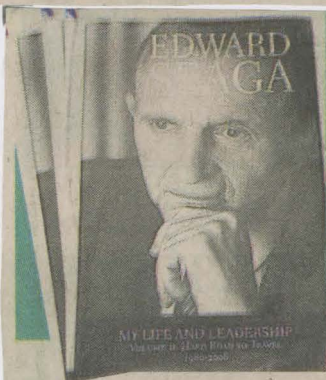


BN EDWARD SEAGA

Confronting South Africa



*This week we bring you part three of our four-week series of excerpts from Volume Two of former Prime Minister Edward Seaga's autobiography, **My Life and Leadership: Hard Road to Travel.***

THE SYSTEM of apartheid, the official policy of South Africa, practiced segregation by race. Separate 'homelands', comprised of selected areas of territory, were designated for black Africans to live. In white areas, blacks were prohibited from using facilities open to white people. They attended separate schools, could not travel freely because of 'pass' laws, nor hold senior positions in the public nor private sector, cohabit, nor marry outside of their race, nor did they have the right to vote since, by virtue of their overwhelming population majority, a plurality of votes could have established a new regime to outlaw the system of apartheid.

This intolerant policy not only inflamed world opinion, but it resulted in a considerable network of anti-apartheid initiatives from existing international agencies, national organisations and well-thinking people throughout the world, all acting in concert to bring down the hated system of apartheid and its brutal penalties of terror and torture.

Jamaicans showed great passion in their rejection of apartheid and its initiator, South Africa. As earlier stated, their feelings were vocal and strong. This broad-based reaction received the bilateral support of the two political parties, which have dominated Jamaican politics from the inception of the introduction of a system in 1944 which granted the right to vote to all adults. All governments of Jamaica condemned apartheid and participated in worldwide strategies to bring down the system.

The course of action taken by the international community commenced with a trade embargo. Jamaica joined the embargo in 1960. Although there was very little trade, symbolically this support was an important signal for Jamaicans.

Political action followed. South Africa was forced to leave the

British Commonwealth in 1961. This meant an exclusion from all Commonwealth events, including sports. The most telling was in the ban on South Africa's participation in cricket, a game in which it excelled to the delight of its people. Cricket being a Commonwealth game, there was no alternative to complete isolation.

UN CALLS FOR A CUT-OFF

In 1962, the United Nations (UN) called on member states to break off diplomatic relations with South Africa and set up special committees against apartheid.

The anti-apartheid struggle of Nelson Mandela was highlighted by his arrest in 1963. That same year, the UN adopted a voluntary arms embargo and a Declaration on the Elimination of all Forms of Racial Discrimination.

By 1977, the voluntary embargo on arms imposed by the UN was made mandatory and an International Declaration was adopted against apartheid in sports.

But the real focus was on trade, particularly oil, coal and arms. The UN established a Centre on Transnational Corporations (TNCs) in South Africa and Namibia. The necessity for this step arose out of

the surreptitious circumvention of embargo regimes by TNC despite sanctions. This need became even more apparent when it was realised that trade embargos were not as effective as expected in pressuring the South African economy into abandoning apartheid.

By the mid 1980s, it was realised that there was a need to embargo investment transactions and to require corporations doing business in South Africa to divest their ownership.

ANTI-APARTHEID ACT

In 1986, the US Congress passed the Comprehensive Anti-Apartheid Act, banning:

- new investments and loans to private entities or the government
- exports of computers and oil
- imports of uranium, oil, steel and agricultural products
- direct air links between South Africa and the US.

An even more damaging sanction was the decision in 1987 to withdraw tax credits that US firms received for taxes paid by their subsidiaries in South Africa. This meant that the tax would have to be paid twice, at home and abroad.

Other such initiatives by the Nordic countries, the EEC and the Commonwealth tightened the

noose on sanctions. But the loopholes that existed led Prime Minister Margaret Thatcher, at the 1987 Commonwealth Heads of Governments meeting in Vancouver, British Columbia, Canada, to proclaim in a strong, articulate presentation that sanctions were not producing the required effect, and that by hurting the economy they were hurting the poor. This was a make-or-break conference on the future of sanctions by the Commonwealth. African leaders like Kenneth Kaunda, president of Zambia, and others, were visibly set back by the presentation, as it appeared that the proposal for no further renewal of sanctions might be approved.

Fortunately, I had prepared myself for this discussion. I had amassed a database on how the South African economy was performing. Mrs Thatcher had a point in that the trade embargo on arms, coal and oil, the main items, were subject to loopholes and not showing as much impact as desired in the trade figures, but the ban on investments and loans to the South African government, or private sector, and the demand for urgent payment of debt, put a squeeze on the regime for payments which it could hardly make from declining reserves.

But Mrs Thatcher did not take into account that the issue was broader than that. The psychological factor in big business was causing the captains of industry to come to their own conclusions on the future. From



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University, reported in June that divestment and sanctions are making the country's manufacturing sector increasingly uncompetitive;

"South Africa's current-account surplus fell from 6.15 billion rands to 2.93 billion in 1988.

"... Internal rebellion and international isolation have both divided the South African white minority ... as the plummeting rand, soaring imports surcharges, inflation and mortgage rates have raised the price whites pay for Pretoria's policies ... South African whites, including a growing number of business, academic and community leaders, have responded by calling for the need for constitutional reforms. A growing number have flocked to Lusaka in recent months for talks with the African National Congress."

GROWING POSITION OF WEALTHY

Terry Crawford-Browne, banking advisor to Archbishop Desmond Tutu and Dr Allan Boesek, testified on August 1, 1989, before the banking subcommittee hearings of the US House of Representatives, "South Africa cannot survive without the international community. Our economy is almost 60 per cent trade-oriented and it is ludicrous to believe that South Africa has the option to tell the world to go to hell." This summed up the growing position of the business class, the owners of wealth and the white minority who

were beginning to see their assets depreciating by the downward spiral of a deteriorating rand.

While these developments were converging to a point where apartheid could no longer be feasible, TNC, in particular, were continuing to devise new means of circumventing the sanctions:

- using false labels on products;
- shipping through intermediary countries;
- rolling over short-term debt to long-term loans;
- franchising subsidiaries rather than divesting.

There was a constant battle to close old loopholes, while new ones were being opened. But legislation was being passed in the US, the Nordic states, some EEC countries and elsewhere which were reducing the flow of oil, coal, and arms to the apartheid regime.

The reports were not only calling for constitutional reforms, but urging that post-apartheid thinking should begin.

I felt deep satisfaction that the sanctions were intensifying the pressure on the South African regime, and I was relieved, like others, that the stand in 1987 in Vancouver turned out to be correct. But little did any of us know how close we were to the end of the worse nightmare in race relations in the 20th century.

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they were looking at a depressing future of negative or stagnant growth. The current picture showed excessive inflation (18 per cent), prohibitive lending rates of (20 per cent), dwindling reserves down to 3.7 billion rands, less than neighbouring Botswana; cessation of new foreign investment; dwindling pool of savings to pay the high cost of apartheid; external debt as a percentage of gross domestic product, jumping more than 400 per cent in four years, to 27.3 per cent, and unemployment at 37 per cent.

These figures extracted from the records of the UN Centre for Transnational Corporations, the ILO and private studies commissioned by big business in South Africa, were painting a demoralising picture, I told the conference. The white business class was watching the value of their assets depreciating rapidly, and it was distressing. Businessmen were calling for reconsideration of the apartheid system and had even formed a democratic party of their own to press their cause.

ECLIPSE IN THE MAKING

An eclipse was in the process of occurring, which was not reflected so much in trade figures nor even in the financial losses which were beginning to emerge from recent legislative actions throughout the world. The business community had a far more sensitive nose and could smell problems beyond the horizon where politicians and bureaucrats could not.

In drawing a conclusion to my presentation, I reverted to my address to the UN in 1985, at the 40th Anniversary session in which I targeted the South African currency, the rand:

"Already, the prospects of diminished foreign participation in the South African economy are creating imbalances in the economy which are weakening the value of the rand. If the will exists to isolate South Africa in the world of international finance and trade, the rand becomes the barometer of the powerful forces of internal dislocations which will follow the collapsing currency. It is these powerful internal economic forces which respect the value of the rand, more so than the anguished voices of domestic or international cries for human and political rights. This will eventually be the undoing of apartheid. The concern of South Africa has never been with the value of rights, only with the value of rands. Apartheid is structured to defend rands not rights. To dismantle this, we must go much further than limited sanctions. We must destroy the value of the rand."

The message must be clear. South Africa is not a good place to do business. If you are in, try to get out; if you are out, don't get in.

At a formal gathering of Heads of Government who are normally



WINSTON SILL/FREELANCE PHOTOGRAPHER

Member of Parliament Roger Clarke is bubbling with excitement after securing his copy of volume two of former Prime Minister Edward Seaga's autobiography at the launch of the book at The Jamaica Pegasus in St Andrew, recently.

reserved and composed, applause is not usual. This time it was pronounced. The African leaders heard what they wanted to hear, the right words at the right time. The lunch break was taken soon after. President Kenneth Kaunda of Zambia, who always carried a handkerchief stuffed up the sleeve of his African shirt-jacket, came across the room to me. He hugged me and pulled his handkerchief from his sleeve to wipe his tears. Others warmly pressed my hands, hugged me or gave me a nod which said, "thanks". They knew now that sanctions would remain. Margaret Thatcher walked by. She nodded stiffly.

President Kaunda sent me a personal handwritten note before we left Vancouver:

"I have listened to you contribute to the discussions at our summits. Each time you have left me impressed - very much impressed indeed. Your contribution on sanctions against South Africa was simply superb ... Jamaica should be proud to have you as its prime minister".

On August 29, 1989, I received a letter advising me that UN Secretary General Perez de Cuellar had appointed me to a Panel of Eminent Persons to study the impact of TNCs on the South African economy in respect of the policy of apartheid.

The panel was indeed eminent:

- Bruno Kreisky, former president of Austria
- Canaan Banana, former president of Zimbabwe

- Baroness Hart, former United Kingdom cabinet minister
- Flora McDonald, former deputy minister of foreign affairs, Canada
- Lowell Weiker, former US senator
- Abdulah Al-Hamad, president, Kuwait Development Fund
- Edward Seaga, former prime minister, Jamaica
- Anatoly Gromyko, Soviet Union
- Wole Soyenko, novelist Nigeria, Nobel Prize winner
- Kamal Hossein, Bangladesh
- Mochtar Kusume-Atmadja, Indonesia

DEMORALISING SA LEADERS

I was pleased to receive the invitation of the UN Centre on Transnational Corporations in South Africa. It was two years since I was last familiar with whether the sanctions against the South African rand was working. At that time, I made a strong presentation that the sanctions should be maintained because the psychological impact was

demoralising the leaders of the South African regime. I would now be getting a chance to see if the apartheid system was really falling apart.

The conference was held in Geneva, Switzerland, September 4-6, 1989. There were three days of public hearings with presentations being made to the panel of eminent persons on:

- the activities and operations of the transnational banks;
- strategies of the South African government and the TNCs to circumvent sanctions;
- trends in investment, divestment and non-equity participation by TNCs in South Africa since 1985.

The presentations included a wide range of participants, including member states, UN bodies, liberation movements, TNCs, parliamentarians, non-governmental bodies and individual experts.

Donna Katzin, director of the South Africa Programs Interfaith Centre on Corporate Responsibility (ICCR), in a report published by the United Nations Centre on Transnational Corporations, covered the ground thoroughly. The Katzin presentation spoke to the present activities of the Corporations. I quote from only a few of the most critical points:

"The apartheid economy is sagging under its own weight ... the drain of maintaining duplicative parallel social institutions (... education, health care and governmental systems) is exacerbated by politically inspired pay raises to reward the employees of apartheid's bureaucracies, in an effort to consolidate political stability.

"These expenses are dwarfed by the social and economic costs of structural unemployment (estimated by the Congress of South African Trade Unions to be approaching between 45 per cent and 50 per cent), and underemployment in the black community.

"A recent ILO report estimates that the direct and indirect costs of Apartheid total nearly \$24 billion.

"... Economic measures to isolate South Africa have multiplied. By 1988 it was clear that sanctions were having a pronounced impact on the South African economy.

"Divestment was taking its toll. By the end of 1988, 40 per cent of the South African subsidiaries of foreign corporations had been sold by their corporate parents. Dr André du Pisani, director of research at the South African Institute of International Affairs at Witwatersrand



Edward Seaga (right) signs a copy for Patrick Bailey.

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elegant Suzanne Lee, managing director of Novelty Trading Company.

Formalities out of the way, guests queued for their autographed copies of the book. The signing went well into the evening, but, luvs, with loads of premium libations and delightful finger foods on offer, friends, former political colleagues and a host of well-wishers simply soaked up the occasion. Everyone basked in the afterglow of a successful launch by a much-admired, loved and respected political giant.

GUESTS

Among those out for the historic occasion were Seaga's wife **Carla** and their daughter **Gabrielle**; first lady **Lorna Golding**; former wife of the author, **Mitsy Seaga**, their son **Christopher Seaga** and her companion **Zia Mian**; the author's sister **Jean Anderson** and husband **Ron Anderson**; his niece **Dr Rebecca Tortello Greenland** and husband **Dr Jonathan Greenland**; and cousin **Albert Seaga**.

Also out were: Culture, Youth and Sports Minister **Olivia 'Babsy' Grange**; Industry Minister **Karl Samuda**; Opposition Leader **Portia Simpson Miller**; Opposition MPs **Dr Omar Davis**, **Dr Peter Phillips**; **Roger Clarke**; and legal luminary **Abe Dabdoub**; **Maurice Facey** and wife **Valerie**; **R. Danny Williams**; **Christopher Bovell**; **Dorothy Carter-Bradford**; and **Patricia Foote**.

Also spotted: British High Commissioner **Howard Drake**;

Indian High Commissioner **Mohinder Grover**; French Ambassador **Marc-Olivier Gendry**; **James Hathaway** from the United States Embassy; **Oliver Jones**; **Dr Mavis Gilmour-Petersen**; Professor **Errol Morrison**; **Dr Dhiru Tanna**; **Jeannette Grant-Woodham**; **Robert MacMillan** and the lovely **Rachael Gore**, her mom, **Jennifer Gore**; **Peter Bangerter**; the famed and very charming **Patrice Wymore-Flynn**, who motored in from Port Antonio; **Ray Miles Sr**; **Sue McManus**, in from Ocho Rios; **Patrick Marzouca**, in from Negril; **Mary Hanna**; noted attorney and international legal consultant **Harold Brady**; **Yola Headcock**; the oh-so-charming **Lorna Myers**; **Eddie Shoucair**; **Janette Stewart**; **Mignon 'Jean' Anderson Wright**; **Seragh** and **Effie Lakasingh**; **Bev Broderick**; **Ryland Campbell**; regal banker and style monarch **Minna Israel**; JCC President **Milton Samuda**; **Joy Douglas**; **Jennifer Lim**; **Joseph McPherson**; **Ken** and **Elaine Chaplin**; **Henry Rainford**; **Prudence Kidd-Deans**; **Johnny Hamilton**; **Mary Johns**; **Geoff Cobham**.

Lawyer and commentator **Patrick Bailey**, who had the distinction of being quoted in the tome; **Roma Chin**; **Morin Seymour**; **Barbara Blake-Hanna**; **Munair Zacca**; **Anup** and **Bina Chandiram**; **Saleem Lazarus**; **Kent Gammon**; **Daphne Hurge**; **Delroy Thomas**; **Enid Harrow**; **Joel Williams**; **Dawn Heron**; **Chantal Hylton-Tonnes**; **Balfour Denniston**; and **Pat Garel**.



Shereen Gillings enjoys a book-signing moment with author Edward Seaga.



Suzanne McManus (left); first lady Lorna Golding and Geoff Cobham are in a happy mood.



Christopher Seaga (left), his father Edward Seaga and mother Mitsy Seaga.



Carla Applewhaite receives a signed book from author Edward Seaga.



Pat Wymore-Flynn (left) hangs out with Roma Chin.



B/W Seaga, Edward

PHOTOS BY WINSTON SILL/FREELANCE PHOTOGRAPHER

Edward Seaga kisses daughter Gabrielle and gets a hug from sister Jean Anderson.

It's Volume Two!

Chester Francis-Jackson
Contributor

EDDWARD PHILIP George Seaga was a man destined for greatness, and a man of many firsts. His destiny, however, was not without its trials and tribulations. Along the way he met many whom he embraced and empowered, so that they, too, could have that one moment in life of being more than they thought they could be.

But as some cynics would have us believe – no good deed goes unpunished, so even while Seaga was busy charting his own course and helping many to find their own, many who benefited from his benevolence used this to stymie the light that is Edward Seaga.

Among the many firsts for Seaga is being the first incumbent prime minister and, as opposition leader, constantly to have waged an internecine war with members of his own political party while facing off the challenges of their natural political opponents!

Seaga was vilified, demonised and undermined as much by his political opponents – the People's National Party – as he was by members of his own party.

Through it all, he triumphed, rising to the top of the political and social heap and, in the process, the nation is much the better for it. He has bequeathed this nation a legacy of institutions and physical manifestations of an upwardly mobile 'Banana Republic' that has stood and will stand it in good stead for generations.

AUTOBIOGRAPHY COMPLETED

Having served Jamaica in opposition and as head of the government at some critical junctures of history, Seaga has had a very unique vantage point. And for many students of history, it was of critical importance that his perspective be not lost to political observers, scholars or the nation. Those who hoped that the great and analytical mind that built institutions and forged critical alliances for this country would share its insight before taking leave have had their prayers answered, as Seaga has now completed his autobiography. It is a two-part compendium. The first, **My Life And Leadership: A Clash of Ideologies**, chronicled the 1930s through to 1980, and was launched on March 8. It went on to become a

best-selling first in the history of publishing in Jamaica.

On Monday, November 8, Seaga, launched the much-anticipated second instalment – **My Life and Leadership: Volume II Hard Road To Travel 1980-2008**.

Hosted at The Jamaica Pegasus hotel, the launch was quite the social do, with members of academia, the intelligentsia, politicians, movers and shakers, high society, former constituents, colleagues, well-wishers and admirers, as well as family and friends, in attendance.

With noted advertising giant Arnold Foote as the evening's compère, the official function got under way promptly at 6 p.m. This was not your traditional book launch of a former prime minister and elder statesman. It was devoid of the pious platitudes of former colleagues. There was an overview and introduction of the compendium by its author and introductory excerpts from a documentary on his life produced by the Creative Production and Training Centre, followed by acknowledgements by the *tres*

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