

Full-scale criticism of South Africa blocked by Britain

BY PHILIP STEPHENS

WESTERN LEADERS yesterday made a brief critical reference to the apartheid regime in South Africa, but Britain blocked a full statement on the issue.

At the end of the seven-nation economic summit in Venice, Mr Amintore Fanfani, the Italian Prime Minister and host at the meeting, said that the leaders viewed the situation in South Africa with "particular concern."

In remarks agreed with the other heads of state and government, Mr Fanfani added: "We agree that a peaceful and lasting solution can only be found to the present crisis if the apartheid regime is dismantled and replaced by a new form of democratic, non-racial government."

The criticism of Pretoria, contained in Mr Fanfani's general summary of the summit stand on a wide range of political issues, fell short of the detailed declaration sought by a number of governments.

Senior officials from several delegations said that the British Government refused to agree to a separate statement on South Africa. Sir Geoffrey Howe, Britain's Foreign Secretary, denied that Britain had been isolated. He said that other governments shared his view that it was the wrong moment to launch any initiative so soon after the whites-only election, when the South African Govern-

ment was likely to be particularly unreceptive.

According to the officials, Canada and the US had both during the past two months prepared drafts which they had hoped might form the basis of a separate statement at the summit.

The European Community's political directors had also discussed a draft declaration of guiding principles for the West's relations with Pretoria. This had focused on the pre-eminent need to dismantle apartheid, to establish the equal treatment for all South Africans under the law, and the need for respect of human rights.

At one stage, the US raised the possibility that its draft and the European version could be merged to provide a "Venice declaration." US enthusiasm, however, was said by the officials to have waned considerably after Britain made its opposition known.

At the summit, Canada continued to argue forcibly for a separate text, but was forced to accept the smaller declaration contained in the general political summary.

Mr Brian Mulroney, Canada's Prime Minister, said that the compromise was not "a perfect response," but it was nonetheless important that the issue had been addressed by the seven leaders. A failure to say anything would have sent the wrong message to Pretoria.

Industrial stars add to summit glitter

By Alan Friedman in Milan

THE ITALIANS are calling it the "other summit," a description which undoubtedly attracted a number of the 100 American and Italian chief executives from industry and finance who gathered last night amid the splendour of Milan's 15th century Sforza Castle for a dinner party given by Mr Carlo De Benedetti of Olivetti.

Beginning yesterday morning in Milan, and ending this afternoon in Venice with a climactic address by President Reagan, the "Italian-American Conference on Private Sector Initiatives" is a decidedly unusual beast.

The conference — organised by the White House, Italian companies such as Fiat and Olivetti and a group of US business stars such as Mr John Phelan, chairman of the New York Stock Exchange, and Mr Jim Robinson, chairman of American Express — is all about "charitable giving," "voluntarism" and the promotion of "corporate social responsibility."

Mr Phelan, who like many of his colleagues spoke about "this important initiative," held a glass of sparkling in one hand yesterday and explained how amazing it is that of the \$37.22bn of charitable giving in the US last year "only 5 per cent came from corporations." The bulk of American philanthropy, some \$71.7bn, came from individuals.

The chairman of one major Italian bank smiled sardonically last night when asked what he thought of the two-day extravaganza, which comes to a glittering end today at Fiat's Palazzo Grassi museum in Venice. "We've been giving money to the arts and to other worthy causes for years," he said when asked whether the Italian business community was learning from the experience of its US counterparts.

Spotted in the corridors of Milan's deluxe Hotel Principe di Savoia, where the "summit" began, the ever-dapper Mr Mario D'Urso, an American Express executive who is known as one of Italy's most intrepid bankers and socialites, took the official line in describing the proposed initiative. "This, fulfilling slightly for the right phrase he predicted that at today's Venice meeting the group would "get down to—how do you call it—brass tacks."