

# Sanctions:

## Reagan makes the first move

Warning of American impatience, President Ronald Reagan has ordered a series of limited, selective sanctions against South Africa.

The sanctions were imposed under emergency powers the President invoked on the grounds "of the threat posed to United States interests by recent events" in South Africa.

The move was part of a bid to head off the congressional sanctions bill the Senate was scheduled to debate in September.

The President said his policy remained one of active, constructive engagement.

"I am signing an order that will put in place a set of measures designed and aimed against the machinery of apartheid, without indiscriminately punishing the people who are the victims of the system — measures that will disassociate the US from apartheid, but associate the US positively with peaceful change," President Reagan added.

The US Ambassador to SA, Mr Herman Nickel, said in an interview with Business Day that the stage had been reached where mere statements of intent were no longer adequate.

Negotiations would have to be seen to begin and "some key features of apartheid have to be seen to be abolished".

Mr Nickel said it was important to persuade the American people that there was a distinction between the US sanctions imposed by President Reagan — aimed at the "instruments of apartheid" — and "an indiscriminate kind of sanction which damages the prospects of people who live under this system".

The following are the anti-apartheid measures announced by President Reagan:

- A ban from October 11 on the export of nuclear goods or technology to South Africa except where they are needed to implement nuclear proliferation safeguards of the International Atomic Energy Agency or to protect health and safety.

- A prohibition on US loans to the South African Government except those that improve economic opportunities or educational, housing and health facilities open to South Africans of all races. With effect on November 11.

- A possible ban on the importation of Krugerrands depending on the legality of the step in terms of the General Agreement on Tariffs and Trade.

- A directive that the US Treasury report on the feasibility of a one-ounce American gold coin to be minted as an alternative to the Krugerrand.

- A ban, effective from October 11, on the importation into the US of any military goods manufactured in South Africa.

- A ban on export assistance to any US company employing more than 25 people in South Africa but failing to adhere to the Sullivan Code by the end of this year.

- Creation of an advisory committee of "distinguished Americans" to report within 12 months on recommen-

dations to encourage peaceful change in South Africa.

- An increase of \$8 million in scholarship funds for Blacks South Africans and an extra \$1,5 million to support human rights programmes, one-third to be used for legal assistance.

- A directive that US agencies in SA buy more goods and services from Black-owned businesses.

Chief Buthelezi has revealed that US Secretary of State, Mr George Schultz, gave him advance details of President Reagan's selective sanctions plan.

The Central Committee of Inkatha has recorded its "appreciation" to Mr Schultz for having "the courtesy and goodwill" to inform Chief Buthelezi of the proposed move.

## REACTION TO REAGAN SANCTIONS

### Buthelezi warns of sanctions snowball

Commenting on the sanctions move, Chief Buthelezi said that the SA Government could count itself lucky that President Reagan had been so restrained in reacting to the indignation apartheid had aroused.

Chief Buthelezi said President Botha's recalcitrance had prompted the international community to express itself strongly in opposition to apartheid.

He accused the National Party of delivering one body blow after another to the SA economy.

He said the Deputy Foreign Minister Louis Nel was on record as saying Washington should have calculated the consequences of US pressure on SA for the whole of Southern Africa.

But the real culprit was the SA government — its refusal to enter into negotiations with Blacks about power-sharing and the fact that it persisted in holding a whip over neighbouring States.

Reiterating his rejection of disinvestment, he said: "I see the measures which President Reagan has announc-

ed as warning measures, foretelling of hardening American attitudes if meaningful change does not take place in our country within the relatively near future.

"I cannot see the measures which President Reagan has announced as damaging to the growth base of the South African economy, and, given the ingenuity of the SA business community, the measures announced will not have a very great impact on the country's daily economic life."

He called on President Botha and the government, "to do something on their home front which will stop the Reagan Administration's measures from snowballing into internationally co-ordinated action."

Every Black South African and the whole world wanted to know where President Botha was leading the country.

"He talks about negotiations with Blacks, but he does not establish the necessary climate in which those negotiations can take place."