

X. SOUTH AFRICA'S PROPAGANDA AND LOBBIES IN THE UNITED STATES

South Africa has full diplomatic relations with the United States, with an ambassador in Washington, D.C. It also has an ambassador to the United Nations. One of the many functions of the embassy in Washington is the dissemination of information. The Information Minister in the Embassy publishes and distributes a wide range of material and makes films and speakers available. Information packets are sent on request to schools, libraries, businesses and members of the press.

The publication "*Backgrounder*," a monthly newsletter, is illustrative of the concerns addressed by the Embassy.

In 1983, it covered a variety of political and economic topics. It profiled the newly-proposed tricameral legislature and portrayed South Africa as "A Model for Good Government." In an issue on SASOL (the South African Coal, Oil and Gas Corporation), the future of the domestic economy was described as robust and rosy. The South African economy was consistently portrayed as a force for development and stability in southern Africa. At the same time, South Africa was described as besieged by the Soviet Union through its agents in neighbouring countries. Several issues of the "*Backgrounder*" were devoted to appeals to American businesses to invest in South Africa. Two major arguments were offered: first, that American self-interest was served by bolstering South Africa and preserving Western access to its mineral resources; second, that American business could do good (by helping to "incorporate the less privileged sectors into the free enterprise system"), while it did well (South Africa "ranks high as a lucrative and safe investment field in Africa and the world").¹⁴²

South Africa has four Consulates-General in New York, Chicago, Houston and Beverly Hills. Mobile, Alabama and New Orleans have Honorary Consulates-General. In Phoenix, Portland, Oregon, Pittsburgh and Salt Lake City, there are Honorary Consulates.

Between 1973 and 1978, at least \$70 million was spent by the South African Department of Information for secret projects aimed at improving South Africa's image abroad. The United States was a major focus of this campaign. Efforts were made to buy newspapers and influence the media, among other things. In 1978, the secret funding was discovered and a scandal ensued in South Africa. The Department of Information was reorganized. Propaganda work continued, but it was to be carried out in the open. However, 56 secret projects were approved to

¹⁴² "South Africa: Investment and Development," *Backgrounder*, The Minister (Information), South African Embassy, Washington, D.C., No. 12/83.

be continued because of their importance to the national interest. Information on these projects is unavailable.

The South African Consulates in the United States carry on South Africa's image building. Among their many functions is the promotion of economic ties between the two countries, and the promotion of an image of a positive, changing South Africa which deserves support and respect. The divestment campaign which exposes their propaganda efforts and calls for severing of all economic ties to South Africa, has presented them with their greatest challenge.

Since the divestment campaign is active in states throughout the country, the Consulates have been active trying to persuade state elected officials that divestment is damaging not only to the states involved) but also to blacks in South Africa.

Visits to South Africa

The South Africans have not limited their efforts against divestment to lobbying in the United States. In states where there was a strong push for divestment legislation, the South Africans have carefully chosen state senators and representatives whose opinions might be changed by a visit to South Africa. Elected officials from Maryland, Illinois, Wisconsin and Nebraska have travelled to South Africa as guests of the government. Some of them returned as enthusiastic apologists for apartheid.

United States Lobbyists

South Africa also hires United States lobbyists to promote the political, economic and cultural objectives of the South African Government in the United States. This involves improving South Africa's image, promoting trade, investment and securing loans, making contacts with government officials, members of Congress and other opinion makers, and advising and assisting in all ways to promote a positive relationship between the United States and South Africa.

The United States lobbyist with the largest contract from South Africa has been John Sears of Baskin and Sears. The former campaign manager for Ronald Reagan, Sears was receiving \$500,000 a year for his work promoting South Africa.¹⁴³ Political controversy erupted this spring over campaign contributions paid by Baskin and Sears to a number of United States elected officials. When the Comptroller of the City of Pittsburgh learned that Baskin and Sears, who had a

¹⁴³ Submission to the United States Department of Justice under the Foreign Agents Registration Act.

\$500,000 contract with the city, was an agent for the South African Government, he urged that a choice be made. Baskin and Sears could represent South Africa, or Pittsburgh, but not both. The result of this challenge was the break-up of the Sears partnership with Baskin. Sears will reportedly continue to represent South Africa, and Baskin will continue to represent Pittsburgh.

The other firms which work for the South African Government are Smathers, Symington and Herlong with a \$300,000 annual retainer, the government and public relations consultants Spencer Roberts and William Hecht Associates, retained jointly for \$150,000 a year, and Kimberley Cameron Hallamore, a government relations consultant who receives \$63,000 a year.¹⁴⁴

Working for South Africa to promote in the United States a good image of the illegal South African Administration in Namibia. is the United States-South West Africa/Namibia Trade and Cultural Council represented by Carl L. Shipley and Marion H. Smoak, officially retained by the South African Administrator-General of Namibia.

The Gold Lobby

South African gold sales to the United States constitute an important percentage of total South African exports. In 1983, gold coin sales to the United States totalled \$450,225,000 or 22.2 per cent of all South African exports to the United States. Gold and silver bullion sales to the United States equalled an additional \$38,135,000. For the first quarter of 1984, gold coin exports to the United States was valued at \$341,384,000. The comparable figures for the 1983 first quarter were 17.9 per cent and \$83,580,000.¹⁴⁵

The most important South African lobby in the United States, measured by financial investment, is the gold lobby. Since 1976, the International Gold Corporation of Johannesburg has had a wholly-owned United States subsidiary with the same name, and offices in New York and Los Angeles. The work of the International Gold Corporation in the United States is to promote investment in and commercial use of gold and to promote and market the Krugrand in North America. During the nine-month period from April through November 1983, the International Gold Corporation disbursed to its United States subsidiary for non-political gold promotion more than \$17.5 million.

The International Gold Corporation also engaged a New York public relations firm, Rubenstein, Wolfson and Co., Inc., to do its political lobbying. The firm was hired to target public officials, legislators, civic groups, government

¹⁴⁴ *Ibid.*

¹⁴⁵ Information from the United States Department of Commerce, 9 May 1984.

agencies, newspapers, educational institutions, and trade associations. Specifically, meetings were held with members of Congress and their staff to discuss federal legislation that would ban the imports of the Krugrand into the United States.¹⁴⁶

¹⁴⁶ Registration Statement No. 3482, United States Department of Justice, 9 June 1983.