

This delegation - composed of senior officials from Australia, India and Canada - returned on September 22, having spoken to 12 of the 14 major banks involved in rescheduling negotiations with South Africa. They reported a keen interest in their views, and believe that the major banks were influenced by what they had to say. Most banks agreed that they would be seeking the highest possible interest payments and the fastest possible repayment of capital - a function also of their assessment of the deteriorating South African economy.

Pocket books are being hit. It is not a question of convincing the whites in South Africa that change is desirable; it is a question of convincing them that change is necessary.

In short, apartheid must become unaffordable. We are beginning to succeed in this challenge.

So far, the tangible results have been disappointing.

Despite the sweet-sounding promise of reform, it is clear that none of the major instruments of apartheid has yet to be dismantled.

Yet there are new and more positive signs, whispers in the wind, which may or may not be harbingers of a better future.

The settlement in Namibia has been one positive development. Clearly, the South African Government compromised where it had not before. We must await the results of the Namibian elections to form a final judgment. While sceptics might say that South Africa was driven more by a sober assessment of the chances of victory and the mounting death toll and that a settlement in Namibia may have been judged a way to buy time with the international community, the settlement itself was nevertheless welcome.

The South African election has introduced a new dynamic. The number of seats held by the current government has been reduced. The strength of the parties on the right has been bolstered. But so too have the political forces of change and reform.