BACKGROUND PAPER AUGUST 1990

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# ECONOMIC SANCTIONS AND SOUTH AFRICA

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## INTRODUCTION*

The term sanctions[1] is increasingly part of the lexicon of twentieth century life. Although the idea of intervention in the normal affairs of the market is often resisted on principle, the attempt to regulate economic relations according to moral or political criteria is neither new, nor likely to go away.

This paper looks at the history of the most celebrated case of economic sanctions, South Africa, and examines the principal debates on this issue during the eighties. It also assesses the likely role of sanctions in the context of negotiations between the Government and the African National Congress (ANC) to create a non-racial and democratic South Africa.

Events in the Persian Gulf have underlined the importance which sanctions are likely to play in the construction of a new global order to succeed the Cold War. In this context, South Africa provides a unique example since the question of sanctions came to define the basic framework of international policy towards the country during the past decade.

Not only national governments and the United Nations, but also local governments, individual citizens, private companies and non-governmental organizations have applied sanctions of various kinds — trade, diplomatic, cultural and sporting — against South Africa. Furthermore, this pressure has been developed and sustained over a very long period — almost forty years. In international debate about South Africa, the application of sanctions has become the model against which those countries opposed to sanctions must make their case for alternative policies.

*This paper and revisions to it were completed by the author on August 10, and no attempt has been made to reflect developments after that date.

## SANCTIONS AND SOUTH AFRICA: 1945-1988

From its independence, India barred trade with South Africa, setting a standard which most developing nations have followed. The first global pressure for sanctions began in the early 1960s following the Sharpeville Massacre, and intensified throughout the decade, with developing countries leading calls in the United Nations for mandatory and comprehensive economic sanctions. In 1973, the Organization of Petroleum Exporting Countries (OPEC) agreed to ban oil sales to South Africa, a measure which the European Community (EC), the US, and the Commonwealth all supported more than a decade later.

The most striking success for sanctions came with the adoption in 1977 of a Security Council resolution placing an embargo on arms sales to South Africa. Although it is binding on all member states, the embargo has not succeeded in stopping illegal arms sales to South Africa. In addition, an undesired side effect has been the expansion of the South African arms industry. However, the embargo has prevented the South African armed forces from obtaining many advanced, high-priced weapons such as attack aircraft.

During the past five years, the focus of external action has shifted from oil and arms to finance, investment and trade. The range of targets in national government sanctions has included computers, nuclear technology, trade promotion, and some export credits. South African exports — agricultural goods, coal, iron, steel and minerals — have all been subject to bans by a number of Western nations. Further bans on investment and loans have been introduced.

Parallel to these official actions, hundreds of foreign companies withdrew from South Africa,