Anti-apartheid forces in the United States and the Netherlands achieved a victory last week when they forced South Africa to decide against awarding a contract to build and fuel two nuclear reactors near Capetown to a consortium of General Electric Company and a Dutch and a Swiss firm. South Africa had already delivered a "letter of intent" to the GE consortium, but decided on May 28 to award the contract for one of the reactors instead to their second choice, a French group. A huge controversy over financing of the Dutch participation had threatened to break up the Dutch coalition government. In the United States, opposition to the export license and to a $250 million Export-Import Bank guarantee for commercial financing of the deal was already starting to well up. Last week, two Congressional hearings were held - chaired by Representative Diggs and Senator Clark - and two law suits were brought against the export licenses - one by three environmental groups and the second by ten Congressional Black Caucus members, four anti-apartheid groups (including the Washington Office on Africa) and SWAPO.

It is still possible that the United States will supply the 1.4 million pounds of slightly enriched uranium worth about $60 million to fuel the reactors. South Africa expressed an early interest in getting the fuel from the United States, but may be reconsidering, or delaying, because of the fear of growing opposition to U.S.-South African collaboration. We will get in touch with you immediately if and when South Africa does apply for U.S. reactor fuel.