

As with all major bills, this one gathered additional moss as it rolled along. The structure of the conference committee had much to do with the outcome. The plant-closings provision, for example, was handled in Subcommittee Eight (there were 17 subcommittees altogether) by members of the labor committees of both houses, not by the committees with principal responsibility for trade.

That was not the last deviation from legislating by the book. After the conference concluded March 31, House Speaker Jim Wright, D-Texas, and Senate Majority Leader Robert Byrd, D-W.Va., mulled for several weeks the prospect of dropping the plant-closings provision. Under normal circumstances, a measure to which both houses agree is supposed to be part of any final legislation.

A compromise was within the grasp of congressional leaders and the administration, but both sides dropped the ball. The administration fumbled when Treasury Secretary James A. Baker III and U.S. Trade Representative Clayton Yeutter insisted that the plant-closings provision had to go before there could be serious negotiations between the administration and Congress.

This tough stance hardened congressional resistance to the point that when Mr. Baker and Mr. Yeutter finally gave a "reasonable assurance" that the president would sign a bill if limits on plants closings and layoffs were dropped, it was too late. A group of Midwestern congressmen, headed by Rep. John Dingell, D-Mich., warned flatly that they would oppose such a bill. Once the labor movement made it very clear that it would rather have an election issue than a trade bill, Rep. Wright and Sen. Byrd decided the plant-closings provision would remain.

But this was still not the end of the story. After supposedly "final" passage by both houses, the weighty bill lay around the Capitol for two weeks while Congress debated "technical corrections." As all trade bill fans know, the minor technical matters up for further consideration included substantive changes in the law concerning the export of petroleum products from Alaska. That, too, is a departure from standard procedure.

And the political science texts notwithstanding, somehow it required 16 days from the time the House and Senate voted their approval until the bill ended up on President Reagan's desk.

Yet after watching and participating in this unedifying spectacle, administration officials still fancy the notion that a better, simpler trade bill will emerge this year if Mr. Reagan wields his veto.

Such an outcome is hard to imagine. No one on Capitol Hill is prepared to consider another major trade bill this year.

Almost despite itself, Congress has produced a bill whose pluses far outweigh its minuses. The president should thank his lucky stars that although the process didn't follow the book, the product came out almost as well as if it had.

CONGRESSMAN WOLPE'S "SOUTH AFRICA: A CASE FOR SANCTIONS"

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 1988

Mr. RANGEL. Mr. Speaker, I would like to share with you an article from the distinguished gentleman, Mr. WOLPE, on the case

for economic sanctions in South Africa. Mr. WOLPE's case should illustrate to us all the desperate need for consistency between, on the one hand, our country's rhetorical condemnations of the apartheid regime at home, and on the other hand, U.S. acceptance of apartheid in its policies abroad.

We must, as a nation that has experienced the pain and suffering associated with instituting civil and human rights in this country, take an active stance against the racial oppression and violations of human rights that are taking place in South Africa, and throughout the southern African region. We cannot preach racial harmony at home, and practice something very different abroad.

In the upcoming weeks, we, the Congress, will have a chance to vote on a very important piece of legislation, H.R. 1580. This bill can point us in the right direction toward making the crucial link between our rhetoric and our foreign policy.

With this in mind, I would like to include the following by our distinguished colleague from Michigan, Mr. WOLPE:

SOUTH AFRICA: THE CASE FOR SANCTIONS

(By Howard Wolpe, Chairman, Subcommittee on Africa, May 12, 1988)

There is a terrible tragedy in the making in South Africa. A blood-bath looms—and all of us are threatened by its consequences. The human costs of a prolonged and violent struggle in South Africa are incalculable both in terms of treasure and of lives—black and white—that it will consume. And the struggle for liberation in South Africa will increasingly affect the United States and the Western World. We cannot run and we cannot hide from the struggle or its consequences. All of our rationalizations for inaction will ring increasingly hollow and will only fuel racial division and conflict in America and throughout the world. For it is the doctrine of white supremacy—of racism—that provides the only reason and justification for the apartheid regime. People of color understand that very clearly—whether they live in America, in Africa, or elsewhere. And they also see through—just as clearly—all of the subterfuges that are devised to rationalize the accommodation that the United States, the Western World, and—in its cartel-like relationship with the South African diamond industry—even the Soviet Union has made with the apartheid regime.

The simple truth of the matter is that apartheid exists because it is enormously profitable to South Africa's ruling white minority. All of the elements of the apartheid system contribute to one objective: the preservation of white minority privilege. In an important sense, South African society economy operates as one vast slave plantation. Blacks have little control over their own destinies. They cannot freely determine neither where they live nor the conditions under which they work. They have no importance to the white minority except as a pool of cheap labor required to keep South African mines and economy going and the white minority prospering.

That is why anti-sanctions advertisements such as the one sponsored by the South African Business Council that appeared recently in the Washington Post—in which a picture of a zebra was presented with a caption that read, "Shoot it in the White and the Black dies with it"—can only be characterized as obscene. What that ad reveals is that some of the principal beneficiaries of apartheid, the white South African business interests for whom apartheid has been so enormously profitable, are hiding behind

the victims of apartheid in their effort to resist stronger economic sanctions and to preserve their profits.

Those who call for new sanctions against South Africa are not unaware that such measures as a trade embargo and disinvestment will affect South Africa's black majority. Clearly increased economic pressure against apartheid will mean economic costs for the black population. But, as Bishop Tutu, Rev. Boesak, and key South African trade union leaders have repeatedly stated, the short-term costs of economic sanctions will be far less than the long-term costs—in terms not only of economic hardship but of loss of lives—of a protracted violent liberation struggle. And the only way that this kind of struggle can be averted is by a decision of the white minority to abandon apartheid and to negotiate with the black majority the transition to a new and democratic political order.

Whatever the costs of sanctions to the black majority, the costs for the privileged white minority will be far greater—and it is precisely for this reason that the South African government and business community are so determined to defeat this effort to impose new sanctions. The harsh reality is that no regime—in the history of the world—has ever voluntarily relinquished power, and there is no reason to believe that the white minority of South Africa is somehow unique in this respect. The current regime will give up its monopoly of power—will abandon apartheid and sit down to negotiate a new democratic political system with the country's black majority—only when it concludes it has more to lose than to gain by trying to hold on to the apartheid system. Anything we in the United States or the international community do that signals to the white minority that it can continue to operate as a totalitarian, repressive state without fundamental economic costs and deepening international isolation will only prolong the struggle. That, in turn, will mean increased polarization inside South Africa, much greater violence and bloodshed, and far greater risks for the United States and the Western world. We have vital interests in southern Africa, and widening regional conflict and instability will imperil those interests. That is why we need now, rather than later, to do everything we can to help create the conditions for regional peace and stability.

One argument that is often advanced by the opponents of sanctions is that there is no certainty that the end of apartheid will mean the beginning of democracy in South Africa, that it could just as easily herald the emergence of a radical and equally repressive black regime. To this it must be said that there are no guarantees as to the future. A new dictatorship could in fact succeed the current dictatorship. But surely that possibility does not justify our accommodation to the tyranny of the moment. Moreover, it is clear that the more prolonged the struggle to topple the apartheid regime the more violent and polarized the conflict will become, and the less likely it will be that we will see the emergence, in a post-apartheid South Africa, of a multi-racial and democratic political system. We simply cannot have it both ways: we cannot bemoan the spread of Communist or other radical influences within the liberation movements of southern Africa and then be unwilling to identify the United States, unambiguously, with these liberation struggles.

It is not that sanctions will in and of themselves bring down apartheid—they will not, and we ought to have no illusions on that score—but they will increase significantly the costs the white minority regime

must bear for its repression and its inhumanity. And those external costs will reinforce the internal pressures that have been building within South Africa for many years. As a group of British Commonwealth leaders observed not long ago, the failure to enforce much tougher sanctions will only bolster the apartheid regime in its determination to hold on to its monopoly of power indefinitely.

There are elements of America's corporate community that have come together this year to aggressively resist the imposition of new sanctions. Clearly, American business opposition to sanctions has a variety of motivations. For some it is a matter simply of dollars and cents. After all, American investment in South Africa, while exceedingly small in dollar amount and as a percentage of overall American foreign investment, has at times been enormously profitable. Indeed, from 1970-1980, foreign companies averaged a 15% per year return on their investment in South Africa.

It is not easy to ask America's business leaders to forego this kind of profitability and to make the economic sacrifices that would be enforced under a trade embargo and disinvestment. And we would not be making this imposition were it not clear that American national interests required it. We all wish there were a way to raise the costs to the South African regime that did not also involve costs for the American business community, just as we wish it were possible to avoid collateral costs for South Africa's black majority. But there is simply no cost-free means of adding to the pressure on the South Africa regime—any more than there was a cost-free means of bringing pressure to bear on the Soviet Union, or Poland, or Libya, or—most recently—Panama. It should be noted, however, that the costs to American business of disinvestment and a South African trade embargo will be relatively quite small. This is, very simply, because direct American investment in South Africa has already declined from a high of \$2.6 billion in 1984 to little more than \$1 billion. Since 1983, 160 American companies have withdrawn from South Africa and more corporate withdrawals are anticipated. Likewise, the volume of American-South African trade has declined almost 50% since 1984: U.S. exports to South Africa in 1987 totaled \$1.25 billion while imports from South Africa amounted to \$1.35 billion.

But there are other corporate leaders whose opposition to sanctions is motivated not by profit consideration but by their genuine conviction that their presence in South Africa represents a constructive force for change. These corporate leaders feel a deep sense of loyalty to their South African employees, and fear that disinvestment will cause great hardship—particularly to their black workers. They argue that the increased repression in South Africa is evidence of the failure of economic sanctions, that the United States and the international community should "back off," and that the American business community should stay involved in South Africa and seek to work for change from within.

The arguments made by this latter group of sanctions opponents cannot be casually dismissed. There is no question that several (though by no means all) American firms have had exemplary records of corporate behavior in South Africa. They have provided South Africa with a new and positive model of labor-management relations. They have desegregated their workplaces. They have instituted aggressive management training programs for blacks. They have made significant social investments in such areas as education and housing. They have,

in short, improved the lives of their South African black employees.

The plain truth, however, is that very few blacks have actually been beneficiaries of these benefits. Indeed, in 1986, no more than 48,000 non-whites (Blacks, Coloreds and Asians together)—less than one-half of 1% of the South African non-white labor force—were employed by all American firms combined. The overwhelming majority of black South Africans face a very different and much harsher reality—a reality that has 3.3 million unemployed black workers and a 30%-plus unemployment rate; that denies citizenship to 7 million residents of so-called "independent" homelands; that involves daily confrontations with a brutal and dehumanizing totalitarian police state; that tolerates forced removals of so-called "black spots" from white residential areas and; that involves the routine separation of families; that has produced violent deaths in the thousands; and that accepts rates of infant mortality that exceed those in many much poorer African states.

Moreover, even the benefits that flow to the few workers in American firms will be for naught if the South African regime cannot be brought very quickly to abandon apartheid and to seek a negotiated political settlement. Not only will the jobs of the black employees be placed in jeopardy by the widening conflict and violence, but so will their lives.

Unhappily, American business investment in South Africa, at the same time that it conveys significant benefits to black employees, provides far greater rewards to the privileged white minority. The continuation of this investment—and of normal trading relations—helps to keep the white minority-dominated economy afloat (17% of South African investment is of foreign origin, and 53% of South Africa's gross national product is trade-dependent), and thereby reinforces the Afrikaaner regime's fantasy that their monopoly of power can be sustained indefinitely without serious cost. Again, that is why so many of South Africa's black leaders have concluded that continued Western investment in, and trade with, South Africa is only making a bad situation far worse and far more dangerous.

Many American corporations have withdrawn in recent years, some because the profitability of their companies in South Africa declined precipitously, others because of their concern about the domestic consequences of their continued involvement in South Africa, and still others because they concluded that their presence in South Africa was doing more to sustain than to end apartheid. This voluntary disinvestment, together with the limited economic sanctions that have been imposed, has had a real impact on the South African economy and political system. Lest this be in doubt, listen to these words of Gerhart deKock, Governor of the South Africa Reserve Bank, who on September 11, 1987 stated,

"The basic underlying problems that threaten to isolate us from the rest of the world have not yet been solved. The outflow of capital, the emigration of skilled people, the large discount on the financial rand, and the decline in fixed and inventory investment, are all sending us messages that we should heed.

"They are telling us that, whatever improvements we bring about in our short and long-term economic strategies, we must first and foremost convince both the outside world and ourselves that we are continuing on the road of peaceful and constitutional reform."

Indeed, South African leaders have repeatedly acknowledged the potential impact

of any withdrawal of Western economic support. Thus, on April 21, 1986, President Botha criticized a Conservative Party parliamentarian, saying:

"He and his party will not buy our farmers products if we cannot export. Nor will they buy our minerals or our manufactured goods if a general boycott against us succeeds. And they will be powerless if this country's imports of a variety of goods is halted."

And there have been other ramifications as well. Who, for example, doubts that the recently opened dialogue between leading Afrikaaners and the ANC would have occurred were it not for the rapidly intensifying combination of internal and external pressures on the regime?

Finally, there has been the impact of American sanctions on black perceptions of the United States not only in South Africa, but throughout the African continent. Our own Ambassador to South Africa has made clear the value in this regard of the congressionally mandated sanctions effort. Before enactment of this law, most blacks had come to perceive the United States as an active accomplice of the South African regime. But with the passage of the Comprehensive Anti-Apartheid Act, over the President's veto, American credibility within South Africa's black community was substantially enhanced.

In short, even the limited sanctions currently in place have had a major positive impact. The intensified repression witnessed in recent months is the product not of a regime consolidating but of a regime unravelling. Increasingly unable to cope with rising dissent and protest, it is increasingly desperate, flailing about trying to find the means of restoring the regime's authority and control. One moment, it becomes even more violent and coercive. The next, it offers up a so-called "reform" proposal, hoping to coopt some of its black population and to seduce an international community that desperately wants to believe that the regime is committed to a process of fundamental change that will eventually see the voluntary end of white minority rule.

America's historic resistance to the application of sanctions against South Africa has been very costly. It is this resistance that has led so many to conclude that the United States is willing to accommodate itself to apartheid. This resistance to sanctions may therefore have unintentionally added substantially to the pain and hardship inflicted by apartheid on South Africa's black majority. At the same time, it has produced a widespread perception that America has a racial double standard in its foreign policy—a perception that has undermined America's moral authority and political influence throughout that part of the world which is not white—which just happens to be most of the world. People of color—whether in Africa, Asia, or in Latin America—ask themselves (as should we) whether America would have resisted the application of sanctions for so long if the racial composition in South Africa had been reversed, and it had been a black minority imposing the horrendously dehumanizing apartheid system over a white majority. They note our enthusiasm for sanctions elsewhere in the world—such as those imposed against the Soviet Union, Cuba, Nicaragua, Libya, and most recently, Panama—and they find America's approach to South Africa terribly inconsistent. And they note how even our language is altered to describe the South African situation: for example, we see the frequent characterization of the ANC as comprised of "terrorists" instead of "freedom fighters." And they are bemused by the sudden emergence of Amer-

icans as the apostles of non-violence, when the United States has been hardly reluctant to support a military response in Afghanistan, in Nicaragua or in Libya. But perhaps the most telling commentary, in the eyes of these observers, is the frequent use by American opponents of sanctions of the argument that "sanctions will hurt the very people we seek to help"—as if the earlier applications of sanctions didn't hurt the Nicaraguans or the Panamanians or the Libyans. Indeed, what is startling is how unaware we Americans often are of our inconsistency, or of the unconscious biases that impair our objectivity and result in flawed policy, policy that does violence to both American values and American national interests.

Nowhere is the loss of objectivity more apparent than in our failure to recognize the extent to which the conflict and instability generated by apartheid threatens American interests not only in South Africa itself but throughout the region of southern Africa. For the desparately insecure Afrikaaner regime, refusing to come to terms with the need for fundamental internal reform, seeks to protect itself by waging unremitting war against what it perceives to be an external threat. This has led South Africa to become a rogue terrorist state, operating with calous disregard for international law or international opinion: South Africa continues to defy the United Nations (and the United States) in maintaining its illegal occupation of Namibia; it has invaded Angola with a force of several thousand; it has launched brutal raids into Botswana, Lesotho, Swaziland and Mozambique; it has attempted to destabilize Zimbabwe and to overthrow the government of the Seychelles; and it has armed and supported brutal dissident groups in Mozambique and Angola. South Africa has, in short, become the principal source of regional conflict and instability, thereby imperiling vital Western economic and political interests and raising the dangers of continuing superpower rivalry and confrontation within southern Africa.

The last argument frequently advanced by sanctions opponents is that, if sanctions are imposed unilaterally by the United States, the Europeans and Japanese will move into the breach created by the departure of American firms from South Africa and by the closing down of American-South African trade. Clearly, multilateral sanctions are preferable to unilaterally imposed sanctions and should be our ultimate policy objective. But to create that possibility, we need first to demonstrate the will to act on our own. Unless we are willing to do so, we are scarcely able to lead the rest of the Western world in a concerted multilateral sanctions effort. In fact, in the last three years, American leadership has played a major part in the decisions of several countries to impose limited sanctions against South Africa.

Finally, it must be emphasized that American action, even if taken alone, can have major impact on South Africa. That is because the apartheid regime continues to look to the United States and Great Britain as the ultimate guarantors of apartheid, as the two countries most likely to resist effective action against the apartheid minority regime. That may not have been our intention these past several years. But that has been the clear consequence of the continuing contradiction between our rhetorical condemnations of apartheid and our acceptance of a "business as usual" posture toward South Africa. It is time to bring our rhetoric and our policy into synch. It is time that America truly commit itself to the struggle against apartheid. It is not only American values that are at stake. It is also a question of American national interests in all of Africa.

IRAN: YOU HAVE BEEN GIVEN NOTICE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 1988

Mr. CRANE. Mr. Speaker, I feel pity toward Iran as I look back upon the last few weeks of renewed action in the Persian Gulf. Iran, obviously, has no concept of the military ability of not only our great country but the members of the NATO alliance. We have put up with years of the ayatollah's harassment of gulf shipping. We have stood by idly while Iranian-backed terrorists inflict pain and suffering upon innocent citizens not only of this land but of the world. We watched for 444 days as these criminals held Americans hostage in their country. We have suffered extreme emotional pain and now the time has come for us to let these "clowns" pay the price for harassing "the sleeping giant."

We have struck back. We have put the ayatollah on notice that he cannot continue to strike out at American people. The citizens of this country do not favor a war with Iran, but by the grace of God they will make them pay for any hardship that the ayatollah tries to place on us. I commend the soldiers, sailors, and airmen who represent this country in the Persian Gulf. Only they know the danger and fear that accompanies service to their country and they have bravely stood up to a class bully. They have brought forth honor and distinction to the world and have reemphasized the fact that we can only be pushed so far.

Japan made the mistake of attacking Pearl Harbor in 1941 and they paid dearly. Libya exported terrorism and they too have paid dearly. Iran has been given their warning. The time has come for the United States to explain the facts of life to the ayatollah. It is without a doubt that he has been given sufficient warning.

At times throughout American history, we have held back—not committed ourselves fully to the tasks at hand. We opted for a negotiated peace in both Korea and Vietnam. Well those days are over. We are a country of infinite patience. With Iran we have retaliated in equal proportions. A ship for a ship. However, those days are ending. Before the last Persian Gulf firefight, Members of Congress were consulted beforehand and briefed on the President's plan to retaliate. The administration received broad bipartisan support and approval. Thus far, the Members of Congress have been inconsistent in their support of the President's actions to keep the peace in the gulf. Now is the time in which they can make a firm commitment to put an end to Iranian terrorism and seek peace for the world.

In closing, let us remember that war does not, and cannot, prove which side is right, but only which side is stronger. As a word to the ayatollah, if he continues to push the United States, he unfortunately will find the answer to which side is stronger. I have included two outstanding articles which I feel are must reading for my colleagues. The articles follow:

[From the Washington Times, May 4, 1988]

BEYOND TIT-FOR-TAT IN THE GULF?

(By Patrick Buchanan)

Following the U.S. naval engagement in the Persian Gulf, I volunteered, on a television show, that while the administration

had sought only the destruction of two oil platforms in retaliation for the mining of the Samuel B. Roberts, it was the U.S. Navy which had exacted full retribution.

Following that comment, I was contacted, and corrected, by what might be called an "unimpeachable" source in the White House, who volunteered, graciously, that my mistake was due to not having "all the facts." Here, then, is the corrected version:

While several Democrats consulted by the president did indeed urge that retaliation be confined to hitting oil platforms, President Reagan was the one who insisted that an Iranian warship be destroyed.

When the target vessel, however, turned up in port after orders had gone out, the U.S. Navy waited outside—intending to give warning to the crew before sinking the ship. The Iranians, however, came out fighting. Thus, not only was that frigate destroyed, but another Iranian frigate as well, two oil platforms and assorted gunboats. An impressive performance, proof that in building and modernizing a 600-ship Navy, providing it with new weapons, and giving our sailors pay commensurate with their duties, the American people got more than their money's worth.

While destruction of half of Iran's major surface ships may cool the hotheads of Tehran who authorized the mining of the sea lanes, it may not be enough. Iranian naval commanders are even now describing the engagement in the Gulf as an "epic" sea battle, virtually unprecedented "in the history of naval warfare."

A new terrorist strike on Americans, another mining of an American warship, cannot be ruled out. But if it comes, it is really past time to be playing tit-for-tat with Tehran, to be winning brownie points for our policy of "restraint." If hit again, the United States ought to follow the counsel of retired Adm. Wesley McDonald: "Go out and sink the Iranian navy."

This is not bellicosity; it is common sense. What Adm. McDonald objects to, and what the administration should reflect upon, is that our policy of restraint, of warship-for-warship retaliation, may be playing into the hands of the most virulent anti-American elements in Tehran.

For the Ayatollah Khomeini's fanatics to have crippled a U.S. warship, while losing two frigates to the greatest Navy in the world, was not a defeat, but a victory over the Great Satan; and they are celebrating it as such.

Second, administration fears that Iran could be driven, by American action, into the hands of the Soviets, seem farfetched. The Iranians may be crazy; they are not stupid. A regime as xenophobic and nationalistic as the Islamic Republic of Iran is not about to crawl between the sheets with an atheistic superpower which has historic designs on Iranian territory. Self-interest, not the United States, keep Tehran out of the embrace of the bear.

Just as the moderates in Berlin, who feared Hitler's messianic ambitions and wanted peace with the West, were hoping for a powerful allied rebuff to Hitler's move into the Rhineland, the moderates in Iran may relish a devastating U.S. military response that discredits and humiliates the extremists who provoked it.

Everyone now concurs that one of the great blunders of Vietnam was President Lyndon B. Johnson's policy of "gradualism," i.e., the careful, calibrated escalation which enabled the enemy to adjust to each new application of U.S. military power.

Tit-for-tat is not the way the United States traditionally wins military engagements; it is not the American way of war.