accompanying Senator Mufarech had received instruction manuals which stated "travellers will not be able to speak of Judaism..." The letter signed by Jose Behar, president of the Association, stated that the "Jewish community of Peru cannot accept any type of discrimination, be it against Peruvian women or Peruvian businessmen who profess different religious beliefs..." Senator Mufarech met with the heads of state and businessmen in Arab countries during a trip through the Middle East in late 1985 as "Extraordinary Ambassador on Special Mission" appointed by President Alan Garcia in order to "promote ties with Peru as part of our foreign policy objective of broadening relations with other regions of the Third World."... The government of Peru announced in October 1985, that it was establishing diplomatic relations with Jordan under "the new policy of the government to broaden ties with Arab and nonaligned nations."

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Minister of the Presidency, Nicanor Mujica Alvarez Calderon, represented President Alan Garcia at the Eighth Assembly of the World Jewish Congress in

Israel, January 26 - February 7, 1986. Upon his return to Peru, Minister Alvarez declared that "Israel is deeply interested in investing in Peru... in a way that could well develop a strong commercial current between the two countries." He added that Israel also desired to cooperate in Peru's development programs.... A letter written by President Garcia to the World Jewish Congress mentioned Peru's support for the creation of the State of Israel and the close relationship between the Peruvian government and the Jewish community and expressed his regrets for not being able to attend. According to Oiga (3/24/86) the Foreign Ministry intervened to prevent the publication of the letter in the Peruvian press "in order to avoid friction with the Arab countries...."

\* \* \*

Carlos Roca Caceres, the President of the Foreign Affairs Committee in the Peruvian Chamber of Deputies travelled to Egypt and Israel in October 1985 on a "mission of peace in the Mid East." During meetings with Israeli Foreign Minister Yitzhak Shamir and with Egyptian Foreign Minister Boutros Ghali, he discussed the idea of Peruvian President Alan Garcia to create a group of representatives from Latin American countries to work towards peace in the Mid East. According to Roca Caceres, the proposal was met with "great enthusiasm." He added that Foreign Minister Shamir "ratified the principal point of Peru, that it is possible to find a peaceful solution to the Middle East crisis." Israeli authorities also extended an invitation to President Garcia to visit Israel in 1986 for the inauguration of the forest named for Victor Raul Haya de la Torre, the founder of the ruling APRA party of Peru.

\* \* \*

Scores of prominent Peruvian politicians, journalists, lawyers and intellectuals signed a declaration in November 1985 calling on the United Nations to refute Resolution 3379 equating Zionism with racism. According to Peruvian Senator Armando Villanueva del Campo, "Zionism, the national movement of redemption of the Jewish people, is one of the most legitimate efforts for free determination."

\* \* \*

The walls of the office of the Vice Minister of Agriculture, Jacobo Mishkin were recently smeared with anti-Semitic slogans "Hitler was right! The Jew Mishkin is a traitor!" Mishkin, who was involved in political in-fighting and accused of disloyalty to the APRA party was forced to step down from his post.

## Uruguay

The Vice-President of Uruguay, Dr. Enrique Tarigo, assured the speaker of the Israeli Knesset, Shlomo Hillel, that his government "would not authorize the installation in Montevideo of that factory of terrorism which is the PLO." Speaking at a reception in his honor during his eight-day visit to Israel in February, Vice-President Tarigo emphasized that "the Uruguayan people already suffered enough from terrorism." Hillel acknowledged Tarigo's public activity on behalf of Soviet Jewry and added, "In their defense of human rights and for their stand against terrorism, President Sanguinetti and Vice-President Tarigo can serve as examples for many world leaders."... President Julio Sanguinetti will visit Israel in May. While in Israel, he will meet Uruguayan troops who are members of the United Nations Peace Keeping Force in the Sinai.

\* \* \*

Returning from a week-long visit to Israel in November, 1985 the leader of the National Party, Wilson Ferreira Aldunate, declared that "If I were Jewish, I would without a doubt live in Israel." In an interview with the magazine Panorama he praised Israel's pluralistic society, its democracy, and its "true desire for peace which is noted as much in the government as it is with the people." While in Israel, Ferreira met with Dr. Edy Kaufman, currently director of the Truman Institute of the Hebrew University of Jerusalem, who saved his life in 1976. Ferreira was in exile in Argentina when two Uruguayan politicians were killed in Buenos Aires; Kaufman urgently arranged for the Austrian Ambassador to grant diplomatic asylum to Ferreira.

\* \* \*

The Uruguayan newspaper El Dia reported in December, 1985 that several Uruguayans of "Arab origin," including Representative Walter Isi, participated in a meeting of 700 representatives of American countries in Damascus, Syria. Those who gathered in Syria announced the creation of the "Organization of American Parliamentarians and Personalities of Arab Origin." According to Isi, the new organization "will struggle for the independence of Lebanon and for the sovereignty of its people... violated by foreign countries." He also mentioned that the organization declared its "desire that the Palestinians would be able to recover the territories unjustly taken from them." Other Uruguayans participating in the meeting were Dr. Odel Abisab, Prof. Washington Neme, Angel Arnour and Foad Niffouri.

\* \* \*

Representatives of Uruguayan political parties and leaders of the Jewish community spoke to a throng of some 1,200 Jews and non-Jews who gathered to condemn the United Nations' resolution equating Zionism with racism. The event, held in the Teatro Solis, Montevideo's largest theater, was organized by the Zionist Organization of Uruguay, the Jewish Central Committee and the B'nai B'rith of Uruguay in November 1985 on the 10th anniversary of that infamous resolution. Senator Pedro Cersosimo of the Colorado Party declared that the resolution was supported by "those who want to destroy coexistence, because Zionism is a movement of national reaffirmation which deserves the solidarity of all free men." Senator Gonzalo Aguirre of the Blanco Party said that "Zionism is the freedom-seeking movement that achieves the goal of providing a homeland for the Jewish people." He added that resolution 3379 is "wrong, unjust and we, as Uruguayans identified with the humanistic and pluralistic ideology, repudiate racism and we will reject the resolution."

\* \* \*

The Jewish Central Committee celebrated its 45th anniversary in December 1985. At a press conference, Dr. Nahum Bergstein, the Committee President, said "I think that perhaps it was never as easy to be a Jew in Uruguay as it is now." As Uruguayan Jews, he added, "we can feel the convergence of our Jewish and national qualities which causes us to deepen our support for the construction of a pluralistic society."

## Venezuela

Dr. Paulina Gamus was recently named Minister of Culture and President of the National Council of Culture for Venezuela. Dr. Gamus leads an extremely active political life in Venezuela, having served as Vice-Minister of Information

and Tourism, representative to the National Congress and member of the National Executive Committee for the Democratic Action Party. She has also been active in Jewish affairs as the executive director of the Confederation of Jewish Associations of Venezuela (CAIV) and is a member of the Permanent Committee for the Jewish Minorities in the Soviet Union.

\* \* \*

The Ambassador of Israel to Venezuela, Oscar Pri-Sar, witnessed the signing of a decree providing for reforestation of the Isle of Margarita. Ambassador Pri-Sar said that he attended this ceremony at the invitation of Venezuelan president Dr. Jaime Lusinchi and the governor of the state of Nueva Esparta, who have requested Israeli assistance because Israel "had a notable experience in the field of reforestation." He added that Israel collaborates on agricultural, technology and reforestation projects with 129 nations, including some with which they do not maintain diplomatic relations.

## Israel and Latin America

Hanan Olami, head of the Latin American Department of Israel's Foreign Ministry, confirmed in January that the presidents of both Argentina and Uruguay would visit Israel in 1986. Olami said that he anticipates that Israel's relations with the Hispanic world would improve following the establishment of diplomatic relations with Spain.

\* \* \*

At a recent meeting with leaders of the World Jewish Congress, the director of the United States Agency for International Development, Peter MacPherson, announced that the United States would administer a multi-million dollar program of assistance to the countries of the Third World using Israeli technology. MacPherson explained that AID had already provided \$2 million to an experimental program of foreign aid "based on Israeli technology." Under this program direct subsidies were made to 18 Israeli institutions connected with projects in the Third World. He announced that the budget for this program would now be increased to more than \$5 million, indicating that "with this we all benefit, that is, AID, the United States, Israel, and the developing countries".

## Miscellaneous

Louis Farrakhan's recent Caribbean and Central American tour captured smaller audiences and less media attention than expected. In the U.S. Virgin Islands, organizers of Farrakhan's appearances on St. Thomas and St. Croix predicted crowds of more than 3,000 on each island. (The Virgin Islands Daily News, 12/26/85). Only 700 people attended the speech in St. Thomas and approximately 1,200 attended in St. Croix. ...Farrakhan reportedly left Panama "bitter and disappointed" by the even smaller audiences at his two speeches in February. In Panama City, his speech drew about 100 people, mostly black U.S. soldiers. In Colon, on the Pacific Coast, about 50 English speaking Blacks attended.... In Jamaica, Farrakhan used the opportunity to speak against Jews and Israel, asking why Israelis are cultivating 5,000 acres of land "to send the products to Israel while hundreds of black Jamaicans were begging in the streets."... Although Farrakhan was scheduled to speak in Bermuda, in December, the government refused to let him enter the country.

Jewish communities throughout Latin America stepped up their activities on behalf of their captive brethren in the Soviet Union. As the Reagan - Gorbachev summit meeting was taking place in Geneva demonstrations were held in front of the Soviet embassies in Argentina, Uruguay and Venezuela. The Confederation of Jewish Associations in Venezuela (CAIV) organized a week of activities November 10-18, 1985 which included meetings with government officials, seminars and a "solidarity strike" on November 18 when Jewish businessmen hung signs in their shops declaring "This business is closed today in solidarity with our brothers in the USSR for their human rights and for their freedom of immigration." ...The ADL has published a new Spanish-language pamphlet "Atrapados en la Union Sovietica" (Trapped in the Soviet Union) for use in Soviet Jewry campaigns in Latin America. Containing photos of Jewish "refuseniks" and prisoners of conscience, the pamphlet is an important tool for letter writing campaigns and publicizing individual cases. Copies are available free of charge by contacting the ADL Department of Latin American Affairs, P.O. Box 20062, New York, NY 10017.

\* \* \*

The New Jewish Agenda (NJA) reported in December, 1985 that 17 Reform and Conservative synagogues throughout the United States had declared themselves to be sanctuaries for Central American refugees. Paul Tick, co-chairperson of NJA's Central America Task Force and coordinator of the study, said many of the synagogues which have become involved with the sanctuary movement were initially contacted by and have worked with NJA members.

\* \* \*

The Board of Presidents of organizations affiliated with the Latin American Jewish Congress met in late 1985 in Sao Paulo, Brazil, to discuss the main problems of the continent and their effect on the Jewish population. The President of the Board, Gregorio Faigon, warned that the social and economic crisis tends to make itself permanent, with serious danger for the new and still fragile democratic structures that are still being consolidated in Latin America. Dr. David Goldberg of Argentina, spoke of the relatively new phenomenon of significant Jewish participation in public life due to the renewed democracy in Argentina. He also reported that Nazis in Argentina continue to carry out public activities including anti-Semitic speeches and the wide distribution of anti-Jewish literature.

\* \* \*

The Latin American Bishops Conference (CELAM) announced in March the publication of Los Judios, a manual for Catholic-Jewish relations. The manual will be used by Catholic clergy, educators and lay leadership to foster better relationships with local Jewish communities all over South America. It includes remarks made by Pope John Paul II to the ADL delegation in Rome on August, 1985 and the conclusions of the Catholic-Jewish conference sponsored by ADL, CELAM and the Latin American Jewish Congress held in Bogota, Colombia in August, 1985.

The Latin American Report reflects information derived from a variety of sources as well as ADL's analyses of events that are of interest to the world Jewish community.

## LATIN AMERICAN REPORT



Is a periodic publication of the Anti-Defamation League of B'nai B'rith, 823 United Nations Plaza, New York, N.Y. 10017.

Kenneth J. Blalkin, National Chairman; Nathan Perlmutter, National Director; Burton S. Levinson, Chairman, National Executive Committee; Abraham H. Foxman, Associate National Director and Director of International Affairs; Howard Berkowitz, Chairman, International Affairs Committee; J. Barry Mehler, Chairman, Sydney P. Jarkow, Cochairman, Latin American Affairs Committee.

This issue of Latin American Report was prepared and written by Rabbi Morton M. Rosenthal, Director, and Martin M. Schwartz, Assistant Director of ADL's Latin American Affairs Department.





## A WHITE PAPER ON THE SANDINISTAS AND JEWS

published by the Anti-Defamation League of B'nai B'rith  
March 19, 1986

### INTRODUCTION

Members of the Jewish community-in-exile came to the Anti-Defamation League of B'nai B'rith to tell of their experience of Sandinist anti-Semitism in Nicaragua and seek assistance. In 1981, a League representative raised this issue in New York with Foreign Minister Miguel D'Escoto. Despite assurances that the government would investigate, the ADL received no reply to queries about anti-Semitism, the status of the synagogue and private properties.

In May, 1983, after 19 months of futile quiet diplomacy, the ADL publicized the plight of Nicaraguan Jewry. Only then did the government of Nicaragua react. It denied charges of anti-Semitism, and falsely claimed that four cabinet members are Jews. It also claimed that the synagogue was a private home, legally confiscated. When ADL provided documents proving that the synagogue was built by the congregation, the government offered to return the building.

At that time only two or three members of the congregation were still in the country. The small Jewish community, its members fearing for their lives, had fled in the face of anti-Semitic threats and harrassment.

Since then, various individuals and organizations have attempted to distort the facts and deny that Jews, as Jews, had reason to fear or flee the country. This paper sets forth basic facts about the Sandinistas and Jews.

### ANTI-SEMITISM

"Anti-Semitism was one of the major factors, though not the only one, which caused the Nicaraguan Jews to leave Nicaragua."

Marcel Ruff, President

Federation of Jewish Communities of Central America (FEDECO), May, 1984

\* \* \*

Nuevo Diario, a Managua newspaper which closely adheres to the government line, charged (July 17, 1982), that "the world's money, banking and finance are in the hands of descendants of Jews, the eternal protectors of Zionism. Consequently, controlling economic power, they control political power as now happens in the United States."

\* \* \*

"I remembered that it was the Levites in the synagogue who crucified our Lord."

Foreign Minister Miguel D'Escoto  
Washington Post 1/27/85

### THE SYNAGOGUE

The synagogue in Managua was firebombed in 1978 while the congregation was worshipping inside. When congregants attempted to flee, they were confronted with armed Sandinistas who ordered them not to leave the burning building.

\* \* \*

"I remember one day, one evening, on a Shabbat evening while we were singing, two bombs hit the door. We had a big wooden door in the synagogue, where a big Star of David was, and all of a sudden, the whole place was on fire.

"I remember running, getting the fire hose, and started running to the entrance of the synagogue, when I stopped because two other members that used to be in concentration camps in Europe, they had already reached the outside of the synagogue. We were met by a jeep and another small car with eight members that had handkerchiefs on their faces, and they identified themselves as members of the FSLN, means the Sandinista movement, guerilla movement. They said that they were the FSLN and the PLO and that they were going to burn all the Jews. So we were forced back into the synagogue."

Oscar Kellerman, Washington, July 20, 1983

\* \* \*

Mauricio Palacio is a non-Jew who lived among the Jews and served as a Sandinista informant.

"I let them know where....the Jewish people would gather so that a little burning of the cars of these Zionists could be done and tell them all "JEWS GO HOME."

Mauricio Palacio  
Managua, March 3, 1980

"The purpose of this operation, was intended to intimidate the community and, in that way, to stop the flow of arms from Israel. It was determined that the best place to carry out the operation was the synagogue....the synagogue was attacked and they attempted to set fire to the doors; a verbal message was given to the congregation...."

Mauricio Palacio  
Chicago, April 15, 1986

### THREATS AND INTIMIDATION OF INDIVIDUAL JEWS

"I, together with my brother-in-law, Mr. Saul Retelny, ran a complex of factories manufacturing textiles and candy which employed at peaks, over 1,200 heads of families. For a period of 18 months prior to July, 1979 anonymous

callers would contact Mr. Retelny and threaten his life and that of his wife. These calls came to his business office and to his home, now also confiscated, at all hours of the night. One favorite tactic was to call around three in the morning and tell my brother-in-law that I had been shot and killed! At the same time, I would get a telephone call claiming that my brother-in-law was shot and killed.

"In addition, there were writings on the walls inside and outside the factories: 'Death to the Jews; Isaac will be killed. Beware of Sandinista Justice.' Dry runs of abduction attempts were made. In one instance, I was stopped, with my son inside the car, and at gun point my life was threatened. I was warned that my businesses were to be taken over when the Sandinistas came to power. Although Mr. Retelny and I were both born in Nicaragua, we never participated directly or indirectly, in politics."

Isaac Stavisky, Washington, July 20, 1983

\* \* \*

"Three times I was followed, and they tried to kill me three times. With gasoline, they tried to burn the car. Other times, I did not take the path or the road that they thought I was going to take, because every day we would take a different road. We knew already that we were being followed. We were all receiving, not only myself, but the rest of the Jewish families, receiving harassment, threats, phone calls. And all this made us little by little, one by one, leave Nicaragua."

Oscar Kellerman, Washington, March 14, 1985

#### CONFISCATION OF PROPERTY

The government of Nicaragua informed the ADL in December, 1983 that only two members of the Jewish community faced the possibility of criminal charges, but that 17 had had their properties confiscated by decrees. The others are caught in the "Catch 22" situation of being out of the country for fear that their lives are in danger and, therefore, falling under the Nicaraguan law providing for the confiscation of property of those who remain outside the country for more than six months.

#### SANDINISTAS' RELATIONS WITH ISRAEL

After coming to power in 1979, the Sandinistas maintained minimal relations with the State of Israel, never permitting the Israeli ambassador to present credentials. In 1982, the Nicaraguans broke relations with Israel.

Foreign Minister Miguel D'Escoto, in a speech before the General Assembly of the United Nations announcing that his country was breaking relations with Israel, used the Israeli move into Lebanon as a pretext for that action. He told

the U.N. body, "Never since the time of Hitler has such mass genocide been witnessed...." D'Escoto said that his government, since it came to power, had "suspended all contact with the Zionist regime...all that remained was to break off diplomatic relations formally."

In the last two sessions of the General Assembly, Nicaragua has actively supported efforts to expel Israel from that world body.

#### SANDINISTA LINKS TO P.L.O.

The P.L.O.-Sandinist relationship involved P.L.O.-supplied weapons, training and funds. Sandinist guerillas and P.L.O. terrorists have also fought side by side. Jorge Mandi, a Sandinist spokesman, told a reporter for the Kuwaiti newspaper Al Watan (Aug. 7, 1979), "There is a longstanding blood unity between us and the Palestinian revolution....Many of the units belonging to the Sandinist movement were at Palestinian revolutionary bases in Jordan. In the early 1970's, Nicaraguan and Palestinian blood was spilled together in Amman and in other places during the 'Black September' battles."

In August, 1980, the Kuwaiti press reported that P.L.O. members had gone to Nicaragua to supervise military training. This was done in accord with an agreement reached with Yasir Arafat, the P.L.O. chieftain, who had gone to Managua in July to celebrate the first anniversary of the revolutionary Government. The Sandinists paid their debt by authorizing the opening of a P.L.O. "embassy" in Managua.

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One Hundredth Congress

# Congress of the United States

## Committee on Foreign Affairs

House of Representatives

Washington, DC 20515

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STEVEN K. BERRY  
MINORITY CHIEF OF STAFF

April 26, 1988

*John*

Dear Republican HFAC Colleague,

On Thursday this week, the Foreign Affairs Committee will markup the Dellums/Wolpe South Africa sanctions bill, HR 1580. You should have already received the attached summary of the bill and the Burton substitute. We would like to make a few additional points.

### Dellums/Wolpe is Significantly Worse than Current Law

The Comprehensive Anti-Apartheid Act of 1986 (CAAA), which was enacted over a Presidential veto, did not go nearly as far as the Dellums/Wolpe bill. While the CAAA made some attempt to tailor sanctions to particular sectors while encouraging American businesses to support black development and self-help projects, Dellums/Wolpe takes a total "scorched earth" approach.

All Republican amendments (and even an idea from the Democratic side) to improve the bill were rejected. To illustrate:

- o Arguing that food should not be used as a weapon in our South Africa policy, Mr. Bereuter attempted to exclude agricultural exports from the almost total export ban. He was rebuffed.
- o Mr. Burton attempted to exempt majority black-owned businesses from the import and investment bans. No luck.
- o Mr. Bilbray suggested that, in the interest of safety, we should consider exempting airplane replacement parts. He was shot down.

Time and again, Mr. Wolpe restated that exceptions cannot be made: not for food, not for safety, not even for investment in black-owned businesses.

### Sanctioning America ...

A major problem with the Dellums/Wolpe bill is that, while its effect on American business and jobs is immediate and direct, South African business and our foreign competitors may benefit. For example, the Japanese could buy raw material imports from South Africa



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(at lower prices, because of the drop in U.S. demand) and then export them as finished goods to the U.S. Our competitors get a boost, and we end up buying the same South African raw materials -- from Japan.

To address this problem, Mr. Lukens offered an "equity" amendment: "No article, of which any component or constituent part is grown, produced, extracted, or manufactured in South Africa, may be imported into the United States." The amendment was defeated.

( Even the much milder CAAA had significant unintended consequences on American business. A just-released study by Wharton Econometrics shows that U.S. coal exporters lost \$250 million because of a ban on imports of South African coal, when they expected to benefit from the elimination of a major competitor. Instead, the South Africans slashed their coal price, causing a world-wide price war that dropped the coal price by about \$6 a ton. This particularly hurt high-priced producers, such as the U.S., while South Africa maintained its market share.

( According to a study by the New Jersey Division of Investment, the State of New Jersey lost \$365 million in pension funds due to divestment measures. A study by the Department of Commerce released this month found that the ban on uranium imports from South Africa, as enforced by the Dellums/Wolpe bill, could cost "up to \$300 million annually to the U.S. uranium industry."

### **... Not South Africa**

In 1983, four white South African corporations controlled 70 percent of the Johannesburg stock market. By 1987, that share had risen to 83 percent of total capitalization. Big business in South Africa is now looking forward to snapping up American subsidiaries that will have to be sold for a fraction of their value.

( Over 60 percent of South Africa's export income is from gold, diamonds, and platinum. These exports are almost impossible to embargo, though sanctions may contribute to a rise in prices, actually increasing South Africa's export income.

Last year, South Africa enjoyed a record trade surplus, and the Washington Post reported recently that trade with the rest of Africa is on the rise. South Africa's real growth rate rose from under 1 percent in 1986 to about 2 percent in 1987, and is projected to reach 2.5 to 3 percent in 1988.

### **But Sanctions Could Cause Significant Black Unemployment**

A 1987 study on the effects of "low intensity sanctions, gradually escalating over an extended period" argued that while sanctions would not have dramatic economic effects, they would slow the growth rate and hence the rate of job creation. The paper, which

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was commissioned by COSATU (the largest black labor union), estimated that 2 million additional South Africans would be put out of work by the year 2000. This concern was echoed by the South African Council of Bishops in a similar report.

The study also predicted a widening in wage differentials, which have been narrowing since 1970: without sanctions, the non-white share of total income would increase from 19 percent in 1970 (and 29 percent in 1985) to 36 percent by the year 2000. With sanctions, this share could fall back to under 20 percent.

### **There is a Better Way**

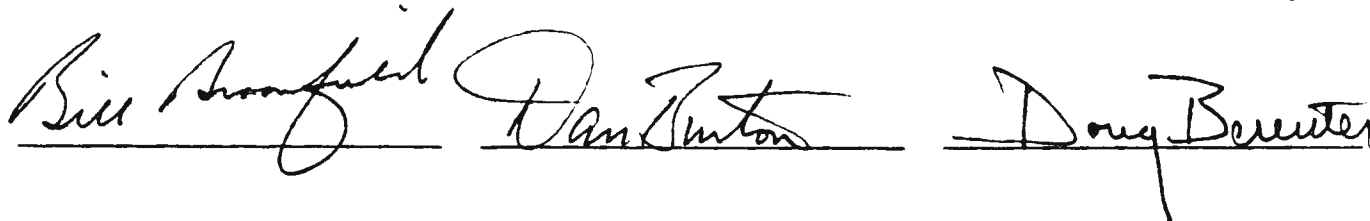
Apartheid is breaking down, despite, not because of sanctions. According to testimony heard before the Subcommittee on Africa, urbanisation and increasing black economic power have been the major factors in the substantial and continuing erosion of apartheid. As Helen Suzman, who has been fighting apartheid for 25 years in the South African parliament, wrote to the subcommittee,

"These two factors, Black economic muscle and Black urbanisation, with the levers, the pressures and the new bases for mobilisation which they provide, are the most potent weapons which Black South Africans have ... [These factors] have been the most important and decisive factors in producing changes, such as repeal of the pass laws and influx control, the granting of full trade union rights to Black workers, the scrapping of racially based job reservation, the recognition of the permanence of Blacks in urban areas and with that, the right to home ownership, etc."

The Burton substitute (summary enclosed) is directly geared to support black economic empowerment, which we believe will lead more quickly and peacefully to black political power than the sanctions approach. The substitute does not repeal any existing sanctions.

We hope you will look through the enclosed materials and consider supporting the Burton substitute when offered on Thursday. A strong Republican vote will put us in a better position to obtain a rule allowing a substitute to be considered on the House floor. With your help, Republicans will have the opportunity to vote for a democratic future for South Africa, not just against the Dellums/Wolpe bill.

Sincerely,

  
Bill Armstrong      Dan Burton      Doug Bereuter

# Changing South Africa—a Choice of Weapons

—Fleur de Villiers—

THE INTERNATIONAL crusade for punitive sanctions against South Africa has won its first major victory—and claimed its first victims. The overwhelming vote by Congress to override President Reagan's veto of the Lugar bill was pre-eminently a victory for the African National Congress and its acolytes who have campaigned for sanctions in the callous, if mistaken, belief that they will shorten the fuse on revolution in South Africa. It was a victory for those who needed to rally the Democratic party and public opinion on one of the few issues where, because of the conspicuous failure of constructive engagement, the Reagan administration appeared weak and vulnerable. But for those who have supported sanctions because they believed or were persuaded that there was no viable alternative, it has been a victory for the politics of fatigue, frustration, and failure.

In the final days of the 99th Congress, a slogan finally left the streets, the pickets, and the campuses and became a policy. Once again, and once again with the best will in the world, the United States has committed itself

to folly, based on a fundamental misperception of the world beyond its borders. If sanctions begin to bite, there will be victims—the black South Africans and their families who will lose their livelihood, and possibly their lives. But the successful passage of the Lugar bill has already claimed some prominent victims. President Reagan, suffering his first major foreign policy defeat, is the most obvious, for the administration has now finally and permanently lost control over U.S. policy towards Pretoria.

The sanctioneers in Congress will not be long content with the first *tranche* of anti-Pretoria measures. Following the time-honored foreign policy principle that if at first you don't succeed, fail, fail again, further and more heroic doses of the same medicine will certainly be demanded and applied until all hope of internal reform in Pretoria is smothered, white attitudes harden under external threat, and polarization becomes terminal. And if the Lugar bill has emasculated White House control over this area of foreign policy, it has by the same token claimed another victim in the Department of State which, in the last few months before the Senate vote, was reduced to a desperate attempt at damage limitation, trying to synchronize sanctions with Britain and stiffen Bonn's spine, thus keeping punitive measures to the minimum with which President Reagan could live, however uncomfortably. In the end, its efforts

were in vain. Reagan was torpedoed, not by Chancellor Kohl or Mrs. Thatcher but by American legislators. Washington having broken ranks with its two major allies, it is now inevitable that Thatcher and Kohl, however reluctantly and against their own material interest, will be compelled eventually to bring their measures into line with those of the U.S. Congress.

If they are undeserving victims of this latest example of passion masquerading as policy, Assistant Secretary of State Chester Crocker, who invested his reputation, six years of his life, and his political credibility in constructive engagement, is arguably the biggest loser—outside the borders of Southern Africa itself. Certainly, he has long been the main target of those who believed it was possible to conjure up a solution to one of the world's most complex problems with all the careless élan of a short order cook.

Crocker's policy, constructive engagement, deserved to succeed. Carefully reasoned, subtly tuned, and dispassionately argued, it was based on a close knowledge of the peculiar dynamics of South African politics, on a faith in the self-reforming process that had already begun within the white and particularly the Afrikaner community, on an awareness of South Africa's ability to sow peace or havoc in the entire subcontinent, and on a keen awareness that American leverage to influence events within the country itself was extremely limited. That leverage had been further weakened by the rhetoric of the Carter years; the United States was eventually perceived by both white and black South Africans to shout very loudly and carry an extremely small stick.

But constructive engagement failed—and for once failure has many fathers. Among them are enemies on the extreme right, who sought from the Reagan administration nothing less than a strategic embrace of Pretoria, and foes on the left and within the Republican party, who demanded that constructive engagement produce within a few years a list of the internal changes it had wrought in South Africa. It was useless to argue that no

foreign policy worthy of the name could or should be submitted to so simple a pass/fail test. The desire for a quick fix of a problem that by then had entered every Amerjean home on the nightly news became the overriding imperative. And in this Crocker fell victim to the essential paradox in his thesis. Its underlying philosophy was that United States leverage was limited, that South Africa would be changed by South Africans or not at all. But it also promised by implication more than could be given—that the United States could play a critical role in effecting that change. Under pressure, the administration was thus reduced to claiming credit for reforms that had everything to do with internal pressures and nothing to do with American diplomacy (claims which infuriated Pretoria and made it even less susceptible to Dr. Crocker's charms), or for concessions so minor when measured against the demands of the administration's foes on the left that they were ridiculed.

GIVEN THE PRESSURE in Washington to produce results, given equally that it is against the perceived interest of the Nationalist government in Pretoria ever to admit to the Afrikaner right that it is dancing to a foreign tune, it was perhaps inevitable that the policy would self-destruct. That process was certainly hastened by events in South Africa that appeared to cry out for active foreign intervention, for rebuke and punishment.

There is some irony, however, in the fact that the endless pilgrimages to Pretoria by high profile foreign peacemakers in 1986 were almost certainly a major factor in persuading President Botha finally to slam the brakes on the reform process that he had begun six years before. The effect of the flurry of diplomatic demands was to persuade both him, and that section of his constituency to which he is most sensitive, that nothing less than a transfer of power to the ANC was the world's minimum requirement for readmission to the international club. He had received little international credit for sacrificing Afrikaner

unity and a sizable slice of his constituency for what the world insisted on calling cosmetic change. The goal posts had moved, and a man who had backed into reform and been carried along by its momentum now had to deal with that "final demand."

His answer was almost as predictable as it was lamentable: a blunt rejection of all further efforts at mediation, the reimposition of the state of emergency, at least partially to reassure his right wing, and a brutal reassertion via the raids on Gaborone, Lusaka, and Harare of South African power in the region. It also put an end to the years of Crocker's much quieter diplomacy. It was equally predictable that the sanctions crusaders, their zeal reinforced by events in South Africa and through skillful manipulation of world opinion by an ANC which correctly perceives reform as the enemy of the revolution it seeks, would rush in to fill the vacuum and give the United States a South African policy worthy of its morality.

Beyond the evanescent flush of righteousness, however, it is difficult to discover precisely what they hope sanctions will achieve. For some—the hard-eyed radicals of the far left—use of sanctions is based on the belief that they will so increase want and deprivation among South African blacks that, out of desperate need to shorten their suffering, they will move from sporadic insurrection to all-out rebellion. If sanctions are war by other means, the men in Lusaka, having failed to prosecute their guerrilla war against South Africa with any degree of success, have already selected their surrogate cannon fodder—the millions of black South Africans and migrants from the Frontline states who daily vote with their feet by flocking to the factories and mines of the only successful industrial economy in Africa. Their argument has at least the virtue of honesty, even if it ignores the cardinal fact that people in an extremity of want, without jobs and without food, are usually so obsessed with material survival that they lapse into political apathy and are extremely difficult to mobilize.

Other motives are paradoxically more

difficult to defend, ranging as they do from the fact that the South African problem has now become such a high profile domestic issue in the United States that a pro-sanctions stance is a low cost vote-getter in congressional or state elections, to the meaningless slogan that it is important for the United States to "get on the right side of history," and the pervasive, uneasy sense that America's own racist history, only partially redeemed, demands a "moral" response to South Africa's problems. All this is underpinned by an assumption (which is belied by the history of sanctions wherever they have been applied) that somehow, in an as yet undefined way, external threat and isolation will persuade Pretoria to see the error of its ways.

Even Malcolm Fraser, who has developed a new role for himself as the world's leading sanctions salesman, admits that his chosen remedy has only a 50 percent chance of persuading white South Africa to alter course. South African liberals like Helen Suzman and Alan Paton, who better understand the temper of the times in their own country, have reacted with dismay, not only because they find it infinitely more difficult than Mr. Fraser to contemplate mass black unemployment with equanimity, but because they see a hardening under external threat of white South Africa's resistance to change. Nevertheless, in this classic case of the confusion of means and ends, the argument that sanctions are the wrong instrument for the wrong task becomes almost immaterial. Indeed in this whole matrix of motives, means and ends have become so inextricably confused that it is impossible to discern when sanctions now imposed will be lifted.

It is therefore equally difficult to see when, if ever, President Reagan or his successor will be able to regain control and direction over American policy towards a South Africa that is not ruled by Oliver Tambo or his successor. And so it is safe to predict that the sanctions horse, now finally out of the stable, will soon be out of control. Is it equally safe to predict that in a few years

time those who saddled it will feel at least a twinge of responsibility and regret for the chaos it has wrought? For the evil that politicians do—especially in the name of good—lives on in the foreign fields they seldom visit and never understand, long after they have satisfied the momentary itch for a moral high. It is therefore important to examine what sanctions will and will not achieve.

EVIDENCE IS ALREADY accumulating that sanctions will not bring white South Africa to the negotiating table. Instead, at a unique moment in history when the forces for change within were beginning to outweigh the forces of reaction, sanctions have begun to tip the scales the other way.

It was predictable that President Botha's utterances over the past few months would for the first time draw the bottom line on reform. The equation which the government has made and which the electorate is making in growing numbers is a false one, but it is nonetheless persuasive to people who see their security threatened. It is this: reform was respectable when it was generated by pressures within South Africa itself. It ceased to be politically attractive when it could be portrayed by the far right as a concession to external demands. So the left has achieved its first objective. The stumbling process of relatively peaceful change is being halted, an already fractured society is being further and perhaps terminally polarized.

Thus have sanctions and the threat of sanctions as a means of producing an atmosphere conducive to a negotiated peace in South Africa already failed. South African business, which for the past few years has been at the cutting edge of the reform process, now sees itself as the undeserving first victim of the sanctioneers, and its attention is being diverted from pushing for further and more fundamental change to the immediate, politically safer and more absorbing challenge of sanctions-busting. The growing voices of dissent from the moderate center within the white electorate, and within the governing party, which were being heard early in 1986,

have been stilled as white South Africans rally once again round the flag of national unity—a phenomenon that observers believe will be dramatically demonstrated during the general election, which will probably be held early in 1987.

Far from bringing white South Africa to the conference table, sanctions will have precisely the opposite effect. But let there be no doubt about what they will achieve. They will not stop South African exports from reaching the outside world—albeit at a premium. Sanctioneers may reflect ruefully on the fact that it was the United Nations arms embargo that not only made South Africa almost self-reliant in arms production but taught it the art of sanctions-busting (today it is one of the world's major arms exporters). By the same token, sanctions will lead to import substitution in South Africa, which will in turn produce a brief, but confidence-building boost to its flagging economy. They will lead to a loss of jobs in the sanctioning countries. They will lead to a substantial increase in black unemployment in South Africa—already running at 60 percent in some areas—and a consequent increase in deprivation and human suffering.

One of the most frequently quoted justifications for sanctions is that they are not merely the chosen weapon of the ANC, but have been demanded by Archbishop Desmond Tutu and other black leaders within South Africa itself. The argument appears unanswerable: if black South Africans demand sanctions, who are we to deny them their suffering? It is difficult to answer without being accused of an *ad hominem* attack on the Archbishop of Cape Town, but it must be said that those who call most stridently for sanctions are not those who will lose their daily bread if they are applied. They are churchmen, trade union and party officials, all guaranteed a secure living. They are the "comrades," school children sustained by their parents. In an article published by the Center for Applied Social Sciences at the University of Natal (August 1986), Professor Lawrence Schlemmer meticulously examined

every survey of black South African opinion on the issue of divestment, boycott, and sanctions, and discovered that

only a minority of around one quarter or less of blacks in major metropolitan areas would support total divestment or full economic boycotts. Their reasons, as my surveys and others have shown, are simply that they would not wish to endure collective economic punishment in the sanctions process . . . it is certainly true that a majority of black spokespeople, members of the middle class intelligentsia, students and clergymen support sanctions. This is not surprising since their interests are political rather than economic. They would undoubtedly benefit from an economic collapse if it means a consequent collapse of the South African government—an unlikely outcome.

Professor Schlemmer is not a supporter of the South African government, but South Africa's leading psephologist, a past president of the South African Institute of Race Relations, and a man with unimpeachable liberal credentials.

Should they succeed and lead to economic collapse, sanctions will reduce the only successful industrial economy in Africa to yet another Third World basket case, dependent on a massive injection of Western aid to save not only South Africa itself, but the network of surrounding states, which are critically dependent on migrant workers' remittances for much if not all of their GDP and on trade with and through South Africa to keep their tottering economies alive. Sanctions do not have to be effective or universal to collapse those fragile economies—as studies by those states' own governments have shown. Recent confidential estimates by Zimbabwe have shown that it is 85 percent dependent on trade with or through South Africa. African leaders who call loudly for sanctions admit privately that "they will kill us," that hopes to reduce dependence on South Africa by upgrading the Beira and Tanzara rail links are expensive pipedreams, and that no amount of Western aid is going to help them pay for their rhetoric. Which is why it is becoming

ever more doubtful whether Zimbabwe or Zambia will actually live up to their rhetoric and apply the sanctions they seek from the West. Other "Frontline states" such as Mozambique and Botswana have already said that sanctions are a luxury they cannot afford.

With the South African problem now firmly ensconced in the domestic political arena in Britain, the United States, and Europe, it is not enough, however, to point out that sanctions are at best a means that will not achieve the desired end and, at worst, are a prescription for political and economic disaster. One has to suggest a viable alternative—and there is one at hand. It has already been dubbed a Marshall Aid Plan for South Africa—a title that is probably unhelpful and confusing, especially as Jesse Jackson has since hijacked the phrase to denote a rescue operation for the Frontline states that has no hope of success. But whatever it is called, it could be said to represent a variation of "constructive engagement"—with one important difference.

Constructive engagement sought to engage the South African government. A Marshall Plan instead pushes Pretoria to the periphery and seeks constructive engagement with the South African people themselves, both black and white. It accepts that the only successful pressures for change are those generated within South Africa which have the willing support of the majority of whites, and it seeks to increase those pressures by offering whites (if not the government) an alternative to isolation, and blacks an alternative to deprivation.

Unlike sanctions which, whether total or partial, effectively deprive the West of any further leverage over an isolated and increasingly intransigent Pretoria government, this sort of aid will require continuing commitment, concern, and involvement. For those who see morality as a fit base and purpose of foreign policy, it should therefore have a greater appeal than sanctions, which seek to solve a problem by turning a collective back on it. Such a policy also has a firmer base in history.

IT IS A Marxist shibboleth that capitalism is the handmaiden of apartheid and that economic growth and investment merely prop up the apartheid society. South Africa's recent history has shown the reverse to be true. Apartheid first began to crumble under the pressures of a high economic growth rate, when the demand for a skilled and stable work force led first to the scrapping of job reservation and then inexorably to the recognition of urban blacks as a permanent community rather than the "temporary sojourners" they had been dubbed by apartheid's arch ideologue, former Prime Minister H. F. Verwoerd. This led in turn to the granting of freehold rights in so-called "white South Africa" and eventually to the abolition this year of influx control (the pass laws). Inevitably, black aspirations fanned by reform and frustrated by its limits began to concentrate on the ultimate goal—full political rights—but it is fair to say that the process would have been delayed were it not for the liberalizing effects of economic growth.

It is an uncomfortable irony that, because of a prolonged and deepening recession, aggravated by the withdrawal of foreign investment, South Africa's economic growth has now dwindled to less than 2 percent a year, while its population is growing at an annual 2.3 percent. Instead of being starved of foreign capital, South Africa needs a growing source of funds if apartheid, once banished from the statute books, is not to survive as gross economic inequity under this government or indeed under any future black one. It has been conservatively estimated that South Africa needs to create a million jobs a year if it is to begin to absorb the growing pool of black unemployed. Last year, as foreign capital dried up, 500,000 blacks lost their jobs. If the proposed boycott of South African iron and steel exports is effective, they could be joined by a substantial proportion of the 450,000 black workers in those industries. Those workers in turn support 2.5 million people in South Africa and the neighboring states. The United States ban on coal imports could lead to a loss of many of the 35,000 jobs

that support 175,000 people. The boycott of South African agricultural products will reduce the 446,000 jobs that support 2.2 million workers and their families. It is improbable, however, that the international marketplace, having taken a view on the security of its South African investments, is of a mind to reverse that decision (especially as sanctions place those investments in even greater jeopardy), or that Western governments should so defy the current mood that they release loan funds to Pretoria.

The answer instead is surely for Britain, the United States, and Europe to join in an offer of massive aid to black South Africa to create its own infrastructure, its own services, and its own institutions, to promote the growth of entrepreneurship, self-help, and self-employment in the black community, thus making it less dependent on government funds and less subject to government control. Such a program would create an alternative society far better equipped and motivated to claim its political future than an apathetic society of the unemployed, in which black trade unions would lose their political muscle and people would become obsessed with their material survival.

An example of the sort of agency well targeted for foreign aid is already in place. The Urban Foundation, funded by the private sector but under multiracial control and dedicated to the creation of viable black communities, has proved a major instrument for social and political change. It is also the one institution that has managed to retain its credibility with the black population and remain untouched by the deep animosities and rivalries within black politics.

The Foundation—which has fundraising offices in the U.S.—was formed in 1977 in the wake of the Soweto riots by a unique amalgamation of the forces of Afrikaner and English business. Among its manifold and diverse achievements of the past nine years have been to persuade the government to abandon influx control and the freezing of black urban township development, to halt shack demolition and forced removals, and to



accept and upgrade squatter settlements and recognize them as an inevitable part of Third World urbanization.

Its major contribution has been to black housing and community development. In 1986 alone the Foundation mobilized 100 million rand (\$20 million) to service and develop housing sites, to manage self-help housing schemes, and to build houses in the major metropolitan areas. The completed value of these projects will be 608 million rand (\$120 million). It is active in providing access to employment opportunities, and is involved in every aspect of education, from preschool development to upgrading black teaching and supplying schools, classrooms, and technical workshops. It is at present leading the assault on the government's separate education policy and the retention of separate group residential areas. With influx control abandoned and black urbanization officially acknowledged, its role could be greatly enlarged through an injection of foreign aid.

Similar local agencies could be formed to create an alternative, non-racial private education system (focusing particularly on improved secondary education and intensive teacher training), for agricultural assistance and training, for a network of hospitals and clinics, for social and community services, and for agencies to help and to train the black entrepreneur.

As an exercise primarily in self-help, many of these agencies could interlock, as black skills and black labor are developed and employed to create the infrastructure for black South Africa. In 1987 the United States will supply \$611 million dollars in economic and military aid to Africa; Somalia, for instance, will receive \$115 million. A Marshall Plan for South Africa would require at most no more than \$150 million, which at the current rate of exchange could be translated into 666 million financial rand (the original Marshall Plan cost \$12 billion over four years). South Africa has the capacity and the infrastructure to ensure that—unlike most Third World aid—this seed money will not

sink unnoticed into the African desert, but rather create a more secure and confident future for black South Africans.

It is of course probable that such a program will antagonize the South African government. The availability of housing funds would create pressure for the proclamation of more townships in metropolitan South Africa and the repeal of the Group Areas Act, which keeps blacks penned into racial ghettos. The spread of private, integrated schools and colleges would fly in the face of the government's prohibition on mixed education—a prohibition, however, which today is applied only in state schools.

Well-targeted help to rural blacks could create pressures for the proclamation of land for black farmers outside the homelands. As a well-publicized alternative to sanctions the plan could thus serve another political purpose. It would confront Pretoria over the last remaining elements of structural apartheid—separate schools and residential areas. A large and growing section of President Botha's own supporters disagrees with his intransigence on these issues. It could thus lure a possibly critical body of white opinion out of the laager into which it is now retreating under the threat of sanctions, and make it more responsive to outside influence.

**T**HERE IS a substantial element within the National party that is deeply disenchanted with the government's inability to grasp the nettle of further, fundamental political reform. Powerful voices in the Afrikaner community were raised early in 1986, urging the creation of a multiracial transitional government of national unity. But internal disaffection does not flourish under external threat.

If, instead of threatening isolation, the world were to offer a viable alternative, making acceptance of this kind of help and investment the price of South Africa's readmission to the international community, and if Pretoria were to reject it, the tide of white opinion could swing against a recalcitrant government and against all those who would

prefer isolation to negotiation. A Marshall Plan could thus become the catalyst that would create the conditions for real negotiation between South Africa's polarized communities. A program of aid such as this will doubtless be attacked by the left as offering disguised help to Pretoria to shore up the apartheid regime. If properly packaged and presented as a diplomatic offensive and alternative to sanctions, it could achieve the exact opposite. Moreover, as an attempt to provide a climate in which moderation can flourish and moderate black and white South Africans find each other and their path to a democratic government, it is essential that its proponents ignore attacks from both the extreme left and the extreme right—neither of which favors moderation or democracy.

In answering these charges, however, it is important to point out that the plan does not embody a new principle. That principle is already enshrined—under the rubric of aid to the victims of apartheid—in the Lugar bill, in Commonwealth resolutions, and in statements by the EEC Council of Ministers. The amounts—\$40 million a year in economic aid in the Lugar bill for "disadvantaged South Africans" and considerably less in EEC aid—are derisory. But the principle has been accepted and the funds represent a start. The total bill would also represent a fraction of the billions of dollars that would have to be poured into South Africa once sanctions and

their political effects reduced it to an economic wasteland. But because of the way in which the Lugar aid is packaged and presented—as conscience money and an apologetic excuse for not going further down the sanctions road—it has been overlooked by the media and the public.

If it were removed from the sanctions package and presented separately, a positive, coherent, and well-publicized aid policy would not merely recapture the moral high ground from the sanctions lobby but win support from growing numbers of people who are beginning to realize that sanctions are a high-cost formula for disaster, and who are desperately casting around for an alternative.

The final objection is that the international tide of opinion has swung so far behind punitive sanctions that a plan such as this will be dismissed as too little too late. That is a counsel of despair. If support cannot be won for a policy that offers not decreasing leverage, but greater influence, challenge rather than destruction, then the West will have to live with the consequences of its impatience. Its desire to get South Africa off its conscience and the international menu, whatever the cost, could eventually involve the positioning of peacekeeping forces in the Frontline states and the Lebanonization of South Africa. To borrow Sir Geoffrey Howe's phrase, it should not require a quantum leap of the imagination to realize that there is a better way.