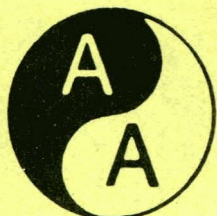


an assessment of  
Britain's record of action  
against South Africa



**Anti-Apartheid Movement**

30th July 1986

£1.00

**A TINY LITTLE BIT**  
**An Assessment of Britain's Record of**  
**Action Against South Africa**

**30th July 1986**

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**A Tiny Little Bit**  
**An Assessment of Britain's Record of Action Against South Africa**

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## CHAPTER 1 INTRODUCTION

This Report has been prepared for presentation to the Commonwealth Heads of State and Government, who are meeting in London from 3-5 August to review developments in Southern Africa since the Nassau Commonwealth Summit in October 1985. It provides the first comprehensive assessment of action taken by Britain to implement measures against South Africa. It is also intended to provide information for the Commonwealth Committee on Southern Africa which at its meeting on May 21st 1986, "asked the Commonwealth Secretary, as a matter of urgency, to monitor the fulfilment by Commonwealth countries of their existing commitments in respect of measures against South Africa."

It seeks to untangle the facts from the myths over Britain's record of action against apartheid. This task has been made no easier by the statements of the British Prime Minister Mrs Thatcher. Last October she played down the significance of the measures agreed by Britain and talked of "a tiny little bit".(1) Yet this June in the House of Commons, she asserted that "no other (major Western industrialised country) has done more" than Britain. (2)

The British government is formally committed to four major international agreements on measures against South Africa. The first, adopted in June 1977, is the Gleneagles Agreement which covers sporting links with South Africa (**Appendix I**). Then, in November 1977, the UN Security Council unanimously adopted Resolution 418 which imposed a mandatory embargo on arms to South Africa (**Appendix II**). (This was extended in December 1984 to cover arms imports from South Africa - but the resolution, UNSCR 558, was not mandatory) (**Appendix III**). Then, in September 1985, EEC Foreign Ministers meeting in Luxembourg agreed on a package of "restrictive measures" (**Appendix IV**). Finally, a month later in Nassau, the Prime Minister Mrs Thatcher was a signatory to the Commonwealth Accord on Southern Africa which included a "programme of common action" (**Appendix V**)

The Commonwealth 'programme of common action' in fact incorporated most of the major elements of the previous agreements. It was the product of a Commonwealth compromise. Commonwealth leaders had arrived in Nassau for their bi-annual summit on collision course. Since their last Summit the situation in Southern Africa had deteriorated dramatically and almost the entire Commonwealth was convinced of the need for an effective package of Commonwealth sanctions. One Commonwealth leader was resolute in her opposition - Mrs Thatcher.

After hours of confrontation a compromise was struck. A few new measures were agreed. Others were identified for consideration if no progress was forthcoming in South Africa over the next six months. In the meantime an Eminent Persons Group was to be established by the Commonwealth to promote the idea of negotiations between the apartheid regime and genuine leaders of the Black majority.

Within minutes of the agreement having been reached, Mrs Thatcher held a private briefing to which only British journalists were invited. She dismissed the 'programme of common action' and made her now infamous comment, 'a tiny little bit; a tiny little bit'. Wittingly or unwittingly with those few words she succeeded in humiliating the rest of the Commonwealth by conveying the impression that she had triumphed. Indeed, she even claimed in the House of Commons on her return that she had achieved "the recognition that economic sanctions would not work", "that many people there (at Nassau) realised that sanctions would be counter-productive", and that "many Heads of Government were pleased that the question of sanctions did not go any further" (3). Several Commonwealth leaders found it difficult to disguise their anger at Mrs Thatcher's statements. However, they stuck to their part of the Nassau Accord and worked hard to establish the 'Eminent Persons Group'. It eventually reported on June 12 1986 that there was 'no present prospect of a process of dialogue leading to the establishment of a non-racial and representative government'.

A Group of Commonwealth leaders was mandated by the Nassau Summit to meet to consider whether 'adequate progress' had been made during the six months following the Summit. This Commonwealth meeting is to take

place from 3-5 August, and, if it endorses the conclusion of the Commonwealth Group of Eminent Persons, then the Commonwealth as a whole is committed "to consider the adoption of further measures." (4)

When giving consideration to what action is now required, it is also important that an assessment is made of the extent to which existing measures have in fact been implemented. Can it be that Britain has only done 'a tiny little bit' and yet has done more than any other "major western industrialised country"? The fact that Mrs Thatcher can boast to her followers that she has made no real concessions to the Commonwealth, and yet pretend to her opponents that Britain's record was second to none in the west, is due in part to the lack of any serious assessment of Britain's record in implementing the measures to which it formally subscribes.

Mrs Thatcher's rhetoric is also possible because there is a fundamental conflict over the role of these measures. Mrs Thatcher has made clear she regards them as 'a gesture, a signal to South Africa' (5). In contrast, the Nassau Accord stressed that the measures agreed were designed to "help bring about concrete progress towards the objectives" of the Accord, including the establishment of a non-racial and representative government in South Africa. If the measures are simply 'gestures' then it does not matter how they are implemented. If, on the other hand, they are designed to contribute to the dismantling of apartheid, then it is critical that they are effective.

This Report will demonstrate that the British government does indeed regard the measures it has formally endorsed as 'gestures', and that it has failed to implement both the letter and the spirit of most of the package agreed by the Commonwealth in Nassau.

## CHAPTER II BRITAIN AND SOUTH AFRICA

Any examination of the measures which Britain has implemented against South Africa needs to be viewed within the context of Britain's overall relations with South Africa. It was British imperial might during the 19th century which imposed colonial rule on much of South Africa and following the Boer Wars it was the British Parliament which ceded political power to the white settler population under the 1909 Act of Union. As a Dominion within the Empire and later the Commonwealth, the Union of South Africa enjoyed a unique relationship with Britain. The election of the Nationalist Party in 1948 was a source of some discomfort to Britain, since many of its leaders had been interned during the II World War for their pro-Nazi activities. However, this did not deter Britain from entering into a formal military alliance with South Africa in 1955 - the Simonstown Agreement which continued in force until 1975. Britain was the principle investor in South Africa during its rapid economic of the 1950's and 1960's and was South Africa's major trading partner up to the late 1970s. British military equipment provided the backbone to its armed forces. Britain was the main source of skilled white immigrants and Britain and South Africa enjoyed special relations in the sporting, cultural and academic fields.

It is remarkable that, despite almost four decades of apartheid rule, many of these relations remain intact and indeed Britain's stake in apartheid has grown dramatically.

The most crucial role has been played by British companies operating in South Africa. Two British banks, Barclays and Standard Chartered, dominate the apartheid economy. Two British oil companies, Shell and BP, account for 40% of the oil marketed in South Africa. British electronic companies have played an essential role in enabling South Africa to develop its limited self-sufficiency in this vital strategic field. ICI, through its South African associate African Explosives and Chemical Industries, developed South Africa's first ammunition factories. In reality, South Africa's industrial-military complex has been created largely through the endeavours of British companies.

As South Africa's pattern of economic development altered, and it became more dependent on loan finance rather than direct investment in subsidiaries or associates, British finance houses played their part. Such was Britain's involvement in raising loans for South Africa that, at the time of the Moratorium on the repayment of loans in September 1985, the exposure of British banks totalled £5.6 billion. British banks have raised loans for para-statals such as ESCOM which runs South African nuclear reactors and the Government itself. (6)

This background is important, because as the Standard Bank Review noted in November 1985, "as a small and relatively open economy, the country's prosperity is based to a great extent on its ability to freely sell materials and products abroad. In turn South Africa depends on the outside world for many essential inputs." Put another way, the apartheid system is dependent on external collaboration. The privilege and wealth of the white minority is based on South Africa's capacity to export and secure foreign investment. And the power of the white minority is crucially dependent on the arms, oil and other strategic equipment (the "essential inputs" as the Standard Bank would prefer to describe them) without which the apartheid system could not survive.

It is British collaboration which has been specially responsible for the development of the apartheid system. Britain has also played a key role in protecting South Africa from effective international action by vetoing and blocking sanctions in a range of international fora.

Britain has benefited immensely from its collaboration with South Africa. For example: in the 8 years from 1975-1983, Britain exported a total of £ 7.8 billion goods (7). Profits from its direct investment in South Africa have been calculated to total £ 2.9 billion over this period (8). Any short-term economic consequences for Britain arising from the imposition of sanctions would be minimal compared with the benefits which have accrued to Britain over almost four decades of apartheid. In contrast many Commonwealth countries have been prepared to make major sacrifices.



The first was India. Exactly 40 years ago this month it terminated all trade with South Africa. A gazette notification (No 2-C (6)/I and II) dated 17th July 1946 prohibited exports to South Africa and imports from South Africa. India's trade with South Africa then amounted to 5.5% of all India's exports (9). No Western country ever had such a proportion of its export trade with South Africa and therefore, in a real sense India made a greater sacrifice in 1946 than is now being asked of Britain and South Africa's other trading partners; and it has continued making such a sacrifice for four decades.

Other Commonwealth countries have made more direct sacrifices. Commonwealth and other independent African states in the region have been the targets of South African aggression and destabilisation. It has been estimated that the damage inflicted on the SADCC member states now totals over \$10 billion. The Seychelles were the target of a South African planned coup d'etat and even in London South African agents have been prosecuted for burglaries and other illegal activities.

Precisely because of Britain's extensive relations with South Africa, it is placed in a unique position and with a unique responsibility. It can choose to side with the cause of freedom and make an invaluable contribution. Or it can choose to remain an ally of apartheid and thus increase the price that will be paid by those struggling for freedom.

CHAPTER III    BRITAIN'S GESTURES

The Prime Minister, Mrs Thatcher, has spelt out personally what she describes as "a very considerable range of measures" in correspondence with the Anti-Apartheid Movement. The measures she states are:

- " -We subscribe to the full Gleneagles Agreement on sporting contracts with South Africa;
  - We do not sell arms or para-military equipment to South Africa;
  - We do not import arms or para-military equipment from South Africa;
  - We refuse to cooperate with South Africa in the military sphere;
  - We refuse to sell sensitive equipment to the South African police and armed forces
  - We refuse to collaborate in South Africa's nuclear development;
  - We refuse to sell oil to South Africa;
  - We discourage scientific or cultural events except where these contribute to the ending of apartheid or have no possible role in supporting it;
  - We do not have official contacts or agreements in the security sphere;
  - We have recalled our Military Attaches accredited to South Africa and will refuse to grant accreditation to new Military Attaches from South Africa;
  - We have banned all new government loans to the South African Government and its agencies;
  - We have ended Government funding for trade missions to South Africa and for trade fairs in South Africa;
  - We have banned the import of all gold coins from South Africa."
- (10)

The following is a point-by-point examination of the actions taken by Britain to implement these measures, in particular those set out in the Commonwealth "programme of common action" (see Appendix V)

1) The Gleneagles Agreement: The Commonwealth Statement on Apartheid in Sport (**Appendix I**), commonly known as the Gleneagles Agreement states that it is the urgent duty of each Commonwealth government to take "every practical step to discourage contact or competition by their nationals with sporting organisations, teams or sportsmen from South Africa". It also "welcomed the belief ...that there were unlikely to be future sporting contacts of any significance between Commonwealth countries or their nationals and South Africa while that country continues to pursue the detestable policy of apartheid".

Britain's failure to implement the Gleneagles Agreement is evident from any study of sporting relations between Britain and South Africa. The largest number of overseas sportsmen and women competing in South Africa are from Britain. For example, according to the UN register for the period January - June 1985 out of a total of 334 sportsmen and women competing in South Africa, 94 were from Britain, i.e. over 28%. The last major official sporting tour of South Africa was by the Rugby Football Union of England. And South Africans continue to be able to compete in many sporting events in Britain.

This continuing pattern of sporting relations arises primarily from the failure of the British Government to "take every practical step" to implement the Gleneagles Agreement. Britain maintains a no-visa regime with South Africa which means that there are no controls over the entry of South African sportsmen and women into the United Kingdom. As recently as 16th July 1986 the British Government informed the House of Commons: "We have no present plans to institute a visa requirement for South Africans entering the United Kingdom" (11). A number of EEC countries including France and the Netherlands have terminated no-visa agreements in order to enforce the sporting boycott and many more countries without no-visa agreements automatically refuse visas to South Africans wishing to compete in sporting events.

Britain's refusal to terminate the no-visa agreement is evidence alone of its failure to implement the Gleneagles Agreement. However there are many other examples. The most serious was the refusal of the Prime Minister to personally intervene with the English rugby authorities prior to the RFU's 1984 tour of South Africa despite widespread appeals

that she should do so. There were clear indications that the tour would have been called off if the Prime Minister had personally intervened. Her failure to do so was regarded as further evidence of her lack of personal commitment to the sports boycott. The case of Zola Budd, in which her passport application was processed in record time, meant that she was able to use a British passport to run as an Ambassador of apartheid sport.

It continues to be the case that the extent to which the sports boycott has been effective in Britain has been due to the actions of British and international sporting organisations together with public protest rather than because of Government action to enforce the Gleneagles Agreement.

2) The Arms Embargo: The Prime Minister claims that "our record over the years in implementing the United Nations Arms Embargo has been second to none". There is well documented evidence which completely contradicts this statement, including "How Britain Arms Apartheid" published by the AAM in July 1985 and "The UN Arms Embargo and UK controls", a paper presented by the World Campaign against Military and Nuclear Collaboration with South Africa to the International Seminar on the Implementation of the UN Arms Embargo held in May 1986. In addition, a number of specific cases involving Britain have been considered by the UN Security Council's arms embargo committee.

Taken together these amount to extensive evidence that Britain has not only failed to introduce effective controls to enforce the UN mandatory arms embargo (SCR 418) (Appendix II), but also that the British government has sanctioned the supply of arms and related material to South Africa.

The key points are:

\*) Britain has not introduced any comprehensive legislation to enforce the UN arms embargo. It relies primarily on the Export of Goods (Control) Order to enforce the embargo which is a standard Order covering the export of strategic items to all over the world. There are no special offences or penalties for breaking the arms embargo against South Africa.

- \* ) The British Government itself defines what items fall within the scope of the arms embargo. It has therefore sanctioned the export of vital strategic equipment such as the Plessey mobile military radar system, the AR3D. (South African military personnel were brought to Britain to train on this equipment prior to its export) and the up-dating of the Marconi S-247 static military radar system - a system which provides the backbone of South Africa's military radar. The Government refuses to publish information on the number of licence applications and licences granted for the export of strategic equipment to South Africa.
  
- \* ) British controls do not cover the export of key items which the South Africans have sought to obtain from Britain such as cryostats for use in heat-seeking missiles and the Optica aircraft which was developed for police and air-surveillance work.
  
- \* ) British controls covering the export of spare-parts and components; the granting of licences for the manufacture of strategic equipment in South Africa; and exports from British dependencies only apply to a very limited group of items (Group 1 in the Export of Goods Control Order (1985)), amounting to 8 out of a total of 140 pages on which different categories of items are listed.
  
- \* ) The British authorities sought to "cover up" a £2 million arms deal to South Africa by a major company Redman Heenan International with a settlement involving Customs compounding proceedings which are not publicly disclosed. The settlement of £193,000 was less than 10% of the value of the deal. The details were only disclosed by the 'Observer' four years after the settlement was made.
  
- \* ) Cases which have come to court in Britain have revealed an extensive traffic in arms and related material from Britain to South Africa. Arms dealers have been able to defy the arms embargo with ease. Penalties imposed by the Courts have made a mockery of Britain's international undertakings. In one case the Judge actually said, "I also bear in mind, as I must, that these things were supplied, not to revolutionaries or insurgents, but, as is beyond doubt, to the Republic government", when justifying a lenient sentence.

Investigations have nearly always resulted from "tip offs" by concerned employees and trade unionists. In another case when trade unionists acted to prevent a computer controlled milling machine, destined for use by the Armscor subsidiary Atlas Aircraft, from being loaded onto a South African vessel at Southampton docks, no action was taken against those involved in the deal.

\*) The British authorities have refused to take action when there has been evidence of the involvement of the South African Embassy or South Africa government agents in arms smuggling operations. In one case the Embassy was directly involved in the payment of arms shipments. No action was taken on the spurious grounds that by the time the Foreign Office was aware of the evidence those responsible at the Embassy had probably left the country. In another, four Armscor officials were arrested and subsequently bailed and allowed to return to South Africa to await trial. Despite assurances to the Court by an Embassy official, they failed to reappear for the trial. Bail and other sureties were forfeited but the British government refused to take any retaliatory action against the South African authorities.

However, the most forceful criticism of the British government concerns its attitude to proposals to strengthen the arms embargo. Both Commonwealth Summits and the UN Security Council have recognised the need to close all "loopholes" in the arms embargo. In 1980, at the request of the UN Security Council, its arms embargo committee produced a comprehensive report (12) which concluded with 16 recommendations to strengthen the UN Mandatory arms embargo. The United Kingdom delegation was the only member of the UN Security Council to express reservations on all 16 recommendations. Six years later, despite all the evidence of violations, the British Government informed the House of Commons on 16th July 1986 that its "position had not changed" (13) in respect of the 16 recommendations. Britain is therefore directly blocking moves in the UN Security Council, which have the support of other Western permanent members, to make the embargo more effective. Yet Mrs Thatcher can claim that Britain's record "is second to none"!

3) "A ban on all new government loans to the Government of South Africa and its agencies": The Minister of State at the Foreign Office, Mrs Linda Chalker, announced in the House of Commons on 9th July 1986 that "following the Commonwealth Heads of Government at Nassau last October we ended government-to-government loans" (14). A few days later the Prime Minister admitted in the House of Commons that the Conservative government "had provided no loans to the Government of South Africa" (15) since it took office in 1979. This measure in fact is meaningless because no Commonwealth governments have been involved in providing such loans.

4) "A readiness to take unilaterally what action may be possible to preclude the import of Krugerrands": The British government issued a "Notice to Importers" on 23rd May 1986, prohibiting the importing into the United Kingdom of "gold coins originating in the Republic of South Africa, except under the authority of an individual licence issued by the Department of Trade and Industry" (16). This ban came into effect on 24th May 1986, over 7 months after the adoption of the Commonwealth Accord. In contrast, the US President announced his intention to introduce such a ban on 9th September 1985 and it came into effect on 11 October 1985. No satisfactory explanation has been provided as to why there was such a delay in implementing this measure.

Significantly, the ban only covers direct imports into the UK from the Republic of South Africa. Nothing therefore prohibits the importing of South African gold coins via third countries. The ban does not prohibit the sale of South African gold coins in the UK, and a proposal to this effect was rejected by the Government in the House of Commons on 15th July 1986 (17).

The Prime Minister had previously intervened directly with the Bermudan government (a self-governing British colony) to overturn its ban on the importing of Krugerrands.

In practice the ban imposed by the British government on the importing of South African gold coins is at most of nuisance value. Anybody wishing to avoid the ban will simply import South African gold coins via a third country. Britain has opposed moves to make such a ban mandatory on all nations through the UN Security Council.

5) "No government funding for trade missions to South Africa or for participation in exhibitions and trade fairs in South Africa": This measure, like the ban on Krugerrands, was not immediately implemented. The British Overseas Trade Board funded three further trade missions to South Africa as well as a group of companies participating in a trade fair in Johannesburg. This involved an expenditure of over £40,000. However, the Government has now assured Parliament that no financial support for either trade missions to South Africa or participation in trade fairs in South Africa has since been provided (18). The spirit of this measure, however, is undermined by the status which the United Kingdom South Africa Trade association enjoys with the British Overseas Trade Board. UKSATA has been chosen by the BOTB as its "Chosen Instrument" for trade with South Africa and the Area Advisory Group of the BOTB. The newly formed British Industry Committee for South Africa, which has been lobbying extensively against sanctions, operates from the UKSATA offices.

Despite the ending of government funding for trade missions, a Department of Trade Minister informed the House of Commons on 17th July 1986 that "we continue to believe that civil trade with other countries, including South Africa, should be determined by commercial considerations, not by the character of the Government of those countries" (19). Such statements clearly amount to a rejection of the spirit of the measure agreed at Nassau and give rise to genuine concern as to the real intentions of the British government.

6) "A ban on the sale and export of computer equipment capable of use by South African military forces, police or security forces": The Government explained to Parliament on 15th July the controls by which it intended to enforce this ban. Mr Alan Clark, MP, stated, "The Export of Goods (Control) Order 1985, as amended, subjects most computers and associated equipment to export licensing for all destinations including South Africa. A licence is not issued unless the end-use and end-user are satisfactory" (20) According to Mrs Chalker the Foreign Office Minister of State, a ban on selling computers to the South African police or armed forces had been enforced prior to the EEC Foreign Ministers meeting in September 1985 (21). In fact the situation is much more complicated and Mr Clark's statement is at best misleading.



Firstly, it is not the case that "most computers" are subjected to export licensing. It was the case that all computers were subject to licensing for certain destinations but this was changed in July 1985 when the current Export of Goods (Control) Order was introduced. Any close examination of the categories of computers which are subject to export control shows that they are items specifically designed for military or other strategic application. The vast majority of computer systems do not fall within the scope of these restrictions and therefore require no licence to be exported to South Africa. Moreover, the controls over the export of computer technology only apply if the destination is Eastern Europe or other countries on the COCON list. No controls on computer technology exist in relation to South Africa.

In fact, computers have been exported from Britain to South Africa for use by both the military and the police. For example, the AR3D Plessey mobile military radar system incorporates PDP 11/34 mini-computers. This system was exported with PDP 11/34s to South Africa with a licence for use by the South African Air Force. In another case, ICL in March 1982 was required to pay a US civil penalty of \$15,000 because it had been in breach of US controls when it had sold, from Britain to the South African police, computers which incorporated disk drives of US origin.

The licensing arrangements outlined by the Minister are also open to abuse. There is extensive evidence of the South Africans using "front companies". Some "fronts" are genuine companies which are prepared to co-operate with the South African authorities. Others are fake companies created to deceive overseas suppliers. In both cases, it would be possible to obtain an export licence for a strategically designed computer following the procedures laid down by the Government. In fact, the Commonwealth "programme of common action" specifies equipment "capable of being used by South African military forces, police or security forces", not simply computers destined for such use. This implies a total ban on a wide range of computer equipment which means that much more comprehensive controls are necessary if this measure is to be strictly implemented.

The Prime Minister has referred to a much wider ban on "sensitive equipment to the South African police and armed forces". It was this terminology which was used by the EEC Foreign Ministers in their September 1985 package of restrictive measures. It is clear, apart from computers, what items are regarded as "sensitive" by the British Government.

There exists a comprehensive list of strategic items: those listed in Part II of Schedule 1 of the Export of Goods (Control) Order. This amounts to some 140 pages of different categories of strategic goods but the great majority are not embargoed for South Africa. A commitment to "refuse to sell sensitive equipment to the South African police and armed forces" would be significant if it covered all the items listed in the Order.

7) "A ban on new contracts for the sale and export of nuclear goods, materials and technology to South Africa": There is no evidence to suggest that this ban is not being fully honoured and indeed it was disclosed in Parliament on July 1986 that following repeated representations the Government had decided not to renew South Africa's membership of the UKAEA's Systems Reliability Service (22).

However, South Africa continues to have access to British nuclear technology through the recruitment of British personnel. Two South African government financed offices, one a section of its Embassy and the other run by its para-statal ESCOM, actively recruit in Britain for highly qualified personnel. The British government has directly facilitated such recruitment through the British Electricity International which has supplied some senior officials from the British electrical industry to South Africa. In one case involving the Deputy Manager of a CEGB nuclear power station at Hinkley having been seconded to South Africa, he resigned from the CEGB and became a permanent ESCOM employee.

Finally, there continues to be extensive co-operation between Britain and South Africa on the issue of uranium extraction.

8) "A ban on the sale and export of oil to South Africa": Strictly speaking, no such ban is operated by Britain; there is just guidance. The most recent government statement was on 9th July 1986. In a reply to a question in Parliament requesting a list of countries against which the United Kingdom maintains an oil embargo, Mr Buchanan-Smith replied:

"HMG's guidance to companies exporting North Sea crude oil is that they should do so only in the markets of our partners in the European community and the International Energy Agency, or where there is an existing pattern of trade outside these areas (in practice, Finland, and certain Carribean destinations only). Exports to all destinations outside these three groups are precluded by this policy" (23)

Since South Africa is not included in any of these categories Britain argues that it is imposing a ban on the sale and export of oil to South Africa. However, no controls exist to enforce this ban and the Government has informed the AAM that "it is impossible to monitor or control third party trade in oil". At least two cases have been well publicised in which North Sea Crude from the UK sector has been delivered to South Africa, via third countries.

It is also unclear if the Guidance to oil companies precludes "swap arrangements". In 1979 there was a major controversy when the government sanctioned a "swap arrangement" by which North Sea crude was delivered to a customer of another oil company and the oil originally destined for this customer was instead delivered to South Africa.

There is certainly no ban on British companies or British national being involved in the shipment of oil to South Africa and two British companies, Shell and BP, jointly own South Africa's largest oil refinery and market some 40% of South Africa's petroleum sales.

Finally, there continues to be a lucrative trade between Britain and South Africa in refined petroleum products, including lubrication oils. In 1985 according to British trade statistics, these exports were valued at £8.02 million.

9) "A strict and rigorously controlled embargo on imports of arms, ammunition, military vehicles and para-military equipment from South Africa": The first move by Britain to impose such an embargo was in December 1984. The United Kingdom delegation to the UN voted for UN SCR 558 (Appendix III) which imposed a non-mandatory embargo on imports from South Africa of "arms, ammunition, of all types and military vehicles". British and US opposition prevented the inclusion of the wider definition of the "related material of all types", which is used in UN SCR 417 as well as ensuring its non-mandatory status. However, first in the EEC and then in Nassau, Britain agreed to a wider formulation of words. The Commonwealth "programme of common action" specifies "a strict and rigorously controlled embargo on imports of arms, ammunition, military vehicles and paramilitary equipment from South Africa".

In practice, there is no "strict and rigorously controlled embargo". The government has stated that the embargo is enforced under powers provided by the Import of Goods (Control) Order 1954 (24). However, this order is no longer in print and unavailable from the Stationary Office. A study of the Order and the "General Open Licence" reveals that only fire arms and ammunition require licences, there are no controls covering the importing of military vehicles and para-military equipment. This is especially significant since the bulk of South Africa's arms exports are para-military items.

Britain has become an important conduit for the worldwide distribution of South African para-military equipment. In 1984 it was disclosed that a portable range-finding unit, the Tellurometer, was being 'laundered' through Britain to third countries. Military models of the Tellurometer had been developed in South Africa by a subsidiary of the British company Plessey and the state-funded South African council for Scientific and Industrial Research. They were illegally channelled via a subsidiary of Plessey's South African subsidiary based in Surrey. Forged certificates of origin were provided stating they were manufactured in Britain. Following complaints by an employee, Plessey was fined for offences under the Trades Description Act (25).

Further evidence of Britain's role in distributing South African para-military equipment appeared in Janes "Military Communications" 1985 edition. Three companies were marketing equipment which was identical to equipment being manufactured in South Africa.

The Anti-Apartheid Movement carried out extensive research by comparing listings in Janes "Military Communications" with publicity material for South African para-military equipment. The results were published in a dossier entitled "Documentary Evidence of Britain's Involvement in Marketing South African Military Equipment". On 28th May 1986 three companies were identified as marketing South African military communications equipment; Marconi Secure Radio Systems, Portsmouth; Antenna Products (ZS Electroniques) Aylesbury and Milcom Electronic, Camberley.

The report was forwarded to the Foreign Office on 28th May 1986 and a reply was received on 16th June stating that they would "look at the three cases", and that the Government would "let you know the outcome in due course". In the meantime, the Guardian newspaper carried out its own investigations into Milcom Electronics the results of which were published on 14th June. The full report is reproduced as Appendix VI. Its main conclusion was that "one of South Africa's largest defence electronics corporations has licensed a company in Britain as a marketing front for its military communications products with the knowledge of the Department of Trade and Industry. This is in spite of the Government's stated commitment to a strict embargo on the import of South African arms and paramilitary equipment." The Guardian report prompted a debate in the House of Lords on 10th July following a question by the Labour Lord Hatch. A Government Minister replied that "no investigations" had been made into the activities of Milcom Electronics, thus directly contradicting the undertaking which the AAM had received on 16th June. Subsequent statements by the Minister, Lord Lucas of Chilworth, are evidence in themselves of the lack of commitment to the embargo on arms imports. The Lords Hansard report is reproduced as Appendix VII.

The Government has taken no action to stop the manufacture of South Africa military and para-military equipment under licence in the United Kingdom (26). Since the objective of the embargo on the importing of arms from South Africa is to inhibit South Africa's internal arms production, the granting of such licences provides the South African armaments industry with much needed foreign exchange, as well as an 'entree' into the international arms market.

It does appear that as a result of repeated representations to the Government some moves are being made to enforce the embargo in respect of arms and ammunitions. On 24th June 1986 the Government informed the House of Commons that "all individual import licences for arms and ammunition which are issued only to registered firearms dealers, have been endorsed to the effect that they are no longer valid for imports originating in the Republic of South Africa". However, it was also stated that "applications for specific import licences must be made for each proposed importation" (27). Clearly such import licences are still being granted, as the Department of Trade and Industry informed the Observer in May 1986 guns were still being imported from South Africa (28).

Finally, the position of Britain is best demonstrated by the visit of a member of the Defence Attache's staff in Chile to the Armscor stand at the FIDA International Air Show in March 1986. Such a visit would not be made by the representative of a Government which is seriously committed to an international embargo on arms exports from South Africa. (29)

10) "An embargo on all military co-operation with South Africa": The revelations in the New York Times on 23rd July 1986 that US and British intelligence agencies were actively co-operating with South Africa directly contradicted repeated statements by the British government that there is no military co-operation between Britain and South Africa (30). According to this report, three South African military intelligence officers took part in a meeting (with both US and British intelligence officials) at GCHQ headquarters in Cheltenham in the mid-1980's. This meeting was apparently part of a pattern of co-operation which involved the pooling of intelligence (between South

Africa, Britain and the USA) of the Southern African liberation movements and frontline states.

There already existed extensive evidence of close links between British and South African military intelligence. In July 1983, for example, the Assistant Chief of the Defence Staff (Intelligence), Major-General G M G Swindells, was photographed at a reception at South Africa House to celebrate South Africa Defence Force Day. Also in 1983 the Mail on Sunday published on 20th November an article on the South African Naval Commodore, Dieter Gerhardt, who was facing trial on charges of spying for the Soviet Union. It contained information that was clearly provided by highly placed intelligence sources in Britain or the USA giving details of the access Gerhardt would have had to NATO and Western military information. This included the Royal Navy's classified Defence Council Instructions. In December 1964 the Labour Government, following the introduction of a voluntary arms embargo, had undertaken to continue the regular supply of DCI (RN)s to the South African Navy. This practice had clearly continued beyond the termination of the Simonstown Agreement.

This was to be expected, since Britain and South Africa have continued to exchange naval intelligence: a fact that was verified by a representative of the South African Defence Force as a result of the controversy over the replacement of its fleet of Shackleton naval aircraft. On 19th March 1984 a South African government statement was issued threatening to cease the supply of naval intelligence to Britain and the US by the end of 1984 because, as a result of the arms embargo, they were unable to replace the ageing fleet which was due to be withdrawn.

A direct link exists between the Silvermine communications base near Cape Town and the Admiralty in London. Although there had been repeated reports that South Africa was supplying naval intelligence directly to the Royal Navy, this was the first occasion on which it had been officially confirmed. The South African statement was not denied by the British government on the grounds that "it is our practice never to comment on intelligence matters".

In fact, Silvermine is of much greater strategic significance than purely the exchange of naval intelligence between Britain and South Africa. Silvermine is the centre of the Advocaat military communications system which became operational in 1973. It is directly linked by permanent channels to the US Navy Base at San Juan in Puerto Rico as well as to the Admiralty. It has an ability to maintain surveillance across the South Atlantic to South America as well as across the Indian Ocean. The construction of Silvermine and the Advocaat system were regarded as firm evidence that South Africa was being incorporated into western strategic planning for the southern hemisphere. These fears were reinforced when it was revealed by the AAM in June 1975 that South Africa had had access to the NATO Codification system for spares and components in order to obtain supplies from various NATO countries to build the Advocaat system.(25)

The New York Times revelations therefore provided further evidence of the collusion between Britain and South Africa in military matters.15

11) "Discouragement of all cultural and scientific events except where these contribute towards the ending of apartheid or have no possible role in promoting it". This measure is so worded that it is difficult to judge exactly its intention. One thing that is clear is that Britain maintains extensive cultural and scientific relations with South Africa. In the cultural field alone, according to the UN Register of Entertainers, Actors and Others who have performed In Apartheid South Africa, Britain accounts for nearly 40% of those listed which represents by far the largest grouping from any country (32). Certain cultural visits to South Africa, for example to participate in International Film Festivals and a Shakespeare Festival, have been funded directly by the British Council.

In the scientific arena there are also extensive links. Since 1972 there has been an official agreement between the South African Council for Scientific and Industrial Research and the British Science and Engineering Research Council by which they jointly funded and operated the South African Astronomical Observatory. The Observatory was officially opened by Mrs Thatcher, then Minister of Education, and Mr Vorster.



The agreement has been of major benefit to the South African authorities since it gave respectability and international contacts for the South African state institution responsible for much of the country's military and related research.

The agreement was suspended in 1986 for financial reasons, according to British government statements. However the effect of this suspension is to leave the British owned equipment, valued when opened at some R950,000, in South Africa. The Government has refused to repatriate the equipment or to prohibit the South Africans from using it. Moreover, the SERC is to continue to provide grants for UK astronomers to visit South Africa to use the observatory. The effect of British government decisions has been in practice to hand over valuable British scientific equipment to the South Africans (33).

The full extent of British government support for other scientific co-operation with South Africa is unknown, however a number of British scientists have been funded by the British Council to visit South Africa to attend scientific events.

#### EEC Restrictive Measures

The point-by-point examination of the Commonwealth 'programme of common action' covered all but two of the restrictive measures agreed by EEC Foreign Ministers in September 1985 and listed amongst the "very considerable range of measures" referred to by the Prime Minister. (In some cases, as a comparison between Appendix IV and V will show, slightly different language has been used).

The two measures are:

- 1) "the recall of military attaches accredited to South Africa and refusal to grant accreditation to military attaches from South Africa",
- 11) "the freezing of official contacts and international agreements in the security sphere" (The Prime Minister has reformulated this measure

as, "we do not have official contacts or agreements in the security sphere"). This second measure has already been considered in the context of the embargo military collaboration where evidence is presented of extensive intelligence co-operation.

In respect of the first measure, the Government announced on 20th November that the British military attaches in Pretoria had been withdrawn (34). However, agreement has been reached on the withdrawal of South African military attaches from Britain. Mrs Chalker, Minister of State in the Foreign Office, informed the House of Commons on 5th March 1986 that, "We agreed with our European partners to withdraw our military attaches from Pretoria and not to grant accreditation to military attaches from South Africa. The question of the continued presence of South African military attaches in London and other EC capitals remains under review." Questioned further on the matter on 9th July 1986 Mrs Chalker replied that she had "nothing to add" (35).

This is an extremely important matter. The military attache section of South Africa House has been directly engaged in illegal and improper activities. Details of such activities were included in the evidence submitted to the Foreign Affairs Select Committee and reproduced in its first Report for 1984-5 session, published on 12 December 1984. A Warrant Officer was involved in a series of break-ins of the offices of anti-apartheid organisations and was required to leave Britain in 1982.

#### CHAPTER IV CONCLUSION

Britain's record of action in implementing measures against South Africa will be judged by the Government's deeds and not its words. As this Report demonstrates, Britain's record is one of gestures not measures.

The Commonwealth 'programme of common action' lists eleven specific measures. In only one case, the termination of Government funding of trade missions to South Africa, can the Government argue that the measure is being strictly implemented. And then after much delay and procrastination.

The refusal of the British government to effectively implement the Commonwealth 'programme of common action' and the other international agreements which it has endorsed, has to be seen within the context of British policy towards Southern Africa as a whole.

Britain's Prime Minister, Mrs Thatcher, has a deep and personal commitment to South Africa. As Minister of Education in the 1970-1974 Conservative Government she visited South Africa in 1973 to open the South African Astronomical Observatory with Mr Vorster. Within a few months of her election as Prime Minister, addressing the Foreign Policy Association in New York, she spoke approvingly of the "chance to make progress towards ending the isolation of South Africa in world affairs". She was almost alone in refusing to condemn South Africa's new racial constitution and in June 1984 received the then South African Prime Minister P W Botha at Chequers, the first such visit to Britain since South Africa was forced out of the Commonwealth. She has now even questioned South Africa's withdrawal from the Commonwealth.

It had been hoped that the publication of the Commonwealth Group of Eminent Persons' Report in June 1986 might have produced a change of policy.

The Group's Report was unanimous and therefore had the endorsement of Mrs Thatcher's own nominee, Lord Barber, a former Conservative Chancellor of the Exchequer. Despite this, Mrs Thatcher has launched a series of emotional attacks on sanctions claiming that they would result in unemployment for 120,000 people in Britain; that they would lead to starvation for hundreds and thousands of children in Southern Africa: and then finally proclaiming that the advocates of sanctions were immoral.

Faced with unprecedented opposition from public opinion in Britain and from within her own party, she has subsequently chosen her words more carefully and even indicated that the Government is considering further measures.

As Commonwealth leaders meet in London to review developments in Southern Africa since the Nassau Summit, and to prepare a Commonwealth package of sanctions, it is vital that they also consider the Commonwealth's record in implementing its own 'programme of common action'. They must also ensure that the necessary machinery exists to ensure that Commonwealth decisions are effectively implemented by all the member states of the Commonwealth.

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- 24) Hansard 16.7.86, Col.520/1
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- 26) Hansard 16.7.86, Col.521
- 27) Hansard 25.6.86, Col.144
- 28) Observer, 25.5.86
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- 31) see 'How Britain Arms Apartheid' for full account of these matters.
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APPENDICES

APPENDIX I: THE GLENEAGLES AGREEMENT.

## The Gleneagles Agreement on sporting contacts with South Africa

In 1977, Commonwealth Presidents and Prime Ministers agreed, as part of their support for the international campaign against apartheid, to discourage contact and competition between their sportsmen and sporting organisations, teams or individuals from South Africa. The agreement was reached unanimously at Gleneagles in Scotland during the course of the biennial meeting of Commonwealth Heads of Government.

The Gleneagles Agreement reinforces their commitment, embodied in the Singapore Declaration of Commonwealth Principles (1971), to oppose racialism. This commitment was further strengthened by the Declaration on Racism and Racial Prejudice which Commonwealth leaders adopted at their meeting in Lusaka in 1979.

The member countries of the Commonwealth, embracing peoples of diverse races, colours, languages and faiths, have long recognised racial prejudice and discrimination as a dangerous sickness and an unmitigated evil and are pledged to use all their efforts to foster human dignity everywhere. At their London Meeting, Heads of Government reaffirmed that apartheid in sport, as in other fields, is an abomination and runs directly counter to the Declaration of Commonwealth Principles which they made at Singapore on 22 January 1971.

They were conscious that sport is an important means of developing and fostering understanding between the people, and especially between the young people, of all countries. But, they were also aware that, quite apart from other factors, sporting contacts between their nationals and the nationals of countries practising apartheid in sport tend to encourage the belief (however unwarranted) that they are prepared to condone this abhorrent policy or are less than totally committed to the Principles embodied in their Singapore Declaration. Regretting past misunderstandings and difficulties and recognising that these were partly the result of inadequate inter-governmental consultations, they agreed that they would seek to remedy this situation in the context of the increased level of understanding now achieved.

They reaffirmed their full support for the international campaign against apartheid and welcomed the efforts of the United Nations to reach

universally accepted approaches to the question of sporting contacts within the framework of that campaign.

Mindful of these and other considerations, they accepted it as the urgent duty of each of their Governments vigorously to combat the evil of apartheid by withholding any form of support for, and by taking every practical step to discourage contact or competition by their nationals with sporting organisations, teams or sportsmen from South Africa or from any other country where sports are organised on the basis of race, colour or ethnic origin.

They fully acknowledged that it was for each Government to determine in accordance with its law the methods by which it might best discharge these commitments. But they recognised that the effective fulfilment of their commitments was essential to the harmonious development of Commonwealth sport hereafter.

They acknowledged also that the full realisation of their objectives involved the understanding, support and active participation of the nationals of their countries and of their national sporting organisations and authorities. As they drew a curtain across the past they issued a collective call for that understanding, support and participation with a view to ensuring that in this matter the peoples and Governments of the Commonwealth might help to give a lead to the world.

Heads of Government specially welcomed the belief, unanimously expressed at their Meeting, that in the light of their consultations and accord there were unlikely to be future sporting contacts of any significance between Commonwealth countries or their nationals and South Africa while that country continues to pursue the detestable policy of apartheid. On that basis, and having regard to their commitments, they looked forward with satisfaction to the holding of the Commonwealth Games in Edmonton and to the continued strengthening of Commonwealth sport generally.

*London, 15 June 1977*

APPENDIX II: UN SECURITY COUNCIL RESOLUTION 418

"The Security Council,

Recalling its resolution 392 (1976) strongly condemning the South African Government for its resort to massive violence against and killings of the African people, including school children and students and others opposing racial discrimination, and calling upon that Government urgently to end violence against the African people and take urgent steps to eliminate apartheid and racial discrimination,

Recognizing that the military build-up and persistent acts of aggression by South Africa against the neighbouring states seriously disturb the security of those states,

Further recognizing that the existing arms embargo must be strengthened and universally applied, without any reservations or qualifications whatsoever, in order to prevent a further aggravation of the grave situation in South Africa,

Taking note of the Lagos Declaration for Action Against Apartheid (S/12426),

Gravely concerned that South Africa is at the threshold of producing nuclear weapons,

Strongly condemning the South African Government for its acts of repression. Its defiant continuance of the system of apartheid and its attacks against neighbouring independent states,

Considering that the policies and acts of the South African Government are fraught with danger to international peace and security,

Recalling its resolution 181 (1963) and other resolutions concerning a voluntary arms embargo against South Africa,

Convinced that a mandatory arms embargo needs to be universally applied against South Africa in the first instance,

Acting therefore under Chapter VII of the Charter of the United Nations,

1. Determines, having regard to the policies and acts of the South African Government, that the acquisition by South Africa of arms and related material constitutes a threat to the maintenance of international peace and security,

2. Decides that all states shall cease forthwith any provision to South Africa of arms and related material of all types, including the sale or transfer of weapons and ammunition, military vehicles and equipment, paramilitary police equipment, and spare parts for the aforementioned, and shall cease as well the provision of all types of equipment and supplies, and grants of licensing arrangements, for the manufacture or maintenance of the aforementioned,

3. Calls on all states to review, having regard to the objectives of this resolution, all existing contractual arrangements with and licences granted to South Africa relating to the manufacture and maintenance of arms, ammunition of all types and military equipment and vehicles, with a view to terminating them,

4. Further Decides that all states shall refrain from any co-operation with South Africa in the manufacture and development of nuclear weapons,

5. Calls Upon all states, including states non-members of the United Nations, to act strictly in accordance with the provisions, of this resolution,

6. Requests the Secretary-General to report to the Council on the progress of the implementation of this resolution, the first report to be submitted not later than 1 May 1978,

7. Decides to keep this item on its agenda for further action as appropriate, in the light of developments".



APPENDIX III: UN SECURITY COUNCIL RESOLUTION 558

At its 2564th meeting, on 13 December 1984, the Security Council unanimously adopted resolution 558 (1984), which reads as follows:

"The Security Council,

"Recalling its resolution 418 (1977) of 4 November 1977, in which it decided upon a mandatory arms embargo against South Africa,

"Recalling its resolution 421 (1977) of 9 December 1977, by which it entrusted a Committee consisting of all its members with the task of, among other things, studying ways and means by which the mandatory arms embargo could be made more effective against South Africa and to make recommendations to the Council,

"Taking note of the Committee's report to the Security Council contained in document S/14179 of 19 September 1980,

"Recognizing that South Africa's intensified efforts to build up its capacity to manufacture armaments undermines the effectiveness of the mandatory arms embargo against South Africa,

"Considering that no State should contribute to South Africa's arms production capability by purchasing arms manufactured in South Africa,

"1. Reaffirms its resolution 418 (1977) and stresses the continuing need for the strict application of all its provisions;

"2. Requests all States to refrain from importing arms, ammunition of all types and military vehicles produced in South Africa;

"3. Requests all States, including States non-members of the United Nations, to act strictly in accordance with the provisions of the present resolution;

"4. Requests the Secretary-General to report to the Security Council Committee established by resolution 421 (1977) concerning the question of South Africa on the progress of the implementation of the present resolution before 31 December 1985."

APPENDIX IV: EEC "RESTRICTIVE MEASURES", SEPTEMBER 1985.

- A rigorously controlled embargo on exports of arms and para-military equipment to the RSA.
- A rigorously controlled embargo on imports of arms and para-military equipment from the RSA.
- Refusal to cooperate in the military sphere.
- Recall of military attaches accredited to the RSA, and refusal to grant accreditation to military attaches from the RSA.
- Discouraging of cultural and scientific events except where these contribute towards the ending of apartheid or have no possible role in supporting it; and freezing of official contacts and international agreements in the sporting and security spheres.
- Cessation of oil exports to the RSA.
- Cessation of exports of sensitive equipment destined for the police and armed forces of the RSA.
- Prohibition of all new collaboration in the nuclear sector.

APPENDIX V: COMMONWEALTH "PROGRAMME OF COMMON ACTION"

OCTOBER 1985.

For our part, we have as an earnest of our opposition to apartheid, reached accord on a programme of common action as follows:

- (i) We declare the Commonwealth's support for the strictest enforcement of the mandatory arms embargo against South Africa, in accordance with United Nations Security Council Resolutions 418 and 558, and commit ourselves to prosecute violators to the fullest extent of the law.
- (ii) We reaffirm the Gleneagles Declaration of 1977, which called upon Commonwealth members to take every practical step to discourage sporting contacts with South Africa.
- (iii) We agree upon, and commend to other governments, the adoption of the following further economic measures against South Africa, which have already been adopted by a number of member countries:
  - (a) a ban on all new government loans to the Government of South Africa and its agencies;
  - (b) a readiness to take unilaterally what action may be possible to preclude the import of Krugerrands;
  - (c) no Government funding for trade missions to South Africa or for participation in exhibitions and trade fairs in South Africa;
  - (d) a ban on the sale and export of computer equipment capable of use by South African military forces, police or security forces;
  - (e) a ban on new contracts for the sale and export of nuclear goods, materials and technology to South Africa;
  - (f) a ban on the sale and export of oil to South Africa;
  - (g) a strict and rigorously controlled embargo on imports of arms, ammunition, military vehicles and paramilitary equipment from South Africa;
  - (h) an embargo on all military co-operation with South Africa; and
  - (i) discouragement of all cultural and scientific events except where these contribute towards the ending of apartheid or have no possible role in promoting it.

# SA military links with British company

Licensing deal by defence corporation bypasses limitations of arms embargo, reports Seumas Milne

ONE of South Africa's largest defence electronics corporations has licensed a company in Britain as a marketing front for its military communications products with the knowledge of the Department of Trade and Industry. This is in spite of the Government's stated commitment to a strict embargo on the import of South African arms and paramilitary equipment.

Mr Tienie Steyn, chairman of Grinaker Electronics — one of the three flagships of Pretoria's electronics industry and closely tied with the military establishment — has admitted to the Guardian that his firm licenses Milcom Electronics UK, based in Camberley, Surrey, to sell Grinaker products in Britain and all over the world.

Milcom advertises a wide range of Grinaker military communications equipment — such as secure battlefield voice adapters and frequency-hopping tactical radios — but uses its own names for the products and does not reveal the origin of the design and manufacture.

Comparisons of products sold by Milcom in Britain and listed in the 1986 edi-

tion of Jane's Military Communications Yearbook with equipment manufactured by Grinaker in South Africa and used by Pretoria's armed forces in occupied Namibia shows them to be exact equivalents or marginally modified.

The British government has insisted that no South African military products are imported into Britain and last October Mrs Thatcher signed the Commonwealth communiqué which promised a "strict and rigorously controlled embargo on the import on arms, ammunition, military vehicles and paramilitary equipment from South Africa."

A spokesman for the Department of Trade and Industry, which is responsible for monitoring and implementing the UN embargo and the terms of the Commonwealth accord, said yesterday that officials had had discussions with Milcom and were aware of its operations.

But he was unable to say whether Milcom's licensing arrangement with Grinaker breached the Commonwealth accord.

The department was pre-

pared to look at evidence suggesting any breach, but it could state categorically that neither the Ministry of Defence nor the Home Office was importing arms or paramilitary equipment from South Africa.

It is understood that the DTI makes a distinction between licensing agreements entered into before the signing of the Commonwealth communiqué and those made since October.

While Grinaker's sponsoring of Milcom clearly breaches the spirit of the accord — which was intended to deny South Africa an arms export market — whether it breaches the letter of it could turn on definitions.

Grinaker Electronics' chairman, Mr Steyn, says that his company no longer exports equipment directly to Milcom, but licenses the British-based firm to assemble Grinaker products according to Grinaker designs.

"They sub-contract other companies to put the various modules together," he said, using the same components sources as Grinaker. These are outside South Africa. Mr

Steyn says, because South Africa's own components industry is relatively undeveloped.

If Grinaker is now avoiding all direct exports to Milcom the British government could argue that, technically, the accord is intact, although the licensing arrangement would be an obvious way of exporting by another name.

Mr Gerard Willem Van Lochem, who works at Milcom and describes himself as a consultant to the company, refused to confirm that Milcom imports no military equipment directly from South Africa.

He also refused to acknowledge any link between Milcom and Grinaker. Another employee, Mr Herbie Ledhill, who spoke with a South African accent but denied being South African, said it was "possible" that Milcom's products came from South Africa. Mr Van Lochem identified Milcom's director as a "Mr Joe Armstrong, a local English person," who was abroad and unavailable for comment.

Mr Van Lochem worked for the South African subsidiary

of the British electronics giant Racal, as the company's chief engineer in the early 1970s. In 1978 Grinaker, then a construction and engineering outfit, bought out all Racal's South African interests with the encouragement of the Pretoria government, which was keen to develop a self-sufficient arms industry in view of the embargo threat.

Between 1937 and 1969 Mr Steyn also worked as Racal South Africa's chief engineer. The fact that Grinaker appears to have deployed someone of Mr Lochem's status to oversee Milcom's British-based activities gives an idea of the importance it attaches to the company.

Between 1978 and 1980, Mr Steyn ran the South African subsidiary of the American-based electronics multinational, Motorola. Motorola sold its substantial interests in South Africa last year to the local company, Altech, to distance itself from the unsavoury image of the Pretoria regime.

Motorola has a dormant subsidiary in Britain called Milcom Communications and Electronics UK, though it is unclear whether it has any

link with the Camberley business.

Among the products marketed by Milcom in Britain and abroad is the 150 Series HF Frequency Hopping Tactical Radio. In South Africa, where the same equipment has been developed and is manufactured by Grinaker, it is called the Grinzel TR250 Series and has been used in action in South African-occupied Namibia.

Another piece of equipment sold by Milcom in Britain is the Communications System for Armored Fighting Vehicles, produced and sold by Grinaker in South Africa under the name 500 Series Harness System for Armoured Vehicles.

Initial evidence of a link between Grinaker and Milcom was first presented by the Anti-Apartheid Movement at the end of last month to a UN seminar on the arms embargo held in London and sponsored by the Security Council's special committee against apartheid.

Mr Terry said that his organisation would present the results of the Guardian's investigation to the UN world conference on sanctions in Paris on Monday.

### Milcolm Electronics UK

3.8 p.m.

**Lord Hatch of Lusby:** My Lords, I beg leave to ask the Question standing in my name on the Order Paper.

The Question was as follows:

To ask Her Majesty's Government what investigations they have made into the connections and activities of Milcolm Electronics UK.

**The Parliamentary Under-Secretary of State, Department of Trade and Industry (Lord Lucas of**

**Chilworth):** My Lords, no such investigations have been made.

**Lord Hatch of Lusby:** My Lords, is the noble Lord aware that this company, Milcolm Electronics UK, based at Camberley in Surrey has, according to the chairman of Grinaker Enterprises, which is a major South African electronics industry closely tied up with the South African military complex, been licensed by Grinaker Enterprises to produce electronic equipment, in particular military equipment, in order to get around the ban on the import of South African military equipment into this country?

**Lord Lucas of Chilworth:** My Lords, I know that the company holds licences, but I would not regard normal commercial relations between two companies as necessarily being immoral. With regard to military equipment, we have taken advice and I understand that the equipment that is being made does not contravene any of our national or international obligations. Therefore there is no question that the company to which the noble Lord refers is in breach of any obligation.

**Lord Bruce of Donington:** My Lords, can the noble Lord inform the House whether this company is a company incorporated under the Companies Act? If so, will the noble Lord assure the House that the file with the registrar has been inspected and reveals the names of the shareholders, the directors and so on?

**Lord Lucas of Chilworth:** My Lords, I understand that Companies House have not suggested that there is anything irregular whatsoever with the company, its registrations or its returns to Companies House.

**Lord Hatch of Lusby:** My Lords, may I ask the Minister to look at this again? Is he aware that his right honourable friend the Prime Minister last October signed a Commonwealth communiqué which promised:

"A strict and rigorously controlled embargo on the import of arms, ammunition, military vehicles and para-military equipment from South Africa".

Is the noble Lord aware that Mr. Steyn, the chairman of Grinaker Electronics in South Africa has admitted that equipment which is supplied to the South African army and used in South Africa and in Namibia is licensed for production in this country? Therefore it is circumventing the pledge which the Prime Minister gave last October to the Commonwealth.

**Lord Lucas of Chilworth:** My Lords, there is no evidence that Milcolm Electronics has acted illegally. If the noble Lord has any evidence to the contrary then I shall certainly consider looking further into the matter. Otherwise I shall not.

With regard to the Accord agreed by the Commonwealth Heads of Government, the company is not in breach of the undertakings which my right honourable friend the Prime Minister gave at that time.

**Lord Hatch of Lusby:** My Lords, how does the Minister know that? He is asking for evidence. He

[LORD HATCH OF LUSBY.]

knows, I am sure, because I told his subordinates, that the evidence is there and has been published by the *Guardian* newspaper, which has a great deal more evidence that has not been published.

**Lord Lucas of Chilworth:** My Lords, I know it because the import and export licensing procedures would have revealed such evidence. None such has been revealed.

With regard to the article, I prefer not to comment upon it.