

International Economic Sanctions in the Political Change of Apartheid South Africa, 1960 – 1990.

BY

PETER. W. SICHANGI

**UNIVERSITY OF NAIROBI
AFRICANA COLLECTION**

A THESIS SUBMITTED IN PARTIAL FULFILMENT OF THE
REQUIREMENT FOR THE DEGREE OF MASTER OF ARTS,
UNIVERSITY OF NAIROBI

University of NAIROBI Library



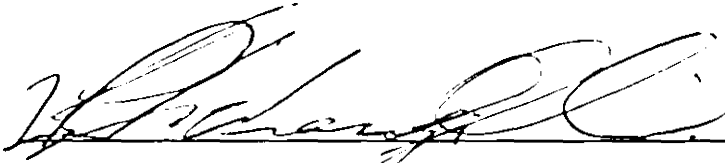
0479252 9

**DEPARTMENT OF POLITICAL SCIENCE
AND PUBLIC ADMINISTRATION**

2003

DECLARATION

I hereby declare that this thesis is my original work and has not been presented for a degree in any other university.



Date: 28.11.03

PETER W SICHANGI

This thesis has been submitted for examination with my approval as supervisor



Date: 28.11.03

DR. S.W. ROHIO, PhD.

DEPARTMENT OF POLITICAL SCIENCE
AND PUBLIC ADMINISTRATION.
UNIVERSITY OF NAIROBI.

DEDICATION

This thesis is sincerely dedicated to my parents, Mr Richard Sichangi and Mrs Brigid Nekesa Sichangi, without whose encouragement and faith in me I would not have achieved what I have.

ACKNOWLEDGEMENTS

I am indebted to my current supervisor Dr Samuel W. Rohio for his guidance and scholarly input in the work. His effort has finally culminated in the presentation of this work. I would also like to appreciate the humble but foundational input of my first supervisors - the late Dr Afrifa Gitonga and Mr Joseph Makokha in guiding me through the proposal writing and in the operationalisation of the concepts that go with this exercise. I would also like to thank Dr Nick Wanjohi by then (Chairman of the Department of Government, UON) for appreciating the circumstances under which I attempted this degree course and for being ready to extend his patience and to accommodate my request for more time. The same gratitude goes to Mrs Betty Wanjala of the Board of Postgraduate Studies for her invaluable pieces of advice.

To my wife, Mary Nambindoh Sichangi, I record the many hours she spend in ensuring that I complete this work without much strain and because of the future. I also extend much gratitude and thanks to my friend, companion and brother in Christ, Bernard Wachie Wafukho, and to his wife Stella Nambuswa Simiyu for the many hours they put in typing, typesetting and providing resources for the final production of this work. By extension, the same gratitude goes to Tabitha Aketch and everyone who was involved in the production of this work.

I thank my brother George Sichangi, his family, and Moses Khaemba for making it possible for me to embark on this Course.

Notwithstanding these acknowledgements, I wholly accept responsibility for any deficiencies and faults that may appear in the work. This may have been so due to the fact that it is human to err. All in all however, I wish to be part of anything commendable in this thesis.

ABSTRACT

This thesis investigates the role of international economic sanctions in influencing developments towards political change in apartheid South Africa between the years 1960 to 1990. The investigation is premised on the fact that despite an existing debate and controversy over the utility and role of international economic sanctions in coercing targeted states towards the demanded political changes by the sanctions-imposing states and other actors, a study of apartheid South Africa proves otherwise.

This thesis therefore seeks to discover the usefulness of international economic sanctions in influencing demanded political changes in apartheid South Africa from 1960 to 1990 vis-à-vis the existing general assumptions and experiences of this strategy in countries to which it has hitherto been applied. The study seeks to find out the effect of international economic sanctions on the apartheid economy and its consequent effect in influencing developments towards political change. The study also intends to discover the effect of international economic sanctions on the political and non-political domestic forces seeking to apply pressure on the apartheid regime to change towards their desired political demands.

To achieve the above objectives the study covaried and compared apartheid's economy since 1960s with its performance after the 1980s when it was under increased international economic sanctions. The observation and comparison showed that the apartheid economy performed poorly when it came under economic sanctions directly and indirectly influencing the apartheid regime to take steps towards the demanded political changes in order to forestall its economy from eventual collapse. It was also established that as the economic sanctions were imposed, their negative effect on the apartheid economy consequently forced the political system into making concessions that catalysed political and non-political domestic forces into increased activity towards demanding for more political changes.

Three theoretical frameworks have been employed in this study. These are; the Power theory, the Marxist theory, and the International Moralism theory. The Power theory has been used to explain the decision by the international community to impose economic sanctions as an exercise of their power over apartheid South Africa. This has been explained by apartheid South Africa's dependence on the international community for trade through imports and exports of goods for the survival of her economy. This relationship made apartheid South Africa vulnerable to economic sanctions imposed by her trade partners. In order to stem the collapse of her economy, South

Africa was compelled to modify her political behaviour to conform to the demanded political changes in order to continue enjoying the benefits of her trade with her partners.

The Marxist theory has been employed in the analysis of the role of political and non-political domestic forces pressurising for political changes in apartheid South Africa. The domestic forces mainly composed of the segregated black majority, who were the workers therefore forming the "proletariate" reacted to minimal reforms implemented by the apartheid regime in its system by uprising against apartheid as a whole hence quickening its movement towards change or 'thesis'.we concluded that these forces complemented the international economic sanctions in coercing the apartheid regime towards the demanded political changes.

The International Moralism theory has been adopted to account for the international moral campaign of protest launched by the international community against apartheid under the auspices of the United Nations Charter and other governmental and Inter-Governmental Organisations. The basis of the imposition of sanctions arose from the need to contribute to the dismantling of the racist apartheid system which violated the fundamental principles of international law as enshrined in the United Nations Charter and other approved declarations and conventions against the denial of human rights and other universally recognised freedoms.

In terms of organization this thesis consists of five chapters. Chapter one consists of Introduction, Definition of concepts, Statement of research problem, Hypotheses, Methodology of research, chapters' layout and end notes. Chapter two consists of Introduction, General definition of international economic sanctions, historical evolution of international economic sanctions, case studies of the performance of international economic sanctions, summary of the chapter, and end notes to chapter two. Chapter three is composed of introduction to the imposition of international economic sanctions to apartheid South Africa since 1960, the definition, characteristics and Historical Evolution of apartheid South Africa, reaction and response of the international community to apartheid, motivating factors leading to imposition of I E S against apartheid South Africa, the build – up towards the imposition of I E S against apartheid South Africa, summary and end notes to chapter three. Chapter four is composed of Introduction, Discussion on the effect of international economic sanctions on the performance of the apartheid economy and on the rate of the developments towards political changes in apartheid South Africa and on the effect of I E S on the rate of activities of domestic, political and non-political forces.

Chapter five deals with findings conclusions and recommendations from this study. It also covers Endnotes and Bibliography to the study.

TABLE OF CONTENTS

DECLARATION.....	ii
DEDICATION.....	iii
ACKNOWLEDGEMENTS.....	iv
ABSTRACT.....	v
TABLE OF CONTENTS.....	vii
LIST OF TABLES.....	ix
LIST OF FIGURES.....	ix
LIST OF ABBREVIATIONS.....	x
CHAPTER ONE: INTRODUCTION.....	1
1.0. DEFINITION OF CONCEPTS.....	1
1.1. STATEMENT OF RESEARCH PROBLEM.....	2
1.2 OBJECTIVES OF THE STUDY.....	4
1.3 JUSTIFICATION OF THE STUDY.....	4
1.4 LITERATURE REVIEW.....	5
1.5 THE THEORITICAL FRAMEWORK.....	13
1.5.1 POWER THEORY.....	14
1.5.2 MARXIST THEORY.....	16
1.5.3 INTERNATIONAL MORALIST THEORY.....	19
1.6 HYPOTHESES.....	24
1.6.1 FIRST HYPOTHESIS.....	25
1.6.2 SECOND HYPOTHESIS.....	25
1.6.3 THIRD HYPOTHESIS.....	25
1.7 METHODOLOGY OF RESEARCH.....	26
1.7.1 DATA COLLECTION.....	26
1.7.2 DATA ANALYSIS.....	26
1.8 CHAPTER LAYOUT.....	26
CHAPTER TWO: HISTORICAL EVOLUTION AND PERFORMANCE OF INTERNATIONAL ECONOMIC SANCTIONS.....	32
2.0 GENERAL DEFINITION OF INTERNATIONAL ECONOMIC SANCTIONS.....	32
2.1 HISTORICAL EVOLUTION OF INTERNATIONAL ECONOMIC SANCTIONS.....	35
2.2 CASE STUDIES OF THE PERFORMANCE OF INTERNATIONAL ECONOMIC SANCTIONS.....	47
2.2.1 ITALO- ETHIOPIAN CASE.....	48
2.2.2 THE IRANIAN CASE.....	56
2.2.3 THE RHODESIAN CASE.....	60
2.2.4.THE DOMINICAN REPUBLIC CASE.....	69

2.2.5 THE CUBAN CASE	70
2.2.6. THE YUGOSLAVIA CASE	73
2.2.7. THE BURUNDI CASE	74
2.3 SUMMARY	75
CHAPTER THREE: THE IMPOSITION OF INTERNATIONAL ECONOMIC SANCTIONS ON APARTHEID SOUTH AFRICA.....	81
3.0 DEFINITION, CHARACTERISTICS AND HISTORICAL EVOLUTION OF APARTHEID SOUTH AFRICA.....	81
3.1 REACTION AND RESPONSE OF INTERNATIONAL COMMUNITY TO APARTHEID.....	89
3.2 MOTIVATING FACTORS LEADING TO IMPOSITION OF INTERNATIONAL ECONOMIC SANCTIONS AGAINST APARTHEID SOUTH AFRICA.....	96
3.3 BUILD-UP AND IMPOSITION OF INTERNATIONAL ECONOMIC SANCTIONS ON APARTHEID SOUTH AFRICA.....	99
3.4 SUMMARY	105
CHAPTER FOUR:INTERNATIONAL ECONOMIC SANCTIONS IN THE POLITICAL CHANGE OF APARTHEID SOUTH AFRICA	110
4.0 EFFECT OF THE INTERNATIONAL ECONOMIC SANCTIONS ON THE PERFORMANCE OF THE APARTHEID ECONOMY.....	110
4.2 SUMMARY AND CONCLUSIONS.....	129
4.3 THE EFFECT OF INTERNATIONAL ECONOMIC SANCTIONS ON THE RATE OF DEVELOPMENTS TOWARDS POLITICAL CHANGES IN APARTHEID SOUTH AFRICA.....	131
4.4 SUMMARY AND CONCLUSIONS.....	145
4.5 EFFECT OF INCREASED INTERNATIONAL ECONOMIC SANCTIONS TO THE RATE OF ACTIVITIES BY DOMESTIC POLITICAL AND NON-POLITICAL FORCES.....	147
4.6 SUMMARY AND CONCLUSIONS.....	153
CHAPTER FIVE: FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS.....	157
5.0 INTRODUCTION.....	157
5.1 EFFECT OF INTERNATIONAL ECONOMIC SANCTIONS ON THE PERFORMANCE OF THE APARTHEID ECONOMY	157
5.2 THE EFFECT OF INTERNATIONAL ECONOMIC SANCTIONS ON THE RATE OF DEVELOPMENTS TOWARDS POLITICAL CHANGES IN APARTHEID SOUTH AFRICA.....	160
5.3 EFFECT OF INCREASED INTERNATIONAL ECONOMIC SANCTIONS TO THE RATE OF ACTIVITIES BY POLITICAL AND NON-POLITICAL DOMESTIC FORCES.....	161
5.4 ALTERNATIVE POLICY RECOMMENDATIONS.....	163
BIBLIOGRAPHY	166

LIST OF TABLES

TABLE: 2.1 EXPORTS FROM ITALY TO OTHER COUNTRIES	52
TABLE 2.2 IMPORTS INTO ITALY FROM OTHER COUNTRIES	52
TABLE 3.1 GOVERNMENT ECONOMIC SANCTIONS AGAINST SOUTH AFRICA.1986.....	103
TABLE 4.1 SOUTH AFRICA'S ECONOMIC GROWTH	111
TABLE 4.2 (A & B): STATE OF SOUTH AFRICA'S TRADE 1982-1984.	112
TABLE 4.3 (A & B): SOUTH AFRICA'S IMPORTS AND EXPORTS TO MAJOR TRADING PARTNERS --	113
TABLE 4.4 SOUTH AFRICA'S FOREIGN ASSETS AND LIABILITIES	114
TABLE 4.5 SUMMARY OF MAIN ECONOMIC SANCTIONS AGAINST SOUTH AFRICA.....	115
TABLE:4.7 SOUTH AFRICA'S FOREIGN DIRECT INVESTMENT REPORTS BY HOST COUNTRY1981- 1987	118
TABLE 4.8 SOUTH AFRICAN TRADE IN MAIN COMMODITIES	119
TABLE 4.9 DECLINE IN EXPORTS OF SOUTH AFRICA BY SELECTED SANCTIONS IMPOSING COUNTRIES.....	120
TABLE 4.10 U.S. COMMERCIAL CREDIT TO SOUTH AFRICA.....	123
TABLE 4.11 GROWTH IN REAL DOMESTIC INVESTMENT IN %.....	125
TABLE 4.12 THE TREK TO LUSAKA. "MEETINGS WITH THE ANC".....	140

LIST OF FIGURES

FIGURE 4.1 MOVEMENT OF INTERNATIONAL LOAN CAPITAL.....	124
FIGURE 4.2 CUMULATIVE LOSS TO THE ECONOMY, 1984 – 1987.....	124
FIGURE: 4.3 CAPITAL FLIGHT FROM SOUTH AFRICA: 1984-1988.....	125
FIGURE: 4.4 ECONOMIC DECLINE IN THE 1980'S.	126
FIGURE: 4.5 ECONOMIC DECLINE IN THE 1980'S.	127
FIGURE: 4.6 PERFORMANCE OF SOUTH AFRICAN ECONOMY, 1976-1986.....	130
FIGURE: 4.7 SHIFTING POLITICAL ORIENTATIONS: POSITIONS ON WHITE RULE.....	134
FIGURE: 4.8 SHIFTING POLITICAL ORIENTATIONS: POSITIONS ON WHITE RULE.....	134
FIGURE: 4.9 PARLIAMENTARY ELECTIONS RESULTS PERCENT OF VOTES AND SEATS BY PARTY....	135
FIGURE 4.10 STRIKE ACTIVITY: 1977 – 1986, TRADE UNION MILITANCY	148
FIGURE 4.11 NUMBER OF WORKERS INVOLVED IN STRIKE ACTIVITIES: 1977 – 1986.	149
FIGURE 4.12 GUERRILLA ATTACKS: 1976 - 1986.....	151
FIGURE 4.13 ANC MILITARY ATTACKS: 1984 - 1988.....	153

LIST OF ABBREVIATIONS

ANC	African National Congress
CAAA	Comprehensive Anti-Apartheid Act
COMESA	Common Market for Eastern & Southern Africa.
COSA	Congress of South African Students.
COSATU	Confederation of South African Trade Unions.
CP	Conservative Party.
CTC	Centre on Transnational Corporations.
DP	Democratic Party.
EAC	East African Community.
EEC	European Economic Community.
GDP	Gross Domestic Product.
GNP	Gross National Product.
I.E.S	International Economic Sanctions.
IGO	Inter-Governmental Organisations.
IMF	International Monetary Fund.
NGO	Non-Governmental Organisations.
N.U.M	National Union of Mineworkers.
NATO	Northern Atlantic Treaty Organisation.
NP	National Party.
OPEC	Oil Producing and Exporting Countries.
OAS	Organisation of American States.
SACP	South African Communist Party.
U.D.I	Unilateral Declaration of Independence.
UDF	United Democratic Front.
UFP	United Federal Party.
ZANU	Zimbabwe African National Union.
ZAPU	Zimbabwe African Peoples Union.

CHAPTER ONE: INTRODUCTION

This research has been inspired by the increasing application in recent years of international economic sanctions by the United Nations, other international organisations, state actors and non-state actors as a measure aimed at achieving political goals. Despite this trend a raging debate and controversy exists as to whether international economic sanctions work and if they do various scholars still doubt their utility. It is from this background that this study aims to investigate the role of international economic sanctions in influencing the political changes that led to the collapse of the apartheid South African system. This chapter will therefore cover the statement of research problem in detail. The chapter also consists of the following sections; definition of concepts, objectives of study, justification of study, literature review, theoretical framework, hypotheses, methodology of research, data analysis and chapter layout.

1.0. DEFINITION OF CONCEPTS

a) **Apartheid South Africa, White Regime, Pretoria Government.**

These terms refer to the racist discriminatory system of government, which was in place during the period under study. The terms also generally refer to the whole social setting based on the idea of 'separateness'.

b) **Apartheid**

This is an Afrikaan word meaning 'apartness'. It describes a body of law enacted by the South African government to bring about legal separation among whites, blacks, coloureds and Asian peoples of South Africa. The system is defined by; first, the hierarchical ordering of the whole social, economic and political structure of the South African society on the basis of statutorily defined races. It also involves systematic political, economic and social discrimination against all blacks in particular and non-whites in general.

c) **International Economic Sanctions (I.E.S)**

These are various coercive economic measures that were taken against apartheid South Africa in order to enforce its compliance towards the dismantling of its system. The IES therefore take various forms which are applied by state actors, IGOs, International Organisations (IO) and non- state actors as business institutions represented by banks and religious organisations as churches. The sanctions were aimed at subjecting the apartheid South Africa to economic hardships through refusal to export to it or import its goods resulting into the breakdown of its economy. IES takes other forms as withdrawal of further investments by business enterprises

and institutions. They are also applied in form of withholding of loans and credits by international lending institutions of state and non-state character.

d) International Community

This term is used to refer to all participants or actors both state and non-state who formed the external environment, which applied IES pressure against apartheid South Africa during the period under study.

1.1. STATEMENT OF RESEARCH PROBLEM

This research seeks to determine the role and effectiveness of international economic sanctions in influencing Political developments towards the demanded political changes in targeted states or governments. The study has been made necessary by an existing controversy among scholars over the role of international economic sanctions in coercing targeted states towards the political changes demanded by the imposing states or the international community.

This disagreement has polarised scholars into two opposing schools of thought. While one school of thought contends that international economic sanctions work and lead to political changes, the other dismisses this by claiming that sanctions neither work, nor influence any political changes in the targeted state. This debate therefore poses a disatisfactory state of affairs and a problem for us to carry out scientific research to prove or disapprove these counter claims. This study of the case of apartheid South Africa under international economic sanctions aims at doing just that. Below are discussed these contending views.

Scholars, who oppose the view that international economic sanctions work, argue that in the various studies they have done, economic hardships did not directly lead to the kind of political changes envisioned by those imposing such sanctions¹. They also argue that the findings of their studies revealed that international economic sanctions when applied alone against a rebellious state could not achieve the desired results if other internal forces as strikes and sabotages didn't occur².

Other views have also been expressed that international economic sanctions cannot be an effective tool of coercing states to change their political systems as they, instead, lead to the strengthening of the regimes and not their destruction³. Another argument against economic sanctions is that, experience has shown that they can be easily evaded and for this and other reasons they are never successful in bringing about the desired political results.

They give evidence carried out in a recent survey of 99 cases of economic sanctions over the period 1914-83 carried out for the Institute of International Economics in Washington as an example. From the study it was concluded that success had been achieved in 40% of the cases. Arising from these they therefore observed that sanctions had been more successful in pursuit of some purposes in some circumstances than in others⁴.

Supporters of the workability and effectiveness of international economic sanctions challenge their opponents by offering postulations to the contrary showing that I E S actually achieve political goals in areas where they are applied. Ronald Segal⁵ believes that sanctions could influence political changes in South Africa when applied by nations with economic power and influence over a targeted government. David Baldwin⁶ contends that sanctions work if judged realistically in the long term. Hanlon⁷ attributes the willingness of apartheid South Africa to grant independence to Namibia on having been influenced by effects and threats of more economic sanctions.

Hayes J. P⁸ argues that sanctions were favoured strongly by many who argued that they were necessary to bring about political change or give forceful expression to moral disapproval of policies of racial discrimination and repression in South Africa. He suggests that it was from this background that governmental sanctions were linked to specific reforms. He gives an example of the United States legislation which expressly provided that the president was to lift some or all of the sanctions if the government of South Africa met four out of five conditions which were political in nature. These were; the repeal of the state emergency; the release of Nelson Mandela, and other political prisoners; the holding of negotiations with representative black majority leaders and repeal of laws regulating where South Africans may live and work.

Price has presented more evidence of effectiveness of I E S in influencing political change through economic hardships⁹. According to him the imposition of international economic sanctions had a substantial negative impact on the apartheid economy. He states that by 1986 South Africa was cut off from the International Capital Markets through forced selective sanctions, against some important foreign exchange generating exports. These effects on apartheid South African economy led to the regime after 1989 taking steps towards political change, which pointed to an effort to respond to the political demands by the sanctioning states so as to stem the collapse of its economy.

The above debate, disparity in opinion and facts on the role and effectiveness of I E S in influencing the desired political changes calls for a study to find out the relationship between I E S imposed on a government and the resultant effects on its political system. Our study therefore will focus on apartheid South Africa under economic sanctions and will seek to discover its response to these economic pressures, on her political system.

1.2 OBJECTIVES OF THE STUDY

Broadly this study attempts to find out the role and effectiveness of IES in influencing political changes in apartheid South Africa. Specifically it aims at:

- a) Finding out the relationship between increased international pressure in form of I E S and the performance of the apartheid South Africa economy.
- b) Finding out the relationship between, the increased international pressure in form of IES and steps taken for political change by the apartheid regime.
- c) Finding out the relationship between increased international pressure in form of increasing imposition of I E S and intensified activities of political and non-political domestic forces pressurising for political changes in apartheid South Africa.

1.3 JUSTIFICATION OF THE STUDY

This study is justified on two grounds: academic and policy. Academically the study aims at filling certain gaps of knowledge existing in scholarly works on the role of international economic sanctions in achieving political changes envisioned by the imposing states on target states. Many scholars have contested the role and effectiveness of international economic sanctions in achieving the required political changes but few have carried out any scientific research to measure this. This study is therefore academically justified since it is specific and focuses on apartheid South Africa in order to discover and inform more scientifically on this subject.

This study also has its significance through its policy implications. It sheds light on a peaceful non-violent and non-military strategy currently being favoured by the international community through the United Nations and other Inter-governmental Organisations. On a global level this study will inform these governments of the role and effectiveness of international economic sanctions in achieving political goals, hence propose it as an option to be considered when identifying policies to be adopted by the international community.

On a regional level the study will inform the East and Central African Countries who have joined together in the East African Community and the East and Southern African Common Markets Association (COMESA) of a strategy to use in exerting power over a non-co-operative state. An example is the imposition of sanctions on the military regime of Burundi by the three East African Countries for overthrowing a democratically elected government. This was to force the military regime to revert to democracy and negotiate for return to the democratic process.

Locally, Kenya as a country stands to benefit from the findings of this study and recommendations. An example is that since 1992 the Kenya government has found itself in similar circumstances as that of any other nation under economic sanctions. Her major donors like Germany, Britain and the Brettonwoods institutions withheld their loan facility and set political and economic conditions to be met before resuming their funding. This lack of financial resources affected Kenya's economy and she was therefore forced to change her political system from a one-party state to a multiparty state. She also had to liberalise her economy in line with the demands made by these institutions and governments, she has also reduced her civil service so as to limit her budget expenditures on salaries as demanded by donor institutions. As result of all these the Moi regime was promised these funds before the end of the year 2000. The findings from this study will inform the Kenya government policy makers on the effects of economic sanctions on its economy and political system as long as they rely on foreign funding for conduct of economic and social affairs of their country.

1.4 LITERATURE REVIEW

Our literature review will concentrate on various works and studies carried out by various scholars concerning I E S in general and specifically as these works relate to their analysis of the role of these sanctions in influencing political change in governments or political systems where they were applied. This literature review will aim at identifying gaps in research carried out by these scholars in order to adequately address them and attempt to fill these gaps in our study through further collection and analysis of relevant data.

Our review will also compare and contrast the findings of the studies carried out by other scholars who have studied I E S and relate this to our likely findings given the research objectives and hypotheses adopted. The review will also take account of other approaches these scholars adopted especially their focus and the theoretical frameworks used in analysing and explaining or

predicting findings of their works as compared to methodology and theoretical framework employed in this study.

In conclusion the cardinal purpose of this review will be to justify the need for this study by isolating gaps and pointing out areas in research that have been given inadequate attention in measuring the role and effectiveness of international economic sanctions in influencing political change in apartheid South Africa and other areas where sanctions have been applied.

Literature touching on I E S can broadly be divided into two parallel views: supporters who view I E S as effective and successful in achieving objectives where they have been applied and opposers who oppose this view, doubt or even suggest the addition of other factors for international economic sanctions to work. Apart from these two major schools of thought other scholars have studied economic sanctions in general and made observations, which we will also acknowledge in this review.

Donald Losman¹⁰ claims to have studied sanctions and found them wanting since they failed to achieve their political objective. In his study of economic sanctions in Cuba, Israel, and Rhodesia he focused on costs of sanctions to the respective economies and their vulnerability to sanctions. He noted that vulnerability to sanctions tended to be greatest to nations with an export-oriented type of economy and if their economies and technologies were tied to suppliers who impose sanctions. On the impact of sanctions to Cuba he argued that although the American's unilateral economic sanctions were economically damaging no clear political changes were observed¹¹. Losman also states that Israel was able to withstand and avoid sanctions imposed on her by her Arab neighbours despite her lack of self-sufficiency in economic prowess. As regards Rhodesia he argues that economic sanctions were unable to stop economic growth, although they did reduce the growth below its potential. On the role and effectiveness of international economic sanctions in enforcing compliance towards a desired political change, Losman concluded thus; "The three boycotts studied have thus far failed to accomplish their political ends and it seems unlikely that the economic measures will fare better in future"¹².

The above conclusion and observations which doubts the future prospect of economic sanctions and the fact that Losman used the trade theory to analyse costs of sanctions as well as deduce or measure political compliance means that he was limited by this theory and could not identify well the political consequences. Our study will therefore seek to use theories that can explain political

as well as economic changes to capture and explain the dynamics of change in apartheid South Africa.

Losman's study of Cuba is also limited by time since the Cuban regime has continued to suffer American sanctions resulting to its population immigrating to United States of America due to poor living standards in Cuba. The poor economy also triggered internal opposition by political domestic forces that have been forced to seek asylum in United States of America. It is also important to note that though Israel survived economic sanctions this was only after it reduced the Arab influence on winning the Yom Kippur war which was a threat to its political survival. Generally Losman does not mention any political steps in areas he studied although he dismisses the usefulness of economic sanctions in achieving political goals. Despite the above shortcomings, Losman's findings on economic costs of sanctions in the economies studied offers us an example of the effects of economic sanctions on any economy and from this we can deduce that this effects could act as an influence in forcing the affected states to comply to political demands in order to save the destruction of their economy. The case of apartheid South Africa will offer us an opportunity to measure how her economy performed under sanctions and how this resulted into the governments desire to change in order to stop the collapse of its economy.

L. T. Kapungu¹³ notes that the I.E.S were imposed by Britain on Rhodesia's Government (present Zimbabwe) as an instrument to attain a political goal. He contents that the British government and the United Nations did not succeed in forcing the Rhodesian regime to abdicate their rebellion and return to a state of legality within the constitutional framework agreed between them. Britain instead entered a new settlement in 1971 to show the world that sanctions had worked in Rhodesia, when in realty the agreement simply recognized the 1965 Unilateral Declaration of Independence (U.D.I) Constitution instituted by the rebel government.

Kapungu identifies lessons from his study in which he observes that economic sanctions alone are blunt and ineffective instruments and can only be effective if they are used as an adjunct to internal forces as strikes and sabotages. This finding on domestic forces will be of interest to our study since Kapungu¹⁴ discovered that the Smith regime in its efforts to stifle dissent by banning African political parties as Z A N U and Z A P U instead led to growth of terrorism and guerrilla warfare as a reaction to the failure of sanctions to quickly achieve its goals. Our study will focus on domestic forces as intervening factors since we argue that they all contributed to political changes arising from frustration caused by economic sanctions on the apartheid economy.

Kapungu also concluded that for economic sanctions to be effective they must be swift. But this did not happen in Rhodesia giving the regime time to organise itself to evade the sanctions. Kapungu's findings on the performance of economic sanctions in Rhodesia if compared with the South African case especially on the swiftness of the imposition of sanctions, the coordination with internal forces and the relationship between economic sanctions and political compliance would imply that given the slow pace of sanctions imposed on apartheid South Africa no political objective would be achieved. Despite these pre-conditions, the quick escalation of international economic sanctions against South Africa since 1986 require a fresh look at their effects economically and politically on apartheid South Africa hence the relevance of this study.

Colin and Legume¹⁵ argue that I E S have never been made to work. They can be easily breached. They further argue that sanctions demanded certain prerequisite conditions and these have never before combined to allow an effective programme of sanctions. They postulate that, first; sanctions had to be enforced by an authority determined to allow no breaches, secondly; the nations concerned had to lack powerful friends who will be prepared to defy the enforcing authority, and thirdly; the offending country had to be sufficiently dependent upon the import of at least one strategic commodity, deprivation of which will make it impossible to withstand a boycott or sanctions indefinitely.

The above-mentioned factors when observed in relation to the South African case, it can be argued that they have actually prevailed singly or in combination hence the need to test them on apartheid South Africa. South Africa was dependent on oil imports, and when the Arab oil embargo was imposed in 1975 it started biting and she resorted to expensive coal to oil processing methods, which took a big share of her budget. The loss of powerful friends was also evident when in 1986 the United States government was pressurised to pass legislation allowing selected sanctions against apartheid South Africa by the congress despite a veto by president Reagan. This turn about by the western industrial states hitherto friends of apartheid South Africa was illustrated by senator Kassenbaum's sentiment at the peak of the debate on the USA's senate floor thus:

Whatever the shortcoming of the sanctions legislations they are far less onerous than a failure to respond to the challenges of the present moment. The objectives, she said were: to correct the South African misperception that she had that western approval for her course of gradualist reform without political change ...to show white South Africa that intransigence will have tangible costs for them ... and to preserve our role as an honest brother in south Africa dilemma¹⁶

Through the introduction of Comprehensive Anti-Apartheid Act, South Africa was faced with comprehensive economic sanctions, which could only be withdrawn with the satisfaction of set political preconditions by United States of America. Our research seeks to establish the effect of these strong economic sanctions on the apartheid regime.

Other scholars have not been left out in doubting the effectiveness of sanctions as a tool of coercion towards compliance. Hoffman¹⁷ insists that the objective of sanctions cannot be achieved because the decision to use sanctions already shows that those imposing sanctions are weak. The imposition of international economic sanctions on Iraq through blocking its sale of crude oil by the United Nations is said to have not borne much fruit since 1990. Five years later in 1995 without oil exports Iraq was still stable politically with sufficient funds to import essential foods. Analyst's content that there was no direct relation between sanctions, suffering of the people and the future of the regime since they believed that the Saddam regime could exist under economic sanctions for twenty or more years¹⁸.

Merle Lipton¹⁹ dismissed the argument that apartheid South Africa was suffering from "sanctions induced economic crisis" and this had led to shifts in white attitudes and the attendant political ferment that followed. He also doubted the contention that increasing financial sanctions would push the apartheid South Africa debt problem further. He also observed that disinvestments did not noticeably impede the functioning of the South African economy. He argues that it instead produced windfall gains for some rich whites and losses for some blacks and foreign investors. He further argues that world wide shortage of long term foreign capital especially for disinvestments meant that the lifting of sanctions would not completely guarantee the resumption of capital inflows to South Africa.

Lipton however agrees in his essay that sanctions work by the signals they sent indirectly via their social economic effects and their impact on the political system. He however observes that political effects of sanctions had been mixed up and in some cases contributed to the shifts among whites towards less racist attitude and the realisation that the apartheid system was an immoral and unsustainable form of government. In other cases external economic pressures stimulated "white" insecurity and resentment and proved retrogressive to the progressive forces that had been started. Lipton's analysis and observations having been based on logic and presuppositions will be tested in our study since the political evolution expected in apartheid South Africa has occurred giving us fresh grounds to taste the role and effects of international economic sanctions in political changes that took place.

Literature supporting the usefulness or effectiveness of I E S is a pointer to the necessity of research to confirm or disconfirm this contentions and findings in a more focused study. This literature will also act as a basis for further research on apartheid South Africa as it offers an opportunity to discover the specific effects of I.E.S. on the political scene of South Africa.

Nyati²⁰ one of the leading supporters of the effectiveness of the I.E.S. while responding to Merle Lipton's arguments raised against I E S in the above paragraphs, responds that basing on observed trends in South Africa, the projected economic growth rate was 2% which was much less than 5% minimum required to keep pace with population growth rates. He disapproves Lipton's argument that disinvestments did not achieve much by insisting that the combination of sanctions, disinvestments and other liberalisation strategies were quickly eroding the minority government's ability to sustain the status quo and therefore quickened the demise of apartheid.

Nyati notes further that though the debt problem may not have been solely due to sanctions it was important to reflect on the direction of what the economy would be like if sanctions had not been imposed. He continues to argue that despite South African Government's restructuring of its economy to compensate for sanctions induced constraints, expected benefits from such restructuring did not stop government officials as Chris Stals the Governor of Reserve Bank, Barend du Plessis the Finance Minister and the then new National Party Leader (who later became president) Frederick De Klerk from admitting that sanctions had a debilitating effect on the economy.

Nyati also responds to Lipton's postulations on the unpredictability of the results of sanctions that though such a scenario was possible it was probable apartheid South Africa needed the outside world much more than the reverse. This was because 60% of the South African economy was trade related. South Africa would therefore not risk defaulting on its debts as this would result in a scramble for its assets abroad and effectively cut her off from future access to world capital markets.

Minter²¹ agrees with Nyati that South Africa could be affected by comprehensive international economic sanctions since her economy was dependent on foreign trade. Minter advances an argument that Pretoria's vulnerability resistance ended in 1985 when bankers refused to role over 69% of South Africa's (USD) 24 billion foreign debt. Concerning the amount of sanctions

required to negatively affect the economy he quotes a study which had found out that in successful cases annual cost of sanctions to target economies averaged 4% of G N P.

Minter therefore concluded that destabilising the South African economy with its 1984 G N P of 74 USD billion would require sanctions that would cost Pretoria some 3 to 5 billion USD annually. It would be necessary to taste these postulations on the performance of the apartheid economy especially after 1986 when United States of America imposed comprehensive international economic sanctions together with other Western Industrial States and Inter-governmental organisations as the European Economic Community, which imposed selective economic sanctions against South Africa.

While enumerating on factors required for sanctions to work, Hanlon and Roger Omond²² content that for sanctions to work they had to be imposed by states with economic power over apartheid South Africa. The about-turn by Western Industrial States with strong economic links with South Africa and their abrupt decision to impose sanctions as from 1986 was likely to subject South Africa's economy to pressure and subsequent compliance towards their desired political changes.

Price²³ supports the view that comprehensive international economic sanctions would rapidly destroy the South African economy and lead to the collapse of the regime. He finds that the increased imposition of sanctions by the industrial states automatically affected the economy negatively. He elaborates that the most significant move in pressurising the apartheid regime was by United States of America congress which was discouraged by Botha's "Rubicon" speech when he said that he would pursue political changes at his own pace. The U.S. congress reacted to this by passing the Comprehensive Anti-Apartheid Act (C. A. A. A) of 1986 whereby the president was required to deliver a report to the congress on annual basis detailing progress in South Africa towards ending apartheid. Congress was also mandated to recommend punitive measures if there was no substantial progress. The Act also set preconditions to be met before sanctions could be withdrawn and therefore linked economic conditionalities to political change.

Price²⁴ presents evidence of the impact of sanctions by governmental organisations, which divested and recalled their financial loans hence forcing the South African government to reconsider its political stand. He notes that by 1986 South Africa had been effectively cut off from international capital markets and faced selective embargoes against its foreign exports. He observes that outstanding loans by United States Banks to South Africa, which had increased from 3 billion USD by 1984, had dropped by 41%. He continues to observe that a growth retarding

consequence of post-1984 was created by pressure on South Africa's balance of payment. Being dependent on imported industrial components, its foreign exchange generating capacity was limited by sanctions. This led to economic stagnation and decline from 1982 to 1987 thus affecting the annual average growth in G. D. P. which was only 2% and below the growth rate of about 3% per annum.

Price outlines the consequences of these economic sanctions in promoting political change as follows; He saw sanctions as having rendered minority rule a threat to "white" material well-being and made black inclusion in the political system a condition for economic benefit in future. He observes further that economic stagnation denied Pretoria budgeting resources for its domestic and regional security policies resulting into failure to ameliorate the poor living standards, which triggered outbreaks of riots. He seems to imply that the replacement of P W Botha by Fredrick De Klerk in February 1989 must have arisen as a result of realisation by the National Party members that the end to international isolation was a critical necessity to economic survival.

As soon as De Klerk was elected president he lifted the ban on the African National Congress (A N C) and the South African Communist Party (S A C P). He also lifted the state of emergency among many other reformist measures demanded by the international community as preconditions for their withdrawal of sanctions imposed. Our study will seek to determine if there existed any co-relation between the poor performance of the South African economy as result of economic sanctions and the consequent political changes taken in response to these.

Alusola, C²⁵ has also written on economic sanctions as an effective instrument of compelling an uncooperative regime to change. He contends that an oil embargo against South Africa would have disrupted its economy and as a result the government will be left with no alternative but to reconsider its apartheid policy. In his assessment, he argues that given South Africa's vulnerability to an oil embargo, it was apparent that if skilfully used it could have disrupted South Africa's economy and forced the government to reform.

Blumenfield²⁶ in his contributions to the sanctions debate argues that the state of emergency in July 1985 triggered the imposition of French sanctions and prospects that the United States of America would impose more sanctions. He gives credit to sanctions as credible tool of change when he concludes that Pretoria had been unable to reverse the rise in the tally of official economic sanctions and private foreign divestment through normal macro-economic policies. He

arrives at this conclusion because according to him the confidence that South African regime would come out of the stalemate had run out.

Spence²⁷ adds more intrigue in this debate by asserting that neither supporters nor opponents of economic sanctions have a full-proof way of demonstrating or predicting the likely reaction of the South African government. He contends that since the theory and practice of international politics is not an exact science the supporters in the sanctions debate can only base their judgement on what is highly a selective choice and interpretation of historical analogies. He explains that opponents of sanctions would point to the Rhodesian experience where United Nations measures produced unexpected consequences while supporters of sanctions can only speculate about the effects.

In Spence's opinion based on the above it would be difficult to predict the strength and reaction of the apartheid regime to sanctions. He also disagrees with those who prescribe to a quick accomplishment of goals by the sanctions imposed. This is due to the imprecise nature of the political objective sanctions are designed to achieve. Spence believes that as in the case of military intervention, economic pressure only succeeds if the objective is limited and those responsible for its imposition have some prospect of monitoring and controlling the course of events induced by sanctions. To him this could have not been possible in South Africa.

Spence's postulations and challenges can only be answered by a research that has isolated its problem of study and focused on the area to test in order to avoid general assumptions. The prospect that this study will come up with factual conclusions stems from the fact that the sanctions imposed made political demands as preconditions for withdrawing the economic sanctions in order to achieve the objective. We endeavour to measure this relationship while putting into account other intervening factors that contributed to or arose as a result of poor performance of apartheid economy caused by sanctions in order to force political change in the apartheid regime.

1.5 THE THEORITICAL FRAMEWORK

Theory serves various roles in any study²⁸; describing, explaining, analysing, prescribing, and making predictions on any problem. In order to find an overall view of a problem, it is useful to adopt appropriate theoretical frameworks. In seeking to find out the role and effectiveness of

I.E.S. in influencing political change in apartheid South Africa we have employed the national interest power theory, the Marxist theory, and the International moralist theory.

1.5.1 POWER THEORY

The power theory is employed in the analysis of this problem. This theory has been postulated by Realist scholars. Their postulations have been summarised by Dougherty and Pfaltzgraf²⁹. They postulate that nation states have conflicting national interests, some which lead to war. They also contend that capabilities of states are crucial for the outcome of inter-national conflict and for one states ability to influence another's behaviour. Further to this they argue that a state needs power defined in terms of capabilities as military and non-military. Finally they argue that power is at the centre of state relations in the international system.

One of the realists, Hans Morgenthau³⁰ puts forth postulations of the power theory. Realists define power in various ways to illustrate its centrality in international relations. Hans.I. Morgenthau defines international politics as a "struggle for power". He explains that power is "man's control over the minds and actions of men". He argues that; first, political relationships are governed by objective rules deeply rooted in human nature. That in theorizing about international politics, it is necessary to employ historical data for examining political acts and their consequences. Secondly, he postulates that statesmen think and act in terms of interest defined as power and that historical evidence proves this assumption.

Thirdly he argues that the meaning of "interest defined as power" is an unstable one. He further contends that in a world in which sovereign nations vie for power, the foreign policies of all nations must consider survival as their minimum requirement once survival is assured the nation state may pursue lesser interests. Fourthly, he states that universal moral principles cannot be applied to the actions of states in their abstract, universal formulation but they must be filtered through the concrete circumstances of time and place. Fifthly he contends that political realism does not identify the moral aspirations of a particular nation with the moral laws that cover the universe. Finally according to Morgenthau politics can be reduced to keeping power, increasing power or to demonstrate power. He illustrates this; that while keeping power through status quo policy a state seeks to thwart change that may produce fundamental change in the international distribution of power.

Basing on the above assumptions therefore states or actors in the international system act or expresses their power through seeking to control other actors. Morgenthau's power theory explains why states act in terms of interest defined as power. To him states act to pursue other goals only after their survival is assured, it is only then when they resort to acting to control or influence the decision and action of other actors given that politics according to Morgenthau can be reduced to keeping power, increasing power or demonstrating power. The imposition of I.E.S. on apartheid South Africa was part of the exercising of these power. The actors who imposed I.E.S. on apartheid South Africa (nation states) as United States of America did so in order to satisfy their national interest and also to demonstrate their power over her.

Nicholas Spykman also defines power as the 'ability to move men in some designed fashion through persuasion, purchase, barter and coercion'³¹. Power has been defined in relational terms of influence and inter-dependence. Influence has been defined as the use of instruments of persuasions short of force by actor 'A' in order to maintain or alter the behaviour of actor 'B' in a manner suitable to the preference of actor 'A'. Power theorists therefore conclude that this is the use of power by men, which is the ability to control the behaviour of others in order to accomplish certain ends or achieve values such as democracy or other political changes. Wolfe³², Russet³³ and Knorr³⁴ further illustrate how power, influence and inter-dependence are related by contending that two states can conflict on some issues while co-operating on others. He explains that when they co-operate they benefit from creation of new values material or non-material. When they are in conflict they attempt to gain values at each others expense. Both ways they are said to be inter-dependent.

David Baldwin³⁵ and Oran Young³⁶, both define interdependence as the ability of one state to influence another in some way. They further explain that if the inter-dependence is mutual each could damage the other and itself by severing the relationship that exists between them. Therefore the costs and benefits of exercising power by each party is an inter-dependent relationship which increase as the level of inter-dependence grows.

Economic leverage in inter-dependence relations has also been used to illustrate the ability of power in inter-national relations. Power is exercised through deprivation of valued goods by one state from the other. This has been done through use of trade embargoes or other sanctions. In a case where a state being sanctioned depends on other states for valued things more than they depend on her; she will be vulnerable to economic sanctions imposed by her trade partners. The

desire for the sanctioned state not to lose economic benefits will therefore compel her to modify her behaviour to conform to the demands of other actors.

The imposition of international economic sanctions on apartheid South Africa by the Western states and other international actors intended to deny her the economic benefits obtained through import and export of products on which her economy depended and on stopping the flow of capital resources into her economy. The passing of comprehensive international economic sanctions by state and non-state actors against apartheid South Africa portrayed their desire to articulate the interests (national and non-national) towards influencing political change in apartheid South Africa through economic leverage arising out of their inter-dependent relationship with South Africa.

The United States of America is a good example of a state that passed the Comprehensive Anti-Apartheid Act which set forth demands for political changes if met by apartheid South Africa, would lead to U.S.A withdrawing her sanctions pressure. We have therefore argued that the exercise of power through the imposition of inter-national economic sanctions over apartheid South Africa by the international community led to the modification of behaviour of apartheid regime towards negotiations and eventually to the desired political change.

The suitability of the power theory can be seen in the fact that it explains the relationship between the amount of economic sanctions applied and predicts the expected change. Despite this strength, the fact that the theory is state-centric limits it in that sanctions imposed by non-governmental institutions such as banks, which also exerted pressure on apartheid South Africa are ignored. To overcome this problem we will ignore this aspect of state-centrism and all actors that exerted economic pressure on South Africa will be acknowledged in their efforts to influence political changes in apartheid South Africa. We have adopted the Marxist theory to explain the contribution of the internal forces towards the achievement of political changes in South Africa.

1.5.2 MARXIST THEORY

Marxism is one of the most prominent theories among theories that explain political change. We will adopt this theory in our attempt to explain the political changes that occurred in apartheid South Africa. Marxism has been described as an “admixture of metaphysics (dialectical materialism) theory of history, (economic determinism, economics and social sciences) looking toward a secular salvation”³⁷.

Joseph Femia³⁸ elaborates characteristics of Marxist theory as holism, meaning the assumption that the social whole takes priority both methodologically and morally over its individual human components, the primacy of economics; which is the belief that human thought and institutions must ultimately be explained by the methods and techniques we adopt to nature in pursuit of our material needs, class analysis; the view of society as a structure of hierarchically arranged and inherently antagonistic classes differentiated on the basis of position and function in the organization of production, commitment to revolution; the transition from capitalism to socialism requiring a qualitative, though not necessarily violent change, a once and for all upheaval, historical determinism; meaning the idea that socialism is the logical consequence of capitalism's internal dynamics and not merely a desirable goal or ideal, communism; the conviction that the final goal of history is a classless, stateless society marked by social ownership of the means of production, equality of reward as well as opportunity and pervasive communal solidarity and harmony.

Karl Marx and Engel's study of history led to evolution of a theory of history based on historical materialism in which the system of economic production determined the institutional and ideological structure of society. Marx illustrated this historical materialism by dismissing idealism as a mode of thinking which portrayed the world as if it were dancing to tune of abstract ideas. He argued that mans productive inter-change with nature was the real sub-text of history. He argues that human beings are defined not by ideal essences but by the totality of actions whereby they produce their own material existence. Marx³⁹ illustrates this aspect of historical materialism by contending that "In the social production which man carry on they enter into definite relations that are indispensable and independent of their will, these relations of production correspond to a definite stage of development of their material power of production. The sum total of these relations of production constitutes the economic structure of society-the real foundation on which rise legal and political super-structure and to which correspond definite forms of social consciousness". From the above explanation, it is obvious that changes in the underlying material power of production are expected to lead to the alteration in the political systems "super-structure" the formal system of power.

Another aspect of Marxism is its dialectical materialism nature where it is contented that each period of history contains clashing forces or dialectic from which a new order emerges. This conflict arise from the fact that what seemed progressive become regressive and must be suppressed or overtaken as Marx again illustrates in his "critique of political economy" where he identifies various forms of production evolving from one to the other as Asiatic, the ancient feudal

and modern bourgeoisie. Marx explains that the Bourgeoisie relations are the last antagonistic form of social process of production⁴⁰.

Joseph. V. Femia⁴¹ and Dougherty⁴² elaborate and interpret Marx's postulation that the society is eventually divided into classes. These social divisions arise historically when surplus production is generated hence becoming possible for a class of non-producers (bourgeoisie) to live off the productive activity of others (proletariat or workers). Those who gain control of the means of production form a "ruling class" established through combination of state repression and ideological camouflage. J. V. Femia contends that according to Marx class relations are necessarily exploitative and imply fundamental division of interest between ruling and subordinate classes. Marx saw the emergence of modern society-bourgeoisie identified by one dominant exploitative relationship those who own capital- (capitalists) and those who own only their labour power (wage workers or proletariats), there would be growing impoverishment of the working class which would lead to a revolution to overthrow the ruling capitalist class and result into the establishment of communism- a society without classes and where means of production are owned communally.

The application of this theory in explaining or predicting change in apartheid South Africa regime stem from the fact that apartheid South Africa's economy was based on a capitalist setting as that of Western Europe but in contrast to Europe in which Marx based his argument, South Africa though capitalist it developed in addition to a political system based upon racial classification, stratification and domination of "blacks" by 'whites' in its political and social order. As a result the politics of apartheid South Africa were not only defined by class struggle between the racial white oligarchy in power and the black opposition seeking equal social political opportunities, but also the overthrow of the ruling class for the achievement of an equal social order as predicted by Marx.

In apartheid South Africa, capitalism reinforced apartheid since the racial politics against the black population ensured that they provided a cheap labour to the white ruling industrial sector without participation in the government. The black population therefore were compelled to sell their cheap labour at a dictated price to the capitalist market. They were proletariats who sold their labour to the owners of the means of production. This situation therefore led to the clash between the exploited group (anti-thesis) who formed the black mass, represented by labour unions, banned political movements like the ANC and SACP (South African Communist party) who organised guerrilla attacks, union strikes, uprisings and consumer boycotts against the established order-the

(thesis) which was the apartheid regime so that a new social, political, economic order based on non-racial democratic principles would emerge (synthesis). This conflict of classes was reflected in the 1983 riots over the introduction of a new constitution which excluded the blacks from parliamentary representation and the 1984-86 insurrection and Soweto uprisings against council elections and payment of rents. This domestic pressure intent on influencing political changes in apartheid South Africa therefore complimented the foreign "anti-thesis" (international economic sanctions) by acting as a catalyst through their imposition against apartheid by the international community.

This theory has its strength in the fact that in its classical form it is deterministic, predictive, and generalizing. Therefore like the natural sciences it searches for causes of phenomena and makes predictions about future events. Its weakness is found in its assumption that the dialectical process causing change in society will cease once communism is attained. It simply assumes that the absence of class contradictions means absence of all contradictions. It explains only to an extent the process in apartheid South Africa and conflict of classes based on the internal contradictions of capitalism. But the theory cannot adequately explain the "interference" of the international community in imposing sanctions. The explanation to this interference will therefore be left to the power theory as earlier discussed and the international moralist theory discussed below.

1.5.3 INTERNATIONAL MORALIST THEORY

In our analysis of the role of international economic sanctions in the political change of apartheid South Africa we will also apply the International Moralism Theory otherwise referred to as Idealism or utopianism as opposed to Realism. Many scholars who have written in this field have expounded the moralist theory. Ernest Lefever⁴³ writes that moralists have looked at history and politics through "Rational Idealism". This school of thought affirms the perfect ability or at least improvability of the nature of man. He elaborates that proponents of this school of thought saw reason as the redemptive agent that would save man and politics, and eventually inaugurate an era of universal peace and brotherhood-the socialist paradise or Kingdom of God on Earth. These theorists further postulate that the natural goodness of man could be translated into structures of politics, as a result, poverty, injustice, and war would be eliminated in the international system. These views were propagated by men as Tom Paine, Walt Whitman, Walter Raunsechenbush and Wilson who evolved "Wilsonian Idealism" which reached its climax in 1928 with the signing of the Kellogg- Briand pact outlawing war as an instrument of national policy.

Dougherty J and Pfaltzgraf⁴⁴ characterises utopianism or moralism as based on the idea that politics can be made to conform to an ethical standard, norms of behaviour such as those specified in international law and organizations can be established and later if not sooner can be made the basis for international behaviour. Arnold Wolfers⁴⁵ links utopianism to the belief by Anglo-American Utopians that United States of America had entered the World War as a disinterested even reluctant champion of International Morality. He contends that moralists emphasize how people ought to behave in their international relationships than how they actually behave. They also stress the rational harmony of national interests' equivalent to Adam Smiths "Invisible hand" as a regulator of international peace. They also relied heavily upon reason in human affairs and confidence in the peace building function of World Court of opinion.

Edward H. Carr⁴⁶ argues that theories of international moralism tend to fall in two categories:- Realists who hold that relations between states are governed solely by power and morality plays no part in them, while utopianism or idealism insists that the same code of morality is applicable to individuals and to states. Carr summarises ordinary assumptions as follows:- that in the international community a state which does not conform to certain standards of behaviour towards its own citizens and foreigners is considered "uncivilised". Moralists theorists agree that there is an international moral code binding on states. A most recognised aspect in this code is the obligation not to inflict "unnecessary" death or suffering on other human beings for the attainment of some higher purpose which is held rightly or wrongly to justify a derogation from general obligation. Carr informs that this is the foundation of most rules of war, which were the earliest and most developed chapter of international law.

Carr finally identifies another characteristic as the recognition of states having the obligations to one another on joining the international community. He explains that a new state by virtue of recognition by other powers to become a member of the international community is assumed to regard itself as automatically bound without any express stipulation by the accepted rules of the international law and canons of international morality. States also conclude treaties in the expectation that they will observe them and states which violate treaties deny that they have done so or else defend the violation by argument designated to show that it was legally or morally justified. It is from this background that the United Nations evolved therefore putting into place structures from which to judge the conduct of states amongst themselves.

The international moralist theory will be used to explain and account for the international moral protest campaign launched by the international community against apartheid South Africa under

the auspices of the United Nations charter, and international organisations and individual states including non-state actors who took steps against apartheid. The condemnation of apartheid South Africa by nations of the world arises from its institutionalised racist system which sought to maintain this status quo by an undemocratic system of government violating the fundamental principles of international law. The international community had hitherto committed itself through United Nations charter and other approved declarations and conventions against denial of human rights and other universally recognised freedoms.

Our analysis as earlier discussed will take its departure from postulations of moralist or utopian theorists mentioned earlier. They have argued that any nation in the international system must treat its subjects well without subjecting them to unnecessary denial of rights or suffering to achieve certain higher priorities. Such a nation will be referred to as “uncivilized”. This explains apartheid South Africa’s condemnation as an outcast and pariah state among other states. Her system of government which promoted “separateness” based on colour, religion, race and sex went against basic human rights which each nation at a minimum was expected to protect for the benefit of those who live within its borders. The denial of these freedoms and others invited a plethora of international sanctions against the apartheid system to compel her to dismantle her racist system.

We will elaborate efforts taken by the international community through international organization(s) to dismantle apartheid as envisaged by international moralist theorists. Colin Legum and P. ‘O’meara⁴⁷ explains that the United Nations provided an ideal platform from which to mount the kind of moral and political campaign against apartheid. While Arthur Goldberg⁴⁸ argues that the United Nations charter is the starting point for any inquiry into what constitutes the minimum human rights that each state should guarantee its citizens and residents, he quotes the part of the first chapter of the charter which elaborates this goal as:

The purpose of the United Nations are to develop friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples. (Charter of UN preamble chap 1 Art 1 para 2)⁴⁹.

The charter also states that its intention is to aid :

In promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction to race, sex, language, religion (ibid para 3⁵⁰).

These principles were enunciated with greater specificity in the Universal Declaration of Human Rights proclaimed and adopted by the General Assembly in 1948. In its preamble it states that it was intended "as a common standard of achievement for all peoples and all nations"⁵¹. The article defines the grounds on which those rights must be extended; "everyone is entitled to all the rights and freedoms set forth in this Declaration, without distinction of any kind such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status".

The International Covenant on Economic, Social and Cultural Rights and the International Covenant on Civil and Political Rights, both of which entered into force in 1976 gave legal effect to the above declaration. Arthur J. Goldberg comments that these covenants make up the core of international human rights law and it is they that must be noted in seeking guidance about the specific protections for human rights that each nation must provide to its citizens.

Part I article 1 of the International Covenants on Economic, Social and Cultural Rights, states that; "All peoples have the right of self determination. By virtue of that right they freely determine their political status and freely pursue their economic, social and cultural development". That this right recognised by the covenant must:- "be exercised without discrimination or any kind as to race, colour, sex, language, religion, political, or other opinion national or social arising, property, birth or other status"⁵².

The covenant on civil and political Rights among others enumerated the right of every person to:- "The opportunity to gain his living by work which he freely chooses and accepts the enjoyment of just and favorable conditions of work, form trade unions and join the trade union of his choice. An adequate standard of living and to be free of living. Education ... directed to the full development of the human personality and the sense of its dignity. Life and to liberty and security of person. Legal process when accused of committing a crime, freedom of thought, conscience and religion and freedom of expression; Assemble peacefully and associate freely, to take part in the conduct of public affairs and to have equal access to public service"⁵³. Further other instruments of the United Nations contain provisions which indicate the ways in which apartheid denied fundamental rights enumerated above. The convention on the prevention and punishment of the crime of genocide⁵⁴, was one of such. It defines genocide as a crime under international law as "any of the following acts committed with the intent to destroy in whole or in part, a national, ethnical, social or religious group as such; deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part" This was followed by the Declaration on

Elimination of All Forms of Racial Discrimination This declaration expressed the aim of the General Assembly as "The Manifestations of several discriminations still evident in some areas of the world, some of which are imposed by certain Governments by means of legislative, administrative or other measures in the form, inter-alia of apartheid ..."⁵⁵.

The first article of the above declaration condemned racial discrimination as:-"an offence to human dignity ... which shall be condemned as a denial of the principles of the charter of the United Nations, as a violation of human rights and freedoms proclaimed in the Universal Declaration of Human Rights, as an obstacle to friendly and peaceful relations among nations and as a fact capable of distressing peace and security among people"⁵⁶. The General Assembly also adopted the International convention on the suppression and punishment of the crime of apartheid. It cited its basis as U. N. charter and other instruments adopted pursuant to it and Security Council resolutions to same effect. It purported to outlaw apartheid as violating principles of international law expressed in all those instruments.

Arthur J. Goldberg⁵⁷ seeks to demonstrate that from the above body of international law which apartheid can be tested against, it failed the test on certain principles as follows:- first discrimination based upon race, colour, national or social origin illegitimized it, since it denied the fundamental rights of self-determination, it also denied the principle of equality in dignity and rights to which every human is entitled. It failed in its obligation that states living in accordance with international law were expected to eradicate such discrimination from their legal systems.

Apartheid in its totality was inconsistent with the principles mentioned above. Apartheid laws proceeded from the principle that discrimination based upon race or colour was legitimate because human beings of different races and colours are unequal and therefore not entitled to equality of treatment before the law. Under that rationale black South Africans were denied the right to vote, to hold office and take part in the affairs of the South African government. These laws amounted to a denial of the right of self-determination. The South African government also failed to eliminate discrimination from its legal systems and forbade the teaching in the schools, doctrines contrary to the idea of separation based upon perceived racial inequality.

The imposition of international economic sanctions against the apartheid regime stemmed from its refusal to abide by the fundamental principles of international law enunciated in the above conventions. The United Nations being an institution that operates as an international government, has mechanism to enforce its laws, especially in regard to abolition of apartheid. One of these

mechanisms is the adoption of sanctions. Article 14 of the United Nations charter provided that as long as the Security Council is not exercising any of its functions with respect to a particular dispute, the General Assembly may recommend measures for peaceful adjustment of what is likely to impair the general welfare or friendly relations among nations, including situations resulting from violation of provisions of the present charter, setting forth the purposes and principles of the United Nations.

Stemming from the above mandate and the fact that it was evident that apartheid was a threat to friendly relations and peace among nations, The General Assembly recommended sanctions. The Security Council basing on chapter VII of the charter is also mandated to impose sanctions against any state threatening peace and acts of aggression against others. Apartheid South Africa did attack militarily the South African frontline states and this precipitated the imposition of mandatory arms embargo against her. Mandatory comprehensive sanctions against apartheid were recommended by the General Assembly and later adopted by inter-state organisations with economic relations with apartheid South Africa in the 1980s. These included the E E C and Commonwealth States. Non-state actors as banks and other business institutions justified their withdrawal from South Africa based on these moral concerns.

The International Moralism Theory accounts for the declarations on moral basis for imposition of sanctions by the international community against apartheid. Basing on the need to preserve human rights and morality state and non-state actors invoked the morality aspect in imposing varying types of sanctions against apartheid South Africa.

1.6 HYPOTHESES

Our hypotheses are based on pressure applied through international economic sanctions on apartheid South African economy and the consequent political changes. The independent variable in this study is the international economic sanctions pressure. The intervening variables are the effect of these sanctions on the activities of domestic forces pressurizing for political changes and on the apartheid economy.

The dependent variable is the expected political changes as a reaction to the pressure exerted by the international economic sanctions and the effect of domestic forces pressuring for political change. The model below will illustrate these;

Independent Variable

International Economic
Sanctions



Intervening Variable

Poor Economic performance,
Increased domestic political forces
activities



Dependent Variable

Political change of
Apartheid South Africa

1.6.1 FIRST HYPOTHESIS

The more the pressure in form of international economic sanctions, the poorer the performance of apartheid South Africa's economy.

This hypothesis suggests that the imposition of international economic sanctions affected the economy of South African economy negatively by denying it the benefits of trade and investments leading to poor performance of the economy.

1.6.2 SECOND HYPOTHESIS

The more the pressure in form of international economic sanctions and its consequent effects on the apartheid economy the quicker the pace of developments towards political change.

This hypotheses, suggests that as international economic sanctions affected the apartheid economy, the political arm in its effort to stem the collapse of the government responded to this by taking steps towards demanded political changes to stop the continuing economic sanctions against its economy.

1.6.3 THIRD HYPOTHESIS

The more the pressure in form of international economic sanctions, the more the rate of activities of domestic non-political and political domestic forces such as the African National Congress (A N C) pressurizing for political change in apartheid South Africa.

This one suggests that as the international community acted by imposing increased (intensified) international economic sanctions, domestic forces were stimulated into intensifying their activities to force the apartheid regime to agree to their political demands for change.

1.7 METHODOLOGY OF RESEARCH

1.7.1 DATA COLLECTION

Library research constituted the dominant sources of information in this study. The study therefore depended on secondary sources of information. These included Journals like Foreign Policy, C T C Reports, World politics, Journal for Peace and Research, Modern African Studies, Direction of Trade Statistics year-books, International Economic Intelligence Periodicals like the African Contemporary Records, Public documents as United Nations Public Hearings, Report of Eminent Persons Background Documentation Policy Instruments and Statements by Governments. United Nations Resolutions, Magazines and Newspapers and any other literature that was sufficient in providing relevant information.

1.7.2 DATA ANALYSIS

Relevant data was accordingly collected, recorded and analysed with emphasis being put on association between the independent, intervening and the dependent variables. These were used to show how international economic sanctions pressure (Independent variable) affected the performance of apartheid South African economy and the sanctions stimulation or activating of political and non-political domestic forces (intervening variables) leading to developments or steps towards effecting political changes demanded by the various nation-states and organizations of the international community imposing international economic sanctions (Dependent variable).

The analysis carried out was mainly quantitative, descriptive and explanatory based on observed, noted, tabulated and analysed information on our subject of study. From this analysis, the performance of apartheid South African economy has been co-varied and compared with the rate of increased economic sanctions and the resulting political changes as a function of decline of the apartheid economy precipitated by international economic sanctions. Content analysis has also been employed. Contents of declarations Acts, Codes and Policy statements, and pre-conditions set have been analysed to identify the messages they portrayed. Data analysis techniques used are; Tabular analysis, descriptive statistics as percentages, ratios, graphs and propositions.

1.8 CHAPTER LAYOUT

Chapter one consists of:- The introduction to the subject of study, definition of concepts used in the research, statement of research problems, objectives of the study, justification of the study,

literature review, theoretical framework, hypotheses, methodology used in study, data analysis, and chapter lay-out.

Chapter two defines international economic sanctions and expounds on its role as a strategy in the foreign policy of nations. The chapter also briefly relates the historical evolution of use of economic sanctions to enforce compliance. Finally a case study of the performance of economic sanctions is done in selected areas. While carrying out case studies of this strategy, we take note of the effects of this strategy in the countries applied in regard to effects of economic sanctions in the countries applied, on the economy of countries applied, in regard to compliance to political demands made as a result of the effects of sanctions on the particular economy. Finally the effects of this sanctions on the incidence of local political and non-political protests against the existing systems of government if any is taken into consideration.

Chapter three deals with the definition, characteristics and historical evolution of apartheid system of South Africa. Issues in the apartheid system that precipitated the imposition of international economic sanctions will be discussed and pointed out. The reaction of the various international organisations and other bodies towards the system of apartheid is discussed. Factors that encouraged and motivated the international community to opt for international economic sanctions are also discussed. Finally demonstration of the quick pace of the building up of those sanctions by the international community is analysed.

Chapter four tests the three hypotheses set out in the study. The first hypothesis test the effect of international economic sanctions on the performance of the apartheid economy and its consequent effect on the pace of political change in apartheid South Africa. The performance of the apartheid economy is co-varied with the increasing rate of economic sanctions against the economy with the period before and after the escalation of these sanctions.

The second hypothesis tests apartheid South Africa regime's movement towards political change in response to the deteriorating economy. In its efforts to forestall the collapse of the economy the various arms of government and parliamentary political parties started advocating for compliance to the political demands made by the sanctioning countries.

The third hypothesis tests the proposition that the pressure in form of I.E.S, the more the rate of activities of domestic non- political forces as ANC pressurising for political change in apartheid South Africa. It is suggested that the increased I.E.S and its consequence effects on the apartheid

economy, stimulated the political and non-political domestic forces towards pressurising for political change.

END NOTES

- ¹ Losman D (1979) - **International Economic Sanctions** – Albuquerque, University of New Mexico – Press – Pg 139-140.
- ² Kapungu, L.T (1971) - **United Nations and Economic Sanctions Against Rhodesia** . London, D. C. Health & CO. – Pg 126.
- ³ Wallenstein I. – (1968) “Characteristics of Economic Sanctions” **Journal for Peace Research** – Vol 5 No. 3 Pg 265.
- ⁴ Hayes J.P. (1987) **Economic Effects of Sanctions on Southern Africa** – London, Rhodes Ltd U.K. pg 6.
- ⁵ Segal R. (1964) - **Sanctions Against South Africa** – New York, Penguin Books Ltd – Pg 14.
- ⁶ Baldwin D. (1985) ‘**Economic Statecraft**’- Journal of Foreign Policy - No 65 pg 2.
- ⁷ Hanlon J. & Omond R. (1988) – “**The Sanctions Handbook**” Journal of East African Political and Economic Review. Dec 1987/Jan 1988.
- ⁸ Hayes J.P. (1987) (op ct) pg 2.
- ⁹ Price M.R. (1991) – **The Apartheid State In Crisis 1975-1990** – 2nd Edition. New York, New York University Press. Pgs 231-232.
- ¹⁰ Losman D (1979). (Op. cit) pg 19.
- ¹¹ Losman D (1979). (Ibid) pgs 45-46.
- ¹² Losman D (1979). (Ibid) pg 140
- ¹³ Kapungu L.T (1971). (Op. cit) Pg 128-217.
- ¹⁴ Kapungu L.T (1971). (Ibid) pg 126.
- ¹⁵ Colin and Legum M. (1964) - **South Africa: Crisis For The West**. London, Pall Mall Press Ltd –Pg 82.
- ¹⁶ Baker P.H (1989) **South Africa Time Running Out; The United States and South Africa**. New York, Ford Foundation. Pg 44.
- ¹⁷ Hoffman F. (1967) - **Journal for Peace Research Vol 5 No.4** “The Functions Of Economic Sanctions” Pg 756.
- ¹⁸ Daily Nation July 11th 1995: **UN Sanctions in Iraq**. 1995. Pg 10.
- ¹⁹ Lipton, M. (1989) “The Challenge of Sanctions” **CTC Report No 28 Autumn 1989**. pg 3-4.
- ²⁰ Nyati, E (1989) “Sanctions and Disinvestment are Working” **CTC Report Autumn No 28 1989**. Pg 5.

- ²¹ Minter W. (1986) "Effects of Disinvestment on Apartheid Economy" **Foreign Policy No 65**
Pg 33.
- ²² Hanlon J. and Omond R. (1988) Op ct Pg 2.
- ²³ Price M. R. (1991) (op ct) Pg 78.
- ²⁴ Price M. R. (1991) (ibid) pg 231-232.
- ²⁵ Olusola C. (1985) "Oil Sanctions and South Africa". Aluko D. and Shaw T. (eds) (1985) -
Southern Africa in The 1980's. George Allen and Unwin London. Pgs 243-240.
- ²⁶ Blumenfield J. (1987). "Economy Under Siege". Blumenfield J. (ed) **South Africa in Crisis**.
London. Groomhelm Ltd. Pg 32.
- ²⁷ Spence J. E (1987) "Foreign Policy: Retreat into the Laager". Blumenfield. J(ed) **South
Africa in Crisis**. London. Groomhelm Ltd. Pg 168-170.
- ²⁸ Falco M. (1973). **Truth and Meaning of Political Sciences: An Introduction To Political
Inquiry**. 1st Edition. Columbus. Columbis Merrill Pg 1-2.
- ²⁹ Dougherty J.E and Pfaltzgraf, P L. (1991) - **Contending Theories of International
Relations**, Harper and Row. 2nd Edition. New York Pgs 84-86.
- ³⁰ Morgenthau. H. (1978). **Politics Among Nations**. 5th Edition. New York Knopf Pgs 25-78.
- ³¹ Spykman J.N (1940). **American Strategy In World Politics**. 1st Edition. New York
Harcourt Brace 1942 Pg 11.
- ³² Coulombis T and Wolfe J. (1990) - **Introduction To International Relations : Power And
Justice**: 3rd Edition. New Delhi. Prentice Hall. Pg 86-87.
- ³³ Russet B. H. and Harvey S. (1989). **World Politics: The Menu For Choice**: 3rd Edition.
New York. W.H. Freemans Co Pg 131.
- ³⁴ K. Knorr (1975) - **The Power of Nations: The Political Economy of International
Relations**. 1st Edition. New York Basic Books Pgs 3-4.
- ³⁵ Baldwin D. A.(1979). "Power Analysis". **World Politics XXXI** No. 2 (Jan 1979). Pg 12.
- ³⁶ Oran R. Y (1969) "Inter-dependencies in World Politics" **International Journal (Autumn
1969)**. Pgs 726-750.
- ³⁷ Dougherty J.E and Pfaltzgraf, P L. (1991) (Op ct). Pg 215.
- ³⁸ Femia V J (1999). **Marxism and Democracy**. 1st Edition. New York. Ford Univ Press.
Pg 8-9.
- ³⁹ Easton G D and Guddat K H (1967). **The Germany Ideology: Writings of Young Marx on
Philosophy and Society**. 1st Edition. New York Double Day Publishers
pg 404 -409.

- ⁴⁰ Feur L. S. (1959). **Marx and Engels - Basic Writings on Politics and Philosophy: Critique of Political Economy**. 1st Edition New York. Double Day Publishers. pgs 43-44.
- ⁴¹ Femia V J (1999) (Op ct) pg 13-14.
- ⁴² Dougherty J.E and Pfaltzgraf, P L. (1991) (Op ct). pg 126.
- ⁴³ Lefever. W. E (1972). "Moralism". Lefever. W. E (ed). **Ethics And World Politics, Four Perspectives**. 1st Edition. Baltimore. John Hopkins University Press. pg 2.
- ⁴⁴ Dougherty J.E and Pfaltzgraf, P L. (1991) (Op ct). pg 5-6.
- ⁴⁵ Wolfers A (1949). "Statenaship and Moral Choice". **Journal of World Politics 1st Jan 1949** .Pgs 175-195.
- ⁴⁶ Carr H..E (1966). **The Twenty Years Crisis 1919-1939: An Introduction to the Study of International Relations**.M London. Macmillan GB Martins Press. Pgs 152-154.
- ⁴⁷ Legum C (1982). "International Moral Protest". Gwendolin M.C and 'O'meara P (eds) **International Politics In Southern Africa**. 1st Edition. Bloomington. Indiana University Press. Pg 223-225.
- ⁴⁸ Goldberg A (1987). "The Status of Apatheid Under International Law". **Transnational Corporations In Southern Africa and Namibia: Public Hearings Vol 4: Policy Statements**. New York. United Nations Publications. Pg 2-6.
- ⁴⁹ United Nations (2001) "Charter of United Nations Preamble Chapter 1 Paragraph 2" **Charter of United Nations and Statute of International Court of Justice**. Pgs 2-4.
- ⁵⁰ United Nations (2001) "Charter of United Nations chapter 1 article 1 Paragraph 3" **Charter of United Nations and Statute of International Court of Justice**. Pgs 1-3.
- ⁵¹ United Nations (2002) "Introduction to the Operative Party of the Universal Declaration for Human Rights. Adopted by the U N General Assembly in its resolution 217A [III] of 10th Dec 1948". **Human Rights: A Compilation of Instruments. Vol 1**. 5th Edition. Pgs 1-2.
- ⁵² United Nations (2002). "International Covenant on Economic, Social and Cultural Rights – Part 1 Article 1, Part II Article 2 Paragraph 2 Adopted by General Assembly in Res 2200 Covenant Entered into Force on 3rd Jan 1976". **Human Rights: A Compilation of Instruments. Vol 1**. Pgs 7-9.
- ⁵³ United Nations (2002). "International Covenant on Civil and Political Rights Part III article 6 paragraph 1, Part III article 7, Part III article 8 paragraph 1 (a), Part III article ii paragraph 1 and 2, Part II article 13 paragraph 1, Part III article 6 paragraph 1,

Part II article 14, Part II article 18 paragraph 1 and article 19, Part II article 24 and 25". **Human Rights: A Compilation of Instruments, Vol 1.** Pgs 19-22.

⁵⁴ United Nations (2002). "Convention On The Prevention And Punishment Of The Crime Of Genocide (General Assembly Resolution 260 A III). (1948)". **Human Rights: A Compilation of Instruments, Vol 1.** Pgs 651-654.

⁵⁵ United Nations (2002). "International Convention on Elimination of all Forms of Racial Discrimination. Adopted by General Assembly Resolution 2106 A (XX) of 21st November 1965. Preamble". **Human Rights: A Compilation of Instruments, Vol 1.** Pgs 118.

⁵⁶ United Nations (2002). "International Convention on Elimination of all Forms of Racial Discrimination. Adopted by General Assembly Resolution 2106 A (XX) of 21st November 1965. Preamble". **Human Rights: A Compilation of Instruments, Vol 1.** Pgs 119-120.

⁵⁷ Goldberg A (1987). (Op ct) Pg 2-5.

CHAPTER TWO: HISTORICAL EVOLUTION AND PERFORMANCE OF INTERNATIONAL ECONOMIC SANCTIONS

In this chapter we will define international economic sanctions and give its role as a strategy in the foreign policy of nations. We will also relate its historical evolution. Finally we will assess the performance of this Strategy in the countries applied in regard to compliance to political demands, effects of sanctions on the economy of countries applied and the incidence of local political and non-political protests if any on the existing systems of government.

2.0 GENERAL DEFINITION OF INTERNATIONAL ECONOMIC SANCTIONS

The definition of sanctions has been done on the basis of different perspectives; legal-constitutional, as instruments of foreign policy expression and general functional utility in inter-state relations.

Economic sanctions defined as a Foreign policy instrument has been expounded by foreign policy theorists and scholars. According to Donald Losman¹,

Economic Sanctions are penalties inflicted upon one or more states, generally to coerce the target nation(s) to comply with certain norms that the boycott initiators deem proper or necessary ... Sanctions may take the form of a refusal to export to the target nations, to import from it, or both. In addition capital flows, wealth held in boycotting states and movements of people both tourists and others may be interfered with or restricted ... Boy-cotts (sanctions) are essentially political acts, representing instruments of foreign policy by which one state tries to bring about change in the domestic or foreign policies of another. They are then a form of non-military coercion that uses economic weapons to inflict hardship for the purpose of achieving certain ends ... Boycotts may have varying degrees of economic and political effectiveness ... Economic effectiveness refers to volume of pecuniary damage or disruption inflicted, while political effectiveness refers to the degree that desired changes if any are undertaken by the target state ... A boycott may be deemed successful if it induces the target state to comply with the wishes of boycotting nations ... Having presumably had no success through diplomatic pressure and wishing to avoid resort to arms, nations initiate sanctions hoping to cause sufficient economic damage to force policy (or government) change in the target country.

In the foreign policy field, international economic sanctions have also been defined in a symbolic role. Smith and Clarke M² contend that Britain's imposition of sanctions against Rhodesia

(Zimbabwe) was to demonstrate or signal concern about its disapproval of the Unilateral Declaration of Independence (U.D.I) by the Smith regime to a domestic and especially international audience. Shreiber A B¹ also supports the view that international economic sanctions have been associated with symbolic actions regardless of the concrete impact on target state as long as they serve to declare the position of the imposing state to internal or external public or helps to win support at home or abroad.

Sanctions have also been defined from a general functional utility perspective or basing on the goals they seek to achieve in the inter-state relations, economic sanctions have been applied to; secure compliance whose aim is to force a targeted government to abandon its unwanted system by inflicting on it economic hardships as a result of sanctions; to punish or deter the target, where economic sanctions are considered as economic warfare weapons or sabotage instruments to incite or catalyse internal civic disturbances that could lead to higher levels of political activism among the affected population making the maintenance of law and order unmanageable hence the collapse of the regime; and regarding its deterrence role, economic sanctions are threatened or presented to discourage a state from taking a certain course of action or a promise is made to withdraw international economic sanctions once the target state accedes to demands made for change.

The functions illustrated in the above paragraph are summarised by Wallenstein I⁴ who concludes that economic sanctions serve generally three functions; to secure compliance, to punish or deter the target or, to secure symbolic or expressive functions.

Lastly international economic sanctions have been defined from a legal-constitutional basis. This definition has been used mainly in the institutional organizations of the League of Nations and the United Nations. According to Margaret Doxey⁵ the use of economic pressure to achieve political ends has long been in use. She contends that economic sanctions have been used by the international community in attempting to coerce a recalcitrant member to enforce the fulfilment of contractual obligations. Doxey defines sanctions as conformity-defending instruments relating to behaviour which is expected by custom or required by law. She adds that sanctions in the social context may be positive or negative, constituting rewards or punishments while in a legal system they are negative since they are applied as specific penalties which the designated authorities apply to law breakers.

Hans Kelsen⁶ has also added to sanctions a definition in legal terms. According to him, sanctions are; "the specific reactions of the community constituted by the legal order against delicts. Their

purpose is to dissuade a subject from an undesirable course of action toward a more desirable one. It is sanctions which give law the nature of a coercive order” Peter Calvocoressi⁷ defines sanctions as a measure of deprivation. According to him sanctions are measures of deprivation taken by one or many international actors in order to dissuade or to compel the latter to refrain from undesired policies or actions and to obey generally accepted norms of conduct.

Margaret Doxey⁸ argues that the idea of international enforcement has been linked to schemes for collective security and prevention of war in the 20th century. This scheme was first given formal expression in the League of Nations. The League Covenant therefore provided for sanctions. Doxey defines sanctions in covenant context as coercive measures of a military and non-military nature to be imposed by League members as a means of enforcing conformity with standards of conduct for which the organization had assumed continuing responsibility and which were generally accepted by members of the international society.

David Grimes⁹ adds to this by identifying articles in the League of Nations covenant, which took the character of legal sanctions. He observes that sanctions were imposed for specific violations of covenant Articles 12, 13, and 15 where peaceful settlement procedures were to be tried prior to violent solutions. Under Article 12, disputants were to submit a question to arbitration, judicial settlement or council inquiry and not to resort to war three months after an award or report was made to the Security Council. Members were also prohibited from going to war against a party complying with a decision or award of the court or other body (Article 13 para 4) and a party complying with the recommendations of a council report (Article 15 para 6). If the above provisions were ignored, the guilty party was deemed “Ipso-facto” at war with all members of the league and the rest were to begin immediately to sever all financial or trade relations with the covenant-breaking state and prevent relations between the guilty state and all other states including non-members (Article 16 (1). No decision by a league organ was required and the determination to comply was the prerogative of each state. If force was judged necessary the league council could only recommend its use then it was non-binding on the members (Article 16 (2).)

David Grimes¹⁰ also points out provisions in the United Nations charter, which are characterised as sanctions. Article 5 provides for the suspension of the exercise of the right and privileges of membership in the United Nations by the General Assembly on recommendation by the Security Council. Article 94 (2) stipulates that the Security Council may take enforcement actions against a state, which fails to comply with a judgement of the International Court. These measures may include those in Chap VII. A relevant part of the sanctions to this study are found in Chap VII

entitled "Actions with respect to threats to peace breaches to the peace, and acts of aggression". These measures are implied in Article 1 (1) which outlines the first purpose of the United Nations as:- "To maintain international peace and security, and to that end to take effective measures for the prevention and removal of threats to peace, and for suppression of acts of aggression and other breaches of the peace".

To carry out the above stated task the Security Council was granted "primary responsibility and the power to act on behalf of all the members of the United Nations (Articles 24(1) who were subsequently bound to carry out these decisions and render assistance to the collective effort (Article 2(5). The measures to be undertaken included those of an economic, diplomatic and political nature. All or any combination of these listed in Article 41 may be employed:- "complete or partial interruption of economic relations, or rail, sea, air, postal, telegraph and other means of communications and the severance of diplomatic relations. In addition to above sanctions the Security Council may take such action by air, sea, or land forces as may be necessary to maintain or restore international peace and security. In relation to this a decision had to be made under Article 39 before the Security Council could apply sanctions of any type.

The above discussion clearly illustrates the context in which the legal-constitutional definition of sanctions of an economic and non-economic nature can be found. It is however necessary for us to caution that international economic sanctions against any target state are not only applied on a state-to-state basis. International financial institutions as banks have been able to apply economic pressure on a condemned target state indirectly by closing down their subsidiaries or recalling the loans advanced to a target state. This may be due to moral protests, domestic pressure or demands by lobby groups. In this study therefore international economic sanctions will include state and non-state actors, whose actions will negatively affect the economy's well-being and political stability of the targeted state.

2.1 HISTORICAL EVOLUTION OF INTERNATIONAL ECONOMIC SANCTIONS

The historical evolution of international economic sanctions arises from the experience of economic warfare of the 19th and 20th centuries. Margaret Doxey¹¹ who has done an extensive study in this evolution warns that the difference existing between economic measures which were used as a technique of warfare in conjunction with military measures or independently and economic sanctions employed by an international organization as part of constitutionally authorized process must be taken into account. Doxey explains the difference basing on the

intention of these two techniques. She also explains that in conditions of war or cold war the target of economic measure is seen as an enemy; the objective being to hasten an enemy's defeat and to reduce or eliminate its capacity to wage war. On the other hand when economic measures are used as sanctions the object is to deter or dissuade states from pursuing policies, which do not conform to accepted norms of international conduct. Compliance to demands is considered to be in the general interest and the sanctions are penalties, which relate specifically to acts, which the international body condemns. Despite the above differences Doxey contends that similarities do exist between sanctions and economic warfare. She argues that it is the success in economic warfare and the widespread belief in its efficiency that inspired international organisations to opt for sanctions. Doxey therefore seems to imply that the experience learnt through economic warfare led to its adoption and modification to fit the goals of international organisation creators. Doxey actually insists that it is necessary to survey the historical development in modern economic warfare for it is here that international economic sanctions evolved.

Doxey identifies the first stage in the development of this economic warfare as traditional siege and blockade tactics¹². She recounts that since economic strength has always been recognized as a vital component of power, it was targeted for attack by military and economic means. This was done through siege and blockade tactics in the 18th century. This involved the combined use of military and economic pressure. During the course of hostilities a well-defended target could be cut off from supplies and reinforcements by encirclement and its surrender induced by this means and bombardment.

Doxey further relates that with time, the development of sea-power and naval warfare brought new opportunities for weakening the enemy's economic strength over a period of time. An enemy's ships could be destroyed using siege tactics; a naval blockade of enemy's coast could be carried out. For a country involved in sea-borne foreign trade, an interruption of foreign commerce could be done to end the conflict by weakening and undermining the country's power to resist. She argues that with the development of large-scale manufacturing industry in Western Europe and USA after the industrial revolution in the 19th century, possibilities and advantages of interfering with foreign trade as part of the conduct of hostilities were greatly increased. If the enemy could be cut off from supplies of raw materials, foodstuffs or even markets of great commercial importance, an enemy's power to wage war could be greatly reduced. She observes that as international investment and other financial links between states multiplied, new weapons were added to the economic arsenal, such as the freezing of funds or expropriation of other assets owned

by enemy governments and concerns. Doxey gives the Napoleonic wars as an example of blockades of a wider scale whose aim was to bring about economic ruin to combatants.

She¹³ notes that during the 19th century the variety of materials and products entering into international trade increased continuously due to advances in technology, improvements in transport and acquisition of new empires through colonization. This increased commercial inter-course was necessitated by the maintenance of industrial activity and national prosperity. These changes led to industrialised countries like Britain and Belgium becoming extremely vulnerable to interference with their imports of food and raw materials.

Doxey further notes that, at the beginning of the 20th century, warfare had evolved to an advanced stage due to mechanization of the army, the availability of road transport, railway, air transport and use of submarines by the end of the 1st World war. The increased inter-course in trade and dependency on each other and other vital commodities for maintenance of war effort, made industrial powers of same rank, become more vulnerable to economic measures against one another. By this time, Doxey observes that war had not only been industrialised but also internationalised.

She notes that by the 1914-18 World War all belligerents were totally involved and even neutral states found it impossible to remain completely aloof and maintain normal patterns of economic life. At this time also rules governing blockades in international law, which were formalized in the 1856 Declaration of Paris and further codified in 1909 Declaration of London had become generally obsolete such that limitations of a blockade to enemy's coastline and ports was unrealistic in an age of submarine and air warfare.

Doxey's second state of economic warfare or blockade is characterised by World War I¹⁴. She postulates that economic warfare was more effective than before. In this war the Germany submarine threat to British merchant shipping threatened British supplies reducing its receipts of imports making British Isles extremely vulnerable to siege and blockade. Britain responded by blockading Germany in March 1915 as a declared reprisal for submarine warfare. The blockade covered all goods going to or coming from Germany. Neutral ships were given certificates and allowed to proceed. Britain blockade effort also included agreements with neutral governments and trade associations that they would not allow re-export of goods to Germany or her allies with continuation of trade with Britain as quid pro-quo. Doxey observes that this was a new kind of blockade enforced at long range through control of contraband and by agreement with neutrals and

bearing little resemblance to the old-style direct naval blockade of enemy coast. An addition tactic was use of export-control as an addition bargaining power with neutrals. This was conducted by USA on joining the war.

Doxey confirms the effectiveness of economic blockade by pointing to the fact that the allied blockade was undoubtedly a factor in Germany's eventual defeat. She notes that shortages of essential materials such as copper, tin, rubber, and cotton became acute as Germany had not expected the blockade and was therefore inadequately prepared for a war lasting several years. Germany was driven to extreme lengths to conserve supplies of these materials and to develop substitutes.

She¹⁵ explains that during the 2nd World War 1939-1954 blockade as planned and executed by the British ministry of Economic Warfare formed a wider programme of restricted economic warfare which included concentrated bombing of industrial targets in Germany. Control of German exports dated from November 1939 and was effective in reducing trade almost immediately. W. N. Medlicott¹⁶ reports that Germany's export trade was reduced by 80% of its normal value within a few months. Doxey also notes that control exercised at source were increased, advanced technology of radar submarine and mines made long-distance blockade essential, with the object being to prevent goods destined for the enemy, from being shipped at all. During this war, the 1st World War techniques were refined.

In this Second World War, warrants were issued when the ship owner agreed to comply with British regulations, pre-emptive buying of essential raw-materials was undertaken when possible and neutral states were rationed for imports by means of a quota system. It is pointed out that the United States on entering the war, reinforced this offensive by relying heavily on the control of foreign funds, it also licensed exports to neutrals and did pre-emptive buying of scarce items essential to the Axis war effort. The effect of warfare on Germany is said to have been less strong than during First World War. Doxey notes that this was due to the fact that Germany was less isolated and could draw on supplies from a much larger area after she overran Europe and Italy joined her.

Despite this advantage Germany collapsed by 1944. W. N. Medlicott notes that, the ministry of Economic Warfare in association with its American colleagues had five main fields of achievement; These were:

- The drastic limitation of German imports from non-European sources, reduced after November 1942 to the small desperate contribution of the blockade runners;
- The creation of an encirclement neurosis with marked effect on German political and military strategy;
- The direct hampering of the Axis armament effort by the creation of raw material shortages.
- The indirect hampering of the Axis wartime economy by additional strains on transport and manpower;
- The strengthening of neutral resistance to Axis pressure by economic aid, by the constant evidence of Allied determination and by threats of retaliation, immediate or delayed”¹⁷.

Doxey¹⁸ commenting on Japan’s vulnerability, reports that since she lacked adjacent neutrals from which she could draw supplies and being vulnerable to interference with her shipping routes, she was seriously affected by traditional blockade tactics. Doxey concluded this historical account by noting that the experience of economic warfare resulting from the experience of the past two major conflicts may be relevant to the process of international economic coercion but not similar. She argues that during the Second World War national survival was at stake; priorities were not in serious dispute and the forces and resources of the United States and Britain and their allies were committed to winning the war. She poses the challenge that it is obvious that any effort by the Security Council or General Assembly to discipline a recalcitrant state is likely to be different as one could not envisage an all-out effort in which economic measures could be supplemented by military measures in a manner comparable to that of 1939-45 war.

The international community has also adapted the techniques of economic boycott. Losman¹⁹ contends that boycotting occupied a minor role historically. The origin of the term boycott is described in captain “Boycotts” a book written in 1880 by Irish author Phillip Rooney. During 19th century absentee English landlords controlled much property in Ireland and demanded exorbitant rents from tenant farmers. Captain Charles Boycott was an agent to collect these rents for one of the absentee owners. He refused to receive the farmer’s payments declaring them insufficient and evicted many tenants. The community retaliated with a policy of total isolation both economic and social against the rent collector. Despite several measures as recruiting imported labour, Boycott could not withstand his total isolation in the end he was forced to return to England.

Doxey explains that boycott expresses hostility or disapproval but it may also represent an attempt to coerce recalcitrant groups or individual in cases where the use of force is not contemplated or feasible. Doxey contends that originally boycott was a type of ostracism, a peaceful instrument of struggle, but today it is often virtually indistinguishable from other types of economic warfare organized under government auspices²⁰.

The evolution of international economic sanctions has also been through international organisations that developed from the 1st and 2nd World Wars. After the 1st World war 1914-18 a search for peace was underway or rather for a regulator of peaceful relations rather than resort to war. The treaty of Versailles consisted of the covenant of the League of Nations. The desire by the states in finding a peaceful instrument of regulating behaviours among them is best exemplified by the report of committee of economic sanctions on the advantages of using economic sanctions. It stated that;

The great advantage of economic sanctions is that on (the) one hand they can be very portend, while on the other hand they do not involve that resort to force and violence which is repugnant to our objective of peace. If any machinery can be set up to ensure that nations comply with their covenant to renounce war, such machinery must be sought primarily in the economic sphere²¹.

The above statement underscored this goal.

M .Doxey²² argued that it was hoped that all states would be members of the League of Nations and that they would respect each other's territorial integrity. Peace was expected to be maintained under the league auspices by arbitration, conciliation or resort to the new permanent Court of International Justice, while disarmament would further reduce the likelihood of war. Nevertheless sanctions or penalties for resort to war in breach of its provisions were an integral part of the system. The objective of the League of Nations as put in its preamble therefore was to promote international co-operation, to achieve international peace, security and by the acceptance of obligations not to resort to war.

Enforcement under the covenant was provided for in Article 16 of League of Nations. This Article laid down an automatic sequence of events, which would follow a specific form of illegal behaviour by a league member. Article 16 (1) stated that if any member resorted to war, disregarding the obligations and procedures concerning pacific settlement of disputes laid down in Articles 12, 13, 15 it was, ipso-facto deemed to have committed an act of war against all the other members of the league which undertook to subject it to the severance of all trade or financial

relations, the prohibition of all intercourse between their nationals and the nationals of the covenant breaking state, and the prevention of all financial, commercial or personal intercourse between the nationals of the covenant breaking state whether a member of the league or not.

The Sections (2) and (3) in Article 16 will be resorted to later in this discussion since they all complement the section quoted above. The contents of the remaining Articles is as follows: - Article 12 dealt with how disputes were to be submitted for settlement. It stated that should there arise between members any dispute likely to lead to a rupture they were to submit the matter to either arbitration or judicial settlement or inquiry by council which was stipulated in Article 13. They were to agree (Article 12) in no case to resort to war until three months after the award by the arbitrators or the judicial decision or by council.

Article 13 dealt with arbitration or judicial settlement. Here members agreed to submit issues, which they recognised as suitable to submission for arbitration or judicial settlement. Such a dispute was to be one that could not be solved diplomatically. Disputes regarding interpretation of treaty and breach of international obligations were also to be submitted to arbitration or judicial settlement. The members were to refer these disputes to the permanent Court of Justice established in accordance with Article 14. The members were to abide by the courts decision and not resort to war against a complying member. If a member failed to comply the council was to propose steps to be taken.

Article 15 dealt with disputes not submitted to arbitration or judicial settlement. Such a dispute was to be submitted to the council for full investigation and consideration. The council was to report or make recommendations if the parties agreed that they would not go to war, but if they didn't agree to their satisfaction they reserved the right to take such action, as they deemed necessary for maintenance of right and justice. This dispute if not tackled to the satisfaction of members was to be referred to the assembly where Article 12 will apply. Article 16 (2) and (3) and (4) carried mutual co-operation and support in dealing with an aggressor to a further degree. Article 16 (2) gave the league council the duty of recommending to the several governments concerned what effective military, naval, or air force members should contribute to protect the covenants of the league. In other words the economic sanctions of Article 16 (1) were to be backed up by force if necessary. Article 16(3) provided for mutual support in applying economic sanctions and co-operation in the use of force. Article 16 (4) contained provision for expulsion from the league by unanimous vote of the council of any member who violated any covenant of the league.

The effectiveness of Article 16 (1) was curtailed even before it was put to an experiment. M. Doxey²³ states that the league recognised that full application of Article 16 could have serious consequences for members due to the potential backlash effect of economic sanctions on some states imposing them. The members were therefore reluctant to commit far-reaching sanctions, which could be damaging to themselves.

Leland M. Goodrich and Anne P. Simon²⁴ add that the automatic character of the economic sanctions was removed very early by a conference and Assembly resolution in 1921. This was because of many difficulties recognised as the non-universality of the league, the sui generis nature of each situation precluding one established method of solution and the lack of a body for co-ordinating measures. Doxey²⁵ observes that for instance it was no longer a question of automatic response to a breach of the covenant and each member was henceforth to decide for itself, whether a breach of the covenant had been committed. It was also recommended that economic pressure should precede resort to hostilities and should be graduated in application. This was done through the "Resolution on the economic weapon of 1921, which provided for:- economic and financial sanctions to be progressively and selectively introduced, the official recognition of a breach of the covenant by the council, which would then make the facts known, establish a date for initiating enforcement actions and assume responsibility for co-ordinating the non-military pressures.

The League's power of economic coercion through economic measures was to be tested in 1935 when they were partially and unsuccessfully employed against Italy. The failure of sanctions according to M. Doxey's observations accelerated the rate of decline of the league. Attempts to reform it from 1936 to 1939 were concerned more with limiting the obligations, which it placed on members than with strengthening its powers, by 1939 it had collapsed.

Donald Losman²⁶ has attempted to account for the failure of the league and the inability of the implementation of Article 16, which concerned the use of economic sanctions. He contends that first Article 16 demanded complete and total non-intercourse, a measure whose effect would be felt unevenly by the boycotting states. This was because some of these states might be so economically tied to the aggressor nation that complete non-intercourse could be an act of economic suicide. This possible consequence therefore acted as a deterrent to the articles being invoked and as a practical obstacle to full compliance.

Losman also identified the failure of the league to have arisen from the fact that each member state had the right to decide for itself whether or not conditions had come to the point where league sanctions could be invoked. The strong likelihood of differing interpretations in the event of such a situation would probably have resulted in partial isolated attempts at boycott, which would be insufficient to stop aggression. Losman also concluded that the fact that neither Soviet Union nor the United States was a league member opened the possibility of frustrating league boycotts through trade with these two nations.

He further argues that though Article 16 was invoked against Italy, sanctions proved unsuccessful both in preventing hostilities and in bringing the aggression to a quick end. Losman lists various reasons for the failure of sanctions as follows; that Italy's Mussolini rationed the basic necessities, therefore making domestic economizing to partially off- set the boycotts effect; the actual embargo was not total with the two most vital items to a war machine-oil and coal being exempted, through France who were large producers of coal and British colonies which produced oil refusing to stop there supplies to Italy; the boycotts uneven effect upon the implementing nation also played a role, this was caused by Britain's refusal to deny Italy access to the Suez-Canal as she could loose financially. Finally other nations defied the sanctions; Germany seemed too eager to provide supplies to Italy probably because Italian involvement in an African war meant that less attention was given to Austria, which thus became easier prey for Germany. Russia too carried out substantial trade with Italians. Losman concludes that because of Italy's open relations with Germany, Russia, and U .S. A and its less camouflaged trade with France and England, she was able to successfully defy league's economic sanctions.

After the collapse of the League of Nations the United Nations took its place after the Second World War of 1939 to 1945. Its charter provided for the use of economic measures to maintain or restore the peace with the United Nations provisions improving upon weaknesses, which were in the League of Nations procedures. These advantages or strengths will be discussed at the end of this section when the two organisations will be compared and contrasted. The prominence of collective enforcement action in the United Nations charter is seen in Article 1 which states that the purposes of the United Nations are:-

To maintain international peace and security and to that end; to take effective collective measures for the prevention and removal of threats to the peace and for the suppression of acts of aggression or other breaches of the peace and to bring about peaceful means and in conformity with the principles of International law, adjustment or settlement of international disputes or situations which might lead to a breach of the peace²⁷

M. Doxey²⁸ comments that in Article 1 (1) members agreed to settle their disputes by peaceful means and to refrain from the threat or use of force in their relations with other states. They are further bound to assist the United Nations in every way to refrain from giving assistance to a state being subjected to preventive or enforcement action by Security Council in terms of Articles 25. By Article 25 members of the United Nations agreed to accept and carry out the decision of the Security Council in accordance with the present U.N. charter. Under chapter VII titled pacific settlement of disputes. Article 33 provided for parties to a dispute, which is likely to endanger the maintenance of international peace and security to first of all seek a solution by negotiation, or for the Security Council to call upon them to do so.

Doxey further notes that on paper the Security Council was given executive power to investigate any situation which might lead to friction or give rise to a dispute endangering peace (Article 34) and to recommend appropriate procedure in terms of settlement stipulated in articles 36-37. These terms generally have to do with the pacific settlement of disputes once pacific settlement of dispute fails chapter VII of the charter covering enforcement action becomes relevant. She observes that unlike in the league council the Security Council was given wide powers regarding enforcement. The Security Council may determine the existence of any threat or breach of the peace or act of aggression and make recommendations or decide what measures shall be taken to maintain or restore peace (Articles 39). Article 39 states that: "the Security Council shall determine the existence of any threat to the peace, breach of the peace or acts of aggression and shall make recommendations or decide what measures shall be taken in accordance with Articles 41 and 42 to maintain or restore international peace and security.

Article 41 deals with the use of economic sanctions as a non-military measure of coercion. This was listed in Article 41 of the charter as the complete or partial interruption of economic relations of rail, sea, air postal telegraphs, radio and other means of communication and severance of diplomatic relations. Article 41 states that "the Security Council may decide what measures not involving the use of armed force are to be employed to give effect to its decisions, and it may call upon the members of the United Nations to apply such measures. These may include complete or partial interruption of economic relations of rail, sea, air, postal, telegraphic, radio, and other means of communication and severance of diplomatic relations'.

Article 42 states that if the measures in Article 41 proved inadequate it was to take military measures to restore international peace or security demonstrations of force were to be undertaken

and a blockade implemented to make economic measures effective. Article 42 states that - "Should the Security Council consider that measures provided for in Article 41 would be inadequate or have proved to be inadequate, it may take such action by air, sea, or land forces as may be necessary to maintain or restore international peace and security. Such action may include demonstrations, blockades, and other operations by air, sea, or land forces of members of the United Nations". The United Nations also allowed for enforcement action by regional agencies but only with the authorization of the Security Council (Article 53.) This collective self-defence was permitted under Article 51 where states were given the right to individual or collective self-defence if an armed attack occurred against them until the Security Council would take over and make necessary arrangements to maintain international peace and security.

Provisions regarding regional arrangements were contained in chapter VIII. These were to cover the inter-American system and Organization of American States, others were, the League of Arab States and Organization of African Unity (OAU). Article 52 and 53 are relevant: - Article 52 (1) states thus "Nothing in the present chapter precludes the existence of regional arrangements or agencies for dealing with such matters relating to the maintenance of international peace and security as are appropriate for regional action, provided that such arrangements or agencies and their activities are consistent with the purposes and principles of the United Nations", (2) "The members of the United Nations entering such arrangements or constituting such arrangements shall make every effort to achieve pacific settlement of local disputes through such regional arrangements or by referring them to the Security Council". Article 53 concerning enforcement action states that:- 'the Security Council shall, where appropriate, utilize such regional arrangements or agencies for enforcement action under its authority. But no enforcement action shall be taken under regional arrangements or by regional agencies without the authorization of the Security Council, with the exception of measures, against any enemy state, as defined in paragraph 2 of this Article".

Doxey²⁹ states that basing on these regional arrangements sanctions have been applied to members of the organization who have been designated as threatening the peace; various instruments were passed as a result of Article 53. The organisation of the American States passed the Inter-American Treaty of Reciprocal Assistance (Rio Treaty) of 1947 and charter signed at Bogota in 1948. This treaty provided for collective defence in terms of Article 51 of the charter of the United Nations. Here threats to peace of the hemisphere would be dealt with through a consultation organ to devise action. Sanctions that could be taken were listed in Article 8. They included rupture of diplomatic relations, partial or complete interruption of economic relations or

rail, sea, air and postal communications and use of armed force. The League of Arab States also meets to deal with aggression but it has no specific enforcement measure. The OAU does not also define sanctions but the Assembly of Heads of State and Government passed sanctions against apartheid South Africa.

The North Atlantic Treaty Organization of 1949 and Warsaw Treaty of 1955 both, provided for collective self-defence under Article 51 of charter. These measures were directed against external threats and members who don't toe the line even to the extent of using force as the Soviet Union did in Hungary and Czechoslovakia in 1956 and 1968. Apart from the above areas of use of economic measures the development of cold war in the post 1945 era saw the formation of blocs and defensive alliances using the economic weapon on opponents individually or in groups. Some have done this despite the restriction of the United Nations charter, Article 53.

M. Doxey³⁰ gives examples of the use of sanctions in cold war situations as western strategic embargoes in Europe and the Far East. The United States and her allies applied economic sanctions in these areas in form of controls over export of strategic goods to the Soviet Union and East European communist countries as part of her cold war strategy. All NATO countries were associated in a consultative group in 1950. In order to prevent the Soviet bloc from obtaining weapons or materials, which would add to its military or economic potential, controls were placed on exports of a large number of items set out in three international lists. Items on list one were subject to complete embargo. On list two, were subject to quantitative restrictions. After this each country organized its own national system of control using licensing as the basic instrument with supplementary controls over destinations, transshipment and transits of designated goods. The U S A formalized its control system in 1951 (Mutual Defence Assistance Control Act of 1951). This act added to the sanctions of the withdrawal of United States aid from any country, which knowingly supplied goods on the proscribed lists to the communist controlled destinations. These controls are still being enforced against China and Cuba.

It is important to compare and contrast the two international organisations of the League of Nations and the United Nations so as to appreciate the success and failure of implementation of international economic sanctions imposed on target states. It has been argued that the United Nations Organisation charter was obviously an improvement of the covenant of the League of Nations³¹. According to David Grimes³², the United Nations was conceived as an institution working through organs, which had real powers of decision while the league was a body for co-ordinating the actions of its members leaving the individual governments the final right of

decision. From these, Grimes argues that it was evident that in the case of sanctions the operations of the United Nations were more centralised

As concerns the clauses of the covenant and the charter, differences are more apparent. M. Doxey³³ supplements Grimes's observations that renunciation of the use of force was more far-reaching and explicit in the charter than in the league covenant. Members of the United Nations are not free to resort to war in certain circumstances as they were under the covenant. In the U.N charter they are obliged by it to submit all disputes to peaceful mode of settlement with the exception of the right of self-defence or action taken against an enemy state from the Second World War. In the U.N. charter therefore the use of force is theoretically outlawed.

David Grimes³⁴ further observes that war was clearly recognizable phenomenon in the league covenant and it was not necessary for a league organ to pronounce on this point while in the U.N. charter a determination must be made under Article 39. He also observes that the charter contains provisions for ordering the use of force by the United Nations members, something the league could only recommend on conclusion of Article 43.

Doxey³⁵ points out also that freedom of action enjoyed by league members in taking or not taking enforcement actions of any kind under Article 16 of League covenant disappeared in the United Nations where the Security Council was given primary responsibility for the maintenance of peace and its decisions were made mandatory for members. The above observation is also followed by the suggestion that there is a widening of the circumstances in which enforcement measures may be taken under the U.N. charter, in place of the league's-limited obligation not to resort to war, at least until peaceful methods of settlement have been tried. The U.N. charter identified three appropriate situations for enforcements actions. These were; breach of peace, acts of aggression and threatening of peace, which is a state of affairs. This loose definition was intended to enable the Security Council act promptly before the outbreak of fighting. Finally the U.N. charter attempted to integrate regional agencies into overall security system by permitting controlled enforcements powers.

2.2 CASE STUDIES OF THE PERFORMANCE OF INTERNATIONAL ECONOMIC SANCTIONS

In this section we shall carry out a survey of the performance of international economic sanctions in selected areas where they were imposed. We shall attempt this survey by focusing on the

effects of these sanctions on the economies of targetted states and the consequent effects on the political change of these states, and the rate of activities of political and non- political domestic forces pressurising for political change in target states. We will also take into account the reasons for the failure or success of international economic sanctions in the areas they have been applied. We will comment on the expected outcome of events in apartheid S. Africa if similar circumstances in the above case studies were to prevail.

2.2.1 ITALO- ETHIOPIAN CASE

Our study of the experience and performance of international economic sanctions will begin with the imposition of international economic sanctions at the universal level of the League of Nations, specifically we shall deal with the Italo-Ethiopian case as it offers an elaborate case of the operationalization of sanctions by an international body against a rebelling member.

The Italo-Ethiopian case or crisis, which begun on 4th Oct 1935 when Italy invaded Ethiopia in violation of her obligations under the covenant and other international treaties offered an opportunity for the League of Nations to subject it to international economic sanctions. The procedures set out in the league Articles were followed in 1935 after the committee of the council concluded on Oct 17th after an examination of facts, "that the Italian government had resorted to war in disregard of its covenant under Article 12 of the league of Nations"³⁶

Margaret Doxey is of the opinion that an examination of the course of the crisis is necessary in this case to show the indecisiveness and inconsistency in the league actions and weak politics of major powers. She further notes that though Ethiopia successfully appealed for sanctions to be imposed on Italy under Article 12, she was overran by Italy six months later. Reasons for this failure to deter Italy are found in the course of the dispute and the relations of great powers to it.

An account of the course of events is given as follows:-³⁷. It is reported that from December 1934 when the first border clash occurred at Wal-Wal between Ethiopian forces and Italian forces till 1935 October when Italy began an intensive campaign against Ethiopia, Britain and France were busy seeking their own settlement away from the league. This was during the months from October 1935 to July 1936 when sanctions had been officially imposed on Italy.

Before the sanctions were imposed, the government of Britain sought assurance of Italy's leader Mussolini in European context against Germany's Hitler. Britain was therefore not eager to

pressurise Mussolini on the Ethiopian issue since Italy was now seen as a useful ally against Germany, which was preparing at this time to repudiate the Treaty of Versailles signed at the end of 1st World War.

Ethiopia first appealed to the league in Jan 1935 for its intervention but she was persuaded to submit the Wal-Wal incident to arbitrations under her 1928 treaty with Italy. When no favourable answer came out of this, she invoked Article 15 of the covenant on March 17th. As a result the league council set up a committee of thirteen to study possible sanctions against treaty breakers; however no action came out of this meeting. The next few months were occupied in attempts to establish an arbitration committee on the Wal-Wal incident, growing tension between Italy and Ethiopia and Italian military preparations in the horn of Africa.

Doxey notes that despite meetings in council in September and Britain's change of heart to support economic sanctions, Italy persisted with war preparations. On 4th September 1935 Italy rejected and Ethiopia accepted proposals made by the council, which would have formed a basis for settlement of their dispute. On October 1935 Italy invaded Ethiopia immediately afterwards a council committee of six reported that Italy had resorted to war in violation of her obligations under Article 12. The adoption of this report was the signal for automatic application of sanctions under Article 16.

After the outbreak of hostilities Italian forces attacked and subdued Ethiopia. When this happened the league led by Britain belatedly and halfheartedly tried to induce Italy to abandon this venture. Doxey observes that in order for Italy to be deterred from its action by international economic sanctions, it was necessary to bring her to a position where she was unable to carry on the campaign because of lack of resources or she had to be put in circumstances that made it unprofitable for her to engage in war due to economic hardships suffered at home.

It has been argued that the preference for adoption of sanctions was brought by the conviction that they would hurt Italy sufficiently to deter her from her action. Italy was assumed to be a country with limited resources, reserves of gold and foreign exchange but dependant on foreign trade. Moreover it was not a military power of the first rank. It was observed that some export industries such as automobiles and citrus fruits did suffer and there was a drain on the gold supply, but no serious shortage of food or raw –materials occurred³⁸.

Herbert Feiss³⁹ adds his voice to the above doubts of the effectiveness of International Economic Sanctions on Italy by arguing that though Italy was vulnerable due to the commonly known factors alluded to above that “the sanctions that have been put into effect did not seriously interfere with the Italian conquest of Ethiopia nor deeply disturb its economic life. They neither were universal, extensive nor prolonged enough to do so”

Haille Selassie the Emperor of Ethiopia drove the above point home in his address before Assembly in June 30th 1936 when he grumbled thus:-

*I have heard it asserted that the inadequate sanctions already applied have not achieved their object. At no time, in no circumstances could sanctions that were intentionally inadequate, intentionally ill applied stop an aggressor. This is not a case of impossibility but of refusal to stop an aggressor.*⁴⁰

Doxey⁴¹ outlines the sanctions imposed by league members. They comprised an embargo on export of arms, ammunitions and implements of war to Italy (proposal I-IA); the restriction of financial dealings involving loans, credits, or share issues with government or business concerns in Italy (proposal II-IIA). The prohibition of imports of Italian origin with exceptions on books, printed matter, gold, silver, coins, goods subject to existing contracts and goods of Italian origin to which more than 25% of value had been added by processing outside Italy (proposals III-IIIA); a ban on the export to Italy of transport animals, rubber, bauxite, aluminium, iron ore, chromium, titanium, nickel, tungsten vanadium, and tin (proposal Iv). Re-export, to Italy were also banned, but contracts in process of execution and goods already enroute were exempted.

Economic effects of the above international sanctions on the Italian economy have been identified and recognised notwithstanding the poor choice of sanctions and their poor implementation. Doxey has presented this observations which we shall take note of before discussing reasons for the failure of this economic sanctions as portrayed by other scholars. She⁴² indentifies various impacts of these measure on the Italian economy. She observes that during 1935 build up of strength for the war in Ethiopia, resources of the Italian economy were stretched and gold and foreign exchange reserve depleted. As a result of this exchange control was instituted and foreign securities in private hands were requisitioned. The state also established an import monopoly for coal, copper, nickel and other minerals. Later private credits abroad were called in, dividends were limited and taxes imposed on interest on bonds. She notes, further, that all these measures were primarily intended to save foreign exchange and find funds for the government spending when it became clear that sanctions might be imposed.

Referring to League statistics, she notes that the ban on exports of raw materials useful for war purposes, under proposal (IV) were largely effective by December 1935. The statistics showed that exports of rubber totalling 1,601 metric tons in November 1935 were down to 10 metric tons in December; Iron ore was reduced from 36,665 metric tons in November to negligible amounts in December. Aluminium, nickel, and tin were similarly reduced.

Doxey also observes that the mineral sanctions might have been more effective if, semi-manufactured goods had been included and if there had been time for them to take effect. This didn't happen because prohibited goods came from Germany, Australia, and the United States while permitted goods came from France and Soviet Union.

She also contends that Italian exports fared badly under sanctions. By early 1936 the embargo had started having effect. A drop in the value of total export of 50% was recorded in the next few months. She further notes that the embargoes on Italian exports were intended to aggravate Italy's shortage of foreign exchange and as a result of the dropping exports overseas purchasing power was reduced by two-fifths between December 1935 and February 1936. Herbert Feiss⁴³ also adds to Doxey's observation by noting that the ban on purchase of Italian exports and on the sale to Italy of certain goods if critically analysed would give a superficial indicative measurement of the actual effect of the sanctions upon the Italian economy and war effort.

He notes that the four critical months were November 1935 to February 1936. During these months sanctions were placed into effect in November and gradually began to take effect in March. He explains that the comparative size of total Italian exports in each of these four months of the preceding year was as follows: (using the old gold dollar as the unit of valuation) [Millions of Old Gold Dollars].

Table: 2.1: EXPORTS FROM ITALY TO OTHER COUNTRIES IN "000,000" OF OLD GOLD DOLLARS

November 1934 - 31.0	November 1935 - 32.0 To 69 countries
December 1934 - 30.5	December 1935 - 21.9 To 68 countries
January 1935 - 26.8	January 1936 - 15.2 To 67 countries
February 1935 - 27.7	February 1936 - 16.8 To 38 countries

Feiss notes that it will be seen that mainly because of the large amounts that were afloat and because of the execution of various types of outstanding contracts, which was permitted at the commencement of sanctions, Italian exports were affected little during November 1935. An increasing serious drop in the size of Italian export trade – approximately some 40% took place in the following months. Herbert Feiss therefore observes that there was little doubt that these sanctions would have become still more effective had they remained, with unimpaired authority in prolonged force.(See Table 2.1)

As a concerns, imports, H. Feiss notes that the imports from Italy from all countries that employed sanctions against Italy declined. German imports remained about what they had been in previous years, same to America, as Austria's and Hungary's imports rose. The record of total imports into Italy during these four months period was as follows (Table 2.2)(Millions Of Old Gold Dollars).

Table 2.2: IMPORTS INTO ITALY FROM OTHER COUNTRIES IN "000,000" OF OLD GOLD DOLLARS

November 1934-21.8	November 1935-26.0	From 69 countries.
December 1934 -21.9	December 1935 -17.4	From 68 countries.
January 1935 -19.4	January 1936 -10.1	From 67 countries.
February 1935 -19.7	February 1936 -8.6	From 62 countries.

H. Feiss explains that during November 1935 Italian imports were abnormally great. This showed the heavy buying of war materials that Italy carried out before November. The effect of the ban on shipments to Italy did not become serious until January. By February 1936, Italian import trade had been reduced to less than half. Doxey⁴⁴ continues to observe that the re-organization of Italian industry by nationalisation and state control of the banking system instituted in March 1936, indicated continued strains on the economy. This was further illustrated by reports of falling of gold reserves from 3,936 million lire to 3,027 million lire although reserves of foreign exchange remained stable at 370 million lire. The lire was devalued by 25% in November 1935.

From the above discussion it is obvious that the League of Nations failed to deter Italy from aggressing Ethiopia a fellow member. Various reasons have been given for the failure of these sanctions to achieve the stated goal. Doxey⁴⁵ in her appraisal of the sanctions effectiveness contends that any deterrent effect of sanctions was lost by a failure to warn Mussolini in clear terms that they would be applied if Italy did not refrain from aggression in Ethiopia. She also notes that the practical effect of sanctions was diminished by the failure to embargo vital raw materials or to sever communication.

Alfred Zimmerman⁴⁶ contends that effectiveness of economic sanctions was weakened by the French and British fearing a war with Italy at a time when they wanted her support vis-a-vis, a resurgent Germany. This caused them not to close the Suez Canal, which continued bringing in supplies to Italy. Zimmerman, further identifies deficiencies in the league methods as follows:- the six week delay between the time of attack and effective date for sanctions, the deliberate omission of crucial products as coal, Iron and steel, the continuing effort at conciliation coincident with sanctions weakened the resolve and enabled Italy to stock supplies until victory in the field was achieved.

Other areas of weaknesses were pointed out by Herbert Feiss⁴⁷. He observed that the four economic sanctions voted by the committee of eighteen were not universally put into force weakening the expected impact of sanctions. He quotes a record of the league on July 1, 1936 which stated that, four members of the league from the very beginning refused to apply sanctions of any kind, one member of the league bordering on Italy refused to apply the most effective sanctions-namely, the prohibition of imports from Italy; while of those countries which raised no objection in principle to sanctions, many did not in fact apply several of them, pleading constitutional difficulties, the necessity of study etc. Feiss further notes, that even the embargo on Area III (prohibition of imports) was not applied by seven members of League, financial measures by 8 countries and prohibition of imports from Italy by thirteen countries, which formed 25% of total membership of the league.

Herbert Feiss further notes that an important factor in the failure of the international economic sanctions was that three powerful countries of United States, Germany and Japan were not members of the league and did not join in the sanctions program of the league. The importance of the abstention of Germany and America-from the ban on importing was indicated by the fact that in 1934, the USA and Germany alone bought over 23% of Italian exports. These two continued during the sanctions period, to purchase Italian goods in at least previous quantities. This step

lessened the rate at which Italian external purchasing power was drained and therefore softened both the possible economic disturbance caused on Italy by this ban and lengthened the potential period of Italian power to carry on war.

Herbert continues to identify the factors that reduced the effectiveness of economic sanctions by noting that the non-participation of important countries in the league program affected the measures taken to end the export of goods to Italy more substantially. The effect of this was evident in two ways discussed below.

Firstly the league had to recognise that if non-member states continued to supply Italy with products that league members refused to supply, the ban would injure the countries applying sanctions rather than Italy. The league was therefore forced to conclude that it would be unsatisfactory to prevent the sale to Italy of products, which Italy imported, or could import in large or growing measures from countries not fully participating in sanctions program. It was discovered that the non-participating countries as Britain, France, and Japan were chief sources of world supply of oil, coal, cotton and copper. This contributed to the hesitation of the league to shut the flow of vital raw materials to Italy and therefore leaving her in position of strength.

Secondly Herbert Feiss notes that the failure of many countries to participate in the sanctions program increased the possibility that Italy would be able to substitute manufactured products for any raw materials that were being denied to it. For example if the league had prohibited the sale of Iron-ore and scrap Iron, Italy might have been able to substitute manufactured Iron ore and steel products. The problem of substitution therefore could only have been met by prohibiting the sale to Italy of manufactured products made from any raw material that was banned. This was not possible since countries obligated to participate in the league program were exceedingly important sources for supply of virtually all manufactured products. He concludes that the lack of universality, added to the risk that economic sanctions could only wound and not kill, and that the countries applying them were obliged to resort to more severe and direct measure of force to achieve their purpose.

It has been presented by other scholars⁴⁸ that precautionary steps taken by Italy helped her withstand the sanctions imposed on her. According to them sanctions did not cause any significant changes in the standard of living and did not also interfere with Italy's potential to make war. This was because Italy had stockpiled materials throughout 1935 and continued till November-18th, 1935 the effective date for sanctions, and six weeks after their imposition. These scholars also

note that since petroleum was not subject to embargo and non-members continued shipping banned items to her, this enabled her economy to function. The government controls over business facilitated the introduction of counter-measures including restrictive licensing controls over imports and exports. Product substitution and new foreign exchange regulations were also put in place.

These scholars further observe that given the above measures the sanctions proved counter-productive. This was evidenced by the fact that Mussolini's government was more popular, the war ended more quickly as Italy escalated efforts to destroy the morale of sanctioning nations. The result of all this was an upsurge in trade which followed the termination of sanction measures in 1936 as foreign business interests attempted to recapture their markets.

The above case study when compared to the apartheid South Africa situation a number of lessons and propositions can be made in reference to conditions favourable for the success of international economic sanctions, the effect of I.E.S on the sanctioned economy and expected impact on political changes. Firstly, a lesson to be learnt from this case study is that I.E.S can only be successful and effective if favourable conditions prevail. In the Italo- Ethiopian case, these conditions were lacking; non-universal applications of the sanctions on vital raw materials to Italy; powers with strong trade relations not participating in the program and therefore minimizing Italy's vulnerability to sanctions.

It can be argued that if the above conditions existed at one time in a country facing I.E.S it is likely to yield to the demands of the sanction imposers. For apartheid South Africa, the participation of almost all her important trade partners in imposing I.E.S to her economy through official government channels and through individual business companies trading in South Africa made her more vulnerable to these sanctions, and therefore more likely to concede to the political changes being demanded of her.

A second lesson, which is relevant to our research, is the effect of well chosen, targeted and universally applied economic sanctions on the economy of the targeted country. The evidence from the Italo- Ethiopian case showed that within the short time of two years, Italy was under economic sanctions of selected imports and exports her economy experienced strains, which if the sanctions were enforced more uniformly, Italy's economy would have collapsed. It has also been pointed out that Italy's economy was more vulnerable to the sanctions since her economy was dependant on external sources for raw materials and foreign currency sources. The same could be

said of apartheid South Africa, which relied on external sources for her foreign exchange and for raw material as petroleum and other inputs for industrial development. The threat of apartheid South Africa's trade partner as United States of America, the European Economic Community to gradually increase the type of sanctions imposed on her, were expected to be taken seriously by apartheid South African authorities. The steps taken by private business enterprises as banks and oil companies to disinvest from apartheid South Africa if it didn't reform its racial, non-democratic political system, was also likely to force the apartheid authorities to respond to this sanctions pressure and reform accordingly hence giving credit to the proposition that sanctions indeed work.

2.2.2 THE IRANIAN CASE

The next case study that we will discuss is the experience of economic sanctions by the United States of America on Iran and the imposition of sanctions on Iran by selected western governments under the United Nations Resolution 461 of December 31, 1979⁴⁹. We will concentrate on the United States of America's sanctions actions and the role they played in securing compliance from Iran to release the American hostages held by Iranian militants.

Puchala⁵⁰ explains that the American hostage crisis began on November 4th 1979 when militant Iranian students seized and occupied the United States Embassy in Tehran and took captive more than 60 Americans. The militants announced that they would free the Americans if the United States government would return to Iran Mohammed Reza Pahlavi, the Shah who was then in New York undergoing medical treatment. After first indicating that it would help secure the release of the hostages, the Iranian Government shifted position during the first week of the crisis and lent its full support to the militant students. Thereafter the militants escalated their demands, calling for the return of assets that the Shah had allegedly taken from Iran, and a United States apology and restitution for alleged attempts to subvert the regime of Ayatollah Ruhollah Khomeini.

The United States government expressed a willingness to discuss the matter of the Shah's assets and Iran's grievances over United States policies but only after the hostages were freed. Washington steadfastly refused to yield to demands for the extradition of the Shah who, President Carter explained, was admitted to the United States for humanitarian reasons and was in no sense a prisoner in the United States. The embassy takeover prompted a series of messages to Iran, urging the release of the Americans and condemning the violation of centuries old principles of diplomatic immunity. United Nations Secretary-General Kurt Waldheim and Salim A Salim the

Secretary General of the OAU General Assembly expressed their concern over the situation in Tehran.

On November 9th 1979, the Security Council met for consultations on Iran crisis. The council unanimously authorized its president to issue a statement urging in the strongest possible terms that the Americans be released. While the council remained inactive, relations between the United States and Iran continued to worsen. The United States halted imports of Iranian oil on November 12th and froze Iranian's assets in the United State on November 14th. The United States then increased its naval presence in the Persian Gulf and warned that it might take military action if the hostages were not released. The Iranian militants released eight black men and five white hostages. At the same time the captors threatened to place the remaining hostages on trial as spies. In the last week of November the Security Council was convened by urgent request from United Nations Secretary General who invoked Article 99 of United Nations charter, which authorizes the Secretary-General to bring to the Security Council attention matters that threaten international peace.

By December, the United States of America had written to the Security Council asking it to meet "to consider the measures which should be taken to induce Iran to comply with its International obligations. In the council sessions from December 29th to 31st the United States Secretary of State Cyrus. R. Vance asked the council to take action against Iran provided for in chapter VII of United Nations charter. The council adopted a United States sponsored resolution, which again urgently called on the government of Iran to release the hostages. It also decided to meet a week later to review the situation and "in the event of non-compliance with this resolution, to adopt effective measures under Articles 39 and 41 of the charter"⁵¹ This was the resolution the United States later used to pressure the European Economic Community and her other allies to impose sanctions on Iran. This was after it failed to have the Security Council agree on sanctions against Iran. On April 25th 1980, the United States sent a military mission to free hostages citing its inherent right to self-defence under Article 51 of United Nations charter. This mission failed⁵².

Our study will focus on the freezing of Iran's assets and other actions to determine the effectiveness of economic sanctions in securing compliance and why the United States succeeded in using this weapon. Other effects of these sanctions on the economy and other areas will be discussed. Robert Carswell⁵³ a former Deputy Secretary of the USA Treasury from 1977-81 has written a discourse on the American economic sanctions against Iran. He mentions that the freezing order of the assets of Iran deprived it of the use of more than 12 billion pounds in bank

deposits, gold and other properties. The president's order also cut off most export and other transactions between the United States and Iran. As earlier shown, though the United Nations action was blocked by Soviet veto other nations were asked to gradually reduce their commerce with Iran.

Carswell observes that as the hostage crisis dragged on, these sanctions deprived Iran of critical supplies and forced it into expensive deals with unreliable middlemen. The beginning of Iran-Iraq war and Iran's oil receipts made it expensive for her to run her war effort. He argues that the financial resources of Iran also dropped rapidly and would have limited its ability to pay for imports had sanctions continued. Carswell points out that Iran's signing of the Declaration of Algiers and its release of 52 hostages on January 20th 1981 must have been prompted by the United States action whose impact was felt by Iran⁵⁴. He elaborates that by January 1981 Iran was faced with a practical certainty that unless it reached an agreement with the outgoing President Carter, it would face international isolation and an indefinite freeze of major financial reserves and long-term shortage of critical imports. Economic sanctions had been imposed to help precipitate such a situation and assist in forcing a solution. It was clear that this objective was apparently achieved.

A discussion on the effects of these sanctions was done by Carswell. He argues that the most important United States economic sanctions was the blocking or freezing of the 12 billion pounds of assets of Iran that were under the United States control. He notes that this action was the largest blocking of assets in United States history and the most successful. This action was aimed at forcing the release of hostages and the protection of property claims of the United States individuals and corporations against Iran. The blocked assets included \$5.6 billion deposits and securities held by overseas branches of U.S banks.

He⁵⁵ reports that the blocking was justified on account that every country has a right to legislate and exercise power over it's national's wherever they may be. The blocking of these deposits was reinforced by the structure and operation of the international banking system. All banking transactions in Euro dollars (for banks in Europe) in practice cleared in New York. Therefore, a payment by Iran from a dollar account in London to an exporter in Germany is made through bank clearance system in New York. These payments are electronically routed through New York by Iran's London Bank telling its New York correspondent bank to pay the New York bank of the German exporter. Since all the Euro dollar accounts operated through New York, the United States

asserted that it could effectively block these accounts without resort to extra-territorial power by blocking the use of U.S.A's clearing or 'cover' accounts used to facilitate payments.

The Iranian Government sued the U.S in London demanding that the U.S Overseas Bank branches immediately pay over their blocked Euro dollar deposits. The sued banks defended the suits on the grounds that the U.S blocking order prohibited them from doing so. They therefore asked foreign courts to give effect to the U.S blocking order. Later, after the U.S had voted to impose sanctions on Iran and the International Court of Justice had declared Iran's taking of hostages to be in violation of international Law, the banks asked foreign courts as a matter of policy to support positions on international Law that their governments had already endorsed and accordingly to deny relief to Iran.

Carswell postulates various reasons for the success of the United States sanctions⁵⁶. He notes that the United States devoted considerable resources in keeping the Iranian assets blocked. This was through the Department of Justice, which monitored and intervened in every lawsuit. The Treasury Department also published detailed regulations and interpretations of the sanctions effort. In the area of implementation, few exports moved from the USA after hostages were seized. The president also prohibited USA companies from purchasing oil from Iran. The scope of proscription was expanded as the months passed, and in April 1980, after United Nations mediation collapsed, all imports from Iran and all U.S exports to Iran (except food, clothing, medicine) were prohibited. Carswell notes that the administration of the U.S sanctions was relatively simple as U.S companies had little interest in trading with Iran.

Carswell⁵⁷ cautions that assessing the actual effect of the trade sanctions is difficult due to economic mismanagement in Iran, which could easily be confused with problems arising from externally caused shortages. He however notes that many units of the Iranian forces had been equipped from U.S sources and were dependent on those sources for re-supply. Many of Iran's key installations particularly the oil and gas sections had been constructed and maintained by U.S contractors. Iran was therefore uniquely vulnerable to U.S sanctions. He concludes that though Iran paid exorbitant prices to meet its critical needs, after the start of the war with Iraq, the situation rapidly worsened and by end of 1980, it was likely that U.S A's sanctions against exports were having a real impact and causing substantial difficulties to Iranian economy.

In his final analysis of the sanctions against Iran Carswell⁵⁸ contends that economic sanctions imposed on Iran were successful because the Iran situation was unique in three respects; First, the

blocking of assets was keyed to an event (the hostage seizure) that could be quickly resolved and the blocking itself therefore destined to have the same resolution. Secondly, by an accident of history a very large amount of Iranian assets was under United States control, far larger than the United States assets under Iran's control. Thirdly, the principal allies of the United States also had no vital interests to protect in Iran. In conclusion, he notes that the financial sanctions employed against Iran over the hostage issue were effective because of special circumstances that differentiated the situation sharply from other cases where economic sanctions had historically been attempted.

The above case study shows that if the goal of imposing sanctions on a targeted state is limited to an event, it may be easier to achieve. We have however noted that if the national interest of a country is threatened it can go to a greater extent to ensure that the economic sanctions are enforced in order to achieve the expected results. When the above observations are transposed on the apartheid South African case, we can argue that given the more complicated aim of forcing political change and the involvement of many actors whose national interest or profit in the case of companies, were not threatened by apartheid's continued existence, it would take long to achieve the political goal. The discussion from the Iranian-American case has also revealed that economic or financial sanctions will coerce a targeted state to comply if it was reliant on the targeted country for valued services, which it would not do without or when the targeting country held more of its assets or vice versa. Apartheid South Africa was in a similar situation as it heavily depended on loans from external sources and institutions, who were now unwilling to continue disbursing the loans and demanding the repayment of these loans. These demands were to be translated into action through withdrawal of these loans leaving the apartheid regime's budget with unexpected deficits and debts to pay. It is expected that these pressure will coerce the apartheid regime to take steps towards political change or contend with the collapse of the economy that will eventually lead to the collapse of the government.

2.2.3 THE RHODESIAN CASE

The experience of the imposition of international economic sanctions on Rhodesia (Zimbabwe) by the British government and other United Nations States is another case of our study. After the World War 1, Rhodesia became a self-governing colony under British Empire. Britain was given constitutional power over Rhodesian colony especially the reservation of imperial assent of deals affecting native interests. The white population in Rhodesia evolved a self-governing spirit since they had a privilege in economic and political issues⁵⁹. In 1961 a new constitution had been

approved, after 1963 the white population further pressurised Britain for full independence. Despite this pressure Britain insisted that firm guarantees of progress towards African majority rule be given before independence could be given. Sanctions were triggered by the Rhodesian party, which had defeated the United Federal party in December 1962 and was to eliminate it as a parliamentary opposition in May 1965.

A referendum on independence in November 1964 produced an 89% vote in favour of Rhodesian party. although, only 60% of the electorate voted. The British Government warned that the decision to grant independence rested solely with Britain and its parliament and any declaration of independence by Rhodesia would be illegal and constitute rebellion. The then Prime Minister Wilson enumerated on five principles that had to be satisfied before independence could be granted. These were; guarantees of an unimpeded progress towards majority rule, as was contained in 1961 constitution; guarantees against retrogressive amendments of the constitution; immediate improvement of the political status of the African; progress towards correction of racial discrimination; British Government had to be satisfied that any basis proposed for independence was acceptable to the people of Rhodesia as a whole and that it was to be necessary to ensure that regardless of race there was no oppression of majority by minority⁶⁰.

After negotiations for independence with Britain broke down, Rhodesia issued the Unilateral Declaration of Independence (U.D.I). On November 10th 1965 Britain imposed political and economic sanctions against Rhodesia. As a follow-up to the step Britain had taken in October 20th the United Nations Security Council requested all nations to break general economic relations with Rhodesia. This was a voluntary request. Earlier on Britain had ceased all its aid, removed Rhodesia from sterling area and commonwealth preferential system.

Eileen Haddon⁶¹ outlines the gradual imposition of sanctions to show the hesitancy of the imposers and accounts for Rhodesian's capability to resist the same. The following is the record:-

- 1) 1965- November 12th. Britain takes immediate action against the "illegal regime" Rhodesia is removed from the sterling area and exchange control restrictions applied. Rhodesian reserves in London blocked and all Rhodesian accounts in the United Kingdom frozen. Exports of United Kingdom capital markets to Rhodesia barred from access to London capital market. Commonwealth tobacco and sugar withdrawn, British export licences for sale of arms, ammunition and aircraft to Rhodesia revoked.
- 2) November 15th 1965; Britain bans all imports of Rhodesian sugar and tobacco.

- 3) November 20th 1965; The United Nations Security Council on request by the British Government approves a resolution which, inter-alia, calls on all states 'to desist from providing (the illegal regime) with arms, equipment, military material, and to do their utmost in order to break all economic relations with Rhodesia including an embargo on oil and petroleum products'. The resolution receives general support from United Nations members, with the exception of South Africa and Portugal who refused to co-operate.
- 4) December 1st, 1965, Britain announces further controls over trades and financial transactions with Rhodesia. British banks are forbidden to finance trade between Rhodesia and third countries.
- 5) December 6th 1965, Britain bans the import of Rhodesia asbestos, copper and copper products, maize, meat, iron and steel products, antimony, chrome, Lithium, tea and dried vegetable, these items represented 95% of British imports from Rhodesia.
- 6) December 17th, 1965, Britain imposes oil sanctions on Rhodesia, banning the import of oil and oil products, and forbidding British nationals to supply or carry oil or oil products for Rhodesia.
- 7) Mid-January 1966; by now 45 countries are reported to have banned imports from Rhodesia. The commonwealth prime ministers set up a commonwealth sanctions committee.
- 8) April 10th 1966, a Security Council resolution authorises Britain to use force necessary to prevent an oil tanker discharging Rhodesia destined oil in Beira.
- 9) December 16th, 1966 at Britain's request, the Security Council orders mandatory economic sanctions against Rhodesia, to apply to the supply of oil, armaments, planes, motor vehicles and parts and to Rhodesian exports of asbestos, chrome, Iron ore, pig iron, sugar, tobacco, meat, and meat products, and orders all states to prevent shipment in vessels or aircraft of their registration of any of these commodities originating in southern Rhodesia and exported there from after the date of the resolution.
- 10) December 22nd 1966, British order-in-council give effect to the mandatory sanctions, United Nations resolution. At Britain's request West Germany seizes 28 tons of banknotes printed by a Munich firm for Rhodesia.
- 11) May 29 1968, at British request the United Nations Security Council passes a further mandatory sanctions resolution calling on all member states to ban all trade, financial dealings and all services with Rhodesia and co-operate with the secretary-general in supplying all information required for the efficient implementation of this resolution.. The resolution also contains non-mandatory clauses recommending that member states cease

recognising Rhodesian passports and withdraw all consular and trade representation in Rhodesia.

12) November 11th 1968; Security Council sanctions supervisory committee notes the failure of United Nation members and specialised agencies to report to the secretary-general

13) 1969 September 24th; Commonwealth sanctions committee calls on commonwealth countries to tighten their sanctions against Rhodesia.

Eillen Haddon attests that the above table of the more significant developments in the sanctions war illustrates the piecemeal fashion in which the war was conducted. She observes that four years after the U.D.I sanctions loopholes were still being patched up. The Smith regime had been given ample time between the imposition of one set of sanctions and the next to work out methods of evasion. She further contends that the apparent lack of forward planning may have given the impression that Britain was not serious in her attempts to bring down the illegal Smith regime, and this may have had important effects on the attitudes of United Nations member states and others outside United Nations to the imposition of mandatory sanctions, introduced as they were in two stages more than twelve months and thirty months respectively after the U.D.I.

Before we delve deeper in the reasons for the failure of sanctions or their effectiveness in crippling the Rhodesian economy it is imperative to note the factors that encouraged the choice of international economic sanctions as a tool of effecting change. Kapungu⁶² notes that the British government decision was based on various economic activities of Rhodesia, which seemed most vulnerable to economic sanctions in which Britain was a major player. One was that given the fact that Britain was the biggest buyer of Rhodesia's tobacco, if she stopped buying it the effect on the tobacco farmers would be severe and this will trigger dissent and resistance to the government. This was because tobacco accounted for a third of total earnings of Rhodesia.

Britain was also the chief external source of capital for Rhodesia and therefore its tobacco production and seasonal export trade depended on bank credit supplied by British banks. Britain had also invested 600 million pounds, withdrawing these facilities was expected to crumble the economy and convince the rebellious government to give up their rebellion. Rhodesia also benefited from commonwealth trade preferences and through this it sold its sugar at agreed prices of 126 pounds as opposed to 50 pounds per ton on world market. Denying her this privilege was expected to coerce her into complying with the political demands set forth. Britain's contribution to Rhodesia's national income through export sector was 7%, if she could completely cut off her imports from Rhodesia, national income would fall by 7% and if she could not find substitutes

immediately she would lose 66 million dollars to its fund, added to loss of capital funds, Rhodesian's economy was expected to collapse.

Losman⁶³ observes that as earlier shown in the sequence of events above, Britain being a major trade partner took a lead in imposing sanctions and by February 1966 an almost total ban on exports to Rhodesia was in force, 95% of British imports had been embargoed, Rhodesia had been removed from sterling area and denied access to London capital markets. Banks were forced to call in loans and tighten the money market considerably. Losman notes that Britain had anticipated that the tightening of credit would cause considerable Rhodesian discontent and bring about sufficient pressure upon Smith government to negotiate a settlement.

Losman argues that Britain's decision to opt for sanctions as opposed to armed force was to her expectations that policy change had to come from within Rhodesia. However this was to be induced through external economic pressure. This pressure if it was to be successful would result into falling real incomes, increasing unemployment, inflation and other domestically undesirable outcomes that would have prompted immigration and massive emigration of white Rhodesians. These would have reduced the viability of present socio-economic structure or created economic dislocations sufficient to make the population dislike Smith type of politics paving way for an agreed upon settlement. It is imperative to discuss in brief the implementation process of the Economic Sanctions on Rhodesia in order to account for their failure to produce political results after almost four years of being under sanctions. We will also look at why and how the Smith regime managed to survive this long before taking into account the obvious effects of sanctions on the economy vis-à-vis the political scene.

Eillen Haddon⁶⁴ noted that by November 11th, 1969 sanctions had been in force for four years. That on that occasion Mr Smith claimed that sanctions had failed and could never succeed. She observes that both the supporters and antagonists of the rebel regime were of the same opinion in minimising the value or potential usefulness of sanctions. She accounts for the above frustration by the fact that by end of 1969 it had become clear that despite mandatory sanctions and the formation of the United Nations sanctions supervisory committee, substantial export and import trade with Rhodesia continued. The committee's first report dated December 30th 1968, reported that the trade of Southern Rhodesia remained quite substantial in mid 1968, despite Security Council resolutions of 1965 and 1966 (Res 232), which called on states to cease trade with Rhodesia in certain commodities, while some states continued to trade with Rhodesia in

contravention of the resolution. She notes that available evidence indicated that South Africa became by far the main trading partner of Southern Rhodesia

She⁶⁵ observes that the above report concluded that the findings suggested that between 55 million pounds and 60million pounds worth of Rhodesia's tobacco, asbestos, chrome, ore, and copper could have reached world markets in 1968. Half of this could be accounted for by export through South Africa and other neighbouring countries under false declarations of origins of meat, sugar and pig iron. Eillen argues that the pattern produced by the sanctions war on Rhodesian economy was after the initial sharp dip, a succession of undulations slowly curving upwards with the passage of time. She observes that each new batch of sanctions imposed, produced a depressant effect, which wore off as the regime found ways to evade them.

She further observes that the economy was badly hit at first. Rhodesians own published accounts showed that exports dropped from 164.7 million pounds in 1965 to 104.6, and imports, severely controlled by the regime fell by 30% to 84.2 million pounds. The favourable balance of trade dropped to 18.7 million pounds in 1966 from 41.8 million pounds in 1965. In the following year the overall favourable balance on current account dropped to 1.5 million pound, compared with 15.0 million pounds in 1965. Gross capital formation fell by 9.1 million pound to 38.3 million pound representing 10.8% of total domestic expenditure.

Eillen contrasts the above picture of quick success of sanctions with a change in sanctions effectiveness in December 1966 when the "Financial Times Newspaper" is said to have reported that Rhodesia's economic recovery had continued during the second half of 1967. She postulates⁶⁶ that the resistance of Rhodesia's economy to sanctions was a result of; forward planning, direct and indirect help from South Africa and diversification. She also observes that Rhodesia timed its declaration of U.D.I carefully. The big 37 million pounds 1964/65 tobacco crops sales had been completed, old stocks of goods of all kinds, including motor vehicle and reserves of petrol had been built up for months beforehand. More than half the foreign reserves had been moved out of London and Switzerland in anticipation of Britain's blocking these reserves. The regime imposed strict exchange and import controls under its Emergency Declaration which enabled it to prevent factories affected by sanctions from sacking its employees or closing down. It imposed censorship to conceal the immediate economic effects of sanctions so as to prevent a breakdown of public morale. The regime's astute appeals to patriotism enabled it to raise nearly 70million pounds in public loans since U.D.I. South Africa assisted Rhodesia by keeping her afloat. This was by holding foreign reserves for Rhodesia; continuing to trade in all commodities including the supply

of petrol when oil sanctions were imposed and Umtah oil refinery closed, in providing back-door routes through which many Rhodesian exports reached world markets in defiance of sanctions.

She further contends that diversification of products and markets helped Rhodesia's survival. Diversification in agriculture resulted in increased production of meat, maize and cotton, which off set the losses on hard-hit tobacco industry and sugar-market. The manufacturing industry was kept afloat through import-substitution. The Smith regime also benefited by Zambia's dependence on imports from Rhodesia, the dependence was so much that despite heavy sacrifices she was only able to reduce these from 351million pounds in 1965 to 23.2 million pounds in 1966. The time taken to achieve the cut-down gave Rhodesia breathing space for re-organisation.

Despite the above picture or efforts to reduce the effect of sanctions their impact was felt and is well documented. According to Donald Losman⁶⁷ the tobacco harvest contracted by 50% by 1968 and remained low to 1971. Income of tobacco growers fell by about 75% during the first year of sanctions. Losman reports that the farmers reacted angrily but the then government ignored them. Due to the cutting back of tobacco production agriculture's contribution to the gross domestic products fell from 69.1 million pounds in 1965 to 67.8 million in 1966.

In the years 1955 to 1966 period agriculture had accounted for 20% of Gross Domestic Products and fell to 16% in the first portion of 1970. Eillen Haddon⁶⁸ augments this statistics by contending that the state of Rhodesian agriculture, despite diversification, illustrated the effectiveness of sanctions. Principal exports in 1965 were worth 165 million pounds. A major item being tobacco at 47 million pounds. The loss of the British share of that tobacco market alone was worth upwards of 21 million pounds. The gross value of tobacco output had dropped by some 20million pounds to 13 million pounds. Eillen notes that by December 1969, farmers were in open revolt. Farmers passed a resolution of no confidence in the government's handling of the tobacco industry.

She⁶⁹ comments on economic growth that the regimes own economic survey for 1968, claiming a 3% (in real terms) rise in GDP in 1968, admitted that the 9% growth rate in real terms over a sustained period needed to provide jobs to absorb work-seekers in an African population growing at 3.3% per-annum was unattainable she quotes R. B. Sutcliffe⁷⁰ as saying that when population growth is taken account of, the economic performance of Rhodesia appeared very much less satisfactory. This was so because since 1960 national income per head had fallen in almost every year, and was in 1968 about 4% lower than it was on the eve of U.D.I.

Losman⁷¹ notes that the effects of economic sanctions on employment were also felt but much more by the Africans. The whites continued to maintain their jobs while Africans were laid off. This was not the intention of sanction initiators as Africans were not a group that could place any serious political pressure upon the Smith regime. Losman argued that the best barometer of Rhodesia's economic health under sanctions would be annual rate of growth. From 1967-1974 real annual growth rate averaged 8%, this was credible when compared to 1960 level. The inflationary pressure occurred on the economy as reduction in domestic support due to disruptions caused by raw-materials, stock piling of tobacco and government spending to create jobs together with increased state interference in price and exchange controls. This pressure however did not induce political change as intended by boycotting nations.

Robert D. Sutcliffe⁷² observes that economic sanctions in Rhodesia had political repercussions, which seemed to have frustrated the goal of those who imposed them. The rebel U.D.I government used emergency powers to stifle political resistance, which Britain thought would help pressure Smith regime to reach an agreement for the desired constitutional changes. The second repercussion was the growth of terrorism and guerrilla warfare triggered by the frustration of Africans in the failure of sanctions to deliver what was expected - political freedom. As a result of this, the African freedom parties of ZANU and ZAPU were banned, Sutcliffe observes that economic sanctions were aimed at forcing Rhodesia to abdicate her rebellion and return to a state of legality within the constitutional framework agreed upon between Rhodesian regime and the British government. At the beginning, the framework had been defined as a return to the 1961 Rhodesian constitution. But as the crisis developed this agreement took the form of the Tiger Proposed Settlement of December 1966 and Fearless Proposed Settlement of October 1968. The success of economic sanctions was therefore to be identified within any of the above-proposed constitutional frameworks.

The 1971 Anglo-Rhodesian proposed settlement however, did not require the regime to abdicate its rebellion. It has been insinuated that it sought to confirm and endow the regime the same aura of legitimacy. The acceptance of the proposed settlement indicated that it was Britain that realised the ineffectiveness of sanctions and wanted to recognise Rhodesia's 1965 U.D.I constitution. By 1970 the regime had declared Rhodesia a republic. It may be true to say that the Rhodesia rebellion was not weakened by economic sanctions, however if economic effects of sanctions against Rhodesia were projected into the future an indirect effect on the rebellious government could be felt.

In conclusion, it can be argued that when sanctions were imposed Rhodesia had reached a level of sophistication and productive capabilities that allowed successful import-substitution and relative ease or adjustment of boycott induced problems. Smith manipulated the political factors to stifle internal reactions and protests, which were beyond the control of sanction initiators. It has further been contended that when Smith seemed to agree to an agreement it was not due to sanctions pressure but as a result of the mounting cost of guerrilla warfare, greater militancy of surrounding states and the intrusion of Cuban and Soviet influences in the regional conflict prompting South Africa to put pressure on Rhodesia to come to a settlement⁷³.

The experience of I.E.S imposed on Rhodesia offers a number of lessons for the study of economic sanctions in apartheid South Africa. From this study it has been discovered that piecemeal sanctions imposed upon target states may give that state time to make adjustments to resist or mitigate the expected effects of these sanctions. Another observation is that despite the preparedness of a target state to resist economic sanctions, as long as it relies on the targeting state for economic benefits, with time the targeted economy will be affected. It can also be observed that it is possible for conditions favourable to domestic political protest to develop if the regime under sanctions does not address the problems affecting this group, which occurs as a result of sanctions. The end results of these state of affairs is revolt against the sanctioned government and demands by these groups that the government accedes to demands made by the sanctions imposers.

When the above observations are put into perspective as concerns the apartheid South African case, we can reliably argue that the abrupt imposition of sanctions by her trade partners must have found her unprepared to resist them hence making her vulnerable to these sanctions. The apartheid racial system alienation of the blacks and coloureds provided a platform for domestic political protest against the apartheid government. This discontent was encouraged by apartheid's lack of plan to shield this group from the effects of I.E.S. We can therefore argue that under these circumstances the apartheid regime was bound to face increasing political protest by domestic political and non political groups demanding that apartheid South Africa respond to demands for political change.

2.2.4. THE DOMINICAN REPUBLIC CASE

The next case study of international economic sanctions we shall discuss is the imposition of sanctions on the Dominican Republic by the Organisation of American states. This was one of the regional agencies associated with the United Nations under Article 51. It was mandated to maintain peace and security in the Latin America. It invoked sanctions against the Dominican Republic, which was one of the states in the region. The United States was one of the influential states in this region.

Doxey⁷⁴ reports that economic sanctions were first invoked by the Organisation of American States in August 1960 when the foreign ministers of member states met at San Jose in Costa Rica. The issue at hand was that the Trujillo regime in Dominican Republic had committed acts of aggression by interfering in Venezuela and it had also been implicated in the attempted assassination of the Venezuelan President. Acting in terms of Articles 6 and 8 of the Rio Treaty which concerned imposition of economic sanctions, the foreign ministers passed a unanimous resolution, which called for the breaking of diplomatic relations between all members of the Organisation of American States and the delinquent regime. They also invoked the partial interruption of economic relations, and the immediate suspension of trade in arms. It was agreed that the measures would be discontinued when the government of the Dominican Republic ceased to constitute a danger to the peace and security of the hemisphere.

In January 1961 the Council of the Organisation of American States voted 14 to 1, that it would be feasible to extend the embargo to include trade in petroleum products and trucks and spare parts. The United States did not cut the quota for imports of sugar from the Dominican Republic but imposed an entry fee of two cents a pound to be paid in advance.

Doxey comments that the Dominican Republic offered elements of a classic case for the application of external economic pressure. This characteristics or elements were:- it was a small client of a super power (the United States) with no outside support and it was a leading supplier of sugar, nine tenths of the crop was exported and sugar accounted for over 50% of the total value of exports. Doxey notes that despite the fact that economic sanctions period was short some effects on trade could be seen. In 1959 total exports were valued at 130.1million Dollars of which 72.7 million Dollars went to the United States. In the same year total imports were 117.5 million Dollars of which 71.4 million Dollars came from the United States.

Contrasted to the above, in 1961 exports to the United States of American were worth only 58.8 million Dollars out of a total 143.2 million Dollars and imports from the same source were 30.0 million Dollars out of a total 69.5 million Dollars. The following year 1962 trade recovered to the point where exports totalled 172.4 million Dollars of this (145.2 million Dollars to the United States) and imports 129.1 million pounds of this (63.5 million Dollars from the United States). Unrefined sugar, which was worth 80.1 million Dollars in 1961 by 1963 had recovered to 88.8 million Dollars.

It is worth noting that in the course of 1961 Trujillo was assassinated and a more democratic regime installed. Doxey⁷⁵ concludes that politically the effects of concerted condemnation and international economic pressure by twenty nations in the hemisphere may have assisted internal resistance and helped to bring about the downfall of Trujillo and his government. She further argues that the absence of any ideological alignments and general unpopularity of the regime inside and outside Dominican Republic simplified issues in this case.

2.2.5 THE CUBAN CASE

The imposition of economic sanctions on Cuba by the United States of America and her other western-oriented states in the Organisation of American States arose out of the post world war two cold war. These types of sanctions were inspired by what was seen as defection of one member of a regional grouping to an alien ideology posing a threat to the internal stability and security of the region. This regions or blocks had been given legality in the United Nations charter Articles 51-53. The imposition of these economic sanctions was therefore aimed at attempting to bring a return to conformity. Such was the situation Cuba found itself vis-à-vis, the United States of America and Yugoslavia vis-à-vis the Soviet Union. But first we shall examine the case of Cuba under economic sanctions then Yugoslavia.

Donald Losman⁷⁶ reports that the imposition of economic sanctions on Cuba arose from Cuban client status and American policy in Cuba, which invoked antagonism towards her. This had led to a revolution hence the emergence of the Castro regime. Castro was forced to change his ideological leanings due to his strife to de-link Cuba from its client status. This was quickened by the United States of America's over zealousness in stifling communism in the western hemisphere. To contain Castro's communist state, United States of America suspended sugar quota between 1959 and 1960. In October 1960 America placed an official embargo on exports. The American Export Control Act, which legally bound Americans at home and abroad, was put in place. By this

Act foreign business were to lose import privileges if any American goods purchased were wilfully re-exported to Cuba. Other western hemisphere countries were involved in this sanctioning exercise. In 1964 the Organisation of South American States officially suspended all trade and shipping with Cuba due to American pressure and political tension between the Castro-regime and several Latin American states. The structure of foreign trade of Cuba motivated these actions.

Cuba's economic structure indicated that 78.8% of her imports came from the United States of America and Latin America with these areas absorbing 65% of Cuba's exports. Economic sanctions were therefore applied by the most important trading partners, which necessitated restructuring of Cuba's trade patterns. As a result of this the socialist bloc became Cuba's most important trading partner supplying 78.8% of Cuba's imports by 1966 and absorbing 81.4% of Cuba's exports.

The effects of these sanctions on the domestic economy of Cuba were massive. Cuba had been dependant upon United States supplies because her capital stock came almost wholly from there. Due to different technological systems leading to different equipment the Soviet bloc suppliers were unable to adequately satisfy her existing capital stock. The result was lack of spare-parts, which disrupted production. These technological differences adversely affected other industries to the extent of disruption depending upon the degree of linkage with the rest of the economy. Capital effects were also felt. Sanctions on spare-parts had the effect of industrial sabotage where capital equipment was rendered economically useless. The transport industry was also crippled. The sugar industry was affected by failure of transport system and mill breakdowns.

Losman⁷⁷ quotes a research by Mr Mega-Lagos whose results pointed to the stagnation of the economy. He indicated that after a general stagnation in 1961 the economy dipped in 1962 and 1963, which were years of serious spare-part shortages. It recovered in 1964 stagnated again in 1965 and declined in 1966. It was suggested that Gross National Product in 1966 was 4% lower than that of 1965. Consumption effects were also felt. The quality of exports deteriorated seriously due to large-scale import-substitution, which spread the country's resources to thin over numerous small and inefficient enterprises thus raising the cost. Quality also declined due to substitution of supplies from high quality sources (United States of America) to poor quality sources (Soviet Union). A general analysis on effect of sanctions on Cuba show that sanctions increased deterioration of Cuba's capital stock leading to decreased annual growth rates by two

points or more while terms of trade worsened especially in terms of economic cost of procuring supplies from more distant sources.

Losman's assessment⁷⁸ indicates that with time the countries participating in sanctioning Cuba have withdrawn their sanctions. In July 1975 Organisation of American States voted to rid its economic and diplomatic sanctions off Cuba while the United States overseas subsidiaries of American companies would be permitted to trade with Cuba. The United States has since relaxed and intensified the enforcement of economic sanctions against Cuba on an erratic trend depending on the changes of foreign policy of governments in power.

Have sanctions against Cuba succeeded in achieving their goal? No! though Castro has been reported to have intermittently made gestures of accommodation his policies have been impervious to sanctions modifications. It appears that American economic pressure has had little impact upon Castro's domestic orientation and foreign policy despite its great economic effectiveness. An observation can be made that sanctions have therefore become economically effective and yet politically unsuccessful. Given that the United States of America had been and continues to be the most important sanctioning nation state against Cuba, its effect on Cuba also continues to decline since American made infra-structure and capital also continue to be replaced gradually. Cuba seems to have withstood significant negative impact on all categorised costs (direct, indirect, foregone potential and capital) yet neither the Castro government system seems likely to topple.

In summary it has been observed that sanctions have been quite economically damaging although much of its incidence or costs has shifted to the socialist bloc. Its political results have on the other hand been questionable. These results have not been what United States of America had hoped they would be. Cuba in the late 1990's with the collapse of the cold war remained the only communist state in the western hemisphere. Castro has been able to resist various trade restrictions imposed by the Clinton and Bush administrations. Cuba has also been able to clamp down on any kind of dissent. In fact those Cubans who have felt politically insecure have been forced into political asylum in the United States of America. Economically Cuba has been able to adapt to the changing economic conditions and there has been no sign to indicate that the stability of Cuba's regime is or will be in any way influenced by economic warfare engineered by the United States of America. Based on the above there is need for more reaserch to explain Cuba's resilience to I.E.S. One can argue that the lack of an active domestic civic force to augment I.E.S. explains Cuba's ability to resist political change.

The Cuban case discussed above offers this research a challenge to assess the conditions required for the success of international economic sanctions in bringing about the demanded political changes. This issue is a problem because though the Cuban economy did not suffer from the American sanctions, she had significant internal resistance arising from the difficulties occasioned by the withdrawal of the United States from the Cuban economy. She was also able to resist and eventually defeat the purpose of I.E.S by changing her trade partners from the O.A.S members and U.S.A to the Communist World of Eastern Europe.

2.2.6. THE YUGOSLAVIA CASE

The other Cold war fallout was in 1948 when the Soviet Union and the European satellite countries expelled Yugoslavia from the communist bloc and instituted a sanctions programme. Diplomatic relations were severed, economic links cut and a propaganda campaign designed to discredit the Yugoslavia government under Marshal Tito was started. Trade was stopped and borders were closed. The reason for this action was that unlike other satellites Tito's government had been developing an independent policy and he refused to adhere uncritically to the official Stalinist line or to accept policy dictated from Moscow. Tito's government re-oriented its politics and developed its own brand of communism and in foreign relations she pursued a policy of non-alignment between East and Western blocs⁷⁹.

The effects of the above economic sanctions on Yugoslavia were noticeable. It has been noted that due to trade cessation by mid 1949 virtually all-economic relations between Yugoslavia and the rest of Eastern Europe had been severed. The effects were very negative to the Yugoslavia economy recovering from World War II devastation. The Soviet Union had been prepared to supply capital goods for industrialisation on easy credit terms. They were also to give aid and technical assistance. About one half of Yugoslavia's external trade had been conducted with the communist bloc in return for exports of raw materials as food, fuel, processed goods, pig iron and industrial materials.

Doxey reports that the total boycott meant severance of co-operation in all fields and a drastic re-orientation of trade towards Western Europe. Yugoslavia's shift in trade was such that by 1952 from a negligible percentage it had achieved 19.3% of imports, which was coming from the United States of America and 20.3% from West Germany while 14.7% of exports were going to United States of America and 23.7% to Germany. Machinery was imported to produce manufactured

goods for export. This was however done through incurring a heavy debt to the West. This was one billion in dollars incurred between 1950 and 1954.

It is noted that⁸⁰ when the communist bloc noticed that it had failed in its objective of forcing Yugoslavia to conform to its ideological bloc. It relaxed its pressure and as a result rapprochement was struck between Yugoslavia and Soviet Union. This came in 1955 in form of normalization of economic relations. Yugoslavia therefore retained a measure of economic independence by co-operating with both the East and Western blocs. In conclusion Doxey notes that for Yugoslavia, political survival proved possible after 1948 in spite of ruthless external pressure, due to a number of factors; due to Tito's leadership and support from nationalistic feelings and Soviet Union's realization that resort to force will be unwise due to Yugoslavia's support from the West.

2.2.7. THE BURUNDI CASE

On a more local scene in East Africa, the most recent application of international economic sanctions was on Burundi. On 31st July 1996, the constitutionally elected government of Burundi was overthrown by Burundi's Tutsi's former military ruler, Major Pierre Buyoya. The regional leaders of Kenya, Uganda and Tanzania decided to impose a set of economic sanctions on the land locked Burundi to force Major Buyoya to return Burundi to constitutional rule and open unconditional talks with Hutu rebels in that country.

Ten months after the imposition of sanctions, initial findings issued by United Nations Department of Humanitarian Affairs⁸¹ found no hard evidence that sanctions had succeeded in their political aims while smuggling was weakening their impact. Researchers from Brown University reported that while it was possible that concessions by the regime were in part the result of prolonged sanctions there had been no concrete evidence that sanctions had been politically successful. The report further noted that sanctions had created shortages of fuel, raw materials, spare-parts, agricultural inputs, retail goods and medicines. The report also said that despite this, these products were still available through smuggling at a high cost to the consumer.

The result of these shortages were said to be hyperinflation, paralysis of the commercial and industrial sectors of the economy, loss of income and rising unemployment. On 17th April 1997, in a summit in Arusha, the presidents of Tanzania, Kenya, Zambia, and Uganda eased sanctions on Burundi with Presidents Mkapa arguing that sanctions had been imposed only as a tool for a

specific purpose. That they were only intended "to open the ears, eyes and minds of all stakeholders in Burundi to avoid the path of mutual annihilation". President Buyoya also attended the summit and was requested to disband "re-groupment" of civilians in camps using the pretext of protecting them. The list of excluded products under sanctions was expanded in order to "alleviate the suffering of Burundi people". The summit further declared its readiness to suspend all economic sanctions with the exception of arms embargo, once there was movement towards negotiations. Major Buyoya promised to move forward with the peace process.

A critical appraisal of the Burundi sanctions reveals that the regional leaders by reviewing the sanctions, they showed a sense of defeat in effectively pursuing the embargo to its end for a return to constitutional order. Their invitation of Major Buyoya and his recognition as "president" added a last nail to their initial goal. Four years after the imposition of these international economic sanctions on Burundi neither elections nor convincing steps towards constitutional order had been taken. The prospects of sanctions being effective in this case were dim. The lack of an authority to even co-ordinate the implementation of remaining sanctions accounts for the failure to effect any change through sanctions. Statistics on the same are deficient or unreliable due to haphazard implementation of these sanctions and lack of any legal backing on the implementation of the same.

2.3 SUMMARY

We defined international economic sanctions on the bases of three perspectives; legal-constitutional perspectives, foreign policy instrument perspectives and on the utility perspective of international economic sanctions. I.E.S. as used in constitutional-legal environment was aimed at returning rebellious states to conformity as required by international Law. The foreign policy definition was based on a state seeking to change behaviour of another where force was not preferred. Finally sanctions defined in their utility form meant that they were intended to achieve goals of compliance, deterrence and to serve a symbolic gestures of a state to the International Community that it had taken action.

While discussing the historical evolution of international economic sanctions, we demonstrated that this strategy evolved from traditional economic blockade of the 18th Century to the 19th Century Napoleonic war. The strategy was modified further in the 1st and 2nd World wars in line with the increasing interaction among states and the sophistication of technology, which changed war tactics.

The strategy of international economic sanctions was polished further under the International Organisations of the League of Nations and the United Nations. It is in these two organisations that this strategy acquired its constitutional enshrinement.

Concerning the performance of international economic sanctions on the three areas of the economy, political and triggering of domestic dissent, various observations were made regarding their performance in cases where they have previously been applied. The international economic sanctions imposed on Italy for invading Ethiopia against the covenant obligations of the League of Nations did not succeed if their goal was to deter Mussolini's conquest of Ethiopia. Economically they had an impact on Italy's economy, which did not lead to political results. Various reasons have been given for the failure of the league to achieve its goal. They range from institutional within league machinery to external factors beyond the league's control. Our conclusion had been that if well timed and well implemented by involving all parties the strategy of economic sanctions would have succeeded. This study was transposed on the situation on apartheid South Africa where comparisons and propositions have been made as to what I.E.S on apartheid would achieve if the obstacles experienced in this case study were addressed.

The case of international economic sanctions against Iran has also been discussed. We have noted in that regard that the United States of America took a lead in imposing sanctions in the form of the freezing of Iranian assets under its control. The United Nations, through its Security Council, also lent support by giving a platform for other Western nations to participate against coercing Iran to release the American hostages. The goal in this case was limited, the economic effects were immense if projected to the future as shown. We observed that this was a direct and unique case where the strategy used triumphed.

The case of the British and United Nations imposition of international economic sanctions on Rhodesia has been dealt with also. The sanctions eventually had a negative impact on the economy but its gradual implementation gave the Smith regime time to re-adjust. We have noted that the political goals initially envisaged by Britain were never achieved as she kept shifting her demands to accommodate circumstances on the Rhodesian scene. Despite these, sanctions did provoke domestic guerrilla movements, which quickened the Smith regime's decision-making.

The cases of Cuba and Yugoslavia have been discussed in the same breath. We have noted that Cuba's resistance to American's capitalism in the western hemisphere invited the United States of America and OAS sanctions to return her to conformity. Despite the fact that she faced economic

difficulties she has not changed her communist leanings. United States of America's political aim therefore has not been achieved. We next presented the case of Yugoslavia. We have shown that her independence spirit of moving away from communism led to her being expelled from the communist world and economic sanctions imposed on her. We have demonstrated that she survived this economic onslaught because she received support from the Western States she was also able to preserve her political independence of non-alignment but at a cost of huge debts to the West.

We have also discussed the imposition of international economic sanctions on the Dominican Republic by the Organisation of American States. The economic effects on her were felt immediately due to vulnerability to her neighbours. We noted that it seemed like the political aim was achieved through the triggering of domestic dissent leading to the assassination of the rebel President Trujillo.

Finally we have discussed the experiment of economic sanctions on our regional scene against Burundi. We have shown that the regional heads of state applied economic sanctions only to send a message and for them to serve a symbolic role of showing their concern. They were also quick in withdrawing the sanctions before achieving their political goal of returning the regime to constitutional order. One can only speculate reasons for their actions as this exercise is a recent one since the illegal regime took over. We have also shown that Buyoya was recognised by other heads of state and given legitimacy. Economic sanctions have therefore not managed to convince him to relinquish his regime four years later.

It is also necessary to observe that some case studies including Yugoslavia, Dominican Republic do not have much literature and information due to the fact that the sanctions imposed were never vigorously pursued as a result of their limited nature of the goals they aimed at achieving. Some of the cases that provoked the imposition of sanctions were resolved within a short time before any effects of sanctions could be recorded.

END NOTES

¹ Losman D. (1979) – *International Economic Sanctions; The cases of Cuba, Israel and Rhodesia*. 1st Edition. Albuquerque. University of New Mexico Press. Pg 1.

- ²Clark F. P and Smith R (1985). **Foreign Policy Implementation**. 1st Edition. London. George Allen and Urwin Publishers. Pg 39.
- ³Shreiber A. B. (1973). "Economic Coercion as An Instrument of Foreign Policy" **World Politics Vol 25 No. 3 1973** Pg 413.
- ⁴Wallestein I. (1968). "Characteristics of Economic Sanctions" **Journal For Peace Research Vol 5 No. 3 1968**.
- ⁵Doxey M. (1971). **Economic Sanctions And International Enforcement**. 1st Edition. London. OUP Pg 1.
- ⁶Kelsen H. (1951) **The Law of The United Nations**. 1st Edition. London. Stevens and Sons Limited Pg 706.
- ⁷Carlvoceossi P. (1964). "The Politics of Sanctions: The League and the United Nations". Ronald Segal (ed) **Sanctions Against South Africa**. London. Penguin Books Pg. 48-51.
- ⁸Doxey M. (1971) (op cit) Pg 1-2.
- ⁹Grimes D. (1967) MA Thesis , "United Nations Efforts To Implement Sanctions against South Africa , Portugal And Rhodesia Pg 13.
- ¹⁰Grimes D. (1967) (ibid) Pg 2-4.
- ¹¹Doxey M. (1971) (op cit) Pg 14.
- ¹²Doxey M. (1971) (ibid) Pg 14-15.
- ¹³Doxey M. (1971) (ibid) Pg 16-17.
- ¹⁴Doxey M. (1971) (ibid) Pg 18-19.
- ¹⁵Doxey M. (1971) (ibid) Pg 19-20.
- ¹⁶Medlicott W. N. (1952) **The Economic Blockade**. 1st Edition. London. OUP. London. Pg 10-15.
- ¹⁷Medlicott W. N. (1952) (ibid) Pg 659.
- ¹⁸Doxey M. (1971) (Op cit) Pg 21-22.
- ¹⁹Losman D. (1979) (Op cit) Pg 2.
- ²⁰Doxey M. (1971) (Op cit) Pg 23.
- ²¹Dulles F. (1932). "Practical Sanctions". Clark E.(ed). **Boycotts and Peace Reported by the Committee on Economic Sanctions**. New York. Harper & Bros Pg 18-21.
- ²²Doxey M. (1971) (Op cit) Pg 5.
- ²³Doxey M. (1971) ibid Pg 6-7.
- ²⁴Goodrich M.L. and Simon A. P. (1955). **The United Nations and the Maintenance of International Peace and Security**. 1st edition. Washington. Brookings Institute. Pg 394.
- ²⁵Doxey M. (1971) (Op cit) Pg 6-7.
- ²⁶Losman D. (1979) (Op cit) Pg 3-4 .
- ²⁷United Nations (2001). "United Nations Charter – Preamble Article 1". **Charter of the United Nations and Statutes of International Court of Justice**. Pgs 1-2.
- ²⁸Doxey M. (1971) (Op cit) Pg 8-9.

- ²⁷ Doxey M. (1971) (ibid) Pg 10-11.
- ²⁸ Doxey M. (1971) (ibid) Pg 22-23.
- ²⁹ Losman D. (1979) (Op cit) Pg 5.
- ³⁰ Grimes D. (1967) (Op cit) Pg 16-17.
- ³¹ Doxey M. (1971) (Op cit) Pg 11-12.
- ³² Grimes D. (1967) (Op cit) Pg 16-17.
- ³³ Doxey M. (1971) (Op cit) Pg 11-12.
- ³⁴ Doxey M. (1971) (ibid) Pg 47.
- ³⁵ Doxey M. (1971) (ibid) Pg 48-50.
- ³⁶ Taubenfield H. and Rita F. (1964). "The Economic Weapon; The League and The United Nations"
America
Society of the International Law Proceedings 1964. Pg 184-185.
- ³⁷ Feiss.H.(1965). "The United States and the Italo-Ethiopian War". Joel Larus (ed). **Collective Security to Preventive Diplomacy:Readings in International Organization and Maintenance of Peace.** NY. John Wiley Sons Inc. Pgs 144- 154.
- ³⁸ Zimmern A (1965). "The Testing of the League". Joel Larus (ed). **Collective Security to Preventive Diplomacy:Readings in International Organization and Maintenance of Peace.** NY. John Wiley Sons Inc. Pgs 142-3.
- ³⁹ Doxey M (1971) (Op cit) Pg 50-51.
- ⁴⁰ Doxey M (1971) (ibid) Pg 53-55.
- ⁴¹ Feiss H (1965) (Op cit) Pg 154-157.
- ⁴² Doxey M (1971) (Op cit) Pg 55.
- ⁴³ Doxey M (1971) (Ibid) Pg 55.
- ⁴⁴ Zimmern A (1965). "The League of Nations and the Rule Of Law 1918-". Joel Larus (ed). **Collective Security to Preventive Diplomacy:Readings in International Organization and Maintenance of Peace.** NY. John Wiley Sons Inc. Pgs 448-9.
- ⁴⁵ Feiss, H. (1965) (Op cit). Pg 148- 149
- ⁴⁶ Taubenfield H. and Rita F. (1964). (Op cit). Pg 85.
- ⁴⁷ Puchala, J. D (1980). **Issues Before the 25th General Assembly of the United Nations 1980 – 1981.**
 NY. Annual Publication of the UN Association of USA. Pg 25.
- ⁴⁸ Puchala, J. D (1980). (Ibid). pg 20.
- ⁴⁹ Puchala, J. D (1980). (Ibid). pg 21.
- ⁵⁰ Puchala, J. D (1980). (ibid) pg 25-26
- ⁵¹ Carswell, R. (1981). "American Economic Sanctions" **Foreign Affairs, Winter 1981/82.** pg 247-265.
- ⁵² Carswell, R (1981). (Ibid). pg 248.
- ⁵³ Carswell, R (1981). (Ibid). pg 249 – 250.
- ⁵⁴ Carswell, R (1981). (Ibid). pg 252 – 253.

- ⁵⁷ Carswell, R (1981). (Ibid). pg 254.
- ⁵⁸ Carswell, R (1981). (Ibid). pg 260 – 264.
- ⁵⁹ Losman, D. (1979) (Op cit). pg 83.
- ⁶⁰ Losman, D. (1979) Ibid. pg 84.
- ⁶¹ Haddon E (1970) "Rhodesia's Four Years of Sanctions". Legume & Drysdale (eds). **Africa Contemporary Record Annual Survey and Documents (1960-1970)**. London. Africa Research Ltd.. Pg A1 – A4.
- ⁶² Kapungu, L.T (1971). **United Nations and Economic Sanctions Against Rhodesia**. 1st Edition. London. D. C. Heath & CO. – Pg 13 – 15.
- ⁶³ Losman, D. (1979) (Op cit). pg 96 – 97.
- ⁶⁴ Haddon E (1970). (Op cit) . pg 1- 4.
- ⁶⁵ Haddon E (1970). (Ibid). pg 6.
- ⁶⁶ Haddon E (1970). (Ibid). pg 7 –8.
- ⁶⁷ Losman, D. (1979) (Op cit) . pg 107 – 108.
- ⁶⁸ Haddon E (1970). (op cit). pg 10.
- ⁶⁹ Haddon E (1970). (Ibid). pg 68.
- ⁷⁰ Sutcliffe, R.D (1969). "International Economic Sanctions Against Rhodesia". **Journal of Commonwealth Political Studies**. July 1969. Pg 110.
- ⁷¹ Losman, D. (1979) (op cit). pg 115 – 116.
- ⁷² Sutcliffe, R.D (1969). (op cit) pg 113.
- ⁷³ Losman, D. (1979) (op cit). pg 123.
- ⁷⁴ Doxey M (1971) (op cit) Pg 37.
- ⁷⁵ Doxey M (1971) (Ibid) Pg 38.
- ⁷⁶ Losman, D. (1979) (op cit). pg 23- 36.
- ⁷⁷ Losman, D. (1979) (Ibid). pg 30 – 36.
- ⁷⁸ Losman, D. (1979) (Ibid). pg 39 – 45.
- ⁷⁹ Doxey M (1971) (op cit) Pg 34.
- ⁸⁰ Doxey M (1971) (Ibid) Pg 35.
- ⁸¹ Daily Nation Newspaper (1997). "Economic Sanctions Against Burundi". 16th April 1997. Pg 9.

CHAPTER THREE: THE IMPOSITION OF INTERNATIONAL ECONOMIC SANCTIONS ON APARTHEID SOUTH AFRICA

In the first part of this chapter we will define and identify the characteristics of apartheid, we will briefly relate its historical evolution. We will also expose the issues in conflict in apartheid South Africa. The second part of the chapter will be set aside for the study of the response of the international community towards the system of apartheid. In part three we will enumerate and discuss the factors that motivated the international community to opt for international economic sanctions as the best strategy to use in coercing the apartheid system of government in South Africa. Finally in our fourth part we will observe the build-up in imposition of international economic sanctions against the apartheid system.

3.0 DEFINITION, CHARACTERISTICS AND HISTORICAL EVOLUTION OF APARTHEID SOUTH AFRICA

“Apartheid” is an Afrikaans word, which literally translated into English means “apartness”. This term is used to describe a body of law enacted by the South African government to bring about legal separation among whites, blacks, coloureds and Asian peoples of South Africa. This system is also known as separate development. Merle Lipton¹ gives four defining characteristics of apartheid. These are, first the hierarchical ordering of the whole social, economic and political structure of the South African society on the basis of statutorily defined races. These were: - whites who (constituted some 18% of the population) and were at the top of the hierarchy; Mixed race of coloureds together with the Indians (roughly 12% of the total) were in the middle; and the indigenous African population (the remaining 70% at the bottom).

Secondly apartheid involved systematic political and economic discrimination against all blacks, but particularly against Africans. Thirdly, it involved segregation of the races not only politically but also socially in housing, social services, education and health care. Finally apartheid was the legalization and institutionalisation of this hierarchical, discriminatory and segregated system. The apartheid system was expressed in various measures enumerated below²;

Politically, the most important measures included the progressive exclusion of all blacks from the vote. Blacks especially Africans were denied many civil rights. They were excluded from owning land outside the reserves (later known as Bantustans or homelands which composed of 14% of the country). “Influx controls” over the migration of Africans into the towns were used to direct

African labour away from higher paid urban jobs towards the low wage white farms and mines to limit the rate of growth of black population. This system was administered by the hated "pass laws", the terms of which required every adult African at all times to carry and to produce on demand, a pass in which was recorded the nature or extent of his or her permission to be present in a particular urban area.

Economically, together with placing strict limits on the property and mobility rights of blacks, apartheid also imposed severe restrictions on their occupational mobility. Job reservation also known as the job colour bar gave whites preferential access to skilled and semi-skilled jobs, and exclusive access to training and apprentice-schemes for these jobs. These laws led to severe effects on income distribution; by 1960, whites about 20% of population accounted for 70% of the income. Another expression of apartheid was through extensive social segregation. This was through separate or segregated residential areas, schools, recreational facilities, transport, sex and marriage across the colour line, which was outlawed. The intention was to reduce social contact between blacks and whites to the minimum.

We shall examine a brief historical evolution of Apartheid system since 1910. It is important to note that apartheid had its origins in legislative and customary measures for all four colonies or Republics, which formed the Union of South Africa in 1910. This union consisted of British colonies of Cape and Natal, the Boer Republics of Transvaal and Orange Free State. This Union was formed as a self-governing British dominion with an all-white parliament. General Louis Botha, Leader of Afrikaner-English coalition supported by General Jan Smuts became the first Prime Minister.

Lipton³ notes that within each of these republics, whites had established their supremacy over the indigenous Africans, the mixed race coloured, and the Indians who had come as indentured labourers in the 19th century. Blacks were virtually excluded from the democratic political system established for the white oligarchy by the Act of Union, which restricted the franchise to white men except in the Cape Province. However, in 1936 African voters in Cape were removed from the common roll and instead they were to elect three white members to the House of Assembly and four to the senate on a separate roll to represent them. Coloureds however were retained on the common roll.

The enforced social segregation that was a distinctive feature of South African system was secured by measures as the 1927 Immorality Act, which forbade extra-marital sex between Africans and

whites, and the 1923 Urban Areas Act, which confined Africans to segregated townships or locations⁴.

Lipton⁵ further notes that, economically, discriminatory measures were enacted against black farmers, to prevent them from competing with whites and to ensure that the Africans would instead offer a large source of cheap labour for white farms and mines. Baker⁶ states that the 1913 Natives Land Act limited land ownership by Africans who were 70% of the population to reserves which was 7% of total land. The 1936 Natives Trust and Land Act provided for eventual increase of land for African reserves from about 7% to 14% of all land. He notes that outside these "reserves" later to be known as Bantustans or homelands whereby 87% of South Africa belonged to whites where (target towns and developed agriculture) blacks could not own nor rent land.

Apartheid was also characterised by the extensive system of controls over black labour⁷. These systems were identified as controls over movement, controls over the allocation of jobs and other measures restricting workers rights. Control over movements was instituted by 1922 Stallard Commission which established that an African had to be in towns only to "minister" to the needs of the white man and had to depart there from when he ceased to minister. African men over sixteen years old had to carry a "pass" or reference book which recorded their permission to work and live in a particular white area. The pass laws controlled the flow of African labourers into white areas particularly the towns, and allocated labour between sectors and regions.

...

The vertical controls or job colour bar was used to reserve specific jobs for whites or provided for the employment of a minimum, ratio of whites. The 1924 "civilized labour" policy was designed to protect unskilled whites from undercutting by blacks, provided that whites should be given preferential employment in unskilled jobs at rates of pay at a level at which the European employees would maintain his standard of living. The 1924 Industrial Conciliation (IC) Act provided for the recognition of and registration of trade unions. This gave a key role to white workers in determining the occupational structure, access to training and wages. By this Act Africans were not defined as employees. The 1922 Apprenticeship Act enabled white workers to exclude Africans, and often coloured and Indians from skilled jobs, and to secure preference for whites in many other jobs by trade union restrictive practices as "closed shop" and control over entry to apprenticeships. Industries where whites were not unionised, minimum wages were enforced by determination of the wage Board set up by the 1925 Wages Act.

Other restrictions were also implemented on workers rights. African workers were rendered virtually rightless vis-à-vis employers by Masters and Servants laws such as the 1911 Native labour Regulation Act and 1932 Native Service Contract Act which made breach of contract by African farm and mine-workers a criminal offence.

The first stage of evolution of apartheid was between 1939-48 when the apartheid regime faced challenges and criticism. According to Adam⁸, the regime was challenged on its racist assumptions by liberal intelligentsia and urban businessmen and the official commissions of van Eck, Smith and Fagan reports. These reports⁹ argued that industrialization required the African workers to be stabilized with their families in towns and provided with social amenities so that they could turn into a motivated workforce required by the modern industry. The job colour bar, pass laws, migrant labourers, were criticised as unfit, inefficient, deterring ambition and competition. The Minister of Native Affairs replying in 1947 to N P (National Party) criticism of the African urban influx argued that industry could not operate efficiently with migrant workers or they could not be productive since they were not settled.

Lipton notes that as a result of these criticisms there occurred some easing of the Acts implementation, particularly to labour policy. The job colour bar was eased and there was an extension of training facilities for blacks to expand the supply of skilled workers. The 1945 National Education Finance Act freed African education from its constricting dependence on African taxes. Africans became eligible for old age pensions and for inclusion in the unemployment Insurance Fund. In 1942, the Department of Native Affairs recommended the abolition of pass laws; their implementation was relaxed and the number of prosecutions fell markedly. Lipton comments that the reforms of this period were limited to socio-economic policy; politically there was little progress and even tendency towards authoritarianism. Lipton further observes that though there were conflicts over the reforms in the United Party, the party went into the 1948 elections committed to the Fagan report which had accepted the principle that African workers were a permanent part of South African society and that migrant labour was socially and economically undesirable.

Lipton¹⁰ further identifies the second stage of development of apartheid as the consolidation stage of 1948-60. The Afrikaner National Party on being elected to power in 1948 under Malan sought to reverse the reforms introduced by the United Party. It rejected the Fagan recommendations and proclaimed their belief in segregation and racial inequality. They therefore sought to codify and expand the existing legislation. Their Sauer Commission proposed a return to Stallard principle

that Africans only be in white areas on a temporary basis and they should retain their links to the Black reserves to which they had to return and this was to be enforced through stricter influx control and extension of immigrant labour.

Lipton contends that nationalists argued that they did not want to halt industrialization but to control it, so as to make it compatible with the traditional hierarchical race structure and preservation of white (Afrikaner) identity. They believed this required the reinforcement of racial divisions against the social forces released by industrialization and modernization. The basis or cornerstone, of this explicit policy was laid by the 1950 population Registration Act which classified the whole population by race based on appearance, descent and general acceptance¹¹.

Lipton enumerated this laws and steps¹². Politically the Afrikaner National Party moved against the coloureds. The 1956 Separate Representation of Voters Act removed coloureds from the voting roll in the cape. Instead they were allotted four white representatives in parliament and elected on a separate roll. Lipton further reports that the basis for the complete separate political system for Africans, which eventually converted them into foreigners in the land of their birth, was laid by the 1951 Bantu Authorities and 1959 Promotion of Bantu Self-government Acts. Parliamentary representatives created for them in 1936 were abolished. Instead each of the 8 African tribes or nations was to exercise its political rights in its own tribal homeland. But while blacks were sub-divided English and Afrikaners remained politically one "nation".

The Nationalists reversed the erosion of economic apartheid¹³. In 1957 government stopped all trading by Africans outside reserves and townships. The 1950 Group Areas Act further restricted the residential rights of all blacks, including coloureds at the Cape. As regard labour policy the controls on these were tightened. In the state-sector, 'the civilised labour' policy was re-affirmed; hundreds of blacks were dismissed and replaced by whites at higher wages. In the private sector National Party education and training policies underlined the intention of ensuring job preference for whites. The 1953 Bantu Education Act centralized control of African education (formerly managed by provinces and churches) and pegged expenditure to the level of African taxes.

Pass laws were tightened and extended to African women and an elaborate centrally controlled system of labour bureau was grafted on to them to control and direct the flow of African labour. This was done through Bantu abolition of passes and Co-ordination of Documents Act in 1952¹⁴. Lipton notes that further controls on Africans were done through section 10(1) Amendment to the Natives (Urban Areas) consolidation Act in 1952, 1955 and 1957¹⁵. Blacks could work in urban

areas based on certain conditions, but they were to return to their native homeland. Regarding the right to join or form trade unions, the 1953 Natives (Settlement of Disputes) Act banned the Africans from the registered unions and provided for them a separate system of plant-level works committee.

The Nationalists also institutionalised social segregation. They extended the restrictions on sexual relations to coloureds and whites to prohibit mixed marriages. The 1953 Reservation of Separate Amenities Act legalized the provision of unequal facilities for different races. This was followed by 1957 Native Amendment Act extending compulsory segregation into churches, places of entertainment, clubs, buses, and sports.

Lipton identifies the third stage of apartheid evolution as the separate development stage from 1960-1970¹⁶. He reports that the Sharpeville shootings in March 1960, when police fired on unarmed demonstrators who were protesting against the pass laws, killing seventy, provoked widespread unrest in South Africa. This caused flight of foreign capital and a storm of protest internationally with United Nations resolutions of condemnation culminating in the 1963 voluntary arms embargo, supported by the United Kingdom and United States of America. The Prime Minister Verwoed having been shaken by these reactions concluded that a change of policy had to be undertaken. He decided that the policy of continuous white domination was untenable and account had to be taken in consideration of both the moral objections to apartheid and complains by businessmen that apartheid impeded growth. His government therefore devised a policy of separate development. This policy proclaimed that South Africa was not a multi-racial society but consisted of many 'nations' each of which should have the right to control its destiny and preserve its identity.

White South Africa was to undertake to "decolonise" the various African nations, each of which was to have independence on its own homeland (Bantustans). The territorial bases for the homelands were provided by the reserves (14%) of land in South Africa. A separate dispensation was to be worked out for coloureds and Indians, who were to be accommodated within the white "homeland". Racist assumptions previously held were modified. They were now regarded as unscientific and morally reprehensible. The argument for racial separation was no longer based on claims about biological or genetic differences, but on cultural and ethnic differences and the right of each group to maintain its identity. It was conceded that discrimination against Africans in the white areas was a negative aspect of the policy, but it was argued that Africans would be compensated by positive measures as, providing equivalent opportunities for them in the

Bantustans, and by discrimination against whites in these areas.

The separate development policy led to a proliferation of new political institutions. Among, which was the 1963 Transkei Constitution Act which set-up a legislative assembly (half-elected, half chiefs) with power to legislate on a small list of topics, subject to a South Africa veto. In 1968 the coloured parliamentary representatives were abolished and a partly elected coloured persons Representatives council was also established. Together with this the 1968 prohibition of political interference Act made racially mixed political parties and even inter-racial political co-operation illegal. Lipton informs that the post-Sharpeville economic boom intensified the pressures from the urban employers for the use of Africans in greater numbers and at higher skill levels. Lipton¹⁷ explains that by the late 1960's the government believed it had evolved a labour policy, which would permit "the more effective utilization of Bantu labour" without undermining apartheid. This was through "floating job bar" It involved the fragmentation and reclassification of traditionally white jobs, with the less skilled part being done by blacks while whites moved upwards to more skilled jobs.

An indication of the determination to keep Africans out of skilled Jobs was the 1970 Bantu Laws Amendment Act. It made possible the prohibition of the employment of "a Bantu" in any job, in any area or in the service of any employer. The fear of the whites from being overwhelmed by blacks led to withdrawing of section 10 rights in 1968. This section in Amendments (Urban Natives Act of 1952, 1955, 1957) had provided that Africans could only remain in a prescribed area for 72 hours if she or he had resided there since birth and worked there for 10 or 15 years since employment. From 1968 Africans could no longer own their own homes on thirty years lease plots but could only rent them. The government insisted that its objective was to rely on migratory labour and as a result in 1968 Bantu labour regulations provided that henceforth Africans who didn't have section 10 rights were to be given work contracts for a maximum of one year only. At the end of each year they had to return to their homeland. Lipton¹⁸ notes that as a result of the above steps, by 1970 apartheid had been intensified by all the criteria set out above; there was more segregation and discrimination; the hierarchical race structure had been reinforced; and apartheid was more thoroughly institutionalised and legalised. To enforce this there was also increasing authoritarianism and brutal crushing of opposition.

Vorster took over from Verwoed since 1966 and he departed from his predecessor's doctrines¹⁹. He presented this change as part of the natural evolution of separate development by the devise of "multi-nationalism". This policy continued to give priority to ethnic groups over individuals but

maintained that once, the identities of the various black and white "nations" of South Africa were securely established, they could mix and co-operate with each other as they did with other nations. Apartheid measures to protect their identities and prevent friction could then wither away. Multi-nationalism thus provided a way round apartheid.

Vorster accelerated the process of Bantustan development. Legislative assemblies and Executive councils were rapidly set up for the remaining Bantustans; more powers were transferred to them culminating from 1976 into "independence" for Transkei, Bophuthatswana, Venda and Ziskei. By 1984, 5 million Africans in Bantustan had lost their South African citizenship. This denationalisation was the main reason why some of the Bantustan, led by Kwazulu, "refused independence" and why "independent" Bantustans were not internationally recognised.

The coming of P K Botha as prime minister saw him try to modify apartheid to ward off international condemnation²⁰. Since 1978 Botha sought to ensure that his regime survived through his "total strategy" for survival and "free enterprise" values which necessitated the withdrawal of states intervention from many areas of life while maintaining conservative slogans for further de-racialisation, involving a shift from a race-based to a more class based society. These he did through imposition of "neo-apartheid solutions in the area of political rights by linking them initially to Bantustans for Africans and setting up separate councils for Coloured and Indians to manage their own affairs and liase with central parliament on "general affairs". In 1983 Botha made a retreat from this direction giving Coloureds and Indians but not Africans representation in their own separate chambers in the bizarre Tricameral parliament to an executive president. At the time the government insisted that political representation must remain along group lines.

The reaction of the Africans, Asians, and Coloureds of South Africa to apartheid was encapsulated in the "Freedom Charter". The content is reported to have been originated through convening of a mass representative gathering of men and women of all national groups in the country to decide on and about the future of South Africa they wanted. The "Freedom charter" therefore became the common programme enshrining the hopes and aspirations of all progressive people of South Africa. The charter was adopted at Kliptown South Africa on June 1955. The preamble of the freedom charter sets forth the demands and expectations of those who adopted it;

We the people of South Africa declare for our country and the world to know; that South Africa belongs to all who live in it, black and white and that no government can justly claim authority unless it is based on the will of all the people. That our people have been robbed of

their birth right to land, liberty and peace by a form of government founded on injustice and inequality. That our country will never be prosperous or free until all our people live in brotherhood enjoying equal rights and opportunities. That only a democratic state, based on the will of the people can secure to all their birth right without distinctions, colour, race, sex or belief. And therefore we the people of South Africa black and white together, equal countrymen and brothers adopt this freedom charter, and we pledge ourselves to strive together, sparing neither strength nor courage, until the democratic changes set out here have been won²¹.

Meli (ed)²² commented that the freedom charter laid a basis and was a precondition for further development and radicalisation of their resolution. He further stated that its implementation would presuppose and demand the destruction of the white racist regime and abolition of all national, cultural, religious and language privileges of whites over blacks. He also stated that the formulation that “South Africa shall be a fully independent state” therefore, laid a foundation for moral protest against apartheid by the International system. The injustice of the system were intolerable to all civilized nations hence the call of for imposition of international economic sanction was an expression of the realisation by African National Congress that racist South Africa was not a “fully independent state”.

3.1 REACTION AND RESPONSE OF INTERNATIONAL COMMUNITY TO APARTHEID.

The reaction of the international community expressed through the auspices of the United Nations was similar to the demands of the freedom charter. The international community condemned the apartheid system and through the General Assembly called for the abandonment of the system for one that was democratic and non- racial. The General Assembly also declared apartheid a crime against humanity. Various resolutions of the General Assembly illustrate the reaction of the world community.;

On 1st April, 1960 the Security Council in its resolution recognised that the situation in South Africa was one that had led to international friction and if continued might endanger international peace and security. The Security Council had called upon the apartheid government of South Africa to initiate measures aimed at bringing about racial harmony based on equality in order to ensure that the present situation did not continue or recur. The General Assembly Resolution²³ [1761 (XVII)] of 6th November, 1962, re-affirmed that the continuance of those policies seriously endangered international

peace and security. The Assembly requested members to take steps to bring about abandonment of the policies. It also requested the Security Council to take appropriate measures including sanctions to secure South Africa's compliance with the resolutions of the General Assembly and the Security Council on this subject and if necessary for consideration under Article 6 of Charter.

The General Assembly Resolution²⁴ [3068 (XXVIII)] of 30th November 1973, which was a follow up of Resolution 2922 of 1972 sought to take further effective measures with a view to the suppression and punishment of "apartheid". The General Assembly therefore proposed under the United Nations the introduction of an international convention on suppression and punishment of the crime of 'Apartheid' to be ratified by all states. The signatories were to declare that apartheid was a crime against humanity and that inhuman acts resulting from policies and practises of racial segregation and discrimination as defined in article II of convention were crimes, violating the principles of International Peace and Security.

The parties to the convention also declared criminal, organisations and individuals committing crimes of apartheid. They were also to accept and carry out in accordance with United Nations Charter the decision taken by Security Council aimed at prevention, suppression and punishment of the crime of apartheid. The Resolution of²⁵ [392 (1976)] 19th June arose from Sharpeville Massacre. It condemned the South African government for killings of blacks including children and students and others opposing racial discrimination. The Security Council Resolution [418 (1977)]²⁶ of November 1977 called upon apartheid government to take urgent steps to eliminate apartheid and racial discrimination. Under Chapter VII of United Nations, the Security Council decided that any state could cease forthwith any provision to South Africa of arms and related materials.

The General Assembly on realising the Security Council had constantly ignored the resolutions, established a special committee on 'apartheid' to co-ordinate efforts against it (1982 [Resolution 37/697])²⁷. The report recommended cessation of all new foreign investments and financial loans to South Africa, which would constitute an important step to the elimination of apartheid since loans abetted and encouraged apartheid policies.

In its endeavour to dismantle Apartheid the General Assembly supported the OPEC countries embargo of oil to South Africa. It also recommended to the Security Council to consider urgently a mandatory embargo on the supply of oil and oil products to South Africa under Chapter VII of the charter of the United Nations. It also authorised the Security Council to organise an international conference on oil embargo against South Africa.

Security Council responded to certain demands and in its [Resolution 558 (1984)]²⁸ of December, 13th, 1984 stressed the continued need for continuity in enforcing arms embargo. Reacting to the state of emergency introduced by the South African government in its Resolution of [569 of 6th July 1985]²⁹, the Security Council took into account the fact that the imposition of the State of Emergency in 36 Districts of Republic of South Africa constituted a grave deterioration of the situation. It acknowledged the legitimacy of the aspirations of South Africa population as whole to benefit from all civil and political rights and to establish a united, non-racial democratic society.

The Security Council called upon the South African government to set free immediately and unconditionally all political prisoners and detainees especially Nelson Mandela. It maintained that only the total elimination of apartheid and establishment in South Africa of a free, united and democratic society on the basis of universal suffrage could lead to a solution. It also called upon United Nations members to suspend investments in South Africa, export loan guarantees and prohibit sale of computer equipment, to compel South Africa to abandon apartheid.

The General Assembly later, on 10th December, 1985 issued Resolution [40/64]³⁰ on policies of Apartheid Government of South Africa, it reaffirmed its conviction that comprehensive mandatory sanctions imposed by the Security Council under Chapter VII of the charter of United Nations, if universally applied, would be the most appropriate and effective and peaceful means by which the international community could assist the legitimate struggle of the oppressed people of South Africa. It also condemned members of Security Council who resisted adoption of mandatory sanctions against South Africa especially USA's "constructive engagement" policy. It called on Security Council to take action under Chapter VII of Charter of United Nations and impose effective mandatory oil embargo, arms embargo and to prohibit financial loans and credits loan and trade with South Africa.

The General Assembly also decided to organise a World Conference on sanctions with Organisation of African Unity and the movement of non-aligned countries in June, 1986. This was in the background of the reforms including 'a new constitution' which had the effect of entrenching the apartheid system and dividing the people of South Africa. They called for release of prisoners and un-banning of political parties and initiating of dialogue with genuine leaders of majority of population with a view to dismantling apartheid without delay. The Conference noted the refusal of the Security Council to adopt mandatory, economic and other sanctions during its meetings in 1985

and 1986.

The conference also appreciated the fact that other Inter- Governmental and Non-Aligned Movements, OPEC States, Nordic States and other countries had taken far-reaching measures towards the total isolation and boycott of the apartheid regime. Further, other Western states and Non-governmental Institutions had taken a number of measures against apartheid. Finally, the Conference was satisfied that the overwhelming majority of states and world public opinion were in favour of comprehensive mandatory sanctions against the apartheid regime.

Apart from the reaction of United Nations as an international body, other Inter-Governmental Organisations also took their position against apartheid and went further to take action or measures to discourage the racist regime from propagating its policies. The Nordic states adopted the Nordic programme³¹ of action against South Africa in a meeting in Oslo in October 1985 as a follow up to the one in 1978. They declared that they regarded apartheid system in South Africa as a violation of human rights as laid down in the Universal Declaration of Human Rights. They held the view that apartheid constituted a serious threat to international peace and security. Consequently, they agreed to work for adoption of United Nations Security Council Resolution and especially adoption of mandatory sanctions against South Africa as a means of achieving peaceful abolition of 'apartheid' pending adoption of mandatory sanctions (by United Nations Security Council), Nordic council decided to take unilateral measures in order to reduce their economic and other relations with South Africa.

The OPEC met³² on 6th May 1981 and set out measures on the strengthening of oil embargo against South Africa. The Commonwealth were not left behind though without the support of Britain. In their Nassau Accord in October 1985, they expressed their opinion that they considered 'apartheid' serious challenge to the values and principles of the Commonwealth. They returned to their new Delhi declaration where they expressed the view that only the eradication of 'apartheid' and establishment of majority rule on the basis of free and fair exercise of universal adult suffrage by all the people of a united and non-fragmented South Africa could lead to a just and lasting solution to the explosive situation prevailing in South Africa.

The Commonwealth therefore³³ called for urgent practical steps to be taken by South Africa as follows; to declare that the system of apartheid will be dismantled and specific and meaningful action taken in fulfilment of that interest; terminate the existing state of emergency, release immediately and unconditionally Nelson Mandela and other detainees; lift ban on political parties and political

oppression; initiate in the context of suspension of violence on all sides a process of dialogue across lines of colour, politics and religion with a view to establishing a non-racial and representative government; finally to achieve these, a group of eminent commonwealth persons were to visit South Africa and report back on progress towards political dialogue.

The Commonwealth group adopted a programme of Action, through economic measures against South Africa as follows: To effect a ban on all new government loans to South Africa, ban on computer equipment for use in police and military; ban on government funding of trade fairs on missions to South Africa; ban on sale and export of oil to South Africa. Britain only accepted voluntary bans on certain items. These measures were to be reviewed after six months, on failure to achieve the set conditions more measures would be taken. In conclusion, the Commonwealth accord committed themselves to take further steps if the above stated measures had not had any desired effect, States to this agreement included Australia, Bahamas, Canada, India, Zambia, Zimbabwe.

The Organisation of African Unity³⁴ on 4th March, 1986 having totally opposed the "apartheid" system since the former's inception and supported liberation movements fighting against the system, rejected Pretoria's so called reforms that fell short of the termination of the State of Emergency, abolition of Apartheid Laws; dismantling of Bantustans; lifting of bans on all political organisations and parties and finally called for unconditional release of political prisoners.

The non-aligned countries³⁵ in their declaration of 1985, reiterated that only the total eradication of apartheid system and establishment of a non-racial democratic society would constitute a solid foundation for a just, durable and universally acceptable solution of situation in South Africa. They also called upon the Security Council to impose comprehensive mandatory sanctions under Chapter VII of United Nations Charter.

In July 1985 ten state members of European Economic Community³⁶ stated that, they remained committed to using their collective weight to influence the South Africa government in order to put an end to apartheid. In reaction to a report of the European Mission which had visited South Africa³⁷ from August to September, 1985, they noted that no specific steps had been taken towards abolition of apartheid. They called for the lifting of the State of Emergency, immediate and unconditional release of Mandela and other political prisoners and a firm commitment by the South African government to end apartheid and dismantle discriminatory legislation. They expected South Africa to take steps as demanded. They also however imposed restrictive measures on oil exports to South Africa and nuclear collaboration. They also promised to re-examine South Africa's attitude in the

absence of significant progress within a reasonable period

National governments especially those with economic interests in South Africa declared their positions towards apartheid. The Australian Cabinet had met and reviewed the situation in South Africa and noted that Botha's "Rubicon" speech did not offer defined progress towards a genuinely multi-racial society. The cabinet expressed the view that President Botha's statement was unlikely to bring about significant early reforms and that effective action in form of mandatory sanctions imposed by the Security Council was unlikely to be imposed in the near future. Australia, therefore, decided to introduce a range of selective economic measures and others consistent with recent United Nations Security Council Resolutions. These measures included prohibition of exports of petroleum to South Africa, imports from South Africa and stoppage of new investments. Australia emphasised that in implementing these further economic measures, she wished to contribute to international pressure to accelerate a process of reform and peaceful change in South Africa.

Ministers saw these actions as part of a graduated step by step process with the pace and nature of any further Australian government action being conditioned by South Africa government's own response to the political aspirations of its black community. Canada being party to Commonwealth accord at Nassau, condemned 'apartheid' and contended that it was part of its duty to involve total sanctions if no change occurred as demanded. France acting to discourage apartheid issued decree number 86 of 9th January, 1986 regulating the import, export and re-export of certain commodities destined for South Africa³⁸.

The Federal³⁹ Republic of Germany on 25th July applied the European Economic Community restrictive measures. Japan though accused of taking over abandoned investment opportunities by 1986, had prohibited export of computers that may be used to assist and enforce apartheid. New Zealand also supported a programme of gradual sanctions to dismantle apartheid. It also decided to abide by Commonwealth accord and General Security Council Resolutions on arms embargo against South Africa. Norway and Sweden besides adopting the Nordic programme of action, also adopted a new Act (Swedish) on loans and credits to South Africa.

The United States of America was important to South Africa since it was of strategic, political and economic interest to South Africa and it was also a member of the Security Council. It had hitherto used its veto in blocking resolutions in favour of comprehensive mandatory sanctions in the Security Council. However, the changing geo-political situation in South Africa, both international and domestic pressure culminated in the congress overturning the Presidential Veto in favour of sanctions

in the late 1986⁴⁰. The Comprehensive Anti- Apartheid Act (C A A A) was therefore comprehensive and a complete framework to guide the efforts of the United States in helping to bring an end to apartheid in South Africa and lead to the establishment of a non-racial democratic form of Government.

Among the pre-conditions set forth by the Act were; repeal of State of Emergency; release of Nelson Mandela and all political detainees; freedom to parties (political) and establishment of a time-table for elimination of apartheid negotiations with the representatives of all racial groups in South Africa's future political system. The United States also pledged to adjust its actions towards the government of South Africa to reflect the progress or lack of progress made by the government of South Africa in meeting the set preconditions.

The congress also felt that the achievement of an agreement for negotiations could be promoted if United States of America and its major allies as Britain, Canada, France, Japan and West Germany would hold a meeting to develop a four-point plan to discuss with South Africa. These were to include; an end to State of Emergency; un-banning of African National Congress, Pan African Congress and all other groups wishing to suspend terrorism and participate in negotiations and democratic processes.

Section 311 of the Act set forth provisions for termination of certain measures against the government of South Africa if the President of U.S.A determined that the South African government had taken three out of four actions listed above and also made substantial progress towards dismantling the system of apartheid and establishment of a non-racial democracy. The conditions were; release of all persons persecuted for their political beliefs or detained unduly without trial and Mandela from prison; repeal of State of Emergency; un-banning of democratic political parties and permitting the free exercise by South Africans of all races; the right to form political parties; express political opinions and otherwise participate in the political process; repeal of the Group Areas Act and Population Registration Act and institute no other measures with the same purposes and agree to enter into good faith negotiations with truly representative members of the black majority without pre-conditions.

Section 501 of the Act expressed the future policy and response of United States of America on the South African case. It expressed a commitment that it would be it's (USA's) policy to impose additional measures against the government of South Africa if substantial progress had not been made within twelve months of the date of enactment of the Act in ending the system of apartheid and

establishment of a non-racial democracy. If the President determined that significant progress had not been made by the government of South Africa in ending system of apartheid, he would recommend additional measures, which were listed

3.2 MOTIVATING FACTORS LEADING TO IMPOSITION OF INTERNATIONAL ECONOMIC SANCTIONS AGAINST APARTHEID SOUTH AFRICA.

The commonest reason for the choice of economic sanctions as a strategy by the International Community was their reluctance to use military force but to influence or give pressure on apartheid South Africa by exercising their economic power over her. This would compel her to realise that her economy would lack the benefits of trade with the states demanding for change. The consequent of this leverage over South Africa would be her failure to raise revenue to run the political government of apartheid resulting into its collapse. The Australian government echoed this opinion while invoking sanctions against South Africa. She viewed the imposition of sanctions, as a strategy to bring home the point to South Africa that its posture of a repressive defence of the status quo entailed costs and a change of course would bring benefits. The Prime Minister argued that the object was not to bring South Africa to its knees but to bring it to its senses; the object was to change the political dynamics of South Africa in a more progressive direction. The Prime Minister contended that history showed that South Africa changed in response to an internal dynamic, which had drawn support and encouragement from external pressure⁴¹.

Joseph Hanlon⁴² suggested that the ultimate goal of sanctions was same; a diplomatic and economic weapon to help press the white minority into genuine negotiations about transfer of power. The United Nations General Assembly in 1989 adopted by "consensus" a resolution demanding that the International Community should not relax existing measures until there existed a clear evidence of profound and irreversible change. As a consensus resolution this reflected the views of all powers including United States and Britain.

It was in the above background that the imposition of economic sanctions on South Africa by member states of United Nations, Nordic countries, Commonwealth States, European Economic Community and Nations with strategic interest as United States of America was done gradually with the government being given the following preconditions to comply with before sanctions could be withdrawn. These were to:

- a) Declare that the system of apartheid will be dismantled and specific and meaningful action taken in fulfilment of that intent;

- b) Terminate the existing State of Emergency.
- c) Release immediately and unconditionally Nelson Mandela and all others imprisoned and detained for their opposition to apartheid.
- d) Establish political freedom and especially lift the existing ban on African National Congress and other political parties and initiate on all sides a process of dialogue across lines of colour, politics and religion with a view to establishing a non-racial and representative government.

Apart from the political intentions or push factors leading to imposition of sanctions by the international community the economic sanctions were also favoured due to the vulnerability of the economy of the target state upon which they were being applied. This condition ensured the success of the sanctions hence the quicker achievement of the goal of those imposing the sanctions. Joseph Hanlon⁴³ basing his study on findings carried out on Namibia and Rhodesia under economic sanctions, presented economic factors that would be relevant for the success of sanctions in the country being sanctioned. He found out that it was easier to sanction a small country with substantial foreign trade than a large one as the United States of America. Therefore such a target country had to be dependent on international trade and vulnerable to sanctions and should not have a 'protector' or superpower that could protect it from sanctions. From there he concluded that South Africa seemed vulnerable to sanctions because it was unusually dependent on foreign trade and a significant portion of that trade was vulnerable to sanctions.

The economic sanctions that were imposed on apartheid South Africa were largely targeted to stalling the international trade between South Africa and her foreign partners. Being a growing industrial economy the South Africa's economy also depended on foreign direct investments and loan credits to spur her economy towards growth. International economic sanctions were likely to affect these areas as a cessation of international trade with South Africa was expected to have a decisive input if it was applied both to imports and exports.

As regarded exports the high export orientation of the economy made it particularly vulnerable to a cessation of trade in its mineral exports especially gold which contributed over 40% of exports followed by coal, iron, steel and diamond. Effective sanctions on these four commodities were expected to deprive South Africa of about 2/3rd of its total export earnings.

Concerning imports South Africa was known to be highly dependent on high technology products, capital equipment and components for assembly operations. The country was specifically dependent on three commodity groups of oil, capital goods and arms. The oil embargo was expected to affect

the South African economy due to lack of this resource in South Africa

Sanctions of disinvestment and non-equity participation were expected to have a negative impact on the South African economy given its low domestic savings rate. The reduction in the stock of foreign direct investments was expected to have serious implications for South Africa's future economic growth, particularly because South Africa was largely dependent on access to foreign technology or trans-national corporations for the development of its main industrial sectors.

Sanctions in forms of denial of new loans and trade credits and the refusal by trans-national banks to roll over existing loans was expected to have a more immediate negative impact on the economy of South Africa. Other effects of cutting off of foreign loans and trade credits would be retrenching of the banking system as a whole in that South Africa's banks would find it difficult to make acquisitions or forge long-terms links in other countries.

Elaborating on the role of disinvestment, Desmond⁴⁴ in his paper contends that arguments for disinvestment were not solely economic. They were also political. Foreign investment because of its nature helped to block political change since it helped preserve the apartheid system. He continued to argue that the campaign in the United States was also concerned with ending bank loans, which were becoming of greater importance to South African economy than equity investment. Expounding on the relationship between foreign investment and apartheid system, Desmond argues that apartheid was not simply about segregative, social, geographic and political separation but it was one of the means used to achieve the aims of retaining economic wealth and political power in white hands. Apartheid and white economic development did not exist side by side, they had a symbiotic relationship. The white minority implemented apartheid as a means of achieving material interests of whites including foreign investors.

According to Desmond foreign investors were not therefore merely engaging in the morally apprehensible act of benefiting from an evil system, they were an essential part of that system. They could not survive very profitably without it and the system could not survive without them. He further explains that the basic contradiction of the apartheid system was that there was one economic system, which was dependant on blacks both as workers and as consumers, but there existed a plural political system, which denied blacks any effective power. The result of this was that the greater the system depended on blacks for economic development, so did the pressure from the blacks for a new political order.

For apartheid to survive it had to decrease its dependence on black labour so as to defuse the pressure or threat caused by the participation of the blacks in the economic system. Foreign investment because it replaced black labour by introducing capital-intensive techniques into the industries, it lessened the contradiction or conflict of the white economy and dependence on black labour. This definitely reduced conflict, which would lead to quickened political change. Desmond concludes that divestment could act as a catalyst so that the pressure of conflict towards political change could go on quickly.

The factors mentioned here were instrumental in motivating the international community to decide for economic sanctions against apartheid. The South African economy had also experienced an economic crisis in between 1970's and 1980's leading to a fall in the prices of gold and the effects of OPEC's embargo, which had caused her to spend as much as 18% of her budget in 1984 to produce oil from coal and circumvent the oil embargo. It is this weakening of her economy that shattered her vulnerability to economic sanctions hence the campaign for and the build-up of sanctions against her. This build-up and the type of sanctions is discussed in the next section.

3.3 BUILD-UP OF THE CAMPAIGN FOR IMPOSITION OF INTERNATIONAL ECONOMIC SANCTIONS ON APARTHEID SOUTH AFRICA.

The build-up of the campaign for increased and intensified imposition of international economic sanctions began in the 1980s and by late 1984 it had reached its maximum with economic sanctions being preferred or opted for as the only step towards forcing the South African government to dismantle apartheid⁴⁵.

Price reports that the 1984 Vaal Triangle Massive riots in South Africa's townships and the violent police response in suppressing the riots led to a turn about by the international community towards dismantling apartheid. He observes that the 1984-1986 riots profoundly affected the international perspective of the South Africa state hence increasing the possibility of increased economic sanctions. Price further contends that the riots made the international response towards dismantling apartheid more swift than it had during Sharpeville or Soweto riots.

As a response to Pretoria's brutal suppression of these riots and the imposition of the state of emergency in June 1986, anti-apartheid organisations in the United States and Great Britain mobilized domestic support for public and private policies of economic pressure on South Africa. By the early months of 1985, anti-apartheid groups especially in the United States of America had

successfully pressurised large institutional investors, churches, city and State governments to shift the stockholdings of their endowment and pension funds away from corporations with operations in South Africa.

Colin Legum⁴⁶ qualifies this claims by asserting that by 1984 disinvestment from South Africa by United States firms and restrictions of loans had began to gain momentum either because of effective lobbying pressures or for business reasons. He further claims that it was not until South Africa's internal security problems became menacing and Western governments found themselves divided against each other that the campaign for sanctions found its place near the top of the agenda of international concerns.

Legum⁴⁷ further reports that disinvestments from South Africa by business firms were a sanctions measure though based on business reasons. He argues that disinvestments from U.S firms arose from greater sensitivity of American businesses to public concerns because of the pressure by bodies concerned with promoting ethics and morality in business. He reports that in 1984 alone 7 companies withdrew and the figure went up to 39 in 1985 and by 1986 it had reached 40. The firms that disinvested included some of the largest U.S multi-nationals as Coca-cola, General Motors, General Electric, AT&T, IBM and Citibank. British firms had disinvested over the past 3 years by selling some of their plants or diluting some of their share-holdings. A new trend in British disinvestments was seen through the chief Executive of Shell⁴⁸ warning in late October 1986 that unless the South African government stepped up reforms of apartheid his company would consider closing down its entire operation. This warning was fundamental because Shell was the biggest oil Company in South Africa with annual sale of \$720 millions.

Lipton⁴⁹ has classified the gradual built-up of sanctions into stages and he has accorded reasons for the sanctions. He says that the period 1980-1986 was a period in which many believed that economic sanctions would deliver the coup de' grace to the tottering apartheid state battered by economic crisis and confronted by unstoppable wave of black political mobilisation. The period 1987-1988 was a period in which the apartheid regime did not collapse but sanctions did lead to strong security clamp-down and a strong support of ultra-right wing parties. This period led to a re-assessment of the utility of sanctions and the imposition of further sanctions by various intergovernmental bodies when change did not occur. During the 1989 period and onwards, the world's opinion swung back to sanctions with lobbyists of economic sanctions pointing to official government statements that South Africa was undergoing sanctions induced economic crisis and that problems were political and not economic in origin. The supporters therefore concluded that

from these experiences it was time to tighten the screws by accelerating capital outflows

Government actors, international organisations and non-state actors therefore imposed international economic sanctions as a means of bringing pressure to South African government to dismantle its apartheid policies and resort to democratic non-racial rule. The type, scope, or amount of sanctions applied by various governments was based on the extent of willingness of the apartheid regime to reform or comply with their demands. At most the imposition of economic sanctions by these governments and inter-governmental organisations was observed to have increased gradually due to failure by the South African regime to comply with the demands for political change. It was only with the change of Prime Ministers in 1989 that the apartheid regime seemed to respond to the political demands on realising that its economy would be adversely affected by rising economic sanctions. These governments and inter-governmental bodies had earlier begun the call for sanctions as enumerated below.

The United Nations through General Assembly Resolution⁵⁰ (1761) of 1962 acting upon a request by the African National Congress urged all its members to sever trade and transportation links with South Africa. In 1963, the General Assembly called for an oil embargo and in 1976 following the Soweto uprising it stressed the need for mandatory sanctions by Security Council. In 1963, the Security Council adopted a resolution calling for a voluntary arms embargo against South Africa.

In 1977 after the Soweto uprising, invoking Chapter VII of United Nations Charter the Security Council declared the policies and acts of the South African government a danger to international security and imposed a mandatory embargo on arms and nuclear weapons.

In 1985 after the government of South Africa imposed the State of Emergency the Security Council adopted the strongest package of economic measures since the arms embargo. It called for voluntary ban of new investments, export loan guarantees, sale of Kruggerands, new nuclear contracts and sale of computer (Resolution 569 of 1985)⁵¹.

Before 1986, the call for comprehensive mandatory sanctions was consistently vetoed by two permanent members; United States of America and Britain. The Organisation African Union among inter-governmental organisations called upon members to adopt sanctions. They also mobilized support to get sanctions adopted by other organisations. The Organisation of Oil Petroleum Exporting Countries (OPEC) adopted an oil embargo to South Africa in 1981 and was strengthened in 1983 by territories occupied by it. The movement of non-aligned countries supported the call for

comprehensive mandatory sanctions. The member states of the Commonwealth first recommended a strong package of economic measures against South Africa at Nassau Conference in 1985⁵².

The Nassau declaration called on member States of the Commonwealth to impose bans or restrictions on government loans, Kruggerands, oil, computers, technology and trading missions. At the 1986 summit meeting held in London after the group had reported on its fact finding and negotiating mission and concluded that the government of South Africa was not ready for fundamental change, the governments of Australia, Bahamas, Canada, India, Zambia and Zimbabwe decided to put into effect additional measures hitherto stipulated in Article of Nassau Accord. These measures consisted of prohibition of air links, new investments or re-investments of profits earned in South Africa and imports of agricultural products; termination of double taxation agreements; governments assistance to investment and trade, government procurement from South Africa and government contracts with majority owned South Africa companies and promotion of tourism to South Africa. Other measures that were recommended were; prohibition of all new bank loans to public and private sectors; imports of uranium, coal, iron, steel and withdrawal of consular facilities. Britain did not join the agreement but promised to go by European Economic Community Resolutions. At Vancouver summit in 1987, the Okerragan⁵³ statement was adopted and a programme of action on South Africa aimed at widening and intensifying the application of economic sanctions and co-ordination of the implementation of measures were adopted by each member. At its second meeting held in 1988 in Toronto, Committee of Foreign Ministers agreed on a plan of action of E.E.C, individual or concerted initiatives addressed to countries that had so far not adopted the measures agreed by the Commonwealth or whose trade practises tended to undermine the impact of sanctions.

The Committee also decided to urge financial institutions operating in their territories to; apply their loan loss provisioning requirements more vigorously; to ask banks in their countries to press for re-scheduling arrangements which did not extend beyond a year and press for an international ban on insurance by official export credit agencies for loans to South Africa. Nordic countries in 1978 adopted a common programme of action including a ban on new investments. The programme, was extended in 1985 when Foreign Ministers resolved to work for mandatory sanctions set at United Nations and impose measures to discourage or prohibit investments, loans, import of arms, sale of Kruggerands, export of oil, computer equipment and transfer of manufacturing licence and air links.

In September 1985 ten members of European Economic Community⁵⁴ adopted a package of measures which included a vigorously controlled embargo on exports and imports of arms, cessation of exports of oil and prohibition of new collaboration in the nuclear sector. After hearing a report

from Sir Jeffrey Howe, then President of European Economic Community on his mission to South Africa, the community reviewed its policies on apartheid and in September, 1986, the Ministers of Foreign Affairs of member countries of the European Economic Community decided to suspend imports of iron and steel from South Africa, immediately. This decision was part of a package of restrictive measures, which included prohibition of new investments and import of gold coins. A ban on imports of coal and agricultural products was considered.

National governments imposed sanctions in a variety of ways⁵⁵. Denmark was the first European country to ban all trade in goods and services in 1986. Australia, Norway and Sweden followed suit in 1987. They all adopted measures contained in 1985 Nordic Programme of Action. European Economic Council states subscribed to 1986 sanctions but United Kingdom and Federal Democratic Republic of Germany were reluctant to adopt far-reaching sanctions proposed by other members.

In 1986 after overriding a presidential veto, the United States Congress passed the Comprehensive Anti-Apartheid Act⁵⁶ imposing far-reaching packages of sanctions. Economic activities proscribed were; new investments and private loans to South African government; direct air links; export of computer and oil; import from South Africa of uranium, coal, iron, steel products. The Act required the U.S.A President to report back to congress after between six and twelve months on progress on South Africa on the abolition of apartheid. In 1987, President Reagan signed into law the Omnibus Budget Reconciliation Act. The Act repealed the tax credits that United States of America firms received in United States of America for taxes paid by their subsidiaries in South Africa. This triggered off withdrawal of state co-operations from South Africa. Other national governments adopted sanctions as shown in table 3.1.

Table 3.1: GOVERNMENT ECONOMIC SANCTIONS AGAINST SOUTH AFRICA.1986

Country	Direct Investment	Loan to SA Govt	Loans to Companies	IMF Loans	Import Embargo	Export Embargo
United States	Banned	Banned	Banned	Opposed	Coal, steel, agnc, gold coins, uranium, textile	Computers for security force
European Community (Voluntary)	Banned	Banned		Opposed	Coal, steel, agnc, goldcoins, uranium, textile	Oil, computers for security force
Nordic Countries	Banned	Banned	Banned	Opposed	Coal(Sweden), gold coins(all) agnc prod(Norway, Sweden), uranium(all)	Oil(Norway, Denmark) Computers(all)
Commonwealth Countries (except UK)	Banned	Banned	Banned		Coal, steel, gold coins, agnc prod, uranium	Oil, computers for security force
Japan	Banned	Discouraged			Coal, steel, gold coins, uranium	Computers for security

Source: Facts and Reports, October 1986.

The sanctions that were imposed by national governments and inter- governmental organisations were different in nature and scope but they all affected the economy of South Africa⁵⁷ differently. The nature and types of sanctions or restrictions defined the approaches on sanctions. Restrictions of foreign direct investments prohibited new direct investments or re-investments of profits in South Africa. Japan banned direct investments in 1989. The Commonwealth did this in 1986. Since 1978 Nordic countries also banned investments in form of leasing of capital equipment. The European Economic Community defined direct investment as establishment or acquisition of branches, increasing participation in new or existing undertakings and giving of loans of more than five years. France, Denmark, Italy, Spain and Germany adopted this legislation.

The United States of America also banned new investments in its Comprehensive Anti-Apartheid Act of 1986. A point to note is that none of existing sanctions on foreign direct investments asked for disinvestments. Instead they prohibited further investments only in the form of new transfer of capital or expansion into economic activities.

Restrictions on loans and credits were another type of sanctions used by IGOs and individual governments. In 1985, the Nordic countries banned loans to South Africa. The Commonwealth Heads of Government in 1986 agreed to ban all new government loans to South Africa. The European Economic Community countries also decided to ban new investments covering long term loans. The United States of America under its Comprehensive Anti- Apartheid Act (C.A.A.A.) of 1986 prevented loans to South Africa government or its entities, Israel prevented gratuity loans to South Africa in 1987.

General restrictions on trade in goods of various nature was adopted. The general trade embargo was first adopted by Nordic countries through legislation. The embargo applied to importation from and exportation to South Africa. The OPEC countries slammed an oil embargo on South Africa and strengthened it in 1981 by establishing a system to control all petroleum contracts by introducing an 'end user' clause in them to ensure that the oil cargo did not reach South Africa. Norway through the 1987 Economic Boycott Act, prohibited carriage of crude oil to and from South Africa. Others who banned export of crude oil to South Africa included the Commonwealth countries, United States of America, Australia, Netherlands, Belgium and France, the European Economic Community to be determined by each country.

Specific imports from South Africa were also prohibited or sanctioned. Many economic sanctions focused on coal as it was the second main source of export earnings. In 1986, the Commonwealth Heads of Governments with the exception of United Kingdom agreed to ban imports of coal from South Africa, France, Australia, New Zealand and United States of America by 1986 had prohibited import of coal from South Africa.

Gold in form of Kruggerands was commonly included under economic sanctions imposed by most countries and inter-governmental groups. Other minerals as iron and steel were also banned except for uranium considered as strategic to some other countries. Imports of agricultural products were also banned especially by Commonwealth states with the exception of United States of America.

Other measures adopted included prohibition of export-import promotion and financing through declaration of export insurance policies as applicable to transactions with South Africa (Canada, Norway) and banning of South Africa's exporters from trade-fairs to discourage trade promotion activities. To increase pressure on the economy of the Commonwealth countries with the exception of Britain, and United States of America banned double-taxation agreements, which gave credits to South Africa. United States of America also prohibited South African government from maintaining bank accounts or holding assets in United States of America.

Transfer of technology, was also banned especially by United States of America when it enacted the Comprehensive Anti-Apartheid Act (C.A.A.A.) of 1986. Transportation to South Africa was also restricted. African countries denied landing and over-flying rights to South African aircraft. In 1986, the Scandinavian Airline owned by Denmark, Norway and Sweden banned air-links with South Africa. United States of America did the same in 1986. Maritime transport was also prohibited in Brazil, which did not allow shipment or trans-shipment in its territory of products whose exports to South Africa had been banned. Tourism promotion to South Africa was a destination that was heavily discouraged by most Western countries.

3.4 SUMMARY

Chapter three has exhaustively elaborated the nature of the apartheid regime, as it existed generally and specifically regarding its segregative and racial policies in various sectors of government. The chapter has also showed the evolution of the apartheid regime through time leading to the attempt of the white regime in depriving the black Africans of their nationhood through the granting to them of bogus independence in their homelands. We have also exposed the reaction of the non-

white communities epitomised in their freedom charter as a rallying document for a future democratic non-racial government.

The response or reaction of the international community represented by the United Nations has been discussed. Apartheid became the point of conflict since the apartheid system endangered international peace; the system was declared a crime through the introduction of an international Convention on Suppression and Punishment of the crime of Apartheid. National governments were to ratify the convention in agreement, so were other inter-governmental organisations as discussed. The purpose of the condemnation of apartheid was to discourage the government from propagating the system and compel it to return to a democratic government based on equality and racial harmony. This prompted all these actors to resort to the invocation of economic sanctions so as to influence the apartheid regime towards this goal.

We have also discussed the factors that motivated the international community to resort to use of international economic sanctions. We have also pointed to the effects of the apartheid economy by various types of sanctions given the level of vulnerability of the apartheid regime.

Finally we have revealed the pace of the build-up of pressure and interest for the use of international economic sanctions and the subsequent imposition of sanctions on apartheid South Africa by various countries and groups of states belonging to the international community. The scope and nature of the I.E.S. imposed on apartheid South Africa has been identified and discussed.

END NOTES

¹ Lipton, M. (1986). "Reform: Destruction or Modernisation of Apartheid?". Blumenfield J (ed). *South Africa in Crisis*. 1st Edition. London. Cromhelm Publishers. Pg 35.

² Blumenfield J. (1986) (ibid). Pg 36-37

³ Lipton, M. (1986). *Capitalism and Apartheid South Africa: 1910 – 1986*. 2nd Edition. London. Gower Publishing Co. Pg 17 – 18.

⁴ Lipton, M. (1986). (ibid). pg 14 – 15.

⁵ Lipton, M. (1986). (ibid). pg 19.

⁶ Baker, H. P. (1989). *South Africa: Time Running Out; the United States and South Africa: The Reagan Years*. NY. Ford Foundation Foreign Policy Association. USA. Pg 88 – 89.

⁷ Lipton, M. (1986). (op cit). pg 20.

⁸ Adam, H. (1971). *Modernising Racial Domination*. 1st Edition. California. University of California Press. . Pg 50.

-
- ⁹ Lipton, M. (1986). (op cit). pg 21 – 22.
- ¹⁰ Lipton, M. (1986). (ibid). pg 22- 24.
- ¹¹ Baker, H. P. (1989). (op cit) pg 90.
- ¹² Lipton, M.(1986). (op cit) pg 24-25.
- ¹³ Lipton, M. (1986). (ibid). pg 26 – 27.
- ¹⁴ Baker, H. P. (1989). (op cit) pg 89.
- ¹⁵ Lipton, M. (1986). (op cit) pg 27 - 29
- ¹⁶ Lipton, M. (1986). (ibid). pg 29 – 36.
- ¹⁷ Lipton, M .(1986). (ibid). pg 36 – 37.
- ¹⁸ Lipton, M .(1986). (ibid). pg 47.
- ¹⁹ Lipton, M .(1986). (ibid). pg 50 – 51.
- ²⁰ Price M.R. (1991). **The Apartheid State In Crisis 1975-1990**. 2nd Edition. NY. University Press New York Pg 137 – 137.
- ²¹ Meli F. (1988). **A History Of The ANC; South Africa Belongs To Us**. Harare. Zimbabwe Publishing House Pg 210-212.
- ²² Meli F. (1988). (Ibid), pg 213-215
- ²³ United Nations (1987). “United Nations General Assembly Resolution 1761 [XVII] of 6th November, 1962”. **Transnational Corporations in South Africa and Namibia: United Nations Public Hearings. Vol IV; Policy Instruments and Statements**. United Nations Publications. NY. Pg 16.
- ²⁴ United Nations (1987). “United Nations General Assembly Resolution 3068 of 30th November, 1973”. **Transnational Corporations in South Africa and Namibia: United Nations Public Hearings. Vol IV; Policy Instruments and Statements**. United Nations Publications. NY. Pg 17.
- ²⁵ United Nations (1987). “United Nations General Assembly Resolution 392 of 19th June, 1976”. **Transnational Corporations in South Africa and Namibia: United Nations Public Hearings. Vol IV; Policy Instruments and Statements**. United Nations Publications. NY. Pg 22.
- ²⁶ United Nations (1987). “United Nations General Assembly Resolution 418 of November, 1977”. **Transnational Corporations in South Africa and Namibia: United Nations Public Hearings. Vol IV; Policy Instruments and Statements**. United Nations Publications. NY. Pg 24.
- ²⁷ United Nations (1987). “United Nations General Assembly Resolution Special Committee on Apartheid through Resolution 37/697 of 1982”. **Transnational Corporations in South Africa and Namibia: United Nations Public Hearings. Vol IV; Policy Instruments and Statements**. United Nations Publications. NY. Pg 25.
- ²⁸ United Nations (1987). “United Nations General Assembly Resolution 558 of 13th December 1984”. **Transnational Corporations in South Africa and Namibia: United Nations Public**

Hearings. Vol IV; Policy Instruments and Statements United Nations Publications NY
Pg 28.

²⁹ United Nations (1987). "United Nations General Assembly Resolution 569 of 26th July 1985".
**Transnational Corporations in South Africa and Namibia: United Nations Public
Hearings. Vol IV; Policy Instruments and Statements.** United Nations Publications. NY
Pg 29..

³⁰ United Nations (1987). "United Nations General Assembly Resolution 40/64 of 10th December 1985 on
Policies of Apartheid". **Transnational Corporations in South Africa and Namibia:
United Nations Public Hearings. Vol IV; Policy Instruments and Statements.** United
Nations Publications. NY. Pg 30.

³¹ United Nations (1987). **Transnational Corporations in South Africa and Namibia: United Nations
Public Hearings. Vol IV; Policy Instruments and Statements.** United Nations
Publications. NY. Pg 109-110

³² United Nations (1987). (Ibid), pg 111.

³³ United Nations (1987). (Ibid, pg 113 -121.

³⁴ United Nations (1987). (Ibid). pg 126 - 128.

³⁵ United Nations (1987). (Ibid), pg 131.

³⁶ United Nations (1987) (Ibid), pg 142 - 150.

³⁷ United Nations (1989). **Transnational Corporations in South Africa. 2nd UN Public Hearings, 1989.
Vol I: Report of Eminent Persons. Background Documentations.** NY. Pg 10

³⁸ United Nations (1987). (op cit), pg 245.

³⁹ United Nations (1987). (Ibid), pg 250.

⁴⁰ United Nations (1987). (Ibid), pg 353 - 359.

⁴¹ United Nations (1987). (Ibid), Pgs 40-45.

⁴² Hanlon J (1990). "Success and Future Prospects of Sanctions Against South Africa" **Research of
African Politics Journal No.47.** pg 94.

⁴³ Hanlon J (1990). (Ibid), pg 861.

⁴⁴ Desmond, C (1986). "Sanctions and South Africa" **The International World Quarterly Journal. No.8
Vol I,** pg 83.

⁴⁵ Price, M.R (1991). (op cit) pg 220 - 221.

⁴⁶ Legume, C (1987) "International Campaign for Sanctions Against South Africa". Legume, C (ed) **Africa
Contemporary Record. Annual Survey and Documents: 1986-9186 Vol 18.** African
Publishing Co. NY. Pg A8.

⁴⁷ Legume, C (1987) "The Dis-investment Campaign". Legume, C (ed) **Africa Contemporary Record.
Annual Survey and Documents: 1986-9186 Vol 18.** African Publishing Co. NY. Pg
A13.

⁴⁸ Price, M.R (1991). (op cit). pg 222.

⁴⁹ Lipton, M (1989). "The Challenge of Sanctions" **CTC Reporter. Autumn No. 28** Pg 3-4.

⁵⁰ United Nations (1987). (Opcit). pg 114.

⁵¹ United Nations (1987). (Ibid). pg 115.

⁵² United Nations (1987). (Ibid). pg 116..

⁵³ United Nations (1987). (Ibid), pg 113..

⁵⁴ United Nations (1987). (Ibid). pg 145..

⁵⁵ United Nations (1987). (Ibid), pg 173 – 200.

⁵⁶ Baker, P (1989). (op cit) pg 138 – 145.

⁵⁷ Hayes, J. P (1987). **Economic Effects of Sanctions on Southern Africa**. 1st Edition. London. Bidies Ltd
Uk. Pg 40 -55

CHAPTER FOUR:INTERNATIONAL ECONOMIC SANCTIONS IN THE POLITICAL CHANGE OF APARTHEID SOUTH AFRICA.

In this chapter we will test the three hypotheses as set out in the study. These are:

- a) The more the pressure applied in form of international economic sanctions, the poorer the performance of apartheid South Africa's economy.
- b) The more the pressure in form of international economic sanctions and its consequent effect on the apartheid economy, the quicker the pace of developments towards political change.
- c) The more the pressure in form of international economic sanctions the more the rate of activities of domestic non-political and political forces in pressurising for political changes in apartheid South Africa.

4.0 EFFECT OF THE INTERNATIONAL ECONOMIC SANCTIONS ON THE PERFORMANCE OF THE APARTHEID ECONOMY

In this section we will examine the proposition that the more the amount of international economic pressure applied in form of international economic sanctions to the apartheid economy the poorer its performance will be. We will do this by observing and taking note of the strength of the economy before the increased imposition of international economic sanctions and the period after. We will finally focus on the period since the intensification or escalation of international economic sanctions and their effects on the performance of the apartheid South African economy.

Various aspects of the South African economy can be used to observe and assess the state of the economy prior to the intensification of international economic sanctions in the period from 1985 onwards.

According to Hodd ¹, South African economy made major advances during the 1970s. In 1980 alone G. N. P increased by 7.8%. It was estimated that South Africa needed to grow at 5% pa in order to keep pace with population growth. The economy registered growth rates exceeding 5% in the period 1962-1972. However in the following 10 years in 1980s growth declined to almost half the level registered in the 1970s. Table 4.1 below indicates South Africa's economic growth, G.D.P. in percentage annual average

Table 4.1: SOUTH AFRICA'S ECONOMIC GROWTH

YEAR	PERCENTAGE
1962-72	5.5
1972-1982	3.0
1981-82	1.3
1982	-0.8
1983	-2.1
1984	5.1
1985	-1.2
1986	1.0
1987	2.6
1888	3.0(E)
1889	1.4(F)

E= Estimates, F=Forecasts

Sources: The Economic Intelligent Unit, Country Profile: South Africa 1988-989 and Country Report: SA no.2 1988 and no.1 1989 (1988-sec-FIN.MAIL 28th April 1989 pp46)

Price² contends that in the first two decades of apartheid, the South African economy grew and matured rapidly. The manufacturing sector, which was given a boost by the wartime conditions of the 1940s, had by the mid- 1960's overtaken mining and agriculture as the dominant sector. By the 1970s³, mining industry had become the cornerstone of South African economy accounting for 15% of GDP and 65% of export revenues. South Africa usually supplied 60% of the world demand for gold. Manufacturing industry had made strong progress contributing a quarter of G.D.P in 1983 compared with 16% in 1960. Hodd explains that nonetheless the entire manufacturing sector stagnated since the 1980s and the knock on effects of 1985 compounded this problem. The world trade recession of the early 1980s combined with slack gold markets to inflict a severe damage on the country's economy and a domestic slump set in. In 1984, a deflationary budget was introduced in an effort to correct the burgeoning budget deficits. By 1985 the government was forced to cut spending once again because of the compounding effects of national and international economies.

As regards South Africa's foreign trade, she imported mainly machinery and chemicals. Its principal suppliers were Germany, the U.S.A and the U.K. Table 4.2 (a and b) illustrates principal trade partners. Janice Love⁴ argues that the South African economy was classified as small and open. Foreign trade and foreign capital were critical to the economic development of South Africa providing for foreign exchange required for industrialisation and for the expansion of an increasing capital intensive economy. South Africa's exports were mainly minerals especially gold.

TABLE 4.2 (A & B): STATE OF SOUTH AFRICA'S TRADE 1982-1984

a) SOUTH AFRICAN IMPORTS (Million Rands)

COUNTRY	YEAR		
	1982	1983	1984
USA	2577.1	2477.1	2520.1
W. GERMANY	2150.7	2235.1	2051.1
JAPAN	2150.4	1900.3	2200.4
U.K.	1852.2	1400.3	2100.1
AFRICAN COUNTRIES	302.4	250.1	300.1
OTHERS	8031.0	7425.8	8000.1
TOTAL	16419.9	15229.7	16000.1

b) SOUTH AFRICAN EXPORTS (Million Rands)

COUNTRY	YEAR		
	1982	1983	1984 Jan-Nov
USA	13322.8	17518.8	1942.4
JAPAN	1670.7	1546.7	1774.2
U.K.	1432.6	1324.1	1607.3
W. GERMANY	865.4	753.4	883.9
AFRICAN COUNTRIES	704.8	797.1	746.4
OTHERS	13147.2	14496.9	16000.1

Source: Government of South Africa, External Estimates of Trade and Finance.

In 1980 all minerals accounted for 76% of the country's total foreign exchange earnings. Analysts also contend that because of South Africa's economy's industrial and technological nature, technology imports accounted for 40% of South Africa's G.D.P. From 1967 to 1972 South Africa imported more than it exported because of its great need for capital equipment and high technology.

TABLE 4.3 (A & B): SOUTH AFRICA'S IMPORTS AND EXPORTS TO MAJOR TRADING PARTNERS (USD MILLIONS)

a) SOUTH AFRICAN IMPORTS

COUNTRY	YEAR								
	1970	1975	1980	1981	1982	1983	1984	1984	1986
FRANCE	125	335	705	1018	708	503	546	483	414
GERMANY	521	1409	2399	2680	2503	1956	2317	1729	1951
JAPAN	310	840	1669	2245	1711	1743	1892	1627	1388
U.K	785	1494	2245	2467	2029	1669	1645	1256	1278
U.S.A	593	1341	2527	3021	2484	2178	2234	1428	1229
TOTAL	2234	54419	9540	11431	9436	8076	8734	5923	6260

b) SOUTH AFRICAN EXPORTS

COUNTRY	YEAR								
	1970	1975	1980	1981	1982	1983	1984	1985	1986
FRANCE	56	125	524	529	415	442	412	275	343
GERMANY	153	573	1029	885	785	785	729	567	1059
JAPAN	253	661	1551	1591	1533	1365	1345	1279	1826
U.K	625	1229	1779	1360	1300	1099	809	969	1057
U.S.A	181	587	2126	1745	1220	1580	1835	1371	1966
TOTAL	1268	3175	7009	6110	5253	5272	5130	4464	6251
WORK TOTAL	2175	5318	25684	20853	17647	18843	17330	16522	18442

Source: International Monetary Fund, Direction Of Trade Annuals Washington DC 1970-1987 Passim

As concerns South Africa's main trading partners⁵ South Africa faced shifts in its partners. Comparing 1987 to 1983-85 averages, Japan, Taiwan, China, Federal Republic of Germany, Italy, Spain and Turkey significantly increased their trade with South Africa.

In 1987 Japan replaced the U.S.A. as South Africa's largest importer. However Japanese trade with South Africa declined since 1988. Generally while imports of Japan increased by 44% on average over the period 1983-85, imports of U.S.A. declined by 42% over the same period. The largest exporter to South Africa in 1987 was the Federal Republic of Germany with \$ 2.5 billion in exports followed by Japan with \$1.6 billion and United States with \$1.3 billion while the Federal Republic of Germany and Japan increased their exports to South Africa by about 25% on average

during 1983-85. Exports from the United States decreased by 33%. Table 4.3 (a and b) illustrates these.

The next general aspect of South Africa's economy is the flow of foreign direct investment into the economy and thereafter disinvestment as a result of sanctions. Since South Africa depended on foreign investment for the purchase of its capital equipment, the significance of outside influence on the domestic economy became more pronounced as shown below in table 4.4 on total foreign capital assets and liabilities.

TABLE 4.4: SOUTH AFRICA'S FOREIGN ASSETS AND LIABILITIES

YEAR	LIABILITIES	ASSETS	NEW DEBTS	RAND MILLIONS AS % OF REAL G.N.P
1956	2767	826	1941	47.3
1960	3121	922	2199	43.7
1965	4004	1385	2619	33.4
1970	6017	2400	3617	29.9
1975	16463	4881	11582	47.3
1980	25485	13347	12136	37.7
1981	32490	13460	19030	56.4
1982	39869	15385	24484	73.4
1983	45545	17169	28376	89.9

Source: Republic of South Africa 1984, 1985, 1986 and from Arnt Spandau's Economic Boycott Against South Africa normative factual issues [Johannesburg-1983]

About 50% of foreign investment came from Britain while U.S.A held 30%. Since 1984 however 80% of U.S.A. companies pulled out. The drop in U.S.A direct investment from \$2800 million in 1983 to \$1300 million in 1985 was as a result of domestic pressure from anti-apartheid activists and severe recession from South Africa. Returns from investment also declined from a 31% after tax rate in 1980 to 7% in 1982 and 1983.

The period from 1985 onwards was characterised by increased imposition of international economic sanctions. This stemmed from the 1984-1986 Soweto insurrection leading to the apartheid regime declaring a state of emergency. On September 10, 1985 the European Economic Community adopted measures constraining economic intercourse between member states and South Africa. Banks in Manhattan by July 1985 followed suit by recalling their short and medium term loans. By refusing to roll over their loans banks created an immediate balance of payment crisis for Pretoria. In 1986 the U.S passed the Comprehensive Anti-apartheid Act despite the

presidential vote. Other countries followed suit with various types of sanctions imposed on diverse sections of the South African economy as financial, recall of debts, divestment, and cessation or trade sanctions. These types of sanctions are shown below in Table 4.5 part a and b.

TABLE 4.5: SUMMARY OF MAIN ECONOMIC SANCTIONS AGAINST SOUTH AFRICA

Part A

Country/Program	New Investments	Loans to companies	Loans to South African Government	IMF Loans	Trade General	Credits and Promotion	Coal Imports	Iron and Steel Imports
Nordic programme of action	Prohibition or discouragement, including leasing, patents and manufacturing licences.		Prohibition or discouragement	New loans to be opposed	Find other suppliers and markets and no buying by (some) governments	No state support		
Denmark	Nordic, including for Danes and subsidiaries outside country.	included in investment ban	Nordic	Nordic	Total ban		Trade	Banned
Finland	Nordic	Banned	Nordic	Nordic	Total ban		Trade	Banned
Iceland	Nordic		Nordic	Nordic	Total ban		Trade	Banned
Norway	Nordic	Included in investment ban	Banned	Nordic	Total ban		Trade	Banned
Sweden	Nordic, including for Swedes and subsidiaries outside country	included in investment ban	Nordic	Nordic	Total ban		Trade	Banned
Joint EEC policy	Banned							Banned
European Parliament resolution 10 7 86 and 22 10 86	To be banned		New loans to be banned	New loans to be opposed	Trade patterns to be monitored		To be banned	To be banned
Belgium	EEC					Limited credit insurance		EEC
Denmark		See under Nordic programme of action					No new contracts	EEC
France	EEC=no direct currency transfer					export credit limited		EEC
Fed R. Germany	EEC=voluntary ban							EEC
Greece	EEC			Opposed in 82				EEC
Ireland	EEC & Credit support ban non-SA			Opposed in 82	(semi) government buy			EEC
Italy	EEC					Limited reinsurance		EEC
Portugal	EEC							EEC
Spain	EEC							EEC
United Kingdom	EEC=voluntary ban		No gov to gov loans					
Commonwealth	To be banned, including profits, reinvestments and gov assistance.	New bank loans to be banned	New bank loans to be banned		No gov buying from SA	No gov assistance including trade mission	To be banned	To be banned
Australia	Commonwealth	Commonwealth	Commonwealth		Commonwealth & mutual trade missions closed	No export facilities	Commonwealth	Commonwealth
Canada	Commonwealth	Commonwealth	Commonwealth	Commonwealth	Commonwealth	Ban on credit insurance	Commonwealth	Commonwealth
New Zealand	Commonwealth	Commonwealth	Commonwealth		Commonwealth	Commonwealth	Commonwealth	Commonwealth
Austria	EEC					No credit guarantees		EEC
Japan	ban on direct investment		appeal to refrain			No trade promotion and limited trade		EEC
Malta	Opposed in 82							
Switzerland							Banned	Banned
United States of America	Banned including providing asset	Banned except for trade finance	Banned	New loans to be opposed	No import products SA (semi-) gov companies	Export subsidies only if Sullivan code applied no trade promotion		

Part B

Country	Gold coins etc.	Agricultural products	Strategic minerals	Uranium import and Nuclear operation	of supply	credits & promotions	Air links	Miscellaneous
Nordic Programme of action	Com ban			No new nuclear co-operation		Sale ban to army police	To be suspended	Production in SA to be restricted
Denmark	Total	Trade	Banned	Nordic	Sale & transport on Danish owned ships banned	Nordic	SAS line suspended	Nordic of measures (Namibia)
Finland	Total	Trade	Banned	Nordic		Nordic	Nordic	Nordic
Iceland	Total	Trade	Banned	Nordic		Nordic	Nordic	Nordic
Norway	Total	Trade	Banned	Nordic	Crude oil & products export banned & crude oil transport banned on Norwegian ships	Nordic	SAS & other lines prohibited	Nordic & ban on organizing tourists (all Namibia)
Sweden	Total	Trade	Banned	Nordic		Nordic	SAS lines suspended	Nordic & Maritime Relations discouraged & local authority boycott allowed
Joint EEC Policy	Cons banned			No new nuclear co-operation	export ban on domestic & imported crude oil	No export to army & police		(All joint measures not applicable to Namibia)
European parliament 10.7.85	Gold & gold coins to be banned	To be banned	Alternative suppliers to be investigated	Uranium ban & prohibition on new nuclear co-operation	export ban including products bonded storage & technology finance, transportation & petrochemicals	Exports to be banned	To be suspended	Ban on diamonds, textile & purchase from SA gov owned companies
Belgium	EEC			EEC	EEC also products	EEC		
Denmark	see under Nordic Programme							
France	EEC			EEC	EEC also products	EEC		
Fed Rep	EEC			EEC	EEC	EEC		
Germany	EEC			EEC	EEC & advice against calls at SA ports	EEC		
Greece	EEC			EEC	EEC	EEC		
Ireland	EEC	Banned		EEC	EEC	EEC		
Bank of Ireland ends all business								
Italy	EEC			EEC	EEC	EEC		
Luxembourg	EEC			EEC	EEC	EEC		
Netherlands	EEC & no SA gold in ducats			EEC	EEC	EEC		
Portugal	EEC			EEC	EEC	EEC		
Spain	EEC			EEC	EEC	EEC	Iberia suspended	
United Kingdom				EEC	UK crude oil only to International Energy Agency members	EEC		Voluntary ban on tourism promotion
Commonwealth	preclude import Kruggerrands	To be banned		Uranium ban & no new nuclear sales & exports	No sale & export to South Africa	No sale to military security & police forces	To be banned	End double-tax agreements, no gm contract to SA firms & no tourism promotion
Australia	Commonwealth	Commonwealth		Commonwealth	Commonwealth= crude & products	Commonwealth	SAA banned	Commonwealth
Canada	Commonwealth	Commonwealth		Commonwealth	Commonwealth= crude & products	Commonwealth	Commonwealth including cargo	Commonwealth
New Zealand	Commonwealth	Commonwealth		Commonwealth	Commonwealth	Commonwealth	commonwealth	Commonwealth
Austria	EEC			EEC	EEC	EEC		
Japan	Voluntary com ban			EEC	EEC	EEC	No officials on SAA flights	No visits for SA tourists, Japan visits discouraged
USA	Cons banned	Banned & textiles import	Reduction investigated	Uranium ban, nuclear equipment export restricted	crude & product export ban	Banned if used for enforcement of Apartheid	Banned	No SA (Semi-) gm deposits in USA banks & double-tax agreements (all Namibia)

Source: Western European Association for Actions against Apartheid, as updated.

UNIVERSITY OF NAIROBI
SOUTH AFRICANA COLLECTION

Foreign direct investment was one of the sections affected by international economic sanctions. This was through disinvestments. Below is a table on foreign direct investment and divestment.

TABLE 4.6: STOCKS AND FLOWS OF FOREIGN DIRECT INVESTMENT IN SOUTH AFRICA, REPORTED BY MAJOR HOME COUNTRY 1981-1987

Year	STOCK	FLOW	STOCK	FLOW	STOCK	FLOW	STOCK
	UK in £		USA in \$		GERMANY in DM		CANADA in \$
1981	1786.7	291.6	2619	-	1861	56.4	239
1982	-	194.4	2281	-	2095	64.7	221
1983	-	296.0	1987	-217	2484	259.6	213
1984	2725.0	120.3	1440	-548	2035	171.2	115
1985	-	199.0	1394	-180	1182	137.9	116
1986	-	86.0	1567	45	1248	231.5	-
1987	-	-	1590	122	-	-	-

Sources:

1. U.S Dept of Commerce Survey of current Business Aug. 1988 and August 1987
2. U.K British Business 11 March 1988: United Kingdom Business Monitor, Census of overseas Assets, various issues.
3. Fed. Rep. of Germany Runderlass Aussen [Wirtschaft Ministry of economics] various issues Deutch Bundesbank:
4. Statistics Canada. Canada's international investment and position.

Investments by trans-national corporations played an important role as sources of capital for the South African economy (from table 4.6 and 4.7). U.S flows to South Africa registered declines in the period 1983-85 and then resumed in 1986 increasing further in 1987. The United Nations and Investor Responsibility Research Centre⁶ compiled a number of firms divesting from South Africa and found out that by April 1989 at least 40% of foreign subsidiaries operating in South Africa amounting to 155 United States based firms and 122 firms based in other countries had divested. Due to intensified lobbying pressure against apartheid 30% of firms based in U.S.A divested since 1985. About 20% of the UK based firms in South Africa withdrew since 1985. This percentage of U.K disinvestments were significant since an estimated 40% of foreign investment in South Africa was UK based firms, more so of 10 trans-national corporations ranked in terms of employees in South Africa were based in the U.K. The Fed. Rep of Germany disinvested only about 6% of their operations

TABLE: 4.7: SOUTH AFRICA'S FOREIGN DIRECT INVESTMENT REPORTS BY HOST COUNTRY 1981-1987

['000,000']

STOCKS AND FLOW OF FOREIGN DIRECT INVESTMENTS

YEAR	BRAZIL	GERMANY		U.K		USA	
	STOCK	FLOW	STOCK	FLOW	STOCK	FLOW	STOCK
1981	5.0	2.6	10	139.5	492.8	-	-
1982	8.0	-0.1	8	67.7	-	0	10
1983	8.0	-28.8	6	61.9	-	-5.0	10
1984	8.0	6.88	-	372.0	-	6.0	-28
1985	16.0	2.66	-	-	-	-25	-
1986	-	2.9	9	-108	-	-12	-
1987	-	-	-	-	-	84	72
						-3.0	68

SOURCES:

1. BANCO CENTRAL DU BRAZIL BOTELINA MENSAL DEC 1986 and various issues.
2. Fed. Rep of Germany monthly reports of the DEUSTCHE BUNDES BANK various issues and information supplied by Ministry of economics .Runderlass Aussen Wirtschaft
3. U.K business monitor M.A.C. census of overseas assets 1981 supplement.
Overseas transactions 1984; Information supplied by report of trade and industry, statistics division and British business 11th March 1988
4. U.S.A Dep. of commerce, survey of current business.

Donna Katsin⁷ contributing to U.N Public Hearings on South Africa contends that since 1980 the political unrest and resistance born of apartheid further undermined the economy as uneasy South African and international businessmen sought safer grounds. By 1988 it was clear that sanctions were having a pronounced impact on the South African economy. Disinvestment had its' toll so that by 1988, 40% of South Africa's subsidiaries of foreign corporations had been sold by their corporate parents. As of July 1989 186 U.S corporations had disinvested.

As earlier shown South Africa given her low domestic savings rate she depended on foreign sources or capital including foreign direct investment and loans. The reduction in stock of foreign direct investment had serious implications for South Africa's future economic growth particularly because South Africa was largely dependent on access to foreign technology of trans-national corporations for the development of its massive industrial sectors. Despite nonequity links pursued by trans-national corporations to allow firms to maintain licensed rates and agreement to supply components to South Africa hence making profits, this cost a fortune to South Africa's economy.

Disinvestment also forced the South African economy to rely on its domestic savings to finance investment. As a result the government initiated a privatisation programme involving 5 major state corporations that employed a total of 400,000 people and had combined assets of 30 billion Rands. These were Electricity Supply Commission, 14 billion Rands, Iron and Steel Corporation, 2 billion Rands, South African Transport Services, 9 billion Rands, Ports and Telecommunications, 4 billion Rands, Phosphate - Corporation, 8 billion Rands.

Though fast growing economies as Taiwan filled gaps of withdrawing companies the withdrawals in the long-run had a negative impact on business morale and confidence which affected future investments and economic growth. South Africa also purchased subsidiaries of withdrawing companies. This tied South Africa's capital to purchases as a result funds became less available for investment in local industry either to infuse capital or create jobs. Disinvestment and sanctions also cut into South Africa's foreign trade, which accounted for 60% of its economy's annual G.D.P.

The international economic sanctions were also targeted at trade. This had decisive impact on the South African economy. As concerns exports high export orientation of the economy made it particularly vulnerable to a cessation of trade in its mineral exports especially gold which contributed 40% of exports. 70% of South Africa's exports came from mining in 1987 [see table 4.8 below]

Table 4.8: South African Trade In Main Commodities [Million Rands]

IMPORTS	1987	EXPORTS	1987
Machines	7,840	Gold	17,792
Vehicles	3,821	Mineral	3,869
Chemical	3,148	Base Metal	4,696
Textiles	1,190	Textile	943
Scientific	1,421	Chemicals	1,750
Artificial plastic	1,321	Diamonds	
Vegetable products	548		
Total	20,695		31,063

Source: Commonwealth News Released Statistics on Trade with South Africa August 1988

TABLE 4.9: DECLINE IN EXPORTS OF SOUTH AFRICA BY SELECTED SANCTIONS IMPOSING COUNTRIES ('000' U.S. DOLLARS)

DECLINING SA EXPORTS DUE TO SANCTIONS

IMPORTING COUNTRIES	1985	1987
U.S.A	2180	1320
FRANCE	649	581
DENMARK	160	4
CANADA	155	106
SWEDEN	48	20
NORWAY	33	9
IRELAND	22	9
FINLAND	28	1
NEW ZEALAND	13	
TOTAL	3273	2062

Source: Commonwealth News Released Statistics on Trade with South Africa August 1988

As regarded imports, South Africa was highly depended on high technology products, capital equipment and components for assembly operations. Total imports in 1987 were down by 30% from their peak in 1985 in volume terms as a result of import substitution and because of necessity for curbing domestic demand to ensure an overall current account surplus. Despite this S. Africa remained highly dependent on oil.

Sanctions cut into South African foreign trade, which accounted for 60% of its economy's annual gross domestic products. Following the 1986 C.A.A.A and other trade restrictions from E.E.C. South African's sales plummeted to \$469 million during the first 9 months of 1987 alone, according to reports by United States General Accounting Office⁸. This reflected an estimate loss of 7% of South Africa's traditional exports. Restrictions on South African foreign trade and embargoes retarded the country's economic growth by absorbing billions of dollars in non-productive stockpiles. Measures as oil embargo forced Pretoria to pay costly premiums on imported embargo products. The government sank billions of Rands into highly capital intensive and non-economic projects like Mossel bay coal to oil plant in an attempt to reduce its dependence on imported oil.

The next type of international economic sanctions against the South African economy were financial sanctions against internal finance as trade credits hitherto available to the South African economy. Compared to the other types of sanctions the denial of new loans and credits and refusal

by traditional banks to roll over existing loans would have a more immediate impact in capital flow in form of investments or loans which helped finance imports. In the absence of this capital the Minister of Finance Batrend Du Plesis and Gerhard De Kock Governor of South African Reserve Bank admitted that growth would be limited to a maximum of 2% per annum, which will be too low to maintain existing standards of living⁹.

South Africa's foreign debt was held by four types of creditors¹⁰; foreign banks, non - bank creditors and foreign government trade credit banks, International Monetary Fund (IMF) and foreign bond holders. It's important to note that the foreign bank creditors held the major share of debt amounting to about 3/4 of total debt. South Africa had no bilateral debt to foreign governments. Over 80% of South Africa's debt to Trans-National Corporations was held by banks of these countries in decreasing order; U.K, U.S.A, France, Federal republic of Germany and Switzerland. South Africa's debt was broken into three parts; debt guaranteed to be repaid by South Africa's government, which included bonds, loans and credits insured by foreign governments; \$7 billion uninsured trade credits provided since 1995 and all debts not otherwise guaranteed by falling due after 30th June 1990; \$2-\$3 billion, debt under standstill agreement which was that debt falling due through 30th June 1990 not included in the above amounting to \$8 billion and the bulk of \$22 million of South African debt that fell under guaranteed debt and standstill agreement, which was to be renegotiated to permit the extension of the approximate \$ 11 billion originally due on the 30th June 1990.

Lipton further observes that as a result of the financial crisis of 1985 (World-wide) banks in many countries curtailed their lending with U.S.A curtailing most of her exposure. Against this background of widespread internal unrest there was flight from South Africa of more volatile loan capital and withdrawal of credit. This flight precipitated a debt crisis forcing South Africa to declare a moratorium on its debts payment in September 1985. These dramatic events led to South Africa's subsequent problems in rescheduling it's debts and acquiring new capital inflows. This situation led to the conviction that financial sanctions had caused an economic crisis that offered a source of leverage over the apartheid regime. It was argued that this leverage was to be strengthened by tightening the terms of repayment of the third rescheduling of South Africa's debt due to be completed by 30th June 1990.

The 1985 debt crisis was the consequence of banks refusing to roll over (negotiate extensions) on their short term loans forcing South Africa to stop debt repayment and negotiate special terms for the repayment of short-term debts. This was done in 1986. The second agreement was to expire in

June 1990, South Africa was expected to renegotiate new terms or pay all its' short term loans. Before the agreement South Africa needed to repay \$ 1.7 billions in 1989, \$2.1 billion in 1990 and \$ 1.5 billion in 1991 (R 4.3 billion; R 5.3 billion and R 4.0 billion respectively). All these were converted to long- term loans in 1987. The repayment of the above obligations in the absence of capital inflows restricted growth, the government was expected to boost exports and limit imports to obtain a sufficient positive balance of payments therefore constraining economic growth.

Lipton notes that the apartheid regime responded to the 1985 crisis by agreeing on interim re-scheduling agreements of 1986 and 1987. It met its obligations in an effort to maintain its credit worthiness in the eye of the lenders by paying interest to keep loans on its creditors' books performing. She attempted at a high cost to protect its potential access to international capital.

He further observes that in February 1989 the Governor of South Africa Reserve Bank Gerhard De Kock¹¹ admitted that sanctions including the creditors pressure had contributed to net flow of more than R 25 billion (\$10.39 billion) out of the country with roughly half going to pay for over due loans. Pretoria was also forced to sell off gold and foreign exchange reserves, which were further depleted by the lack of new investments. It fell by R 3.7 billion to R 1.2 billion. In the face of diminishing reserves South Africa attempted to generate current account surplus sufficient to repay its debt under the 1986 and 1987 standstill agreements by maintaining a positive balance of payments. The South African regime tried to hold down the demand for imports by taxing them at the rate of up to 60% and by placing 3% ceiling on economic growth. In the process the bank interest rate rose to 17% while prime-lending rate rose from 12.5% to 18% in 1988 and was pegged to 20% by May 1989.

South Africa's decision mentioned above to adjust structurally suggested that a process of growth oriented structural adjustment was underway. Despite these efforts, the need to produce sustained surplus on the current account of balance of payments in order to pay foreign bankers and other creditors imposed constraints on the growth rate and inflicted costs. South Africa usually recorded deficits on the current account of its balance of payments averaging between 2% and 3% of G.D.P. Those deficits had usually been financed by an inflow of foreign capital in form of loan capital and trade finance. Since 1985 a negative trend set in with an outflow of \$ 10 billion equivalent to 4% of G.D.P. this obviously affected economic growth.

The 1985 economic crisis¹² created by banks which demanded payment of the full principal as well as interest led to decrease by 1984 to just under \$ 3 billion by end of 1986 a drop of 41% as a

result. The availability of commercial credits to South Africa imports was drastically curtailed. The shut down of the commercial credit spigot contained especially costly implications for the economy's ability to sustain necessary imports (see table 4.10) below for U S commercial credits to South Africa.

TABLE 4.10: U.S. COMMERCIAL CREDIT TO SOUTH AFRICAN (IN MILLIONS OF DOLLARS)

YEAR	LETTERS OF CREDIT (\$)	NEW BANK CREDIT (\$)
1983	123	142
1984	110	128
1985	112	80
1986	42	50
1987	11	76

Source: Report to Congress South Africa: Trends in Trade Lending and Investments (Washington DC) U.S. General Accounting Office 1988 P. 28

The decision by major banks to recall their outstanding short- term loans to South African borrowers was the most devastating. The impact of this net capital movement was negative to the economy (see figure 4.1) on Movement of International Loan Capital. The cumulative loss to the economy between 1984 and 1987 which was the result of loan repayments without re-course to counter-balancing new lending was \$ 4 billion (see fig 4.2). The total loss of capital from all sources during the same period was more than twice as large - 25.2 billion Rand or approximately \$ 10 billion at 1989, for rate of Rand / dollar exchange (see fig 4.3) flow of capital from South Africa.

The economy of South Africa was weakened more by several constraints as a result of sanctions. Billions of money were invested in coal to oil fuel plants in an effort to shield the economy from the international oil embargo since 1979. Additionally billions were spent on reserve prices charged by suppliers to trade the embargo as well as domestically produced synfuel, which cost nearly 3 times the world - market petroleum price in 1980s.

QUARTERLY FLOW: 1984-1987

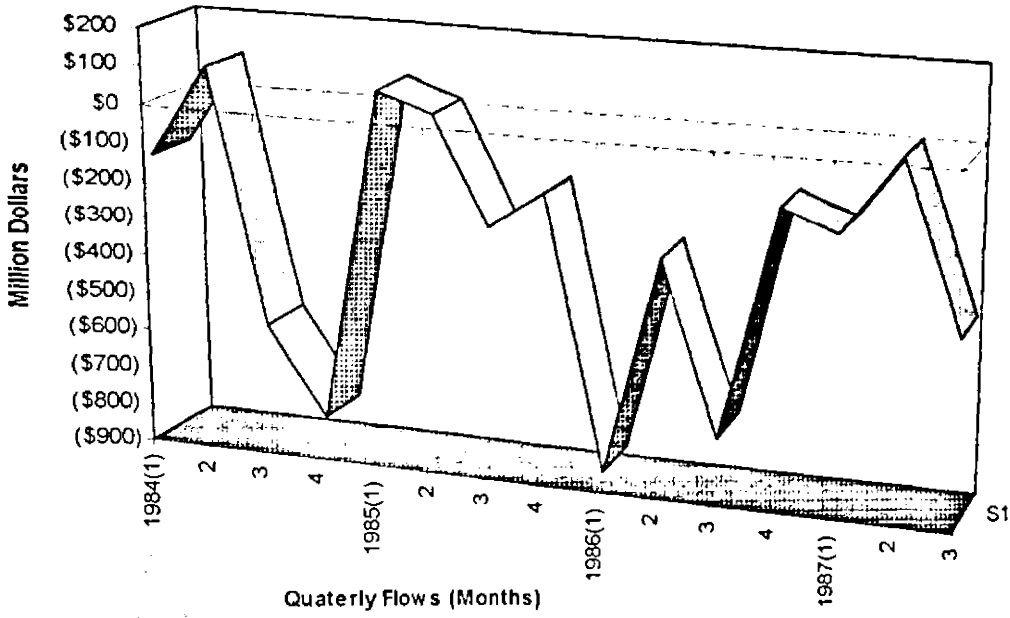


Figure 4.1: Movement of International Loan Capital

Source: South Africa: Trends in Trade, Lending and Investment (Washington DC. US General Accounting Office, 1988)

CUMULATIVE: 1984-1987

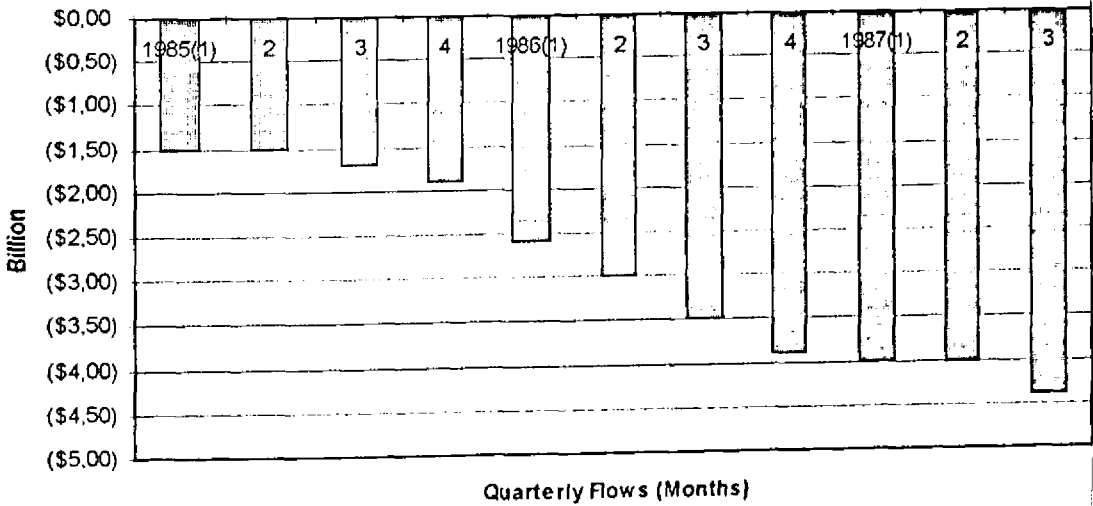


Figure 4.2: Cumulative Loss to the Economy, 1984 - 1987.

Source: South Africa: Trends in Trade, Lending and Investment (Washington DC. US General Accounting Office, 1988)

Capital Flight from South Africa

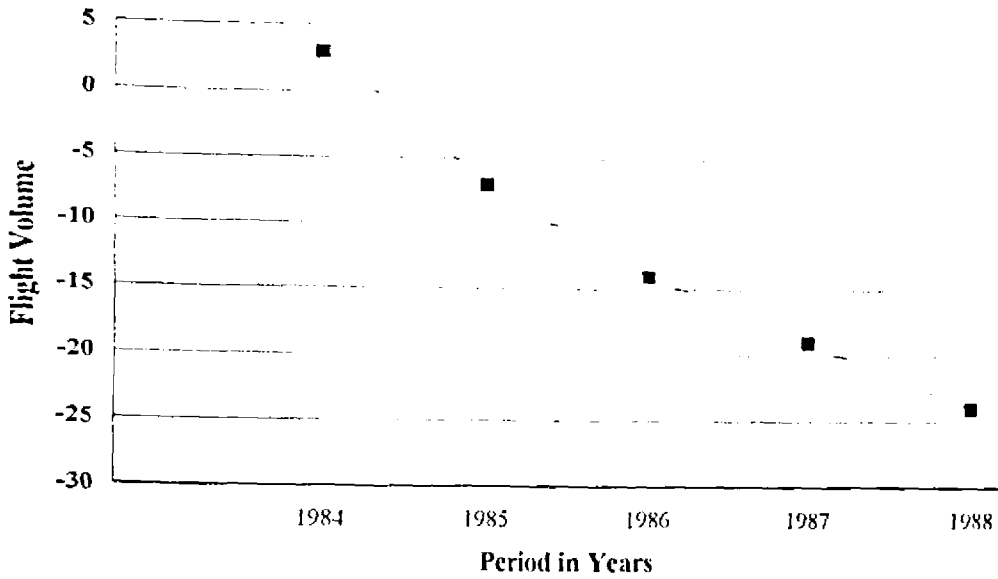


Figure: 4.3: Capital Flight from South Africa: 1984-1988.

Source: Weekly Mail, March 17-23; 1989; 16

In the 1980s South African investors appeared reluctant to undertake the risk involved in gambling on the country's future, hence lack of confidence¹³. Data on domestic investment revealed a consistent decline since 1981.

Table 4.11: Growth in Real Domestic Investment in %

YEAR	1982	1983	1984	1985	1986	1987
GROWTH	-2.0	-3.7	-1.4	-7.2	-17.6	-2.8

Source: South Africa Reserve Bank Quarterly Bulletin Reported in Financial Mail April 17TH, 1989.

According to the South African reserve bank real gross domestic fixed investment was 31% lower in 1987 than in 1981. Capital investment as proportion of total output fell from 27.5% in 1982 to only 18.5% in 1987. The external squeeze in combination with structural characteristics of the South African economy produced a decade of economic stagnation and decline, (see figure 4.4) which provides several indicators of this poor economic performance as follows: From 1982 to 1987 average annual growth in GDP was 1% which was considerably below the population growth rate of about 2.5% p.a. In three of these six years the economy actually shrunk declining by more than 2% in 1985 alone. Given the rate of population increase, the impact of stagnant aggregate G.D.P on personal income was dramatic. Per capita income slid downward after 1981 declining by 8.3% in real terms by 1987, in micro-level indicators. The average numbers of business insolvencies as shown in figure 4.5 were more than three times greater in 1986 and 1987

than in 1983. Employment generation and unemployment generation and unemployment were also affected by the poor performance of the economy. Between June 1984 and June 1987 the number of jobs in manufacturing declined by some 75,800 or 5% of total employment in that sector.

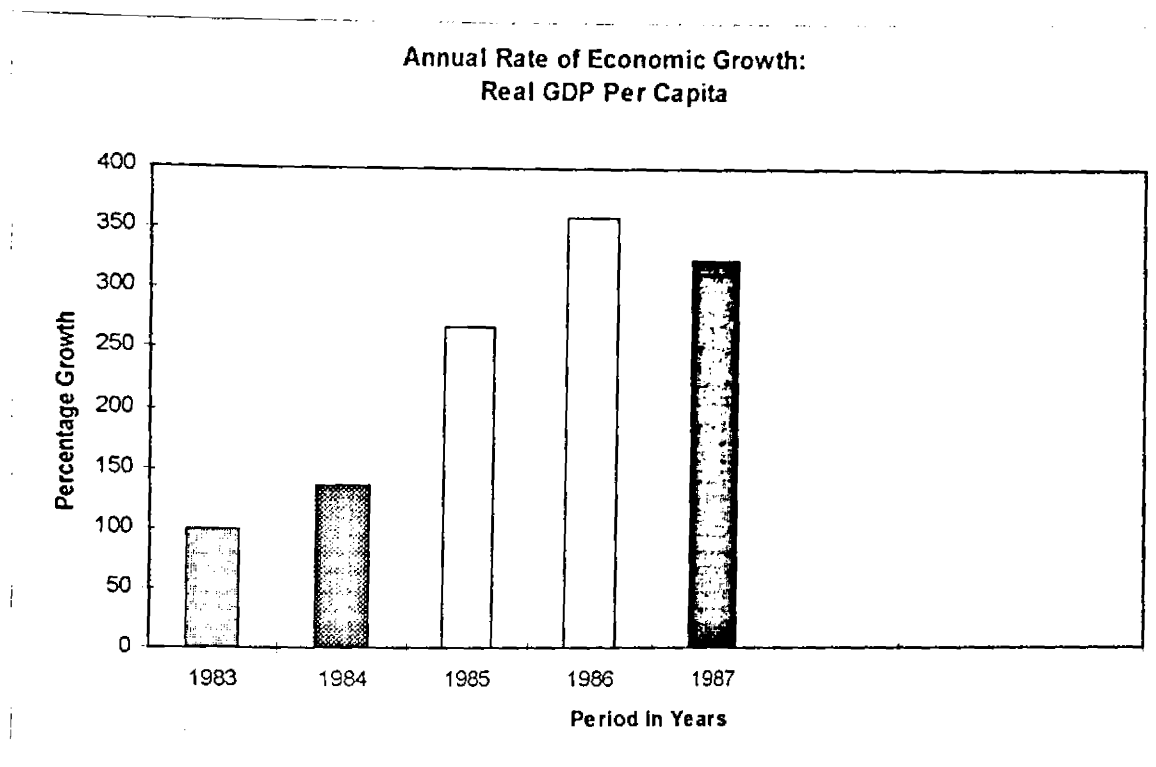


Figure: 4.4: Economic Decline in the 1980's.

Source: ABECOR, Country Report - South Africa, August, 1988; Weekly Mail, August 5-11, 1988, 20; Weekly Mail, December 2-8, 1988, 19; Weekly Mail, February 10-16, 1989, 34.

Finance and the strength of the currency of South Africa was another important aspect of apartheid. South Africa's poor economic performance of the economy resulting from the imposition of international economic sanctions. Leo Katzen¹⁴ reports that by 1984 the value of the Rand depreciated sharply against the U.S. dollar and all other major currencies falling from R1 = US \$ 0.80 in early 1984 R1 = \$ 0.42 in January 1985. Following the escalation of violence generating a lack of confidence of the country politically a further flight of capital plunged the value of the Rand to an all time low of R1 = \$ 0.35 in August 1985. This reduction in value of the Rand and the unwillingness of foreign banks to reschedule short-term loans, forced the apartheid regime to declare a moratorium on debt repayment in September 1985. The Government also introduced a two tier system of exchange control on investors. As a result of these measures during 1986 the commercial Rand increased in value to R1 = \$ 0.52 by February 1987.

BUSINESS INSOLVENCIES: MONTHLY AVERAGE

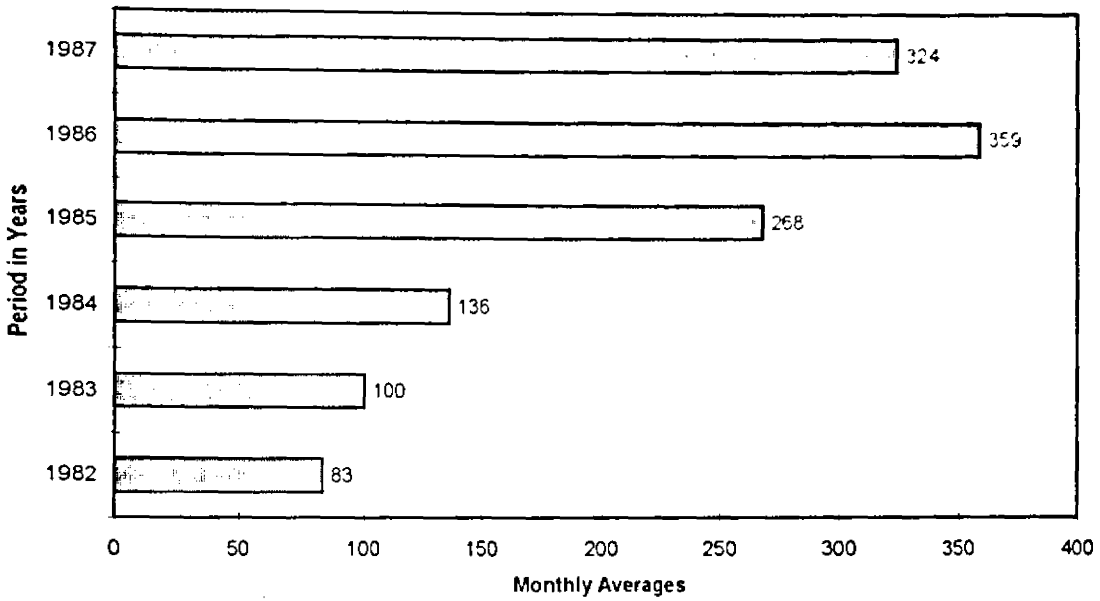


Figure: 4.5: Economic Decline in the 1980's.

Source: ABECOR, Country Report - South Africa, August, 1988; Weekly Mail, August 5-11, 1988, 20; Weekly Mail, December 2-8, 1988, 19; Weekly Mail, February 10-16, 1989, 34.

The apartheid regime in March 1987 reached an agreement with the creditor banks allowing a three year rescheduling of 13 million dollars of outstanding debt. Despite this the commercial Rand continued to weaken so that in 1988 it stood at R1 = \$0.44 in June 1988 and an effective fall of 10% over one year against the US dollar. The depreciation against the Sterling at R1 = 0.24 pounds was even greater at 20% over the same period.

Leo Katzen has also analysed the economic development of apartheid South Africa. The observation that can be made here is that economic development was affected negatively when, besides the economic recession of 1980s, the political unrest and economic sanctions reduced the levels of investments and trade with South Africa. A general analysis over the years on South Africa's economic development will bring out this point. Apartheid South Africa in 1960s achieved remarkable growth rates of upto 6% p.a. Growth in 1970s was slower with the economy reaching full potential in 1979 / 1980 owing to a boom in world commodity prices and an increase in the price of gold.

Between 1975-1977, there was stationary economic growth due to instability of the economy and an aggravating period of disturbances following Soweto riots of June 1976, which affected foreign

investments negatively. In 1979 the economy grew at a real rate of 4.2%. In 1980 the economy reached a real growth rate of 8% as high price of gold and other export commodities compensated for lack of foreign capital. From mid-1984 South Africa's economy moved into severe recession, which persisted through 1985. This was due to; declining prices of gold, the drought of 1983 and an inflation rate of 13% per annum which led to negative growth in 1984. Other factors included, deteriorating balance of payments position, high rates of interest and depressed business expectations and rising unemployment.

In 1985 various measures were put in place leading to the balance of payments surplus but at a cost of increased political unrest leading to a loss of confidence by both domestic and foreign investors. By 1988 Gross Domestic Fixed Investment continued to decline at a lower rate than in 1986. This was reflected in continued lack of interest of domestic and foreign investors. The effect of this relatively low rate of investment was a growth level of 3%. Various personalities and credible economic actors of various organisations expressed their opinions on the effectiveness (impact) of international economic sanctions on South African economy. Some of these opinions emanated from the experience they had since sanctions were imposed. Chris Van Wyck, Managing Director, Trust Bank of Africa Ltd said¹⁵;

We can't ignore what sanctions and disinvestments have done. By 1990, capital outflows through disinvestment and debt will amount to about 25 billion rands (\$ 10.4 billion) and the accumulated loss of export earnings through trade sanctions will reach 10 billion rands

The Head of South African Reserve Bank, Gerald De Kock¹⁶, in emphasising the impact of sanctions said "Economic recovery required political changes that would appease critics for finance to sufficiently start flowing back". Herman Cohen¹⁷, Assistant Secretary of State for African Affairs, argued that sanctions had had a substantial impact on persuading White South Africa of the need for a negotiated settlement.

The frustration caused by South Africa's failure to spur economic growth was illustrated by Johan Lou, Chief economist for SANLAM, the largest Afrikaner Financial Institution and South Africa's largest Financial Conglomerate¹⁸.

We can't afford a growth rate of more than 2% (because of pressure on balance of payments) Normally, a developing country should be importing capital, but we are

exporting capital in order to repay debt, unless we get certain reforms here we wont get foreign capital again. We have at least to show the outside world we are moving in the right direction.

4.2 SUMMARY AND CONCLUSIONS

In this section the effect of international economic sanctions on the performance of the apartheid economy has been discussed with various observations being noted. It has been discovered that the apartheid economy in the 60s and 70s grew very fast registering growth rates of upto 5%. However, in 1980s this growth declined rapidly. The character of apartheid South African economy has also been noted as being open and depended on foreign trade and capital for its industrialisation and expansion of its capital-intensive economy. As a result of the type of economy described, the apartheid derived its growth potential from foreign trade partners whom she exported to her products mainly minerals and imported capital, technology and also opened her economy to foreign investment which became sources of capital for the apartheid South African economy. In a nutshell her economy can be described as export oriented or external oriented economy.

It is from this background that the study has set out to find out the effects of the imposition of international economic sanctions on the various aspects of the apartheid economy. Concerning foreign investments, we have found out that about 50% of the foreign investment came from Britain, 30% from USA; other percentages were held by transnational co-operations. The domestic pressure of investing countries against apartheid led to various firms disinvesting. It is reported that 30% of firms based in USA and 20% of firms based in UK disinvested from apartheid South Africa. Germany also disinvested 6% of its operations. Therefore it is concluded that by 1988 the reduction in stock of foreign direct investment had a negative impact on the apartheid economy since South Africa had a low domestic savings rate and would therefore lack foreign sources of capital including loans.

International economic sanctions were also targeted at trade. Since apartheid South African economy was export oriented, it was very vulnerable to a cessation of trade in its minerals exports, especially gold which contributed to 40% of exports. Sanctions were reported to have deprived apartheid South Africa of 2/3rds of its total earnings. Sanctions also limited South African's foreign trade that had previously accounted for 60% of its economy's annual gross domestic products. Restrictions on South African apartheid foreign trade and embargoes retarded the

country's economic growth by absorbing billions of dollars in non-productive stock piles as oil. import substitution efforts were also blamed for massive subsidies from the government at the expense of the economy's productive capacity. This trend of reduction in economic growth is shown in (figure 4.6) on Annual Performance of Economy 1976-86 in GDP per capita

International economic sanctions were applied on finance in form of demand of trade credits, new loans and refusal by Trans National Banks to roll over existing loans. Given that foreign banks creditors held a major share of $\frac{3}{4}$ of total debt their recalling of the loans or withdrawal due to the pressure from anti-apartheid lobbyists in their countries meant that they adversely affected the economy restricting growth and as a result the government had to boost exports and limit imports to obtain a balance of payment. Further effects of the recalling of loans instead of re-scheduling due to 1985 economic crisis led to a decrease of capital by 41%.

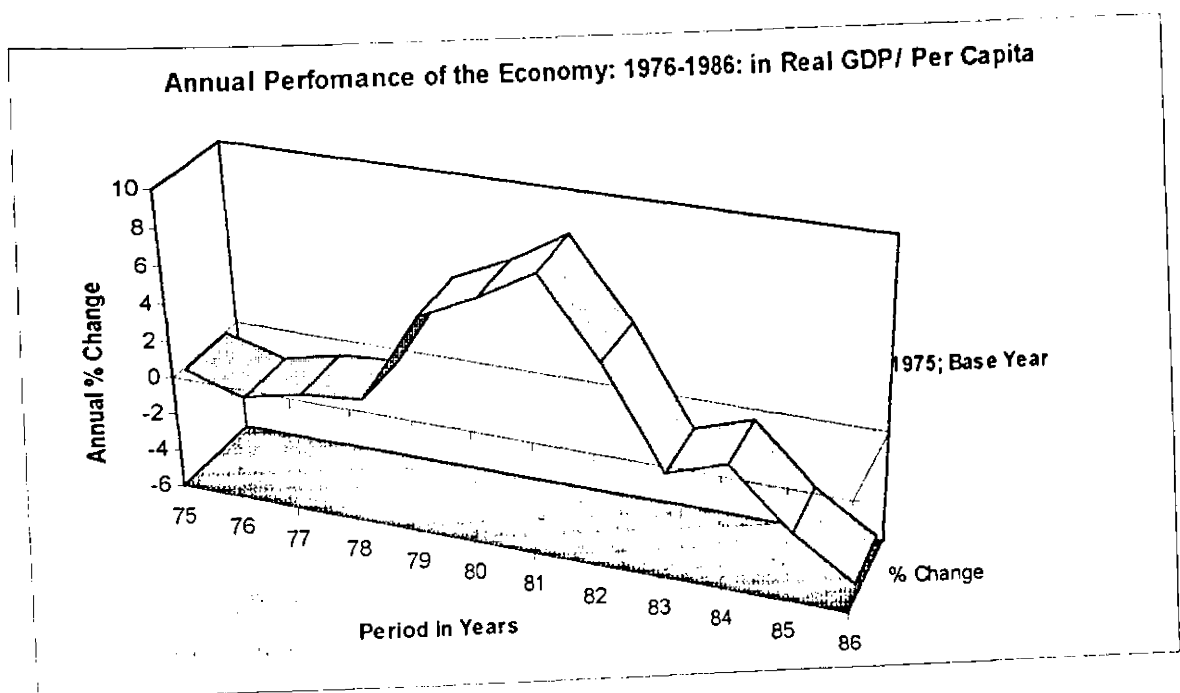


Figure: 4.6: Performance of South African Economy, 1976-1986.

Source: Weekly Mail December, 2-8, 1988; 19.

As regards domestic investment it has been observed that due to lack of confidence there was a consistent decline. Capital investment as a proportion of total output fell from 27.5% in 1982 to only 18.5%. It is noted that the international economic pressure led to poor performance of economic indicators in average annual growth in GDP (1%), reduced per capita income (decline by 8.3% by 1987.)

The strength of the currency was another aspect of apartheid South Africa's poor performance of the economy resulting from imposition of international economic sanctions. Leo Katzen (1986) has reported that by 1984 the value of the Rand depreciated sharply against US dollar, this reduction in value and unwillingness of foreign banks to re-schedule short-term loans forced the apartheid South Africa regime to declare a moratorium on debt repayment in September 1985. In 1987 the apartheid regime reached an agreement with the creditor banks allowing a 3 year re-scheduling of outstanding debt. Despite this, it has been reported that the commercial Rand continued to weaken so that in 1989 it stood at R1 - 0.44 in June 1988 an effective fall of 10% over one year against the US dollar.

Finally this study has also revealed opinions from credible personalities and economic actors over the impact of international economic sanctions on the apartheid South Africa's economy. Among others was Head of South African Reserve Bank, Gerald De Kock, who emphasised the impact of sanctions by arguing that the economic recovery of apartheid South Africa required political changes that would appease critics for finance to sufficiently start flowing back.

From this summary we have observed that the performance of the apartheid economy since the late 1980's has been conditioned largely by pressure from the international economic sanctions applied by trade partners, disinvestment by various firms and recalling and re-scheduling of loan credits by financial institutions and banks.

To a small extent the financial crisis of 1985 played a role in contributing to the poor performance of the apartheid economy but the persistence of this poor performance was maintained by the continued pressure on economic indicators due to the apartheid South Africa's government efforts to limit the effects of international economic sanctions in the long-term through efforts as use of strategies as import-substitution. The study has therefore showed that various economic sanctions negatively affected the apartheid regime prompting the government to take steps through its various political arms towards the demanded political change.

4.3 THE EFFECT OF INTERNATIONAL ECONOMIC SANCTIONS ON THE RATE OF DEVELOPMENTS TOWARDS POLITICAL CHANGES IN APARTHEID SOUTH AFRICA.

The proposition to be tested next intends to determine the relationship between the imposition of international economic sanctions and developments towards political change. It states that the

more the pressure in form of international economic sanctions and its consequent effect on the apartheid economy the quicker the pace of developments towards political change. To achieve this we will examine the political steps taken towards political changes as a result of the influence of international economic sanctions leading to the poor performance of apartheid South African economy.

We will also analyse and determine whether these steps towards political changes were an effort to satisfy demands and conditions set by the international community before it considered withdrawing the conditional economic sanctions hitherto imposed on the apartheid South African regime. The question as to whether international economic sanctions worked could only be answered by the achievement of goals set out by the sanctioning states.

The call for the use of international economic sanctions as a non-violent strategy to achieve political changes in South Africa was premised on the logic that the country's external trade was significant and further that income from it reinforced apartheid and buttressed the minority government's ability to resist¹⁹ and defy black resistance and therefore maintain the status quo. Supporters of sanctions argued that the imposition of comprehensive international economic sanctions would complement other strategies to bear on the white state to dismantle apartheid and democratise the country. It is further contended that, internal based businesses financed apartheid through taxes to South African government. This was said to be same for foreign governments and financial institutions that extended export credits in respect of trade with South Africa. Foreign business involvement in South Africa also benefited the apartheid government with technological transfers and foreign currency introduced into the economy. The currency and technology were crucial in respect of apartheid's defence industries.

Evidence in the past suggested that the healthier the economy was, the more taxes accumulated by the government to finance the status quo. As a result of more taxes the budget was characterised by inordinately excessive allocation in respect of defence, securing prison and political institutions, which preserved the apartheid state. Sanctions as a strategy for change were aimed at denying the government the financial base to sustain its costly status quo.

The relationship between the imposition of international economic sanctions and the expected political changes stems from the assumption that the poor performance of the apartheid South African economy arising from the effects of sanctions will convince or influence the apartheid machinery to accede to the demands made in exchange for normal economic relations with its

trade partners. This will therefore, lead to their modification of the political system to the desired one or movement in form of steps towards it. The South African internal political scenario was also influenced as different shades of political opinion arose in the parties that were involved

In section 4.2 of this chapter, we showed that South Africa economic decline was as a result of increasing of international economic sanctions and in chapter three we showed that various international states and organisations imposed economic sanctions with clauses stipulating when the sanctions may be withdrawn in their acts. For example USA in its C.A.A.A. of 1986 stated that sanctions were to be withdrawn only when South African apartheid state entered into good faith negotiations with black leaders of South Africa, when the state legalised all political parties and released political prisoners including Mandela. The economic pressure therefore was aimed at achieving political goals and the international economic sanctions impact on the apartheid South African economy had several political implications as discussed below.

The diversity of opinion that arose among the ruling white minority over the steps the apartheid regime would take to respond to international sanctions led to the breakdown of political cohesion and unity among them. This breakdown of unity had begun in 1982 when hostility by the ruling National Party to the reforms of apartheid led to the formation of the Conservative Party. The impact of this rebellion on apartheid politics contributed to the split to the 'left' as prominent Afrikaners began to doubt the capability of the National Party to reform. This split was seen in 1985 through the emergence of "New Nats"; a circle of nationalist members of parliament who were willing to entertain discussion of a future government based upon majority rule and even suggested that ANC would be part of future negotiations. Several of these "Nats" resigned from National Party and ran in 1987 as independents²⁰.

Price²¹ has argued that the continuing breakdown and pluralisation as a result of different reactions on the future of South Africa faced with sanctions was also reflected in White apartheid parliamentary representation and electoral politics. The pie charts (fig 4.7 and fig 4.8), best illustrate this pluralisation. The political opinions on minority and majority rule had also changed in support of other less radical views, as a result of these the hegemony of the ruling party which was unchallengeable in the beginning of 1980s had by the end of the decade changed.

Parliamentary Representation in SA: 1970

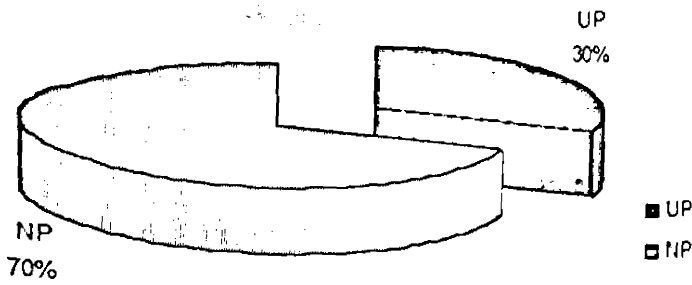


Figure: 4.7: Shifting Political Orientations: Positions on White Rule.

Source: Adapted from Price, 1991.

Parliamentary Representation in SA: 1989

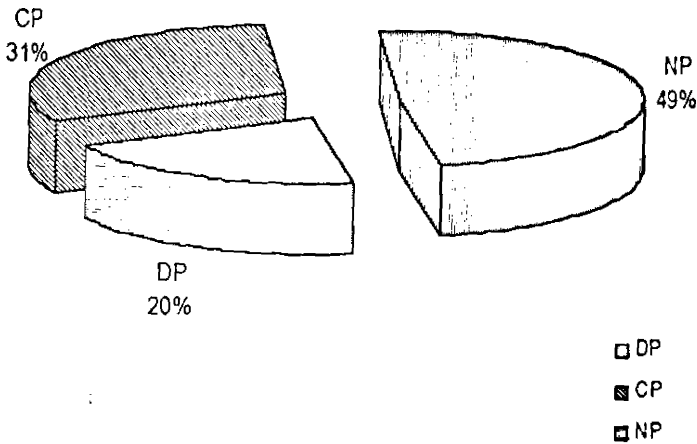


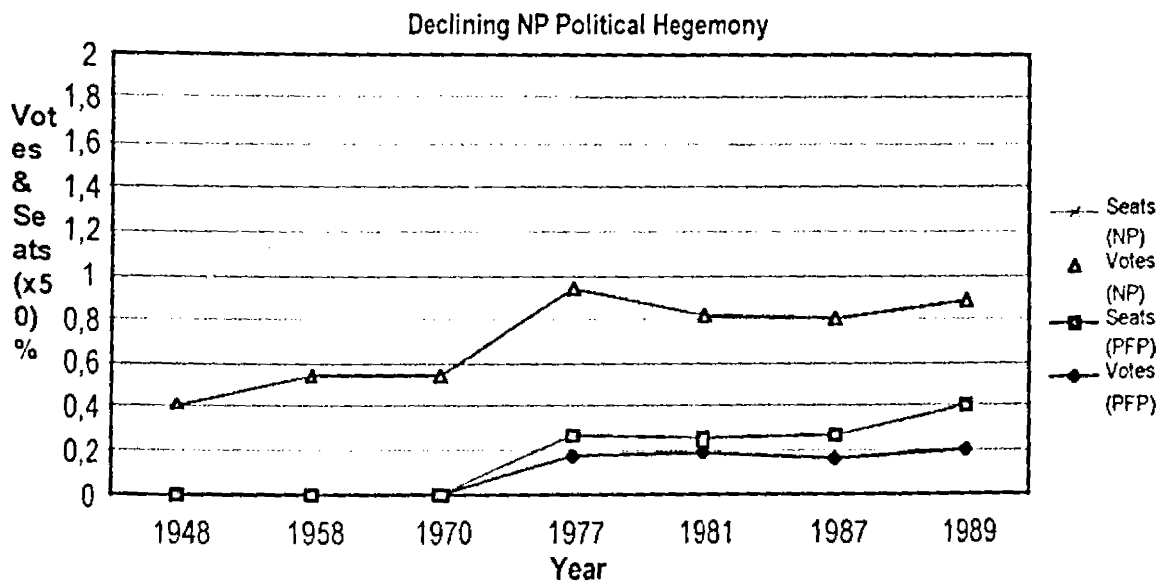
Figure: 4.8: Shifting Political Orientations: Positions on White Rule.

Source: Adapted from Price, 1991.

In 1989 election, the National Party was challenged by two parties, to its right was the Conservative Party, which had broken away from the National Party in 1982. It stood for the return to the unreformed apartheid. To its left was the Democratic Party (DP), which had attracted dissident nationalists. (See fig 4.7 and 4.8) The D.P. stood for a South African political order featuring a "Universal adult franchise in a federal system" They (D.P Party) favoured propositional representation to ensure that minority political interests were also given expression.

In 1989 general elections the National Party (NP) lost ground to both conservative and Democratic Parties. It emerged from the election with its smallest parliamentary majority since its initial victory in 1948 and with a minority of popular vote in contrast the electoral performance of D.P. strengthened the position of the "liberal" opposition to white supremacy. Changes in the political dynamics were also seen in shifting of population votes and parliamentary seats (as illustrated in figure 4.9²²). The graphic column distribute parliamentary seats and popular vote in respect to three positions on a continuum of political change and allow a comparison between 1970 and 1989.

Figure: 4.9: Parliamentary Elections Results Percent of Votes and Seats by Party.



Source: Adapted from Price, 1991.

In 1970, 70% of the members of parliament and almost 60% of voters had supported pure apartheid, which was National Party position. The remaining seats in parliament and a share of the popular vote that went to the United Party (U.P.) could be associated with a desire to change away from apartheid but in a manner that would have the White control of the political system. To be noted is the fact that in 1970 there wasn't any parliamentary group that favoured majority rule even with extensive protection for white minority.

Contrary to the above, in 1989 the majority rule position as embodied in Democratic Party was represented in one out of five parliamentary seats and a similar percentage for popular vote. The "change while maintaining white control" position associated with opposition United Party in 1970 was represented in 1989 by the ruling Nationalist Party with nearly 57% of seats in

parliament and 48% of popular vote. A commitment to universal suffrage and majority rule was promoted by 70% of MPs and almost 69% of voters in 1970, yet in 1984 the majority rule of parliamentary representation and less than one third of the electorate. However, the principle of majority rule was still absent from the parliamentary opinions.

The N.P. won an impressive victory in 1987 based on a platform of guaranteed white security. In the background of this in July 1985 the government had imposed a state of emergency in an effort to control the mass uprising. This triggered sanctions by the international community. Further, the International community expected the Prime Minister P. Botha to announce political reforms in his speech. This did not happen instead the state machinery imposed the second state of emergency on June 12th 1986. The United States Congress passed the Comprehensive Anti-Apartheid Act (C.A.A.A) of 1986, to show its disappointment at the slow pace of change. After 1984 the South African government adhered to reforms hitherto stalled in an effort to convince the international community of the credibility of its commitment to change.

It has been contended that more reform's policies were introduced in 18 months between January 1985 and July 1986 than during the previous six years period²¹. These issues had been on a agenda since 1970s. The pass laws and influx control sections of the Group Areas Act were abolished as was Immorality and Mixed Marriages Act, others included, prohibition of political interference Acts, extension of freehold land ownership to Africans, repeal on limits on African residential official commitments to stop the practice of forced removals and relaxation of the government by forced segregation in hotels and restaurants. In introducing these reforms the apartheid regime was attempting to stop the intensifying movement for international sanctions as well as seeking to diffuse the insurrection²⁴. These reforms did not convince the international community as it was now focused on political change and not social reforms. The repose to economic pressure continued to cause splits within the governing National Party and Cabinet. These became "reformers" and "non-reformers". On the side of reformers was F.W. De Klerk. P.W. Botha was replaced in February 1989 as head of National Party and as State President in August by F.W. De Klerk. The reformers therefore took over from non-reformers.

The financial and economic crisis confronting South Africa in mid 1988 created the political context for Pretoria's most ambitious foreign policy- agreeing to Namibia - Angola Accord in August 1988. The administration of Namibia had been a costly drain on South African treasury whose burden intensified as the economy stagnated. The reformers got an excuse to convince the non-reformers. From the reformers' view a negotiated international agreement that linked military

withdrawal from Angola with independence for Namibia offered a means to close off a costly open-ended drain on its treasury, it also presented an opportunity to break out of international isolation. This had also to be matched by domestic reforms. These sentiments were articulated by De Klerk in Harper's Magazine 1990:²⁵;

We have decided to try and preserve (fundamental values) by taking the initiative even if we have to take some risks in the process. When we follow new methods and strategies----- it does not mean that we have forsaken our quest to create a society in which minorities can feel safe. But we must also create a South Africa that enjoys the loyalty of the majority of its people.... Do we want our children to inherit a stagnant country that has made no progress towards the solution, where revolution continues to brew and bubble under surface? Do we want them to inherit new sanctions and boycotts?

These views enjoyed considerable support both inside and outside government the result being a dramatic new gesture to the black majority. This policy was declared in De Klerk's inaugural speech²⁶; "the time has come for South Africa to restore its pride and to lift itself out of the doldrums of growing international isolation, economic decline and increasing polarisation".

Further to this the combined realisation that an end to international isolation was a critical necessity and that political change was essential for its achievement led the reformers to seek an end to the crisis. The National Party had learnt through the introduction of 1983 constitution that a new dispensation imposed unilaterally by white minority would not serve the government's domestic nor international purposes since it was rejected by both majority blacks and the international community²⁷. The apartheid state therefore under the new leadership of De Klerk set out to draw into negotiations the black opposition majority. Several steps had to be taken to create an environment for the political functioning of ANC and U.D.F. To achieve this, four months after achieving the post of State President, De Klerk dismantled the organisational infrastructure of the apartheid security regime. This was done, by freeing of lifetime ANC political prisoners in October 1989. In the opening session of 1990 of parliament President De Klerk announced that the bans on ANC and South Africa's Communist Party would immediately be lifted and it was done. Nelson Mandela was also released later when the State of Emergency was lifted. As a result of this enabling environment the international actors especially the western industrial states, the former Soviet Union and other front-line states urged the conflicting parties to the negotiating

table.

Another contributing factor towards the quickening of the pace of negotiations was the changed global political environment of 1989-90. The collapse of the cold war and the realignment within the former Soviet Union and Eastern Europe reduced the risk of communism hitherto a reason used by apartheid South Africa in its fight against the black majority organisations. The refusal by USA reflected by the congress passing of the Comprehensive Anti-Apartheid Act of 1986 sent a message to South Africa that United States of America was not ready to bolster it as a guardian against communist threats that had been removed by 1990.

Other political actions also served as indicators of development or movement towards political change in South Africa²⁸. The riots of 1985-86 and the sabotage campaign of ANC plus international economic sanctions created a sense of isolation and mounting danger and most of all a slowly building perception among the whites that the National Party had lost the initiative to deal with the economic and political crises. This loss of confidence was reflected in the level of emigration from South Africa by whites. Immigration of whites into South Africa simultaneously fell dramatically so that in 1986 emigration exceeded immigration producing a net loss of 6717 persons. This rising emigration rate and the reluctance of young White men to serve in the armed forces were indirect measures of a weakening confidence in the South African apartheid state.

Breakdown in cohesion of the ruling white minority over the modality of handling the political discussions with ANC was another step towards political change. It was portrayed in delegations of prominent South African, respected members of the white social economic and political elite travelling outside South Africa for discussions about the future of South Africa with the exiled ANC leadership (Table 4.12 - Trek to Lusaka). This phenomenon served to nullify Pretoria's objective of isolating the ANC domestically and internationally. By picturing the ANC as a communist and terrorist organisation, it sought to push the organisation and those associated with it into isolation. This effort failed when in 1984-86 insurrection ANC emerged as the leading organisation opposed to white rule. The meetings with the ANC in exile resulted into white moderates and powerful industrialists publicly acknowledging the significance of A.N.C. in South Africa's future. A press release issued at the conclusion of a meeting with A.N.C. by 50 mostly Afrikaans speaking white South Africans captured the direction of events thus; "what we share - is a common belief that serious discussions with the A.N.C. must form part of the search for the resolution of conflict and transition towards a peaceful and just future"²⁹.

The apartheid state tried to implement various constitutional arrangements to stall the demand of democracy by the black majority and also as a response to demands for political reform and change by the international community³⁹. The idea of "separate development" was the policy used as the mechanism for ridding South Africa of domestic and international pressures that arose from majority disenfranchisement. "Native Reserves" were to undergo a metamorphosis into ten sovereign states to which citizenship to all the countries Africans would be transferred. In 1970s enthusiasm for "separate development" was tampered by the reality that the international community did refuse in toto to accept the 11 homelands as genuine examples of self-determination. None of the first four "Independent Homelands" or "National States" received international recognition. In the 1980s consociationalism replaced separate development as favoured future political order. This was a form of federalism where various communities retained control over affairs they considered most vital and surrendered the rest to the central government. A manifestation of this order was the introduction of a new multiracial constitutional order of 1983. This was the tri-cameral parliament. It had the following features ; a tripartite legislature in which racially separate parliament for whites, coloured and Indians replaced the whites only Westminster style parliament that had governed South Africa since 1910; The consociational principle of segmental autonomy embodied in a distinction between "own" and "general affairs"; general legislation would require concurrent majorities in each of the three parliaments reflecting consociational principle of mutual veto, a powerful and independent executive, consisting of a State President and Presidents Council which replaced the cabinet form of government; the constitutionally prescribed rules for the indirect election of the President and Council were heavily weighted in favour of whites, with the number of racial specific electors reflecting the ratio of "whites" "coloureds" and "Indians" in the South African population in a ratio of 4:2:1.

Whites in the National Party took control of both the powerful State Presidency and Presidents Council. The most significant feature of this reform effort is that it did not include an opening of the political system to South Africa's citizens of African descent. They were to look to the Homeland Political Structures of African descent for their participation. This included local township councils. The apartheid state by opting for this hybrid political reform it sought to remove the international

Table 4.12: The Trek to Lusaka. "Meetings with the ANC"

Date	Delegation
September 1985	Major industrialists and journalists: (Zack De Beer- LTA construction) Hugh Murray (Publisher, 'Leadership')
November 1985	Progressive Federal Party: Dr. Frederik Van Zyl Slabbert (party leader), Colin Egin (Foreign affairs spokesmen), Peter Gastrow (MP), Dr. Alex Broaine (Deputy leader)
November 1985	University of Stellenbosch: Students council (SRC) president, Dutch reformed church minister, student chaplain. Meeting cancelled when passports are withdrawn prior to departure to South Africa.
December 1985	37 South Africans mostly church leaders (Anglicans and Roman Catholic Archbishops)
January 1986	Federated chamber of industries
March 1986	National Union of South African Students (NUSAS): eight member delegation including students from seven english speaking campuses and Afrikaans speaking campus.
April 1986	Southern African Catholic bishops' conference; four person delegation led by Archbishop Dennis Hurley.
September 1986	Joint delegation from University of Cape Town and University of Western Cape: Including the Vice Chancellor, deputy vice chancellor and dean of medical school (UCT)
January 1987	Afrikaans Legal Scholars; Professors Henning Viljoen and Johann van der Westhuizen of University of Pretoria, Prof. Derek van der Merwe of Rand Afrikaans University. Government pressure leads to cancellation.
May 1987	International Business executives
July 1987	Institute for a Democratic Alternative in South Africa organised a delegation of fifty, mostly Afrikaans speakers including MPs, academics, Journalists and teachers.
September 1987	Prominent White South Africans including Dennis Worrall former NP member of Parliament and Ambassador to great Britain.
July 1989	Four Freedoms forum: 130 white South Africans.

Source: S A Barometer Vol 1No. 15, September 25 1987.

stigma of racism from its constitutional order without threatening white and National Party control of the political system. The exclusion of the African population in the new constitutional order reflected the National Party's continued adherence to white political control despite its commitment to reform. The Whites feared that if Africans had been included through a fourth parliamentary chamber, then the principle of proportionality would have provided the African segment with such a huge block of representatives at all levels. As a result white control would be at risk, therefore proportionality was abandoned.

Despite the fact that in his inaugural session of this tri-cameral session on January 25th 1985 P.W. Botha indicated that the 1983 constitution was only a starting point for political restructuring and plans for African participation were underway, the international community flatly rejected this explanation and in their demand for political change the withdrawal of this constitution was one of the conditions set before they could withdraw economic sanctions they had imposed on apartheid South Africa. The regime received more condemnation internationally than support. Domestically this constitution erupted mass mobilisation and protest leading to the 1985 and 1986 declaration of emergencies, which in turn resulted into intensification of international economic sanctions against the apartheid economy. The change of guard was necessitated by the faltering economy as a result of the impact of sanctions. F.W. De Klerk took over from P.W. Botha in 1989 as President and set about creating an enabling environment for full political participation and involvement in negotiations by the black majority organisations³¹. The advent of Frederick De Klerk in August 1989 marked the beginning of the end of the apartheid regime and the change in party politics towards a new political order. On the eve of his ascendance to power apartheid South Africa was being weakened both in its tangible military power and in its stand against political change.

Colin Legum and Marion E. Doru³² have pointed to factors that led to these. They contend that the elections for the tri-cameral parliament in 1989 weakened the ruling National party (N.P), increased the strength of the conservatives who became the official opposition and resulted into a substantial 'White'-liberal vote being cast for the new Democratic party (D.P) which had replaced the Progressive Federal Party (P.F.P) and the Independent Party (I.P). Other factors were that the economy continued to decline. There was no real growth for the third year as international economic sanctions began to bite, international bankers continued on their own to maintain new loans and the country's international isolation progressively eroded confidence in the public's political future.

They argue that although South Africa remained the dominant regional power, it had lost its ability to convert its military and economic superiority into effective power in pursuit of its national interests. The loss of power was due either to irrelevance of military power in dealing with particular situations or constraints limiting the deployment of adequate resources. These economic constraints had come from increasing pressure from international economic sanctions which led to rapid decline of the country's vulnerable economy. South Africa's former strength as an industrialised state became one of its weaknesses since it could not survive any further

omic and international isolation for long. The political scene was also different as the 1984 election showed that all Afrikaners could not be accommodated in the National party (N.P). Extra-parliamentary opposition joined the call for a new non-racial democratic constitution. These were developments, which influenced F. W. De Klerk on assuming power in September 1989 to declare that his government was in favour of a new South Africa. He declared that "The time has come for South Africa to restore its pride and to lift itself out of the doldrums of growing international isolation, economic decline and increasing polarisation"³³

Analysis of the pre-1989 party manifestos is a good pointer to the fact that South Africa was moving towards change due to the international community's pressure via international economic sanctions among other factors. Their principles and the resultant number of votes they garnered indicated their leaning to a reformed South Africa. This was put in better terms by De Klerk who pointed to the fact that the National party (N.P) and Democratic Party (D.P) both of whom favoured reform had won combined representation of 126 as opposed to 39 for those in the Conservative Party (C.P)³⁴ He stated that these results gave the new parliament an overwhelming mandate to press ahead with reform. The various manifestos of the above white parties in the House of Assembly serve to illustrate this shift towards political change³⁵.

The National Party (N.P) revised its programme of principle in September 1989. In their declaration on democracy they stipulated that South Africa was one undivided state for one citizenship for all where every South African had to participate in political decision making on all issues of government, which affect his interest subject to principles of no domination. They further stated that the new political dispensation in which all people were to be represented had to enjoy the greatest possible degree of consensus. Among their programmes for the next five years was to engage recognised leaders of all groups committed to the pursuit of peaceful solutions in talks and negotiations about political, social and economic system for a new South Africa. Regarding the National party (N.P) did not change its stand. They pledged to advocate for federal type government so that the 'Independent Homelands' and all groups could retain their rights and freedom of protecting their identities. The party also pledged to allow the drafting of Human Rights Acts, which could protect individual and group rights. It also pledged to call upon government to instruct credible and independent experts to study all possible constitutional models and a report to be tabled in parliament dealing with the constitutional options available to prevent domination of one group by another.

On the international scene the party pledged to ensure that South Africa regained its rightful place in the international arena. The areas for this to be achieved were enlisted as the restoration of social, economic and cultural ties world-wide and one of the ways for doing this was by countering international economic sanctions against the regime while working to improve the image of apartheid South Africa.

The Conservative Party (C.P) claimed that the 1989 election results pointed a way to a future conservative government. It strongly opposed each of the reform measures announced by the government of National party (N.P) and stood by its policy of developing power from within as a means of enforcing the principles of apartheid, which it continued to uphold.

The Democratic Party (D.P) was launched in 1989 when agreement to merge forces was reached between Progressive Federal Party (P.F.P), National Democratic Party (N.D.P) and the Independent Party (I.P)³⁶. The following were its principles; non-racialism in politics; Political negotiations with 'Black' leaders, universal suffrage, Bill of rights to protect individual rights, a South African democracy based on the universal principles of western democracy; A single united South Africa founded on a federal structure to be based not on race but on regional and demographic divisions and finally maximum representation for minority groups as opposed to the National party (N.P)'s concept of group rights and proportional representation.

The 'Herstigter Nasionale' Party, which had an extremist outlook in the white's House of Assembly, send only one MP to parliament. This was also a pointer to the decline in support for extremist support of apartheid hitherto associated with the white electorate. The House of Coloureds among other parties was represented by the Liberal Party (L.P), which supported the tri-cameral parliament. In September 1989 elections it increased its membership from 4 to 69. It supported promotion of constitutional development bill, which aimed at including Africans in the parliamentary process. It also strongly opposed all measures to lessen the scope of Group Areas Act and insisted on its total abolition.

The African National Congress (A.N.C) was among the black mass political movements banned by the apartheid regime. It became one of the extra parliamentary forces, which were necessary for the success of any negotiations reached between the apartheid regime of De Klerk and the black population. In its emphasis of the role of international economic sanctions the African National Congress (A.N.C) insisted on the need for comprehensive mandatory sanctions against South Africa until apartheid was dismantled. It announced its policy for acceptance of the offer to

participate in negotiations in a statement on 10th August 1989 setting out guidelines for these talks³⁷. The guidelines set forth were similar to those preconditions given to the apartheid regime by the international community in the endeavour to create an enabling environment for negotiations. These preconditions were also to be satisfied before any sanctions were lifted. They were: release of all political prisoners and detainees unconditionally; lifting all bans and restrictions on all proscribed organisations and persons, finally the lifting of the state of emergency.

The African National Congress (A.N.C) also proposed that after the adoption of an agreed upon constitution the international community would lift the sanctions that had been imposed against apartheid South Africa. The African National Congress (A.N.C) also requested the O.A.U to adopt a programme of action of which it did. The programme included the intensification of the campaign for mandatory and comprehensive sanctions against apartheid South Africa. It was also requested to mobilise against the rescheduling of Pretoria's foreign debts in the wake of the imposition of a mandatory oil embargo.

The African National Congress (A.N.C) proposed the following principles to be negotiated upon over the constitution. That; South Africa shall become a united democratic and non-racial state, all its people shall enjoy common and equal citizenship and nationality regardless of sex or creed; all its people shall have right to participate in government and the administration of the country on a universal suffrage, exercised through one person one vote under common voters roll. The other principles enumerated by African National Congress (A.N.C) regarding political and civil rights were same as those set forth in the Freedom Charter. In conclusion it can be noted that the African National Congress (A.N.C) echoed the international community's wishes that an agreement on the above principles would constitute the foundation for an internationally acceptable solution, which would enable South Africa to take its rightful place among Africans and world community of nations.

The view that the international community had played an important role in pressurising apartheid South Africa towards political change through economic isolation was brought out clearly during the inauguration of Nelson Mandela as the first President in a non-racial democratic non-apartheid South Africa. In his inaugural speech he said³⁸:

...out of the experience of an extra-ordinary human disaster that lasted too long, must be born society of which all humanity will be proud. ...That spiritual and physical oneness we all share

with this common homeland explains the depth of the pain we all carried in our country as we saw our country tear itself apart in a terrible conflict and as we saw it spurned, outlawed and isolated by the peoples of the world, precisely because it had become the universal base of the pernicious ideology and practice of racism and oppression.... We the people of South Africa feel fulfilled that humanity has taken us into its bosoms, that we who were outlaws, not so long ago have today been given the rare privilege to be host to the nations of the world on our own soil.... We thank all our distinguished international guests for having come to take possession with the people of our country what is after all a common victory for justice for peace and for human dignity. (Weekly Review May 13th 1994)

4.4 SUMMARY AND CONCLUSIONS

The conclusions in this section are drawn from observations of the political steps the apartheid political state took due to the increasing decline of its economy caused by the international economic sanctions. We have argued that the economic stagnation and the resultant poor collection of revenue limited the apartheid government's capacity to propagate apartheid and resist domestic political forces clamouring for democratic change.

Indications that the pressure of international economic sanctions was having an impact on the apartheid political system is observed in the diversity of opinion and the breakdown of political unity and agreement over the best response to take so as to convince the international community to withdraw the sanctions hitherto imposed on apartheid economy. This diversity in opinion was further reflected in voting patterns where the dominant National Party lost a substantial number of seats to other emerging political parties with liberal views away from strict adherence to white minority rule.

The apartheid regime in its effort to forestall the rising tide of international economic sanctions and its subsequent effects on the economy and eventual weakening of the political state it belatedly undertook various social and political reforms in its system by abolishing Pass Laws. Among other, constitutional efforts attempted to replace the concept of "Independent Homelands" was the introduction of the Tri-cameral Multi-racial Parliament where Africans were excluded. The lessons learned from the rejection of this effort by the international community and the resistance from the black majority, led the 'reformers' led by the new President Fredrick De Klerk to embark on full implementation of the conditions demanded by the international community before they could consider withdrawing the sanctions. Their political steps were:-

- a) The unbanning of the A.N.C, the U.D.F and Communist Party,
- b) The release of Nelson Mandela and,
- c) Lifting of the state of emergency.

The manifestoes of the emerging political parties also served to reflect the change of political opinion amongst the electorate who had began to accept the need for democratic political change to save their country's economy from imminent collapse. The National Party in their manifesto pledged to seek consensus government. The Democratic Party (DP) the Progressive Federal Party (PFP), the National Democratic Party (NDP) and the Independent Party (IP) sought maximum representation for minority groups as opposed to Nationalist Party (NP) concept of group rights and proportional representation. We can therefore confidently conclude that the international economic sanctions pressure brought to bear upon the apartheid political state resulting into the government in power making frantic efforts to satisfy the demands for political change by the sanctions imposing states.

Theoretically the findings in this section have demonstrated that the apartheid government and the political arm of the white ruling class made frantic efforts to satisfy the international moral concerns postulated in the international moralist theory. The political parties clamour to expose beliefs of democracy and equality in their manifesto was an attempt to satisfy demands by the international community that in order for apartheid South Africa to be admitted in the international system of nations, it had to eliminate in its political system discrimination based on race, colour or social origin and allow the operation of the principle of equality in dignity and rights to which every human being was entitled. It also had to allow the free operation of international law expressed in the right to self-determination and the right to vote while freely determining their own political status together with economic, social and cultural development. All these civil and political rights enshrined in the United Nations Charter provided a platform from which apartheid South Africa was condemned as a violation of the fundamental principles of international Law. The developments towards political change where therefore intended to acquire a favorable status in the international system and avoid the punishing international economic sanctions.

We concur with Nelson Mandela's inaugural speech that South Africa had been despised, outlawed and isolated by the peoples of the world because it had become the universal base of the pernicious ideology and practice of racism and oppression. This was not morally tenable in the eyes of the international community.

4.5 EFFECT OF INCREASED INTERNATIONAL ECONOMIC SANCTIONS TO THE RATE OF ACTIVITIES BY DOMESTIC POLITICAL AND NON-POLITICAL FORCES.

This section is set aside to test the proposition that the more the pressure in form of international economic sanctions the more the rate of activities of political and non-political domestic forces as the A.N.C (African National Congress) and other political parties pressurising for political changes in apartheid South Africa.

The assumption that increased international economic sanctions stimulated domestic political and non-political forces can be qualified on the basis that the apartheid regime had opted to undertake or implement various social, economic and political reforms to forestall the further imposition of sanctions against its regime in the early 1980s. These steps had the effect of either opening up the system to further discontent, grievances and opposition from various groups who felt the reforms were not sufficient and to respond to this they mobilised masses to demand for more or all-encompassing changes. These activities therefore threatened the existence of apartheid as a political system.

The reform strategy undertaken by apartheid regime also limited the government's freedom in acting repressively against opposition organisations in its effort to overcome international isolation, which would have cut it off from access to foreign capital and markets. Though apartheid regime did not abandon repression, its use of repression was systematic and blatant, hence allowing the emergence of new organisations to take root and increase their activities in demanding for political change³⁹. The de-racialisation of trade unions and legalisation through Wiehahn labour reform laws was one such step. The apartheid regime did this to allow black trade unions to operate within the stated statutory industrial relations system, reduce their autonomy and in so doing prevent them from becoming militant and political. However, this step did not achieve its goal. Besides increased militancy the trade union movement became more politicised.

As shown in (Fig 4.10) and (fig 4.11) the annual level of strike activity climbed rapidly doubling in 1980 and doubling again by the end of 1982. The number of workers involved in strike action also increased from 23,000 in years of reform action to 182,000 in 1984. One of the biggest trade union federations [COSATU] Confederation of South African Trade Unions, supported the involvement in struggles and alliance with political movements. They later allied themselves to the struggle for political national liberalisation by adopting the Freedom Charter as its guiding

principle and allying itself to ANC⁴⁰.

Strike Activities: 1977 - 1986

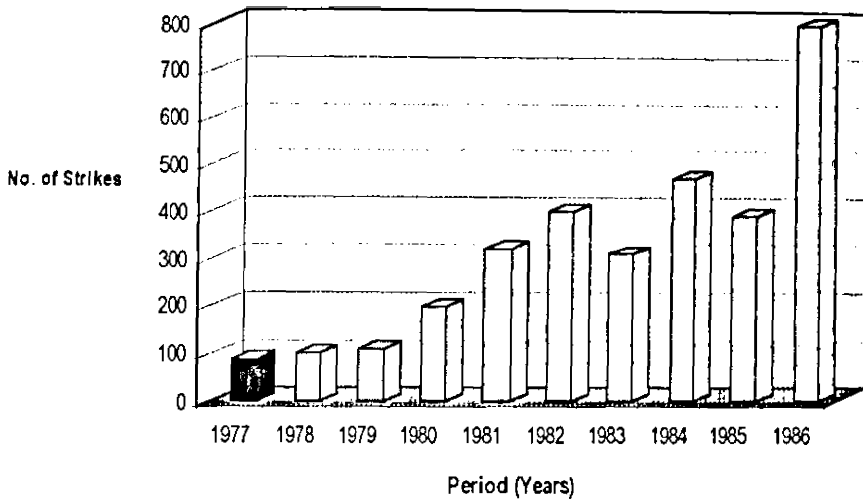


Figure 4.10: Strike Activity: 1977 – 1986, Trade Union Militancy

Source: South African Dept. of Manpower and National Manpower Commission, Annual Reports, in SA Barometer, Vol 1, No.5 (May, 8th, 1987; pg 67 – 70), and SA Barometer Vol 1 No. 9 (July, 3, 1987; 131 – 133)

Community organisations arose to challenge the reforms strategies of apartheid regime. The reforms undertaken generated grievances leading to formation and increased activity by the organisations. Reforms in black education leading to enrolment without increased provision of education facilities led to a large number of academic failures who became disillusioned and organised themselves into Congress of South African Students [COSA]. These student groups quickly moved from addressing education related issues to political ones as demanding an end to compulsory homeland citizenship.

The administrative devolution done by the apartheid regime through the introduction of Black Local Authorities Act led to introduction of elected councils, bringing community councillors close to blacks in townships. These community councillors were seen as collaborators of the system. The civic mass associations therefore called for the abolition of these councils. The apartheid regime responded to this by using force leading to further anti-state mobilisation. As a response to state repression, community organisations adopted “Politics of refusal”⁴¹. These were in form of consumer boycotts, rent strikes and political stay-aways. These form of activities required a civic organisation. Such a nationally organised mass movement of black opposition was the United Democratic Front [UDF] which came into being in 1983 to oppose “new” council elections and the New Tricammernl Constitution, which provided for a legislature representing

'white' 'Indian' and 'coloured communities.

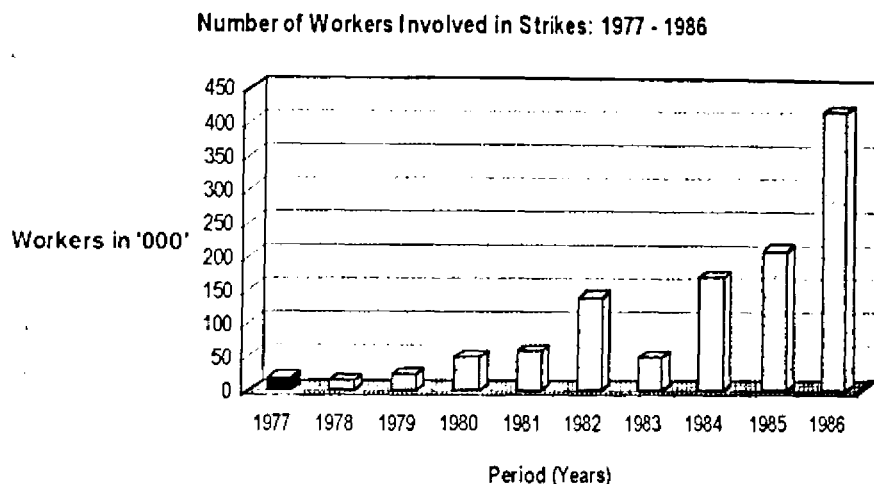


Figure 4.11: Number of Workers Involved in Strike Activities: 1977 - 1986.

Source: South African Dept. of Manpower and National Manpower Commission, Annual Reports, in SA Barometer, Vol 1, No.5 (May, 8th, 1987; pg 67 - 70), and SA Barometer Vol 1 No. 9 (July, 3, 1987; 131 - 133)

The black population saw the constitution as a means of divide and rule; providing a significant power to the Indians and Coloureds so as to gain their collaboration against the still excluded Africans. The Reverend Allan Boesak at a political gathering called for uniting of all civic groups to oppose the reformed constitution, the Black Local Authorities Act and the success of new community council elections so as to deny the apartheid regime legitimacy that it would have got. Soon after its launch the UDF began an intensive campaign for a boycott of upcoming township council elections and against the new constitution.

3.8

These efforts succeeded in denying the apartheid regime the legitimisation for which it had planned. Only 21% of registered voters went to the polls in the community council elections of Nov. /Dec. of 1983 down from 30% in 1978⁴². The UDF also used other groups to mount campaigns against various issues. It mobilised protests, boycott of classes by students and against payment of rent. An example is the Lekoa Town Councils refusal to scrap increases in East End townships, which led Vaal Civic Association calling for a general strike of workers and students in townships of East End⁴³. As a result 60% of workers heeded the call and on police moving in riots ensued. Thousands were detained, R30 million property was destroyed 60 people were killed including councillors. These events in turn touched off a series of urban uprisings across South

Africa for the next two years.

The UDF also in 1985 associated itself with the Freedom Charter as its guiding political principles directly allying themselves to the ANC. Between 1984 to 1986, the riots that had began in Vaal Triangle spread to Transvaal townships of Western Cape. By 1985, the situation in black townships took a character of a civil war as residents sought and drove out the state out of their communities. The ANC also seized this opportunity from exile and called upon the populace to make the townships ungovernable⁴⁴. The ANC also in the meantime increased its activities against the apartheid regime, including supporting consumer boycotts against white owned businesses, which had been organised by UDF.

The ANC community on "Freedom Radio" commented that a nation-wide consumer would be South African's own version of economic sanctions since the action would be crippling the economy from within. Such sentiments point to the fact that domestic political forces as ANC drew their inspiration from international economic sanctions already imposed on apartheid South Africa. The ANC also showed its belief in the fact that sanctions would pressure the apartheid regime towards political change.

The ANC therefore appealed to the governments that had imposed sanctions not to withdraw them until apartheid South Africa had transformed into a non-racial democratic government. It was in this background that we can observe that ANC also intensified its political activities against the apartheid regime. The Figure below (figure 4.12) shows deaths caused by guerrilla attacks between 1984 and July 1986. The number of attacks by armed guerrillas on police stations carried out by the ANC cadre tripled between 1981-83 and 1984-1986. The 230 attacks in 1986 alone represented a 300% increase over insurgent activity in 1983. During this period the nature of insurgent attacks also changed. The use of assault rifles increased steeply and hand grenades attacks jumped from 7 in two years prior to September 1984 to 122 in ensuing two years.

0
500
1000

Guerrilla Attacks: 1976 - 1986

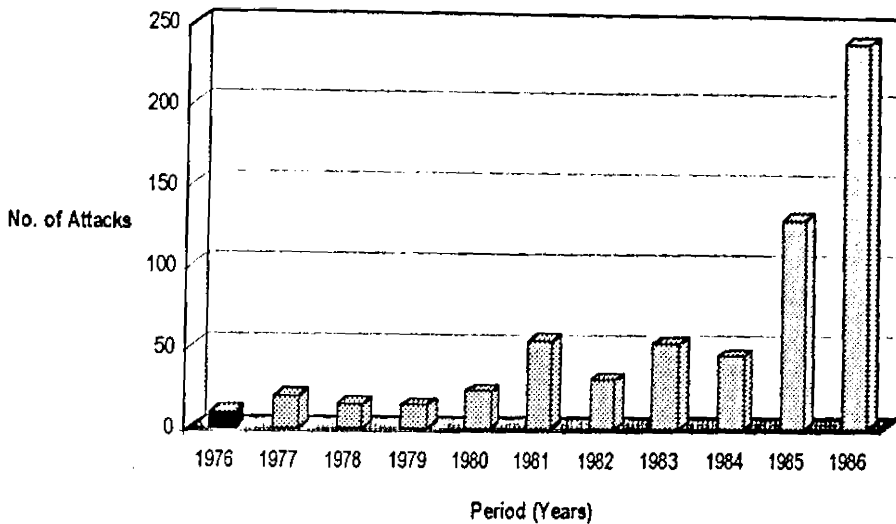


Figure 4.12: Guerrilla Attacks: 1976 - 1986

Source: SA Barometer, Vol 1 No. 1 (March 11, 1987; 12, South African Institute of Race Relations, Survey of Race Relation, 1984; 66)

Over the two years period 1984-1986, four times more political work stoppages or stay-aways were staged than in the entire three and half decades. Added to these was an escalation in conventional industrial disputes. The workdays lost to strikes over "economic" issues jumped over 200% between 1983 and 1984, then increased by 80% in 1985 and 93% in 1986⁴⁵. Rent strikes also paralysed the operations of 35 community councils since they had eliminated their sources of revenue for running the townships.

Funerals⁴⁶ were another forum of domestic forces that arose to actively demand for political change. These were mass funerals of those killed in the clashes by the security forces. These funerals with their pageantry symbols rhetoric became powerful acts of opposition to the apartheid regimes authority. The gatherings that went on had been forbidden by South African law. In these funerals more was shown than defiance by displaying the picture of Nelson Mandela, by wrapping coffins with gold, green and black colours of ANC. Through such activities the township residents were demonstrating that they had made the townships "ungovernable"⁴⁷.

The apartheid security machinery on realising that they had opened up too much political space imposed a state of emergency in mid-1986 and late 1988. The imposition of this state of emergency and introduction of inward industrialisation led to some economic growth in 1987 and

1988 making the apartheid regime believe that they had contained the effects of international economic sanctions. Basing on these developments, the apartheid regime held township elections in order to legitimise the recently re-imposed community councils. The UDF launched a successful boycott against these elections. Only 40% of these voters cast their ballot.

The fear by the apartheid regime to clamp down on trade unions and ignite industrial chaos, which could undermine their policy of inward industrialisation, led the regime not to ban organisations as COSATU. This ill advised step was taken to promote the inward industrialisation policy that had been undertaken to prove that international economic sanctions would not work. This step was ill advised because in the midst of the state of emergency against other organisations trade union militancy as reflected in strike action escalated. Strike activity in 1987 compared to 1986 was up by 144%⁴⁸.

The UDF also though limited in its operation by the apartheid security regime used loopholes in apartheid efforts to clamp down on dissent to expose the regime to international limelight which in turn led the international community to either impose economic sanctions on apartheid South Africa or threaten to recall all their loans due to apartheid regime that would have matured by 1990. It was as a result of demands from banks and other institutions that apartheid South Africa reforms or these loans were recalled that Fredrick De Klerk, a reformist took over and started the process of political change.

Due to the UDF's exposure of apartheid tactics to the world as detention of children, the apartheid regime relented from its repressive tactics. As a result of these reduction in strict implementation of its state of emergency, the ANC took advantage and increased the number of its military attacks inside South Africa by 700% between 1984 and 1989 as shown in (figure 10)⁴⁹.

The above evidence of increased rate of political and non-political activities can be explained from a Marxist point of view. The activities of the political and non-political domestic forces were a manifestation of class struggle between the ruling class (thesis) the apartheid regime and the opposing groups [anti-thesis]. The civic groups and the political parties as the ANC reacted to the established order of apartheid regime through riots, sabotages and disobedience for Law as a way of expressing their rejection of the system. These activities led to a clash between the two systems. The political and non-political domestic forces intended to set up a new economic, political and social non-racial system [synthesis].

The conflict occasioned by the rent strikes and riots of 1984 -86 in the township of East-End resulted in increased clamping down on these activities leading to the intensification of international economic sanctions on apartheid by the international community. It can therefore be argued that the activities of the non-political and political domestic forces complimented the efforts of the international community through imposition of economic sanctions, which affected the regime's capability to maintain itself. The eventual collapse of the regime therefore satisfied the goal of opposing groups of creating a new order based on non-racial democratic principles

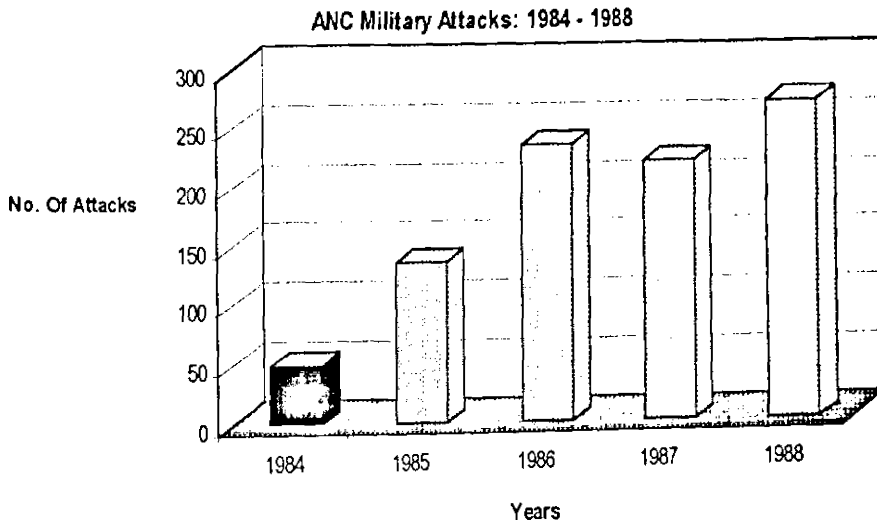


Figure 4.13: ANC Military Attacks: 1984 - 1988

Source: Weekly Mail, October 28, 1988; 14; (South African Institute of Race Relations Survey 1988/89), Johannesburg; pg 610 - 616.

4.6 SUMMARY AND CONCLUSIONS

The effects of increased economic sanctions to the rate of activities by domestic political forces, was not very direct, as one would have expected. However, the pressure arising from these economic sanctions had already jolted the apartheid regime into action. The apartheid regime in its efforts to prove to the international community that it was reforming its detested political, social and economic system, it began piecemeal reform that led to the emergence of issues around which domestic forces mobilised the masses to demand for full democratic rights of the blacks. It was in such a background that the UDF (United Democratic Front), COSATU (Confederation of South African Trade Unions) and National Union of Mine workers (NUM) and the African National Congress (ANC) increased and intensified their activities whose main goals was political liberation of all black South Africans from the racial non-democratic apartheid system.

The apartheid regimes effort to counteract the effects and threats of more international economic sanctions led to use of oppressive tactics in clamping down on dissent while adopting the inward industrialisation policy of development aimed at de-linking the apartheid economy from its direct dependence on foreign technology markets and capital. This step however promoted the domestic trade unions, whom the government thought would confine to industrial issues. Once these trade unions were allowed to operate they moved into militant anti-apartheid activism contrary to expectations of the regime.

One can conclude that it was the failure of the apartheid political state to satisfy political and non-political domestic forces clamouring for change that invited international condemnation and more economic sanctions, therefore compelling the regime to initiate change to save its economy and South Africa state from collapse and chaos. The activities of the domestic political and non-political forces can be explained using the Marxist dialectical materialism theory. These forces formed the exploited and downtrodden mass [anti-thesis] who, rose against the ruling class-apartheid regime. Their struggle to overthrow the established regime was premised on the fact that a more just, non-racial and democratic system will emerge (synthesis).

The activities of these political and non-political domestic forces also acted as catalysts of the international community's justification for the taking action against apartheid based on moral grounds. The United Nations General Assembly therefore found evidence of calling upon the international community to act in order to restore human dignity as enshrined in the UN charter.

END NOTES

¹ Hodd, M (1986). *African Economic Hand Book*. 1st Edition. London. Euro Monitor Pub Co.

² Price R.M (1991). *The Apartheid State In Crisis*. 2nd Edition. London. OUP. Pg 28.

³ Hodd, M(1986).(op cit) pg 47.

⁴ Janice L (1988) "South African Economic Profile". *Journal For Modern African Studies* Volume 26 No.1.Pg 21.

⁵ United Nations (1989) *Transnational Corporations in South Africa*. 2nd U.N Public Hearing 1989. Vol II. Report of Panel of Eminent Persons. Background Documentation NY. Pg 5.

⁶ United Nations (1989). (ibid) pg 38.

⁷ United Nations (1989). (ibid) pg 90

⁸ United Nations (1989). (ibid) pg 96.

⁹ Price, M.R (1991), (op cit) Pg 275.

¹¹ United Nations (1989). (op cit) pg 101

- ¹¹ Price, M.R (1991) (op cit) Pg 226.
- ¹² Price M, R (1991) (ibid) Pg 226-228.
- ¹³ Price M, R (1991) (Ibid) Page 230 – 233.
- ¹⁴ Leo K (1988). "South Africa South Of Sahara" **South Africa Economic Survey**. Europa Publication Limited Pg 340.
- ¹⁵ Price, M.R (1991). (op cit) Pg 234.
- ¹⁶ Price, M.R (1991), (ibid) Pg 234.
- ¹⁷ Price, M.R (1991), (op cit) Pg 235.
- ¹⁸ Price, M.R (1991). (op cit) Pg 235.
- ¹⁹ United Nations (1987). (op cit) pg 120
- ²⁰ Price, M. R (1991). (op cit) pg 232.
- ²¹ Price, M. R (1991) (Ibid) Pg 242-244.
- ²² Price, M. R (1991) (Ibid) Pg 245.
- ²³ Price, M. R (1991) (Ibid) Pg 133 – 136.
- ²⁴ Price, M. R (1991) (Ibid) Pg 275 – 276.
- ²⁵ Price, M. R (1991) (Ibid) Pg 278.
- ²⁶ Price, M. R (1991) (Ibid) Pg 279.
- ²⁷ Price, M. R (1991) (Ibid) Pg 280.
- ²⁸ Price, M. R (1991) (Ibid) Pg 238.
- ²⁹ Price, M. R (1991) (Ibid) Pg 241.
- ³⁰ Price, M. R (1991) (Ibid) Pg 136 – 137.
- ³¹ Price, M. R (1991) (Ibid) Pg 138.
- ³² Legum, C and Doru, E. (1992). "Country by Country Survey: Republic of South Africa. Legum, C and Doru, E (eds) **African Contemporary Records Annual Survey And Records Volume 21. 1988-1992**. NY. Africana Publishing Co Pg 610.
- ³³ Legum C.& Doru E.(Eds) 1992. (Ibid). pg 650.
- ³⁴ Legum C.& Doru E.(Eds) 1992. (Ibid). pg 655 – 658.
- ³⁵ Legum C.& Doru E.(Eds) 1992. (Ibid). pg 664.
- ³⁶ Legum C.& Doru E.(Eds) 1992. (Ibid). pg 664 – 666.
- ³⁷ Weekly Review (1994). Nelson Mandela Inaugural Speech. **Weekly Review May 13th 1994**.pg 10
- ³⁸ Robin S (1987). "The Black Trade Unions: From Economics to Politics". Blumenfield J (cd). **South Africa in Crisis**. Croomhelm Limited London Page 91-92 And Price R.M (1991) Ibid Page 159-167.
- ³⁹ Price, M. R (1991) (op cit) pg 166 – 67.
- ⁴⁰ Price, M. R (1991) (Ibid) pg 177- 8.
- ⁴¹ Price, M. R (1991) (Ibid) pg 182.
- ⁴² Price, M. R (1991) (Ibid) pg 184.
- ⁴³ Price, M. R (1991) (Ibid) pg 192.

⁴⁴ Price, M. R (1991) (Ibid) pg 193.

⁴⁵ Price, M. R (1991) (Ibid) pg 200.

⁴⁶ Price, M. R (1991) (Ibid) pg 201.

⁴⁷ Price, M. R (1991) (Ibid) pg 201 – 202.

⁴⁸ Price, M. R (1991) (Ibid) pg 268.

⁴⁹ Price, M. R (1991) (Ibid) pg 269.

CHAPTER FIVE: FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS.

5.0 INTRODUCTION

This chapter consists of findings, conclusions and recommendations based on the study. The study generally focussed on the role of international economic sanctions in effectively influencing political developments towards the desired or demanded political changes in countries, which are targets of these sanctions. The need for this study arose out of an existing debate among scholars as to whether the I.E.S really work and achieve the goals of political change in areas they are imposed. This study on the role of I.E.S in influencing political change in apartheid South Africa is therefore inspired by this controversy. This research therefore aimed at responding to this debate through studying the experience of I.E.S imposed on apartheid South Africa to compel her to abandon her racial non-democratic system of government demanded by international community and other interested actors.

In brief this study sought to find out the effectiveness and role of international economic sanctions in promoting or bringing about political change in apartheid South Africa. The investigation also sought to determine the effects of the international economic sanctions on the apartheid economy and on the rate of activities by domestic political and non-political forces clamouring for political change. To achieve these goals we focused our study based on three hypotheses which were postulated in section 4.0 of chapter four as follows:-

- a) The more the pressure applied in form of international economic sanctions, the poorer the performance of the apartheid South Africa's economy
- b) The more the pressure applied in form international economic sanctions and its consequent effect on the apartheid economy, the quicker the pace of developments towards political change.
- c) The more the pressure applied in form of economic sanctions, the more the rate of domestic non-political and political forces as the ANC and other political parties pressuring for political change in apartheid South Africa.

5.1 EFFECT OF INTERNATIONAL ECONOMIC SANCTIONS ON THE PERFORMANCE OF THE APARTHEID ECONOMY

The proposition of the first hypothesis is that the more the amount of international economic pressure applied in form of sanctions to the South African apartheid's economy, the poorer the performance of

that economy. The objective in this proposition was to find out the general performance of the apartheid economy once it came under the application of international economic sanctions

In our efforts to achieve this goal, we observed and took note of the apartheid economy prior to the imposition of these sanctions and its performance once the apartheid regime came under the effect of sanctions. We studied the period since 1960's, when the apartheid economy was performing well up to the late 1980's and onwards, when the economy was under the effect of the escalating international economic sanctions. The justification for co-varying and co-relating these periods is that the economy started performing poorly in the 80's and after, when various types of sanctions were applied against it. We also analysed various sectors of the apartheid economy and how the character and area, which the economy depended on were affected negatively over time as international economic sanctions were applied. We also argued that the effects of international economic sanctions on areas as sources of capital, loans and technology contributed to the poor performance of the apartheid economy.

We showed that South Africa needed to grow at 5% p.a. in order to keep pace with population growth. In the period 1962-1972, the economy registered growth rates exceeding 5%. However in the following 20 years towards 1980, growth declined to almost half the level registered in 1970's¹. We also noted that the world trade recession of the early 1980's accounted for the poor performance of the apartheid economy. Though this was so, by 1985, given that the apartheid economy was export-oriented meaning that foreign trade and foreign capital were critical to her economic growth. The imposition of international economic sanctions on such areas would damage and negatively affect her economic performance.

On analysing the effect of international economic sanctions on South Africa's foreign trade, we observed that the trade figures for the years 1982 to 1986, we showed that apartheid South Africa imported from U.S.A, Germany, U.K and Japan more than she exported to them leading to deficit in her balance of payments.

An important aspect that made the apartheid economy vulnerable to international economic sanctions was its dependence on foreign technology, capital and investment once her major trade partner imposed sanctions on these areas. For example we observed that there were shifts in trade partners with apartheid South Africa. U.S.A came under domestic pressure to curtail her trade with South Africa since 1984 and she did so leaving other South Africa's trade partners to take over, while imports of Japan increased by 44% on average over the periods 1983-85. Imports of U.S.A declined over the same period, while Federal Republic of Germany and Japan were the target exporters to

South Africa and increased their exports to South Africa by 25%, exports from United States decreased by 33%.

The international economic sanctions also affected imports from South Africa by sanctions imposing countries as France, Denmark and Canada, who by 1987 had reduced the imports of South African goods by over 30%. We also showed that generally sanctions cut into apartheid South African foreign trade, which had accounted for 60% of its economy's annual gross product².

Disinvestment as a result of international economic sanctions also affected apartheid economy as it depended on foreign investments for purchase of its capital equipment. We pointed to the fact that liabilities (foreign) account for over 30% of real G.N.P, since 1984. However 80% of USA's companies pulled out of South Africa. The drop in USA's direct investment was from \$2,000 million in 1992 to \$1300 million in 1985, this was as a result of domestic pressure from Anti-apartheid activists. Returns from investments also declined from 31% after in 1980 to 7% in 1982 and 1983.

It has been therefore argued that by 1988³, it was clear that sanctions were having a pronounced impact on the apartheid South African economy. Disinvestment had its toll so that by 1988 40% of South Africa's subsidiaries of foreign co-operations had been sold by their co-operation parents. We also showed that the apartheid economy also faced international economic sanctions in form of financial sanctions against internal finance credits and new loans caused by refusal by International banking institution to roll over or re-schedule payment of these loans. In the absence of this capital used to finance imports, the Minister of finance Barrend Du Plessis admitted that growth will be limited to 2% , which was too low to maintain standards of livings.

Further effects of sanctions were acknowledged in February 1989, by the Governor of South Africa Reserve bank Gerhard De Kock, who had admitted that sanctions including creditors' pressure had contributed to net out flow of more than R. 25 million out of the country with half going to pay for overdue loans. Price shows that the effect of international economic sanctions and the structural characteristics of South Africa economy with average annual growth in G.N.P being 1% between 1982 to 1987, which was below the population growth rate of 2.5% p.a. Other micro-level indicators of growth also performed poorly. The poor performance of the currency of apartheid economy against the hard currencies was enough evidence that the economy of apartheid South Africa was performing poorly

It is from the foregoing that we have argued that one of the currencies of political power is the capability by a state to exercise influence over another to make it change its behaviour to the desired one. The fact that apartheid South Africa's economy was 60% trade oriented, made it difficult for her to ignore the contribution of its trade partners to her economy and survive. These trade partners by imposing economic sanctions with clauses demanding political change before trade resumed with apartheid South Africa, they were exercising their power on her. The fact that the exercise of power was felt has been shown by the apartheid regime's effort to move towards political change to save the economy from collapse. Our findings therefore, point to the fact that increased application of international economic sanctions negatively affected the performance of apartheid economy.

5.2 THE EFFECT OF INTERNATIONAL ECONOMIC SANCTIONS ON THE RATE OF DEVELOPMENTS TOWARDS POLITICAL CHANGES IN APARTHEID SOUTH AFRICA

Our second hypothesis covered in section 4.3 was that the more the amount of pressure applied in form of international economic sanctions on the apartheid regime and its consequent effect on the economy, the quicker the rate of political developments towards change. Specifically this hypothesis suggests that as the South Africa apartheid economy performed poorly due to international economic sanctions, the political arm of the regime was forced to seek ways of stopping this decline by taking political steps aimed at conforming to the desired political changes. Our findings confirmed this postulation.

The evidence collected has revealed that this movement was done through the diversity of opinion in the apartheid parliament over policy position and response to the increasing pressure of international economic sanctions. The diversity of opinion was seen in the emergence of other minor parties opposing the dominant Nationalist Party. The voting pattern of the white electorate also reflected the mood for the need of political change by the populace. The manifestos of emerging political parties also pointed to their desire to conform to a democratic system demanded by the international community.

The apartheid regime also attempted to introduce a new constitution in 1983 and to repeal its social laws so as to convince the international community of its intention for change. When in 1985, the president Mr. Pik Botha failed to announce clear steps towards political changes, U.S.A as one of its trade partners imposed the 1986 Comprehensive Anti- Apartheid Act on South Africa. The EEC other inter-governmental organisations followed suit, at the same time pressure by domestic populations

against their home trading companies to disinvest from South Africa intensified. All these sanctions negatively affected the apartheid's economy. When reformist president Fredrick De Klerk took over, he immediately took political steps demanded by states that had imposed economic sanctions so as to save the economy from collapse. Among the steps he took were the unbanning of all political parties, release of Nelson Mandela and lifting of the state of emergency. By acceding to demands from the international community to change its political behaviour through adopting the desired political system, apartheid South Africa had revealed that it was vulnerable to the imposition of I E S on it by International Community actors. Steps towards conforming to the political demands were therefore a pointer to the desire of apartheid South Africa to conform to the demands of the international moralist system in order not to be condemned as a pariah state hence loosing its moral status in the international community.

5.3 EFFECT OF INCREASED INTERNATIONAL ECONOMIC SANCTIONS TO THE RATE OF ACTIVITIES BY POLITICAL AND NON-POLITICAL DOMESTIC FORCES

Our third hypothesis discussed in section 4.5 stated that the more the pressure in form of international economic sanctions, the more the rate of activities of domestic non-political and political forces as (A.N.C) African National Congress and other political parties pressuring for political change in apartheid South Africa. This hypothesis suggested that as the international community acted against the apartheid regime by imposing intensified international economic sanctions, these stimulated the political and non-political domestic forces to force the apartheid regime to agree to the desired political change.

The objective of this hypothesis was to discover any relationship between the increased rate of political and non-political domestic forces and the intensified imposition of economic sanctions on apartheid South Africa. We therefore found out that once the apartheid regime faced increased international economic sanctions, it undertook certain social, economic and political reforms to improve its condemned system so as to forestall the further application of international economic sanctions by the international community. These efforts however were counter-productive since the reforms instituted, as the legalising of trade unions did not satisfy the workers, who still felt alienated from participation in the politics of their country. The apartheid regime's efforts in social reforms as the education sector proofed counter-productive since the reforms were hampered by the lack of the provision of commensurate facilities arising from poor performance of the apartheid economy due to effects of international economic sanctions. We observed that piecemeal political reforms in the

Community Councils under the Black Local Authorities Act only acted as a stimulant to mass anti-state mobilisation to rid the structures of the hated racial apartheid systems within their Township

Our findings have also established that with the little freedom allowed for civic groups as UDF to operate, the ANC took advantage to intensify its activities against the apartheid regime through alliances of such civic groups and their willingness to associate with the liberation struggle. We therefore argued that the stimulation of the increased rates of domestic political and non-political activities was part and parcel of Marx's dialectical materialism. The activities of domestic forces represented a class struggle between them [anti-thesis]. This struggle was expected to create a new order through the transformation of the unequal, racial apartheid regime to a non-racial democratic regime in, which all classes were equal (synthesis). We have concluded that the further escalation of these domestic political and non-political forces and the consequent clamping down on them by the apartheid security machinery led to more intensified international economic sanctions by the international community. The effects of these sanctions on apartheid economy reduced the resources hitherto available to the apartheid regime to maintain law and order.

The result of this reduced capability by the apartheid regime became an avenue for increased domestic political and non-political forces reacting against the government for failing to provide them with adequate political, economic and social facilities. In order to prevent any further deterioration of the regime's stability, the apartheid political leaders under took to satisfy the conditionalities set by the international community. The apartheid regime also satisfied the domestic political and non-political force's demands as it responded to the international community's demands for new social, political and economic order based on the non-racial democratic principles.

We also argued that the reaction of the apartheid regime towards riots and work stoppages initiated by these forces exposed the regime to international censure based on moral principles. The deaths caused by the apartheid police during clashes with rioters led various actors opposed to the apartheid regime to justify the dismantling of the system based on the fact that it was immoral, inhuman and anti-United Nations Conventions which called for equality of all races. We therefore concluded that the increased rate of activities of political and non-political domestic forces provided a platform for justification of international community actors to take punitive actions against apartheid South Africa. This strengthens their claims that by doing this they were contributing towards the preservation of morality and human dignity in the international system.

5.4 ALTERNATIVE POLICY RECOMMENDATIONS

Various policy recommendations have been derived from the study as lessons from South African case. To start with, the experience of apartheid South Africa under economic sanctions has shown that a state can maintain its system of government, if the international community has not concurred on taking steps to force or coerce it to change. This is because the apartheid system was able to exist for almost 8 decades without any serious threat to its survival. It was only in the 1980's that its strong allies as the United States of America and her major trade partners as Britain began being pressurized to force the system to change. This was done through the United Nations who relied on member nations for support of its demands against apartheid South Africa. The Cuban case is an example of a government that has maintained its political system though some of the international community members would have liked to dismantle its system. Cuba has survived the cold war and remains almost the only communist state in the Western Hemisphere. It has managed to achieve this by relying on the diversity of opinion and working to be self reliant against opposing states as the United States of America.

The South African case therefore provides lessons of the difficulty of survival of a system which has both internal contradictions and external oppositions which eventually eroded its economic base dependent upon for the survival of its political system when international opinion converged on its dismantling. The lessons Kenya and other countries can learn from this experience is that it will be safer for the government to adopt political systems that can gain the support of the majority of its citizens and one that can not antagonise or threaten the interests and opinions of other states and non-state actors in the international community.

Secondly it has been derived from this study that despite the role played by the activities of domestic political and non-political forces in agitating for political change, the steps towards this direction were dictated and conditioned by the behaviour of the white regime in power. This observation simply points to the difficulty in predicting the direction political change can take especially when demanded or initiated from external actors who form the international community. The black majority may have opted to adopt the communist system of government had they succeeded in toppling the white apartheid regime, but because the international community led by powerful allies as U.S.A. were keen to see a particular system of government evolve, it was not possible for their wishes to be realised. A lesson to be learnt by any independent government is that any government or state can only be independent to that extent of dependence on a more powerful ally or a certain favoured political system by the majority of international community members.

Thirdly, the findings from this study point to the fact that sanctions induced economic hardships alone cannot lead to quick steps towards political change. The reaction of the domestic, political and non-political forces as the A.N.C. and the trade unions which led to the paralysing of existing industries through their activities and riots played a significant role in showing the apartheid regime the need for a quick movement towards political change. These reactions were spontaneous and not co-ordinated by the international community whose gradual imposition of sanctions had not achieved any immediate results till the late 1980's. The implementation of half-hearted reforms by the apartheid regime showed that international economic sanctions were not biting enough especially against the whites. This meant that had insecurity of whites not been threatened by domestic, political forces the apartheid regime would have stayed on as was the case in Rhodesia. international economic sanctions against Rhodesia hurt the blacks more than the white farmers whom sanctions were intended. It was only when the Africans decided to start guerrilla warfare that the British government withdrew its half-hearted agreements.

The South African case offers a lesson to policy makers at national and international level that international economic sanctions alone targeted to an intransigent government may not produce the expected results. This realisation may have led the international community to come to the conclusion that other complementary measures are required to impart efficacy to international economic sanctions. One of these measures is the use of the so-called "Smart Sanctions"⁴ against specified individuals in the targeted governments. These 'Smart sanctions' are meant to concentrate coercive pressure on decision-making institutions and individuals whose travel is restricted and their assets abroad frozen. The expected result of this action is that the demanded change will be achieved by diverting the blame for peoples' suffering away from sanctioning countries to their own leaders. An example of the use of this 'Smart sanctions' is its recent application by the EEC and its allies against the government of President Robert Mugabe of Zimbabwe and his top government officials for failing to ensure free and fair election in that country. The sanctions were aimed at pressurising him to facilitate political freedom for the citizens of Zimbabwe.

END NOTES

¹ Hodd, M (1986). *African Economic Hand Book*. 1st Edition. London. Euro Monitor Pub Co. Pg 10

² United Nations (1989) *Transnational Corporations in South Africa*. 2nd U.N Public Hearing 1989. Vol II. Report of Panel of Eminent Persons. Background Documentation NY. Pg 5.

³ United Nations (1989) (Ibid) pg 6.

⁴ Daily Nation (2002). "Smart Sanctions by EEC". **Daily Nation** (March 4th 2002) Pg 10

BIBLIOGRAPHY

- Adam, H. (1971). **Modernising Racial Domination**. 1st Edition. California University of California Press.
- Akindele, R. A (1976). **The Organisation And Promotion Of World Peace; A Study Of Universal – Regional Relationships** 1st Edition. Toronto University Of Toronto Press.
- Anderson E. W. (1984). “The Republic Of South Africa As A Supplier Of strategic Minerals; An Assesment”. **South Africa Institute Of International Affairs**.
- Bailey, K.D. (1987). **Methods of Social Research**. NY. Free Press Collier Macmillan.
- Baker P.H (1989) **South Africa Time Running Out; The United States and South Africa**. New York, Ford Foundation. Pg 44
- Baldwin D. (1985) ‘Economic Statecraft’- Journal of Foreign Policy - No 65
- Baldwin D. A.(1979). “Power Analysis”. **World Politics XXX1** No. 2 (Jan 1979).
- Bissel R. E. (1977) **Apatheid And International Organisations**. 1st Edition. Columbia Westviev Press Boulder.
- Blumenfield J. (1987). “Economy Under Siege”. Blumenfield J. (ed) **South Africa in Crisis**. London. Groomhelm Ltd.
- Carlvocoressi P. (1964). “The Politics of Sanctions; The League and the United Nations”. Ronald Segal (ed) **Sanctions Against South Africa**. London. Penguin Books
- Carr H..E (1966). **The Twenty Years Crisis 1919-1939: An Introduction to the Study of International Relations**.M London. Macmillan GB Martins Press.
- Carter and Gwendolen .M. (1980). **Which Way Is South Africa Going?** 1st Edition. Bloomington. Indiana University Press.
- Carter and O’meara (eds) (1982), **International Politics In South Africa**. 1st Edition. Bloomington. Indiana Press.
- Clark F. P and Smith R (1985). **Foreign Policy Implementation**. 1st Edition. London. Goerge Allen and Urwin Publishers.
- Clarke and Duncan G. (1981). **Economic Sanctions on South Africa; Past Evidence and Future Potential**. 1st Edition. London. Afrca Bureau.
- Coulombis T and Wolfe J. (1990) - **Introduction To International Relations : Power And Justice**: 3rd Edition. New Delhi. Prentice Hall.
- Craig K.D. (1988). **Force and Statecraft**. 1st Edition. NY. OUP.
- Daily Nation (2002). “Smart Sanctions by EEC”. **Daily Nation** (March 4th 2002).
- Daily Nation July 11th 1995: **UN Sanctions in Iraq**. 1995.

- Danaher K. (1985) **The Political Economy of U.S. Policy Towards South Africa**. 1st Edition
Boulder. Westview Press.
- David, M. S (ed) 1982 **Living Under Apartheid; Aspects Of Urbanisation And Social Change
In South Africa**. 1st Edition. London. G Allen and Unwin Publishers
- Davies H and Robert H. (1979). **Capital, State And White Labour In South Africa, 1900 -
1960; An Historical Materialist Analysis of Class Formation And Class
Relations**. 1st Edition. NJ. Humanities Press.
- Desmond, C (1986). "Sanctions and South Africa" **The International World Quarterly
Journal**. No.8 Vol I.
- Dougherty J.E and Pfaltzgraf, P L. (1991) - **Contending Theories of International Relations**,
Harper and Row. 2nd Edition. New York.
- Doxey M. (1971). **Economic Sanctions and International Enforcement**. 1st Edition. London.
OUP.
- Dulles F. (1932). "Practical Sanctions". Clark E.(ed). **Boycotts and Peace Reported by the
Committee on Economic Sanctions**. New York. Harper & Bros.
- Easton G D and Guddat K H (1967). **The Germany Ideology: Writings of Young Marx on
Philosophy and Society**. 1st Edition. New York Double Day Publishers.
- Falco M. (1973). **Truth and Meaning of Political Sciences: An Introduction To Political
Inquiry**. 1st Edition. Columbus. Columbis Merril.
- Femia V J (1999). **Marxism and Democracy**. 1st Edition. New York. Ford Univ Press.
- Feur L. S. (1959). **Marx and Engels - Basic Writings on Politics and Philosophy: Critique of
Political Economy**. 1st Edition. New York. Double Day Publishers.
- Gail M. Gerhart (1978) **Black Power In South Africa; The Evolution Of An Ideology**. 1st
Edition. Berkeley. University of California Press.
- Gann, L H and Duignan P. (1981). **Why South Will Survive; A Historical Analysis**. 2nd
Edition.. Colúmbia. Croomhelm Publishers.
- Goldberg A (1987). "The Status of Apartheid Under International Law". **Transnational
Corporations In Southern Africa and Namibia: Public Hearings Vol 4:
Policy Statements**. New York. United Nations Publications.
- Goodrich M.L. and Simon A. P. (1955). **The United Nations and the Maintenance of
International Peace and Security**. 1st edition. Washington. Brookings Institute.
- Grimes D. (1967) **MA Thesis** , "United Nations Efforts To Implement Sanctions against South
Africa , Portugal And Rhodesia.
- Hanlon J (1990). "Success and Future Prospects of Sanctions Against South Africa" **Research
of African Politics Journal No.47**.

- Hanlon J. & Omond R. (1988) – “**The Sanctions Handbook**” *Journal of East African Political and Economic Review*. Dec 1987/Jan 1988
- Hayes J.P. (1987) **Economic Effects of Sanctions on Southern Africa** – London, Rhodes Ltd U.K.
- Hodd, M (1986). **African Economic Hand Book**. 1st Edition. London. Euro Monitor Pub Co
- Hoffman F. (1967) - **Journal for Peace Research Vol 5 No.4** “The Functions Of Economic Sanctions”.
- Janice I. (1988) “South African Economic Profile”. **Journal For Modern African Studies Volume 26 No.1.**
- Joel, L (eds) (1965). **Collective Security to Preventive Diplomacy: Readings in International Organization and Maintenance of Peace: Vol. I.** NY. John Wiley Sons Inc.
- John W. C. (1982). **The Highest Stage of White Supremacy**. 1st Edition. London. Cambridge University Press.
- Jonathan L, Baskin B (eds) (1985). **Business in the Shadow of Apartheid; U.S. Firms In South Africa**. MS. Lexington Books Massachussets.
- K. Knorr (1975) - **The Power of Nations: The Political Economy of International Relations**. 1st Edition. New York Basic Books.
- Kapungu, L.T (1971) - **United Nations and Economic Sanctions Against Rhodesia** . London, D. C. Health & CO.
- Karis T. G. (1983). “Revolutions In The Making; Black Politics In South Africa” **Foreign Affairs. 62 (2)** Winter 1983/84.
- Keenan F. G. (1954). **Realities Of American Foreign Policy**. 1st Edition. Princeton. Princeton University Press.
- Kelsen H. (1951) **The Law of The United Nations**. 1st Edition. London. Stevens and Sons Limited.
- Lefever. W. E (1972). “Moralism”. Lefever. W. E (ed). **Ethics And World Politics, Four Perspectives**. 1st Edition. Baltimore. John Hopkins University Press.
- Legum C (1982). “International Moral Protest”. Gwendolin M.C and ‘O’meara P (eds) **International Politics In Southern Africa**. 1st Edition. Bloomington. Indiana University Press.
- Legum C (1988). **The Battle Fronts of Southern Africa**. 1st Edition. London. Africana Publishing Company.
- Legum M and Colin M. (1964) - **South Africa: Crisis For The West**. London, Pall Mall Press Ltd

- Legum, C and Doru, E. (1992). "Country by Country Survey: Republic of South Africa". Legum, C and Doru, E (eds) **African Contemporary Records Annual Survey And Records Volume 21. 1988-1992**. NY. Africana Publishing Co
- Legum, C and Patrick, O (eds) (1982). **International Politics In Southern Africa**. Indiana Indiana University Press
- Legume, C (1987) "International Campaign for Sanctions Against South Africa". Legume, C (ed) **Africa Contemporary Record. Annual Survey and Documents: 1986-9186 Vol 18**. African Publishing Co. NY.
- Legume, C (1987) "The Dis-investment Campaign". Legume, C (ed) **Africa Contemporary Record. Annual Survey and Documents: 1986-9186 Vol 18**. African Publishing Co. NY.
- Leo K (1988). "South Africa South Of Sahara" **South Africa Economic Survey**. Europa Publication Limited.
- Lipton, M (1989). "The Challenge of Sanctions" **CTC Reporter. Autumn No. 28**.
- Lipton, M. (1986). "Reform: Destruction or Modernisation of Apartheid?". Blumenfield J (ed). **South Africa in Crisis**. 1st Edition. London. Cromhelm Publishers.
- Lipton, M. (1986). **Capitalism and Apartheid South Africa: 1910 – 1986**. 2nd Edition. London. Gower Publishing Co.
- Lipton, M. (1989) "The Challenge of Sanctions" **CTC Report No 28 Autumn 1989**.
- Losman D. (1979) – **International Economic Sanctions; The cases of Cuba, Israel and Rhodesia**. 1st Edition. Albuquerque. University of New Mexico Press. Pg 1.
- Luckhardt K. and Brenda W. (1980). **Organize or Starve: the History of South African Congress of Trade Unions**. London. International Publishers Company..
- Malan T. and Hatting P S (ed) (1976). **Black Homelands in South Africa**. Johannesburg. Africa Institute Of South Africa.
- Mbeki G (1984). **The Peasants Revolt**. London. International Defence and Aid Fund for Southern Africa.
- Medlicott W. N. (1952) **The Economic Blockade**. 1st Edition. London. OUP. London.
- Meli F. (1988). **A History Of The ANC; South Africa Belongs To Us**. Harare. Zimbabwe Publishing House.
- Minter W. (1986) "Effects of Disinvestment on Apartheid Economy" **Foreign Policy No 65**.
- Mokgethi M. (1988). **Challenge to Apartheid: Toward a Moral National Resistance**. Michigan. William B. Eerdmans Publishing Company.
- Morgenthau. H. (1978). **Politics Among Nations**. 5th Edition. New York Knopf.

- Nyati, E (1989) "Sanctions and Disinvestment are Working" **CTC Report Autumn No 28 1989.**
- Olusola C. (1985) "Oil Sanctions and South Africa". Aluko D. and Shaw T (eds) (1985) - **Southern Africa in The 1980's.** George Allen and Unwin London
- Oran R. Y (1969) "Inter-dependencies in World Politics" **International Journal (Autumn 1969).**
- Price M.R. (1991) – **The Apartheid State In Crisis 1975-1990 – 2nd Edition** New York, New York University Press.
- Richard A. F. and Kim S. S. (eds) (1991). **The United Nations and a Just World Order.** San Fransisco. Westview Press.
- Roberts, A and Kingsbury, B (ed) 1993 **United Nations, Divided World; The U.N's Roles In International Relations.** London. OUP.
- Robin S (1987). "The Black Trade Unions: From Economics to Politics". Blumenfield J (ed). **South Africa in Crisis.** Croomhelm Limited London.
- Russet B. H. and Harvey S. (1989). **World Politics: The Menu For Choice: 3rd Edition.** New York. W.H. Freemans Co.
- Segal R. (1964) - **Sanctions Against South Africa** – New York, Penguin Books Ltd.
- Seidman J. (1980) **Face Lift Apatheid; South Africa After Soweto.** London International Defence And Aid Fund For Southern Africa.
- Shepherd W. G. (1977) **Anti Apatheid; Transnational and Western Policy in Liberation of South Africa.** 1st Edition. London. Greenwood Press.
- Shreiber A. B. (1973). "Economic Coercion as An Instrument of Foreign Policy" **World Politics Vol 25 No. 3 1973.**
- Spence J. E (1987) "Foreign Policy: Retreat into the Laager". Blumenfield. J(ed) **South Africa in Crisis.** London. Groomhelm Ltd.
- Spykman J.N (1940). **American Strategy In World Politics.** 1st Edition. New York Harcourt Brace 1942.
- Taubenfield, J & Howard F, R. (1964). "The Economic Weapon". **League and United Nations. American Society for International Law Proceedings.**
- United Nations (1950). **International Covenant on Civil and Political Rights.**
- United Nations (1987) **Transnational Corporations In South Africa And Namibia United Public Hearings Volume III Statements And Submissions.**
- United Nations (1987). **Transnational Corporations in South Africa and Namibia: United Nations Public Hearings. Vol IV; Policy Instruments and Statements.** United Nations Publications. NY.

- United Nations (1989) **Transnational Corporations in South Africa. 2nd U.N Public Hearing 1989. Vol II. Report of Panel of Eminent Persons Background Documentation** NY.
- United Nations (1990) **Transnational Corporations In South Africa And Namibia” UN Public Hearings, 1989.**
- United Nations (1990) **Transnational Cooperation in South Africa Public Hearings 1989 Vol 2 Statements and Submissions.**
- United Nations (1991) **Transnational Corporations In South Africa : List Of Companies With Investment And Disinvestments 1990.**
- United Nations (1993). **Foreign Direct Investments And Transnational Corporations 1973-1992.**
- United Nations (2001) **Charter of United Nations and Statute of International Court of Justice.**
- United Nations (2002). **Human Rights: A Compilation of Instruments. Vol 1. 5th Edition.**
- Wallenstein I. – (1968) “Characteristics of Economic Sanctions” **Journal for Peace Research – Vol 5 No. 3.**
- Wallestein I. (1968). “Characteristics of Economic Sanctions” **Journal For Peace Research Vol 5 No. 3 1968.**
- Weekly Review (1994). Nelson Mandela Inaugural Speech. **Weekly Review May 13th 1994.**
- Windrich E. (1978). **Britain And Politics of Rhodesian Independence. 1st Edition. London. Groomhelm.**
- Wolfers A (1949). “Statenmanship and Moral Choice”. **Journal of World Politics 1st Jan 1949**
- Zimmerman A (1939); **The League of Nations and the Rule of Law 1918-1935. London. Macmillan Co Ltd.**