

TRANS AFRICA NEWS

Vol. 2, No. 2 Winter 1981-2

The Black American Lobby for Africa and the Caribbean



Reagan's decision helps strengthen South Africa's police and military

U.S. LIFTS TRADE SANCTIONS AGAINST SOUTH AFRICA

The Reagan administration relaxed restrictions on exports to the South African military and police on February 26, marking a reversal of a 4-year old policy that was intended to support the United Nations arms embargo against South Africa. The action represents the newest element of the United States growing alliance with Pretoria.

The decision to lift the curbs was made despite widespread public opposition expressed through hundreds of letters, calls and telegrams to Commerce and State department officials, as well as through testimony at congressional hearings on the subject and a leadership letter to President Reagan signed by 62 prominent Americans including NAACP Director Benjamin Hooks, Urban League Director John Jacobs, actor statesman Averell Harriman, actor Sydney Poitier, UAW President Douglas Frazer and United Food and Commercial Workers Int'l Union official Addie Wyatt.

The efforts by groups to retain and expand the restrictions began last summer when it was learned that with their expiration in December, 1981 the administration would not seek to renew the export-control regulations. The public drive culminated with the testimony given at hearings held by the House Subcommittees on Africa, and Int'l Economic Policy and Trade, on the issue and with visits to Commerce department officials.

At stake was whether the administration would open the way for American companies to sell "nonmilitary items" to South Africa's military and police. Most of the items in question are easily converted for military use, such as helicopters, light aircraft, transport planes, and computers which are used in numerous functions to increase the effectiveness of South Africa's martial law of racism known as *apartheid*.

In testimony presented by Thomas Conrad on behalf of the American

Friends Service Committee, numerous loopholes were pointed out in the existing regulations and detailed information was provided on a number of U.S. corporations violating the restrictions and contradicting the arms embargo directly involving the United States in the enforcement of *apartheid*. Conrad said that though the existing regulations had been a "step in the right direction, they were riddled with loopholes and blindspots that undermined the embargo," and that they "have apparently not been adequately enforced." Testimony presented by TransAfrica and the Southern Africa Project of the Lawyers Committee for Civil Rights Under Law pointed out the increase in domestic repression and human rights violations in South Africa and argued that it directly corresponded with the numerous gestures of friendship offered South Africa by the Reagan Administration. All of the public arguments expressed grave alarm over any consideration of loosening the export-controls in the face of growing South African intransigence and repression at home, and an escalation in military aggression against its neighbors.

There was also strong criticism of the decision to lift the controls coming from members of Congress. Rep. Howard Wolpe (D-MI), chairman of the Subcommittee on Africa, said "It's a very tragic foreign policy mistake . . . It will be taken by the Afrikaners in the South African regime as a further sign that they can continue to reinforce the repression that has been escalating recently." Sen. Edward Kennedy (D-MA) also protested the decision by saying it was supportive of South Africa's *apartheid* policy and was the "equivalent in our foreign policy of the administration's blatant recent attempts to give tax exemptions for segregation in the United States."

The State department maintains that the revisions of the controls are intended to be "less arbitrary from the perspective of U.S. exporters," but

(continued on page 6)

U.S. FOREIGN POLICY: POLAND VS. SOUTH AFRICA

By Abdulrahman Mohammed Babu

Africans from all walks of life, whether radical, moderate, or conservative, have been utterly dismayed by the inconsistencies in U.S. foreign policy. They see the U.S. as having one set of policies for Africa and another set for Europe. And during the Polish crisis this inconsistency amounted almost to diplomatic duplicity.

Why does the U.S. call for sanctions against Poland and veto sanctions against South Africa? Africans feel that the U.S. should be more concerned about the apartheid policies of South Africa, which discriminate against people of color, especially Africans, since the U.S. has the greatest number of people of African descent in the Western world.

Any country's foreign policy must take into account the interests and feelings of its population, not simply in terms of their votes but more significantly, to uphold their self-respect. But as long as South Africa continues with its apartheid policies, Afro-Americans' self-respect will remain tarnished.

The United States' current foreign policy toward Africa, far from undermining apartheid, in fact nourishes and sustains it. In recent weeks the U.S. not only vetoed sanctions against South Africa, it went to the extreme—actually lifting some of the trade restrictions which the Carter administration had imposed, and promised to further supply South Africa with enriched uranium to develop its nuclear capability.

Many Africans, indeed many Afro-Americans, must feel this gesture as an insult to their dignity. Most peoples of Africa and of African descent are quite unconvinced by the massive crusade against Poland launched by the U.S. They see it as a hypocritical gesture unworthy of a people whose declared policy is to safeguard human dignity and self-respect.

What is going on in Poland is an ideological struggle between two contending forces, premised on the assumption rightly or wrongly that if one side defeats the other, the internal upheaval might be ended. In other words, it is a question of convincing the other to make a choice in ideological persuasions.

However, this is not the case with South Africa. Here, an African is repressed, hated, and discriminated against not because of his or her choice but because he or she has been born black. Hence the immediate struggle in South Africa is not about one ideology against the other but about irrational hatred of the powerful against the powerless.

Democratic humanity, which went to war only four decades ago did so precisely to combat the policies of hate crystallized in fascism. Peoples of various ideologies, capitalist and communist joined hands together in an alliance to rid the world of racial hatred. And rightly so. For whereas ideological differences are a common, or even essential element in human evolution, racial hate is a negation of humanity and cannot be accepted.

Friends of foes of Africa are judged by their stand on the racial question. Africans today are the only people who are directly affected by legalized racism, and South Africa is the center of gravity of this racism. Whoever supports South Africa on whatever grounds is a racist in the eyes of Africans, and racism remains the most explosive issue.

For whatever motives, the communist countries have consistently taken an anti-racist and anti-colonial stand, and they have even given moral and material support to the liberation movements that fight racism. They are thus viewed not as a threat to Africa but allies in the struggle against racism.

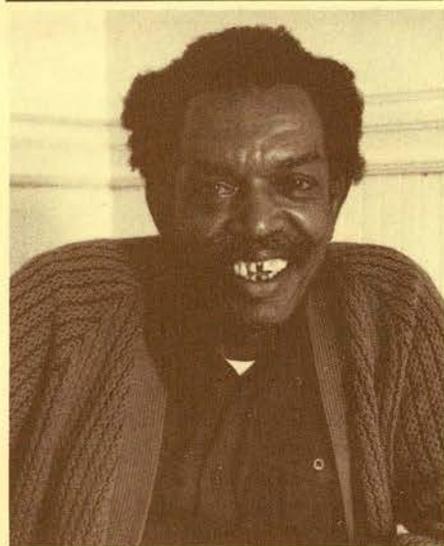
The U.S., on the other hand, is seen to be colluding with South Africa and no matter what justification is offered to support this stand Africans will remain skeptical about American motives for any meaningful change.

Mr. Chester Crocker's policy of so-called "constructive engagement" with South Africa, for instance, is viewed in Africa as support for the evolving policy of Botha's (the South African Prime Minister) designed to categorize Africans in South Africa as "aliens" in their own country. Botha's "power sharing" strategy is aimed at giving limited rights to the Coloured and Indians while Africans will be designated citizens of the Bantustans (tribal reser-

vations) with no rights in South itself. Thus by helping Botha "liberalize" in that direction the U.S. is in effect helping him towards committing one of the worst human rights violations in history—stripping an entire population of its citizenship rights.

If Mr. Haig's policy of "strategic consensus" against the Soviet Union works anywhere else in the world, in Africa it is seen as leading inexorably toward an eventual U.S. alliance with South Africa, the worst and unmitigated enemy of African people. This policy is bound to discredit the U.S. in Africa and its declared fight for human rights in Poland will remain a sham in the eyes of hundreds of millions of Black people the world over. Only a firm, unambiguous and principled policy against apartheid can win friends and influence people in Africa.

Professor Babu was the first Foreign Minister and Minister of Trade in the post-revolution government of Zanzibar and he served for 8 years as a Minister at several posts in President Nyerere's Cabinet in Tanzania. Currently, Babu is a Contributing Editor to AFRICA NOW magazine and a Visiting Professor at Amherst College. He is the author of AFRICAN SOCIALISM OR SOCIALISM IN AFRICA?, a book on the political economy of Africa recently published by Zed Press.



BABU: "US foreign policy sustains apartheid."

ZAIRE: AMERICA FINANCES ONE MAN'S EMPIRE

"... The people are suffering; we have misery and starvation in the country. The people know that Mobutu is personally responsible for this. . . and our people know Mobutu was placed in power and remains in power today because of the continued support he is given by the Western nations, particularly the United States. . . in the eyes of the people of Zaire, the United States is ultimately responsible for the suffering and oppression brought on them by Mobutu."

-Nguza Karl I Bond

Former Prime Minister of Zaire

Testimony before the House

Subcommittee on Africa, Sept. 15, 1981

Zaire is Africa's third largest country. It is the world's leading producer of cobalt and industrial diamonds and the seventh largest producer of copper. It is situated in the heart of the continent and shares borders with nine countries (Angola, People's Republic of the Congo, Central African Republic, Sudan, Uganda, Rwanda, Burundi, Tanzania, and Zambia).

Though extremely rich in natural resources Zaire's economy has for at least the past 7 years bordered on bankruptcy. Nevertheless Zaire seems to have the unending support of the United States despite the growing uncertainty in the rule of Zaire's strongman, Mobutu Sese Seko.

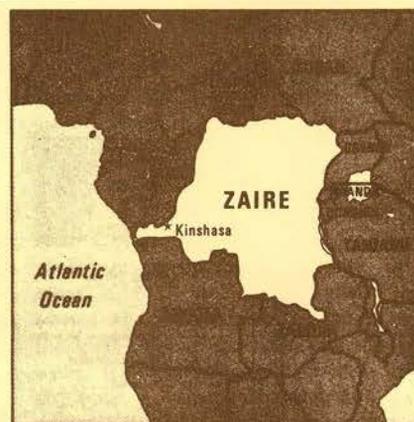
Zaire (formerly called the Congo) was under Belgian rule during the colonial period and was considered the personal property of King Leopold II from the time of the Berlin Conference in 1890 until 1908. It was during this "personal rule" of King Leopold that the current day economic problems of Zaire found their roots. The vast territory of the Congo was seized by absentees and the numerous riches of the land were exported for their profit. It was a "concession" colony whereby interested parties simply paid the King for their use of any part of it. In this manner extensive mining was begun using forced labor and the agricultural products of the people were taken for sale abroad. When the Belgian government took over administration in 1908 the policy scarcely changed.

Ironically, as a result, there developed in the Congo a diversified economic potential found in few other African nations at the time of independence. Yet the indigenous population had never benefitted from the wealth of the Congo, and those who had benefitted maintained their access to Zaire's wealth following independence in 1960.

Today Zaire is considered by many to be a "privileged client state of the U.S. and the western world." The ruler

of Zaire for the past 17 years, Mobutu Sese Seko, was "discovered" and then supported by the American CIA along with Belgian, French, and South African mercenaries in his successful coup d'etat in 1965. Through the imposition of military rule, Mobutu was able to end the political fighting and secessionist movements that had characterized the first 5 years of independence, and protect western financial and strategic interests by personalizing the country's foreign relations.

The 1965 Coup marked Mobutu's return to power, as he had already led a brief military takeover following the breakup of the original Congolese gov-



ernment of Patrice Lumumba and Joseph Kasavubu in September, 1960. Later events showed that Kasavubu and Mobutu were in an alliance against Lumumba and Mobutu's forces were implicated in the subsequent assassination of Lumumba in February, 1961.

Upon resuming power in 1965, Mobutu moved quickly to put down challenges from factions of the army and the white mercenaries in the country, thereby consolidating his military authority. He also quickly centralized and personalized political authority in the country by ending independent provincial administration, creating a one-party system headed by himself, appointing all regional officials, and

otherwise exerting executive control over the labor movement, the legislature, the judiciary and the executive council as organs of his party.

Mobutu's personal involvement in the national economy is also extensive. Not only is he the major shareholder in some of the most prominent businesses in Zaire in addition to being on their payrolls, but along with members of his family he controls the black market sale of Zaire's minerals and cash crops to Europe. The Zairian leader also seems to have unlimited access to the foreign exchange earnings of the country through the national bank.

The early years of Mobutu's rule saw sustained economic growth due in large part to sizeable International Monetary Fund loans. But the stringent measures of the IMF package along with enormous government graft gradually undermined the economy and by 1975 Zaire's foreign debt had risen to \$2.8 billion and the country fell behind in its repayment schedules.

Due to poor terms of trade, large imports, rapid new borrowing, the closing of the Benguela railroad through Angola, and institutionalized corruption throughout the government and private sector, Zaire is today over \$4 billion in debt. [Mobutu himself is said to have \$4 billion in a numbered account at a Swiss bank.] The economic crisis starting in 1975, has persisted until today and is characterized by an annual inflation rate of 65%, 50% unemployment of the urban labor force, food shortages and agricultural stagnation.

While domestic opposition is growing in Zaire, Mobutu has successfully solicited increased military aid from the United States. The former Prime Minister of Zaire, Nguza Kar I Bond, who fled to Belgium in April, 1981, testified against U.S. aid to Zaire before the House Subcommittee on Africa in September 1981. Nguza claims that U.S. aid is used by Mobutu for his per-

(continued on page 8)

AFRICAN AND CARIBBEAN NEWS BRIEFS

DEATHS IN DETENTION IN SOUTH AFRICA

(JOHANNESBURG) Dr. Neil Aggett, Transvaal secretary for the African Food and Canning Workers Union (AFCWU) was found dead in his cell at security policy headquarters in Johannesburg on Feb. 4. Aggett was detained in November during a crackdown on trade unionists, students and church leaders. He was the third South African detainee to die since November. Tshifhiwa Muofhe, a Lutheran parishioner, died the second day of his detention in early November during a police roundup of 15 persons that targetted the Lutheran Church in the tribal reservation of Venda. Four of the Lutheran pastors arrested were tortured. In late December, a Dr. C. H. Mngadi died in a hospital in Sibasi only 12 hours after his release from prison due to internal bleeding. The Reagan administration has refused to make public statements regarding these deaths. During 1981, 620 South Africans were detained under various security laws. While 95 have been released and only 226 had charges brought against them, 180 are still in detention and 297 are unaccounted for.

REAGAN INITIATES CARIBBEAN PLAN

(WASHINGTON) On Feb. 24, President Reagan proposed a broad plan of trade and investment incentives for the Caribbean "basin", as well as an increase in Military assistance intended to improve the economies of the region and insure stability against what Reagan views as a spread of Communist dictatorships. The program amounts to \$350 million in additional aid for this fiscal year and has been criticized for its short term approach to problems that require long term solutions. Other critics argue that the plan is just a new way to increase military assistance to the junta in El Salvador and maintain U.S. oriented economies among the island nations.

OAU MEETING CLOSSES AMIDST DISPUTE OVER THE WESTERN SAHARA

(ADDIS ABABA) The 38th OAU Council of Ministers meeting closed in the absence of 19 delegations which walked out before the end in protest of the admission of the Saharan Arab Democratic Republic (SADR) as the 51st OAU member. The SADR has been proclaimed by the Polisario Front liberation movement, which has been fighting against Moroccan attempts to annex the Western Sahara, a former Spanish colony, for the past six years. Many of the delegations protesting the meeting argued that seating the SADR delegation contravened a decision taken by the OAU at its Nairobi summit last year. The summit decided there should be a cease-fire in the war in Western Sahara and a referendum in the territory to decide its future. OAU officials are concerned with maintaining support for the Saharan peoples' right to self-determination and preventing attempts to polarize OAU member states. Charges have been made that Morocco and the U.S. tried to sabotage the meeting by encouraging the walk-outs. This issue is likely to bring a serious clash at the next OAU summit in Tripoli in early August.

NKOMO OUSTED FROM GOVERNMENT IN ZIMBABWE

(SALISBURY-HARARE) On February 17, Zimbabwe's Prime Minister, Robert Mugabe dismissed Patriotic Front

(ZAPU) leader Joshua Nkomo from the Cabinet charging him with plotting to overthrow the government. The move was prompted by the discovery of large caches of military hardware on property belonging to Nkomo and the PF. Nkomo denied the charges and has called for his party's total withdrawal from the government, but two Cabinet Ministers belonging to Nkomo's party have remained emphasizing the importance of national unity. The action was viewed by observers as a potential source of renewed armed conflict between the former military forces of the ruling ZANU party and Nkomo's PF party.

U.N. LAUNCHES CULTURAL BOYCOTT OF SOUTH AFRICA

(NEW YORK) In a 2-day program entitled *Should We Entertain Apartheid?*, the United Nations Center Against Apartheid and the OAU launched a cultural boycott campaign against South Africa. The effort is aimed at encouraging entertainers and other public, to decline invitations to go to South Africa and to encourage the public to boycott the records, public engagements, etc. of groups and individuals who do go to South Africa. A list of entertainers who've recently performed in South Africa will be made public in the near future.

U.S. SEEKS MILITARY BASES IN CARIBBEAN

(WASHINGTON) In early March the State Department announced that the United States was seeking the right to use airfields in Columbia and Honduras. The Defense Department is asking for \$21 million in the 1983 military budget to upgrade air bases in Columbia and the "western Caribbean". The request is viewed as an attempt to strengthen the defenses of non-communist nations in the region and has been compared to similar agreements between the U.S. and Kenya and Somalia. Neither the Pentagon nor the State Department have offered an explanation of the need for the new facilities.

U.S. TRADE DELEGATION VISITS FOUR AFRICAN COUNTRIES

(WASHINGTON) The first cabinet level trade delegation to go abroad in U.S. history returned in late January after a 2-week tour of four African countries. Secretary of State Alexander Haig called the four countries visited (Cameroon, Ivory Coast, Nigeria and Morocco), "Models in a very difficult area of economic growth and development" and "exemplifiers of internal self-help." Executives of 26 American companies representing: agribusiness; construction engineering supplies and equipment; telecommunication equipment; and mining and minerals extraction; took part in the mission headed by Secretary of Commerce Malcolm Balridge and Secretary of Agriculture John Block. The Ivory Coast is one of 10 countries targeted for initial attention in A.I.D.'s private sector initiative. The Reagan administration hopes to increase U.S. private sector participation in the economies of developing countries as the main element of what it feels is the best approach to development problems.

LEGISLATION AND POLICY UPDATE

***FOREIGN AID BILLS**—For the first time in 3 years Congress passed both a Foreign Assistance Authorization and Appropriation bill on Dec. 16, 1982. The first measure (PL 97-113) provides for a 2-year \$11.9 billion authorization. It is this legislation that also contains the **Clark Amendment** (banning CIA operations in Angola) and was the focus of massive TransAfrica lobbying efforts to defeat the Reagan effort for repeal. The amendment was retained with the bill's passage (in no small way due to the sizeable Afro-American communications of support for the ban). Other legislative victories in the foreign aid bills included maintaining funding for the U.N. South Africa Trust Fund and the U.N. Institute for Namibia, as well as winning start up funds for the African Development Foundation and additional funds for African refugees. The overall thrust of Reagan's aid program has been to sizeably increase military aid while deemphasizing economic development assistance. All the countries of sub-Saharan Africa combined still receive less than one quarter of the aid that goes to Israel.

***SOUTH AFRICA INVESTMENT BILLS**—Last fall two bills restricting aspects of U.S. economic relations with South Africa were introduced in the House. **HR 3597**, introduced by **Rep. Bill Gray (D-PA)**, would prohibit all new U.S. investment in South Africa. **HR 3008**, introduced by **Rep. Steve Solarz (D-NY)**, would make mandatory a set of "fair workplace principles" for all U.S. corporations operating in South Africa. Other provisions of the bill call for a ban on all bank loans to the SA government and government entities; public disclosures of U.S. bank loans to South African corporations; and a ban on the importation of the South African Krugerrand (gold coin) to the United States. TransAfrica has testified and lobbied in support of the Gray bill and the latter 3 provisions of the Solarz bill. The 2 bills will go to the full Foreign Affairs committee, chaired by Rep. Clement Zablocki (D-WI), in March if they pass the subcommittee intact. (See TA NEWS, Fall 1981 Pg. 2)

***IMMIGRATION DEVELOPMENTS**—According to the U.S. Immigration and Naturalization Service, approximately 2,000 **Ethiopians** in the U.S. became "deportable" on Dec. 1, 1981 because the State Dept. felt that the situation in Ethiopia had "stabilized" enough for the return of so-called "overstayed" Ethiopians. A State Dept. official said the objective is to discourage abuse by Ethiopians "seeking a more comfortable life." No legal action has yet been taken to bring any of the exiles to deportation hearings. Many have already applied for asylum but rarely has this been granted to Africans or Haitians. The "deportable" determination comes at a time when other administration officials are still declaring Ethiopia a gross violator of human rights and characterizing the situation there as highly unstable and repressive. TransAfrica is working for a more equitable immigration policy that does not single out Africans and other 3rd world peoples for discriminatory treatment. TransAfrica is also lobbying for a "voluntary departure status" for the Ethiopians in the country, allowing them to choose for themselves.

By the end of March, 4 bills regarding refugees and immigration reform will be before the Congress, largely due to the **Haitian** refugee situation. The administration's bill contains

stringent measures designed to curtail the flow of refugees and limit the appeals process of those already in the U.S. The other 3 bills introduced by: Sen. Allan Simpson (R-WY) and Rep. Romano Mazzoli (D-KY); Rep. Shirley Chisholm (D-NY); and, Rep. Bill McCollum (R-FL); all propose various reforms that would be less arbitrary in the treatment of asylum applicants. Currently there are 2,200 Haitian refugees being held in prisons (though having committed no crimes) and some 40-50,000 Haitian refugees in the U.S. altogether.

***U.S. AMBASSADOR TO SOUTH AFRICA**—**Herman Nickel**, a former editor of **Fortune** magazine, will soon be confirmed as the new U.S. ambassador to South Africa. Nickel is a proponent of U.S. business involvement in South Africa, a critic of religious groups deeply involved in social issues, and a strong supporter of big business.

***U.S.-SOUTH AFRICA NUCLEAR TIES**—Experts believe that South Africa has already developed a Nuclear weapons capability largely as a result of scientific and technological cooperation with the U.S. The Reagan Administration has suggested that renewing nuclear cooperation with South Africa is one item that the U.S. can use as a "confidence building measure" to encourage South African acquiescence on Namibian independence. TransAfrica is seeking congressional hearings on U.S.-South African nuclear relations with an eye toward encouraging members of congress to introduce legislation barring all such cooperation. Sources indicate that Sen. Gary Hart (D-CO) and Rep. Richard Ottinger (D-NY) may consider introducing such legislation.

***SENATE TERRORISM SUBCOMMITTEE**—The Judiciary Subcommittee on Security and Terrorism, chaired by Sen. Jeremiah Denton (R-AL), held 5 days of hearing in late March on southern African liberation movements. Denton sought to smear these internationally recognized national liberation organizations (the African National Congress of South Africa [ANC] and the South West African Peoples Organization [SWAPO]) as terrorist groups and puppets of the Soviet Union. TransAfrica feels this effort is an offense to black people the world over who support the struggle against racial repression in South Africa and Namibia, but the event received little attention here as Denton's committee has little credibility with the media or even his fellow Senators.

***HUMAN RIGHTS**—In mid-February the State Dept. released its "Country Reports on Human Rights Practices". The gross violations of human rights in South Africa reported in this document only underline both the insensitivity of this administration toward black freedom in that country and the inconsistency in foreign policy approaches to countries where the victims of repression are black. Rep. Don Bonker (D-WA), chair of the Subcommittee on Human Rights, joined Rep. Howard Wolpe (D-MI), chair of the Africa Subcommittee, to hold hearings on March 9th, on human rights in Africa with a focus on South Africa and a few other countries. During the hearings administration officials testified emphatically that South Africa was a friendly country where positive change was taking place.

TRANSAFRICA CELEBRATES FIFTH ANNIVERSARY

TransAfrica will host its Fifth Annual Benefit Dinner at the Washington Hilton Hotel on Saturday, June 5, 1982 at 7:00 PM.

Michael Manley, former Prime Minister of Jamaica, will be the keynote speaker of the evening and Andrew Young, Mayor of Atlanta, Georgia, will serve as the dinner host. Mr. Manley is a long time advocate of Pan-African unity and is well known for his forceful and well reasoned deliveries on Third World issues.

TransAfrica, established in July 1977 following a Black Leadership Conference on Southern Africa convened by the Congressional Black Caucus in 1976, has accomplished a great deal in the past five years. Its major successes have been in direct action appeals to the Congress and the White House which helped to spotlight and support legislation that was in the interests of black people worldwide or to defeat legislation inimical to those interests. TransAfrica is providing a strong Afro-American voice on a broad range of U.S. foreign policy issues and is seeking to keep the black community informed on U.S. relations with the nations of Africa and the Caribbean.

Last spring, on the eve of the annual dinner, TransAfrica's Executive Director, Randall Robinson, released to the press a stack of State Department documents which exposed the Reagan administration's plans to form an alliance with South Africa. Those leaks and organizing work that produced legislative victories have placed TransAfrica in the forefront of a broad movement in America that is struggling to help create a more progressive U.S. foreign policy representative of all Americans and protective of their long term interests. The administration's displeasure over Afro-American efforts to influence U.S. foreign policy is well described in an article by Michael Beaubien entitled "MAKING WAVES IN FOREIGN POLICY" in the April 1982 issue of **Black Enterprise**.

In January, TransAfrica launched its non-profit, educational and research affiliate, TransAfrica Forum. This new venture hopes to become the cutting edge of foreign policy analysis on U.S. relations with Africa and the Caribbean through its publications, the

monthly **ISSUE BRIEF** and the quarterly **TRANSAFRICA FORUM JOURNAL**. According to the Senior Research Associate for the Forum, Anne Holloway, the educational affiliate of TransAfrica will attempt to enhance a common understanding of foreign policy issues and seek to affirm the legitimacy of Afro-American's interest in and articulation of specific views on foreign affairs.

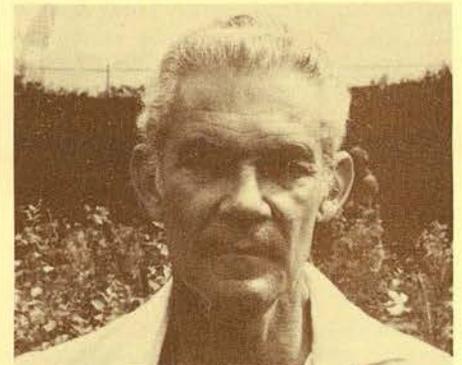
During the anniversary weekend, TransAfrica Forum will host a policy conference at Howard University on Friday, June 4, 1982 from 9:00 AM to 5:00 PM. The conference theme will be "Influencing U.S. Foreign Policy Toward The Black World" and will try to analyze what kind of influence, the lack of influence, and opportunities to influence U.S. foreign policy that the black community has. Many organizations in the black community representing labor, civil rights, religion, education, law, business, politics and others, have historically pursued activities concerning U.S. foreign policy toward Africa and the Caribbean. The Forum conference (to become an annual event) will provide an opportunity for scholars and representatives of these organizations to give presentations and analyses of their experiences.

Another feature of the TransAfrica weekend will be the annual membership meeting on Saturday, February 5, 1982 in the morning and afternoon before the dinner at the Washington Hilton Hotel. The general membership of over 10,000 and delegations from the 10 regional support committees will be invited to attend morning workshops focusing on major foreign policy concerns, programs for action and recommendations to TransAfrica's Board of Directors. The afternoon session will be a general business meeting between the membership and the Board.

A broad cross-section of black America is involved in supporting and celebrating TransAfrica's fifth anniversary of hard work. The Board of Directors and Staff of TransAfrica continue to emphasize that public support is needed now more than ever to help stem the tide of the Reagan administration's new and unfortunate policy directions evidenced in U.S. actions and programs in Africa and the

Caribbean.

Afro-America has found an able and significant voice in TransAfrica as a national vehicle for its foreign policy views and its continued survival and growth will depend on the contributions and financial assistance of the black community. The official program/invitational brochure for the fifth anniversary weekend will be mailed on April 1, 1982. Last year's anniversary weekend was attended by 1,300 guests and that total is expected to be surpassed this year.



Manley to speak at anniversary dinner

South Africa (cont'd from pg. 1)

would still keep "a strong symbolic and practical disassociation" from South African racial policies.

Related to this controversial decision was the participation (made public by TransAfrica) of Donald DeKieffer, a long-time lobbyist for South Africa, in consultations between officials from the Commerce and State departments in December and January on the proposed revisions. DeKieffer, who is now general counsel in the White House trade representative's office, was a registered lobbyist for the South African government from 1972-1979 and spent thousands of dollars on behalf of the South African information office through his law firm. It is held by officials familiar with DeKieffer's activities that, in a clear conflict of interest, he participated in meetings with Asst. Sec. for African Affairs Chester Crocker, and Commerce department officials in December and again in January. DeKieffer has acknowledged the January meeting. The officials, who wish to remain anonymous, also state that DeKieffer wrote a letter to the Commerce department supporting a particular position on the export controls. When the decision on the controls was made public, DeKieffer was

(continued on page 8)

THE TAMING OF THE "ROBIN HOOD" BANKS

The recently released Treasury Department report entitled *United States Participation in Multilateral Development Banks in the 1980's* marks the beginning of the Reagan administration's attack on development banks. Earlier, President Reagan and several top policymakers warned other nations, Congress, and the public that his administration preferred to maximize short run influence through bilateral aid channels and to stress private sector involvement in the development process. These priorities as well as budgetary restraint for all but military items, implied reduced US contributions and diminished support for multilateral development banks (MDB's). What is significant about the report is that its draconian policy recommendations simply do not follow from the thorough and generally pro-development bank body of appraisal.

The study initiated last spring, evaluated the World Bank Group, the Inter-American Development Bank, the African Development Bank, and the Asian Development Bank. These banks are financed by the direct contributions and callable capital subscriptions (i.e. guarantees to pay upon request) of Western donor countries. They borrow money on international capital markets and then offer loans at below market interest rates to the middle-income developing countries through "hard loan windows" or at highly concessional rates to the poorest countries through "soft loan windows". The purpose of the banks is to generally spur economic growth in the less developed countries (LDC's) by financing projects unattractive to commercial lenders, particularly infrastructure projects such as road and power plant construction. In the 60's the MDB's focused exclusively on such projects. But in the 70's emphasis shifted to rural development projects and basic human needs such as access to safe water, low-cost housing, and vocational education.

The Treasury assessed the MDB's on their effectiveness in meeting three broad US foreign policy objectives and three operational or cost-benefit criteria. The US foreign policy goals identified in the report are: (1) the maintenance of the US as leader of the non-Communist world; (2) the preser-

vation and growth of a free, open, and stable capitalist economic system; and (3) humanitarian concern with alleviating poverty in the poorest countries. The criteria of cost-benefits are: (a) the amounts of benefits that accrue to US commercial interests from MDB efforts to US commercial interests from MDB efforts to promote socio-economic developments; (b) size of direct US budget outlays; and (c) institutional efficiency and ability to implement projects and effectively use scarce development resources.

The report concludes that the various activities of the MDB's have served US interests well, especially in advancing US economic-financial interests. The reports cites, "On a cumulative basis MDB procurement of US merchandise has totalled \$8.7 billion for a return of \$1.10 in US exports for every one dollar actually paid into the bank."

On the question of exerting influence in bank decisions, of 14 significant issues before the banks in the last ten years the US was successful in winning its way in 85% of the cases, indicating enormous clout.

On the question of lending to US "friends" and countries of strategic interest, the results are again pro-US. Of the top 10 heaviest borrowers from the MDB's, 8 are very pro-Western countries with market-oriented economies. In the top twenty club of borrowers, only two can be termed exceptionally poor. Clearly, the perpetuation of capitalism is being well served.

On the last criterion, institutional efficiency, the report ranked the Asian Development Bank the highest.

The recommendations, however, do not follow from the exposition or from an appreciation of looming global challenges. The recommendations call for: (1) sharp reductions in paid-in capital and "soft loan" replenishments; (2) greater selectivity in sectoral lending and conditionality of aid so as to spur private sector, market-oriented developments; and (3) a quickened graduation/maturation schedule intended to move the better off LDC's into the commercial finance markets. The implications are far reaching and may foreshadow the gradual decline of these multilateral institutions. First, these banks will have to reduce their

lending, reversing the present expansionary trend. As the projected external financing needs for LDC's grow, alternative sources or approaches will have to found or these countries will face economic collapse characterized by increasing poverty, unrest and mass migrations. It is estimated that in order to maintain a 3.5% growth rate in gross domestic product, the poorest countries will need \$11 billion in external capital per year during the 80's and \$21 billion annually in the 1990's. The external capital needs of the middle-income countries will be around \$155 billion annually by 1985 and \$250 billion by the end of the decade. Quite significantly most of these countries have population growth rates that range between 2-3% per annum and despite the size of the current World Bank lending, it still only provides for 1% of their total external capital needs.

Second, the recommendation to press for free market reforms will subvert the dialogue and great respect the MDB's have with developing nations. Furthermore, the banks are already managed by neoclassically schooled economists who quietly yet persistently influence borrowers' micro-economic policies. Cost recovery, project viability, and replicability are passwords at the banks. To arrogantly dictate macro-policies not only offends LDC's sense of sovereignty but may force certain countries committed to equity with growth development strategies into the Soviet orbit.

Third, the planned sharp reductions in concessional aid and the general attack on the concept of multilateralism will further fray the tenuous state of world affairs. As a result of the cut-backs, lending targeted to the poor for: slum upgrading, non-formal education, population planning services, small farmer extension and credit services, etc. will be more sharply curtailed than other lending programs because of the higher staff costs and the appearance of welfarism. Nonetheless, these type of projects not only raise the income and productivity of small farmers and informal sector people but also increases the knowledge base related to appropriate technology, fertilizer use, cropping

(continued on page 8)

South Africa (cont'd from pg. 6)

on his way to South Africa for meetings with high ranking South African trade officials. The reason for the discussions was unclear as DeKieffer cannot officially discuss U.S.-South African trade issues with the South African officials because of his previous connections.

Though the new trade rules went into effect on March 1, the Congress has 30 days to propose changes of the administration's decision, but their suggestions are not binding. Some members may introduce a Sense of the Congress Resolution objecting to the decision, while others may seek an amendment to the administration's foreign aid supplemental request that would reverse the revisions.

Zaire (cont'd from pg. 3)

sonal gain and that all other U.S. programs are undermined by the government if they are viewed as potential threats to Mobutu's personal empire.

The former Prime Minister warned the Reagan administration and its western allies that the man the west had in mind to stabilize and develop Zaire is destabilizing the country and preparing chaos that could cause this important nation to "fall into any hands". Nguza also provided various documentation of government graft and an important report prepared by army officers which outlines the reasons for growing opposition to Mobutu within the ranks of his own army.

But Nguza received a cold shoulder from administration officials and President Reagan remains committed to supporting Mobutu by supplying the \$10.5 million in military aid promised him during his visit to Washington in December, 1981 though the Congress strongly recommended that Zaire be given only \$6 million in military aid. The U.S. has provided \$31 million annually in aid to Zaire for the past several years with an emphasis on security assistance. Reagan hopes to increase U.S. support for Mobutu to the tune of \$20 million in military assistance next year despite Congressional opposition.

Zaire has recently witnessed greater political repression, detentions, and torture according to a recent Amnesty International report which documents the details of the organization's human rights concerns in the country. With opposition to Mobutu increasing domestically and no alternative to his per-

sonal rule in sight the increased support being offered by President Reagan is likely to encourage greater repression within the country and a continued neglect of economic development and the basic rights and needs of the Zairian population.

The U.S. policy appears to result from its view of Mobutu as a longtime ally in a strategic country especially while other African nations are now distancing themselves from the U.S. because of the open American alliance with South Africa. The U.S. concern that Zaire not "fall into communist control" has caused the administration to overlook the interests of the people in this large African nation and to ignore the instability of the Mobutu regime perhaps at its own peril.

Banks (cont'd from pg. 7)

patterns and a host of other development relevant matters.

In a world of growing common challenges: environmental degradation, affordable energy; technological transfers and control; outer space use; and intelligent resource exploitation; the Reagan administration thumbs its nose at the international community and advocates "survival of the fittest". In mad pursuit of military security and economic gain, the Reagan policymakers may be destabilizing the world, the very opposite of its declared intentions.

The ingenuity of the MDB's to meet these dark days will be severely tested. As for alternatives, the present 1:1 gearing ratio (i.e. lending equals amount of assets) may have to be changed to a 2:1 ratio which is still very conservative but will allow some flexibility. The tapping of OPEC surpluses should also be a high priority. Co-financing or joint MDB-private sector financing is another option that will probably be used.

The reaction of the European donors to the Reagan initiatives will also be a critical factor. Their actions can either serve to hasten the decline of the MDB's or check some of the losses until a more liberal American administration comes to office.

Nevertheless, it is disheartening in many quarters to witness multilateral retrenchment at a time when resource transfers and the popularization of the participatory development model, which seeks to involve and benefit large numbers of people, is needed more than ever.

OAU PEACEKEEPING FORCE IN JEOPARDY

(NAIROBI) The Organization of African Unity will be unable to afford to maintain a peacekeeping force in Chad unless new emergency financial donations are forthcoming. This was the subject of discussion at a special meeting of the organization in early February. According to OAU Secretary General Edem Kodjo, it would cost \$163 million to maintain troops in Chad over the next year. The 3,000 man force is made up of troops from Nigeria, Senegal and Zaire, and replaced Libyan troops in Chad late last year at the request of Chadian president Goukouni Oueddei. The U.S. and France have reportedly contributed \$12 million each for maintenance of the force but it is doubtful whether they will contribute more funds. The Chadian government, which is fighting rebel forces led by former Defense Minister Hissan Habre, is being urged by the OAU to arrange a cease-fire and agree to hold elections within the year.

U.S. ANNOUNCES "THE GREAT JAMAICA TAX BREAK"

The Reagan administration has added Jamaica to a limited list of countries where Americans can go for business meetings and deduct the expenses from their taxes. Jamaica, which has made the rebuilding of tourism a top priority, has become the showpiece of Reagan's Caribbean Basin Initiative (CBI) and has received increased economic and security assistance in addition to this recent gesture of support. Jamaica will receive \$90 million of the \$350 million in the CBI if the administration's request is approved by Congress. Only El Salvador is slated to receive a larger amount of \$110 million.

TRANSAFRICA NEWS

Vol. 2, No. 2 Winter 1981-2

545 8th Street, SE
Suite 200
Washington, DC 20003
202/547-2550

Editor: Salih Abdul-Rahim

Contributing Writer:
Mark Wenner