



MACSA NEWS

MADISON AREA

COMMITTEE ON

SOUTHERN AFRICA

751 State Street
Madison, Wisconsin
53703

Number 26 ~~May~~ ^{May} 1973

BENEFIT CONCERT

THURSDAY, APRIL 26

CHARLES DAVIS CECIL LYTTLE

3:00 p.m.

at: St. Francis House, 1001 University Ave.
Minimum contribution \$1.50

Benefit: MACSA's Defense & Aid Campaign

PLAN TO COME AND BRING A FRIEND

RESCHEDULED SOUTH AFRICAN SPEAKERS

MONDAY, APRIL 30

ANDREW LUKELE and WINSTON NAGAN

(both South African lawyers in exile)

"Repression and Political Struggle in South Africa"

4:00 p.m. at Room 260 Law School

8:00 p.m. at 1127 University Ave.
(University Methodist Church)

(see article in last month's MACSA News for details about the men. This was originally scheduled for April 9 but was postponed because of snow).

IMPORTANT MACSA MEETING IN MAY

A crucial meeting will be held at 2 p.m. on May 13, 1973 at the MACSA office, 731 State Street. All MACSA summer activities will be discussed and organized. It is urgent that all MACSA members who plan to be in the Madison area this summer attend.

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MACSA PARTICIPATION IN MODEL UN

MACSA is making arrangements to take part in the annual Model United Nations conference to be held at Union South on the UW-Madison campus over the weekend of April 27-29, 1973. An application to be the delegation representing Tanzania is being submitted by MACSA. People interested in seeing that the issues and conditions in Southern Africa are given full exposure at this conference by the MACSA delegation should contact its acting chairman, Bill Thomas, by leaving a message with their name and phone number at the MACSA office, 731 State Street.

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SOUTHERN AFRICA MOVEMENT GROWING

Within the last several months MACSA has been contacted by a number of recently formed groups with a Southern Africa focus. In order to inform MACSA members of the spreading Southern Africa movement and also to notify other non-Wisconsin MACSA News subscribers of the formation of new and possibly nearby groups, we list the addresses of these recently formed organizations:

Nashville African Liberation Committee
Africa Hall - Afro-American Studies Center
Fisk University, Nashville Tenn. 37203

Southern Africa Information Group
Box 4443, Station E,
Ottawa, Ontario, Canada

Toronto Committee for the Liberation of Portugal's African Colonies
c/o J. Murray MacInnes, 121 Avenue Rd.
Toronto M5R 2G3, Ontario, Canada

In addition, there are support groups in the formation process in Iowa City, Iowa and Lexington, Kentucky with which we have had some contact.

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SOUTH AFRICA'S DEFENSE BUDGET RAISED

The South African Government has budgeted \$630 million for defense in 1973, or \$158 million more than last year.

(Christian Science Monitor,
18 April, 1973)

THANK ARTIST

Thanks again to Henry Hawkins for his help in designing the poster for the benefit concert this week.

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DEFENSE AND AID FUNDS NEEDED

So far MACSA's campaign for funds for legal defense and aid to South African political prisoners and their families has received only slightly over \$100. We hope you read both the MACSA flyer and the IDAFSA flyer enclosed in last month's newsletter, which show the need and the concern we are addressing. Funds collected by MACSA will be channelled through the International Defense and Aid Fund (IDAFSA). Page one of this newsletter tells you two events where we hope to raise more funds and more interest. Please attend and bring a check. Or mail one to our office - clearly marked for defense and aid. A form is available in this newsletter for your use, if you find it more convenient.

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NEW RESEARCH RESOURCES IN OFFICE

The most important material received in the last month is a complete file of all documents produced by the Apartheid Unit of the United Nations. These documents are not sold by the U.N. and were obtained by special request. They contain a wealth of information which we hope will be used. Check our office door for hours when people are there. Or call one of the following, who have keys: Brian Todd (274-1697); Carolyn Baylies (251-1664); Nancy Klatt (251-0868); Ruth Minter (241-1137); Steve Vogel (836-9177). Bill Thomas and Gloria Waite (no phones) also have keys.

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"ELECTIONS" IN PORTUGUESE COLONIES

The last week of March, various U.S. newspapers carried items on elections being held in Portugal's African colonies of Angola, Mozambique, and Guinea-Bissau. A year ago some of the same media carried items proclaiming that Portugal was granting more autonomy to its colonies, enlarging the legislative assemblies in each area, allowing some of the assembly members to be directly elected, granting a few more powers to the assemblies, and designating the colonies as "states" of Portugal.

How far do these reforms go and what significance do they have, if any?

First, the powers granted to the assemblies of Angola, Mozambique, and Guinea-Bissau remain extremely limited, major local decisions remaining with the colonial administrations who are directly responsible to Lisbon. Second, only a portion of each assembly is elected by direct vote: in Mozambique 20 out of 50; in Guinea 5 out of 17; in Angola 32 out of 53. The remainder are chosen by official groups such as chiefs (government appointees themselves), and business groups. Angola is the only colony allowed a directly elected majority. Third, requirements to register and vote include literacy, which eliminates over 95% of the population. Although the New York Times and other media reported an effort to register voters before the March election, the electorate would remain only a few percent of the population at best. Before this "liberalization" the electorate was only 1% of the population of Mozambique. Finally, as in Portugal no opposition candidates are allowed. Only the approved, official party can run candidates.

Thus, the "elections" and "liberalization" and increasing "autonomy" in no way speak to the question of majority rule, make no attempt to involve anybody opposed to Portuguese rule, and offer nothing new to the black majority. They may help Portugal's image with allies who want to believe Portugal's claims to being a civilized non-racial government, doing as much as possible to improve conditions for the inhabitants of the African colonies. Since the media in the West tends to report from Portuguese sources, Portugal has, without any risk to its own internal unity, probably gained a few more "chances to prove itself." Indeed, since the United States has never spoken for independence, but only for self-determination in the Portuguese colonies, this could be a step toward closer support of Portugal by the United States Government, which could hold that the colonies are now "states," "autonomous," and have "elected" assemblies.

In addition, the moves may have helped Portugal in mollifying, at least for the present, white settlers in the colonies who have been rumoured from time to time to be considering a Rhodesian-type unilateral declaration of independence from Portugal.

R.B.M.

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2ND ANNUAL AFRICAN LIBERATION DAY - May 26

The African Liberation Support Committee has announced that "African Liberation Day" anti-imperialist protests will be held May 26 in at least 15 U.S. cities. Last year rallies against the racist governments of southern Africa brought out tens of thousands of black people in Washington, D.C., San Francisco and other cities, including those in Canada and the Caribbean. For more information on this year's plans, contact the ALSC at P.O. Box 21304, Greensboro, N.C. 27420. (Guardian, 3/14/73)

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ZIMBABWE GUERRILLAS BEGIN UNITY PROCESS

It is reported that on March 18 the Zimbabwe African National Union (ZANU) and the Zimbabwe African Peoples Union (ZAPU) officially initiated a merger agreement in Lusaka, Zambia. The two groups agreed to set up a political council responsible for diplomatic activities, publicity and other matters and to revive the joint military command between the groups.

In the mid-60's both ZANU and ZAPU launched guerrilla attacks inside the country but they were short-lived. After years of virtual inactivity, the two formed a Joint Military Command (JMC) in March 1972 and soon began again to hit at the settler regime. ZANU has been involved in many attacks in the northeast of Zimbabwe near Mozambique, and ZAPU in less frequent incidents nearer the Zambian border since that time. Neither movement has referred to the JMC in any of their communique and each has seemingly carried out its actions separately, though in such a way as not to conflict with each other.

(Guardian, Iain Christie, 4/11/73)

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MPLA REPORTS IMPORTANT BATTLE

For nearly a week in early March MPLA guerrillas assaulted a Portuguese garrison in Dundo, Zaire District of northeast Angola. They report administrative buildings, fuel depots and several bridges destroyed and over 100

Portuguese killed. During the seige the MPLA shot down two Portuguese Army helicopters trying to ferry supplies to the beseiged garrison. This brought to five the number of Portuguese helicopter: shot down by MPLA forces since January.

(Daily News (Tanzania) March 29, 1973)

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WRITE SENATOR HUMPHREY CONCERNING U. S. SANCTIONS AGAINST RHODESIA

The United States has broken international law by violating United Nations sanctions against Rhodesia since January, 1972. Imports of chrome, ferrochrome and nickel have assisted the white minority Rhodesia regime in resisting pressure for majority rule. American workers in the ferrochrome industry are losing jobs because of ferrochrome imports from Rhodesia and South Africa.

Senator Hubert Humphrey, newly appointed chairman of the Subcommittee on Africa of the Senate Foreign Relations Committee, is considering introducing a bill to repeal the Byrd Amendment which was adopted in the fall of 1971 allowing importation of "critical and strategic materials" from Rhodesia. Representative Don Fraser of Minnesota will probably introduce identical legislation in the house.

Action

Write Senator Humphrey and Representative Fraser urging them to work for complete repeal of the Byrd Amendment and to introduce appropriate legislation immediately so there is adequate time for constituents in different parts of the country to express their views to their Congressional representatives.

Encourage other individuals and groups to communicate directly with Senator Humphrey and Representative Fraser.

In the past, Congressional leadership has offered bills giving the President discretion to implement the Byrd Amendment only if he determines that "the national interest or a treaty obligation" do not require a policy of implementing sanctions. This compromise is wholly unacceptable to those who support the legitimate struggle of the African majority for self-rule and for full independence of Zimbabwe and who oppose United States policy which bolsters the racist white minority regime. We must also support the legitimate interests of American workers to be protected from imports made by slave labor.

We do not believe that President Nixon would stop Rhodesian imports if given discretion to do so. He has never publicly supported the UN sanctions program. Union Carbide has powerful representation in the White House and the State Department to protect their interest in importing goods produced by their subsidiaries in Rhodesia. Furthermore, we are convinced that an outright repeal can be successful at least in the Senate, and, with strong constituency pressure, in the House as well.

It is therefore critical to urge Senator Humphrey and Representative Fraser to work for all-out repeal of the Byrd Amendment this spring.

Addresses: The Honorable Hubert Humphrey
Rm 232 Old Senate Office Building
Washington, D.C. 20510

The Honorable Don Fraser
Rm 1111 Longworth House Office Building
Washington, D.C. 20515

Further information on this matter can be obtained by contacting Ted Lockwood and Chris Root at the Washington Office on Africa, 110 Maryland Ave., N.E.: Washington D.C. 20002.

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"CRY RAGE"

(The following is from "Cry Rage" published by SPRO-CAS Publications, Johannesburg. The authors are two Capetown Coloureds, James Matthews of Athalone and Gladys Thomas of Oceanview Township.)

Can the White Man speak for
me?

Can he feel my pain when his
laws

Tear wife and child from my
side.

And I am forced to work a
thousand miles away

Does he know my anguish as I
walk his streets at night,

My hand fearfully clasping my
pass?

Will he soothe my despair as I
am driven insane,

My scrap of paper permitting
me to live?

Can the White Man speak for
me?

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LABOR NOTES - SOUTH AFRICA

(much of the following is information from SECHABA which can be read in the MACSA office monthly)

- At least 15 African stevedores employed on the Durban Docks have been dismissed for having given evidence to the Wage Board hearing set up as a result of their recent strikes, despite it being unlawful under Section 25 of the Wage Act to victimize a worker for giving evidence at such a hearing. The Department of Labor has done nothing to assist the workers. The workers have meanwhile unanimously rejected a pay offer which would raise their basic wage from approximately \$12 a week to \$13.50 a week.

- A group of Transvaal doctors has established a pay equalization scheme to upgrade the salaries of African doctors out of a fund contributed by other doctors. The idea is first to bring African salaries to the level of Indian and Coloured doctors, then to work for equal pay regardless of race.

- Spring strikes in South Africa involved a great variety of workers, many of whom have faced illegal lock-outs and suspensions as a result. Among the strikers have been workers from Durban City Council, Brick and Tile workers, Textile workers, wool washing and processing workers, bus drivers, pipe factory workers, Canvas Rubber workers, sugar cane workers, convoy drivers for a tea factory, and Pepsi-Cola workers.

- Remember the Bantu Labour Act of 1953 says: "It is unlawful for an African worker to take part in a strike for any reason whatsoever. If he does he is liable to receive up to three years imprisonment plus a fine."

- Since the onrush of extensive strikes among African workers in South Africa in the early months of this year, both Government and business representatives have been occupying themselves with the setting up of committees to investigate the conditions of black workers and to propose changes in South African labor legislation. The strikes have effectively forced the business/state apparatus to move, to implement reforms, and unlock the system somewhat from a rigid structure which not only prohibits many black workers from obtaining subsistence wages but also is becoming potentially detrimental to the profit making process. The South African economy is becoming progressively short of skilled labor and worker-employer strife, prompting tendencies toward reform, provides a useful climate for altering not only that legislation which pertains to wage rates, but also that relating to training. Some specific consequences of continuing strike action in South Africa are the following: 1. the government has ordered an immediate Wage Board review of wages in certain sectors; 2. in a recent budget speech the Minister of Finance announced new approaches to urban African wage earners as regards increased training for skilled positions; 3. the Ministry of Labour has published in the Government Gazette proposals for the expansion of African representation in important liaison bodies affecting African wages and conditions of employment; 4. such private industrial groups as the Steel and Engineering Industries and the South African Federated Chamber of Industries have announced studies into living conditions and requirements and into possible amendments to labor laws; 5. the Vice President of the Union Steel Corporation called for overhauling of labor legislation in order to give more attention to the bargaining rights of African workers. These efforts are very feeble and far from addressing the real problem of the situation of labor in South Africa. They represent only the beginnings of movement.

- Strike action continues in South Africa. In early April police used tear gas very heavily and baton charged African strikers at Richards Bay. The strikers were employees of the R.B. Six Consortium.

U.S. - SOUTH AFRICAN COLLABORATION IN BOTSWANA COPPER PROJECT

A new copper project in Botswana expected to come on stream in 1973 should prove to be of substantial economic significance. As measured against the Botswana economy that significance is expressed in the fact that the combined investment in the project to date is reportedly three times the estimated GDP of Botswana. (Af. Dev. 2/73) The project is of interest because it provides an illustration of South Africa's general economic policy of outward expansion toward and maintenance of previously existing ties with the independent nations of Africa. Botswana has always had close ties with South Africa. It is a landlocked country with outlets to the sea only through South Africa, Rhodesia, and the Portuguese colonies. It is a poor country, its major export commodity being beef. Most of its imports are processed manufactured goods and come from or through the white south. Economic

involvement by South African companies is not a new phenomenon in Botswana, and the copper project cannot be seen as a form of expansion in the same way as can increasing economic involvement of South African companies in other parts of independent Africa. Even so, South Africa's stake in a new and highly significant commodity export of Botswana is of importance for the fact that it allows South Africa to maintain a large share of Botswana's productive apparatus and trade.

But the project is important too for the fact that it represents a continued collaboration of a giant among South African companies, Anglo American Corporation with an American company, American Metal Climax (AMAX), the same company which has extensive interests in Zambia - as is the case as well for Anglo American - in Namibia, and even in South Africa itself. For Anglo American and AMAX are the two principal shareholders in the new Botswana scheme, each holding 30%. Given both this important U.S. collaboration and continued strong presence of South African interests, the Botswana copper-nickel project is one which warrants closer examination. For the presently emerging structure of ownership interests in the Botswana economy implies much about the probable future economic and political ties between Botswana, the West, and the white south in Africa.

The copper project is in the Selebi Pikwe area in Botswana and encompasses two deposits. RST (one of the two major copper producing companies in Zambia in which AMAX had sustained interest and which was ultimately absorbed as a fully owned subsidiary of AMAX in 1970) initiated prospecting activities in 1959 in the Bamangwato Tribal Authority region of Botswana. By 1967, sufficient mineralization had been found to warrant intensive feasibility studies. And in the intervening years financial arrangements for development were secured.

Project Funding and Development: the Collaboration of Western Capitals

Approximately \$200 million has been pumped into development of the deposits and of infrastructure necessary for production and transport. Of this total, approximately \$69 million has been borrowed from a consortium of private and government banks of the Federal Republic of Germany, led by Kreditanstalt fur Wiederaufbau. (Wall St. J., 7/25/71) An additional \$18 million in export credit has been granted by a subsidiary of the Industrial Development Corporation of South Africa, Ltd. (Pve. Investment News, 6/72) Another \$46 million comes from public shareholders.

Seventy million dollars is reportedly to be used in developing infrastructure, modern townships, access roads and a rail link. Sixty eight and one-half million dollars of this comes from USAID and the Canadian Development Agency. The remaining \$1.5 million required for infrastructure is being drawn from the UN Development Program and the UK and Botswana governments. (Wall St. J., 7/25/71) The Canadian funds amount to \$30 million granted in the form of long term loans to be used for the supply and construction of a coal fired 60 MW power station and the construction of an over-head supply line from Selebi Pikwe to Shashe and Francistown. This loan makes Botswana the biggest recipient of Canadian development financing in Africa. (M.M., 7/72, p. 7; 9/72, p. 238) Following the pattern of western aid agreements, the financial assistance, while certainly assisting in the development of Botswana's resources, will also enrich a private Canadian company. For the African Division of Comstock International Ltd. of Canada has been awarded a \$14 million contract by the Government of Botswana for construction of the power plant. (M.M., 7/72, pp. 57,8) Most of the USAID funds are being used in the construction of a road from Zambia to Botswana. \$12.6 million is being provided on long term low interest loans for the construction of 300 km gravel surfaced road between Nata and the Kazungula ferry, with intermediate links to Francistown and the Selebi-Pikwe copper nickel mine, entailing an additional 71 km in feeder roads. The completion of the project is due in 1976. (Times of Zambia, 9/2/72, Af. Dev, 9/72, p/ 10) As in the case of the Canadian contribution, the U.S. government is tied to the direct

involvement of two U.S. firms in the project (or at least has facilitated that involvement).

The principal object of the contribution of US funding agencies to the project is of particular interest. The US is assisting in the construction of a road which will give Botswana its first direct tie to the independent African nations to the North, and which thus could have a potentially liberating influence. Reportedly the South Africans initially objected to the construction of this road, claiming that Botswana and Zambia shared no common border. (Af. Dev., 9/72, p. 10) Underneath this objection was the clear reluctance to the loosening of Botswana's near total transport dependence on the white south. The apparent generosity of the U.S. in making the new road a reality, thereby facilitating trade between Zambia and Botswana in the face of some South African protest, has in part, however, been prompted by the requirements of the Selebi Pikwe copper project in which substantial private U.S. capital (through AMAX) is involved. The U.S. itself has been promoting the road as a means of opening transport links which may allow for the development of gypsum and soda ash production. Significantly AMAX, through Botswana RST (in which it holds shares) also has an 64.63% interest in Botswana's Makadik-gedi Soda Ltd. in which minority interests are held by Anglo American, Minsep, and the Rothschilds. (Wall St. J., 7/23/71)

But not only is the U.S. involved in the Botswana project through AMAX, USAID, and the two road building companies; private U.S. involvement also extends to the actual construction of the mining complex which is to take a period of approximately 39 months and is being supervised by Brown and Root International of Houston. (M.M., 9/72, p. 239)

The power station as well as the mine at Selebi Pikwe are expected to require an estimated 210,000 million tons of coal annually for their operation, the supply of which is to be provided by a new colliery developed by Anglo American Corporation, Botswana. Late in 1972 AAC, Botswana announced that it would begin construction of a R3 million colliery at Morupule. The labor force needed for the extraction of the amount needed for the Selebi Pikwe project is estimated to be about 50 employees. However, it is hoped that the operation can be expanded such as to supply other industry in the area and if it becomes economically feasible to export some coal. Initially the project will involve an underground mine, though it may entail a change to open pit mining if production reaches 600,000 million tons annually. (M.M., 12/72) Thus direct South African involvement through Anglo American extends beyond the copper project itself, intertwined in the larger network of Botswana's present and future economic base.

But South African interests are not limited in Botswana to copper and coal. Anglo American is also involved in the Orapa diamond mine in the country. As in the case with Selebi Pikwe, the Botswana Government owns 15% of the diamond scheme and sits on the Board of Directors. In order to provide infrastructure for the mine, the de Beers Company (one of the companies associated through strong historical and contemporary links with Anglo American) has loaned the Botswana Government up to R2,3 million and has built a private rail depot outside of Francistown to prevent existing rail facilities from being clogged with large amounts of mining equipment necessary for development the mine. DeBeers also has invested R21,5 in the mine itself, it has built an entire village for employees and government officials near to the mine. (S.A. Digest, 6/2/72)

Ownership Relations of the Botswana Copper Project

Ownership of Botswana RST, Ltd, the corporation which is to be involved in the production of Botswana copper (and which arranged for the loans detailed above) is as follows:

American Metal Climax	29.82%
Anglo American Corp.	29.82
Minsep	5.73
Rothschild	.C5
Public	34.57

(Wall St. J., 7/25/71)

U.S. purchasers of stock in the Botswana project have recently been allowed to purchase political risk insurance from the Overseas Private Investment Corporation (OPIC). This makes it the first project for which OPIC has made insurance available to investors in a public offering of corporate shares. The commitments of AMAX in the project have been insured by OPIC up to \$25 million against losses from inconvertibility of local currency holdings, expropriation, and war damage. (E/MJ, 9/72, p. 40)

Botswana RST, Inc. has itself an 85% share in Bamangwato Concessions Ltd. (BCL), the remaining 15% being held by the Botswana Government. It is BCL which is directly developing the Shashe nickel-copper project at Selebi Pikwe.

Details of the Operation of the Selebi Pikwe Copper Project

The deposit at Pikwe is said to have reserves of 22.1 million tons of ore containing an average of 1.45% nickel and 1.14% copper; the Selebi deposit has 10 million short tons of .70% copper and 1.56% nickel. (E/MJ, 9/72, p. 155) Reserves of copper in the Selebi Pikwe deposits are estimated to be sufficient to mine at 2 million tons per year for a period of 23 years. Reportedly it will provide about \$6 million annually. (Eve. Investment News, 6/72) The copper project is to provide 2000 jobs (the proportion of which will go to indigenous workers not being specified) It is estimated that it will provide an additional 5000 jobs by the end of the decade (Af. Dev., 2/73, B.L.S. p. 5)

An underground mine will first be developed at Pikwe. It was decided that in order to reduce initial development costs and to maximize the flexibility of production of nickel in the early years, to defer completion of the mining and ancillary facilities at Selebi and to concentrate production at Pikwe where the grade of nickel is higher. (M.M., 9/72, p. 327) A second underground mine is to begin operations at Selebi in 1979. How much these decisions may have been reached in order to serve the short run interests of the American and South African companies involved in the scheme to the possible detriment of Botswana itself, is not clear. (Companies involved in the direct exploitation of minerals, cognizant of the costs of certain sorts of technologies and intimately familiar with the state of the world market certainly have the option, which they have been known to exercise in some instances, of mining the highest grades ores of a deposit which yield the highest profits within a relatively short period of time, moving on when these are depleted. Particularly may this practice appear tempting when the companies fear that their operations may be nationalized and expropriated. The practice is one more directly oriented to the end of profit maximization than to that of providing a more stable source of revenue and employment over a relatively longer period of time to the territory in which the mine is operated).

Concentrating and smelting facilities will also be constructed at Pikwe, the latter capable of producing 17,000 tons of recoverable nickel and some 15,500 tons of recoverable copper. The smelting process to be used in Botswana is one licensed by Outokumpu Oy of Finland, a company whose personnel will also provide technical assistance at the time of commissioning of the plant. The design of the smelter was also developed by the Finnish company. (M.M., 9/72, p. 239)

Ties of the Botswana Project to U.S. Industry through AMAX

Participation of AMAX on Botswana's copper project transcends the boundaries of the African state in which the copper project is located. AMAX has negotiated an agreement with Bamangwata Concessions Ltd. to toll refine about 50,000 tons per year of nickel matte at its recently purchased (in 1971) Port Nickel, Louisiana establishment over a period of approximately 15 years. The refinery is being expanded and rehabilitated explicitly for this purpose, with the expectation that operations will begin in early 1974. (E/MJ, 1/73, p. 118) The plant is reported to be the first of its kind in the United States.

This procedure of transporting the smelted matte to be refined in the West is somewhat unusual. As regards copper at least, almost all of the metal mined at present in Africa - in Zambia and Zaire as well as in South Africa - is not only smelted but also refined in the territory in which it is mined. In Zambia a percentage is even being fabricated locally. This geographical concentration of the industry's component parts thus allows for further utilization of local resources and makes for the possibility that an additional portion of the value produced in the production process can be retained within the territory. It is of interest to note that a substantial percentage of the copper produced in both Zambia and Zaire was initially (during the twenties and thirties) transported to the United States for refining in AMAX's New Jersey plant on a toll basis. This might have served to enrich the US company, but because of high transport costs was uneconomical for the industry overall and refining facilities were ultimately constructed near the African mines. As a consequence, however, AMAX, through its continued involvement in at least the Zambian operations, through RST, lost overall only a part of the profits gained.

Use of the Louisiana facilities will allow AMAX to produce 45 million lbs. of nickel and 40 million lbs. of copper. The plant will process the nickel initially as powder briquettes and eventually as cathodes. (E/MJ, 1/73, p. 118) The Port Nickel plant is to employ 325 people and is located 20 miles downstream from New Orleans on river frontage.

Purchase of the Port Nickel facility by AMAX marks that company's first entry into the production of nickel. But AMAX apparently intends to go much further into the nickel business (to which its holdings in Botswana have given it considerable impetus), such as to further diversify its operations and thereby further insulate itself from the vagaries of the markets of any individual mineral. (AMAX by now has major interests not only in the production of copper and molybdenum in which it has traditionally been strong, but also in aluminum, coal, and iron ore). It was reported early in 1973 that AMAX had formed within its internal structure a separate nickel division under its Molybdenum and Specialty Metals Group for coordination of all its nickel interests. (E/MJ, 1/73, p. 118) A future and highly probable project for AMAX in the works in nickel is a joint venture with Societe Miniere et Metallurgique de Panarroya SA of France to develop laterite nickel deposits in some properties in New Caledonia, for which limited production would begin only in the late 1970's. (E/MJ, 9/72, p. 113)

Marketing of Botswana Ores

Final purchase of Botswana ores is to be almost exclusively by West German interests. Metallgesellschaft A G of West Germany, the largest of the German fabricators, has contracted to purchase two thirds of the scheduled output of nickel and all of the copper for the first fifteen years of operation; the remaining copper is to be sold in West Germany unless better prices are obtainable elsewhere. (Wall St. J., 7/25/71) The contracting arrangement is significant, for though much of the African copper is already purchased by Japan and West Germany (as well as by Britain and to a lesser extent, many of the other west European countries), seldom have

pipelines been rigidified through such formal procedures in past years. In the Botswana project, then, West German interests appear to be following a pattern more frequently characteristic in recent years of Japan, that of providing significant loan capital enabling a project to get off the ground in exchange for a guaranteed supply of refined metal.

Conclusion

The Botswana copper-nickel project is truly an international enterprise, though its international partners are confined primarily to South Africa and the West. The project should generate substantial revenue and serve as a contribution to meeting the demand of the world's industrial countries. How much it will contribute to the development and relative economic independence of Botswana and to the general welfare of its people is somewhat less clear. The project represents increased intrusion of western capital and international corporations into Botswana; it represents an important extension of South Africa's corporate control over the resources of Botswana in collaboration with American interests. The people of Botswana will be granted some additional opportunities in employment; that is, they will be granted the opportunity of being utilized as relatively cheap labor resources. The government of Botswana will be enabled to appropriate a part of the surplus generated by the project, which it might potentially utilize in further development projects. But it may be expected that a disproportionate share of that surplus will flow out of Botswana, that the resources of the territory will be exploited much more to the benefit of the corporate interests of South Africa and the West than to that of Botswana's indigenous population. The corporate networks in the hard minerals sector are well established throughout Southern Africa, intricately combining South African, British and American interests. The upper hand which these corporate powers have historically held does not appear to be faltering in the present, and this even in spite of some attempts at regulation by politically independent African states.

C.B.

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Code to footnotes in above article: Af. Dev. = African Development
 E/MJ = Engineering and Mining Journal
 M.M. = Mining Magazine

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BREAKING OF SANCTIONS AGAINST RHODESIA

The U.S. as of 1971 openly began to break UN sanctions against Rhodesia through imports of Chrome and other 'strategic minerals'. This places the U.S. squarely with South Africa and Portugal as the most obvious of the sanctions violators. Since the passage of the Byrd Amendment in 1971 the U.S. has imported \$13.3 million worth of chrome, nickel and asbestos, contributing to a current surplus of 2.2 million tons of chrome.

But the U.S. is not alone in its violation of sanctions. Five committee reports of the UN sanctions committee present details of 138 prima facie breaches of sanctions between December, 1968 and the end of 1972. 127 of these were reported the sanctions committee of Britain, this reflecting the fact that the business of tracking down sanction breakers has been left primarily to Britain. Only a handful of the 138 notifications have led to prosecutions and seldom have investigations of the notices amounted to much. Three countries lead in receiving notices of suspected breaches. West Germany has had 30 or more notes from the UN Secretary General; Holland has received at least 26; and Japan 20. Among other countries, Greece has received 12 or more, Switzerland 11 or more, and France, Italy, and Belgium 8 or 9 each. Panama and Liberia, which have many ship registrations, have had

10 and 6 notices respectively. Responses to the notices vary in form but in general have very little substance. Some countries attend to rules of diplomacy, stating that they have made inquiries and scrutinised bills of lading, only to find "no evidence of the shipments originating in Southern Rhodesia." Other countries merely reply that they do not trade with Smith's regime. One of the rare exceptions to these practices came in September 72 when the Egyptian government confiscated a shipload of maize imported by the country.

(from the Economist, 3/3/73)

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* * * * *

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other things you want to do?

MAKE NOTE OF THE FOLLOWING DATES

APRIL 26, Thursday: BENEFIT CONCERT: CHARLES DAVIS & CECIL LYTLE
ST. FRANCIS HOUSE, 1001 University Ave.
\$1.50 minimum contribution, 8:00 p.m.

APRIL 30, Monday: ANDREW LUKELE and WINSTON NAGAN: South African
Speakers on Supression and Political Struggle
in South Africa
4:00 p.m. Rm. 260 Law School
8:00 p.m. 1127 University Ave.

MAY 13, Sunday: IMPORTANT MACSA MEETING, 731 State St.
2:00 p.m.

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