

May 15, 1972

The Washington Office on Africa
110 Maryland Ave., N.E.
Washington, D. C. 20002

Dear Senator,

In September last year the Senate passed the Byrd Amendment allowing the importation of strategic materials from any free world country if we imported them from any Communist or Communist-dominated country. The bill had the effect of opening the door to a serious breach of the sanctions imposed by the United Nations on Rhodesia and at the same time it gave a psychological boost to the morale of the illegal Smith regime in Rhodesia at a time when it was embarrassed by the overwhelming rejection of the so-called "Settlement" by black Rhodesians.

The Senate now is in a position to restore our international leadership in the United Nations by approving the Foreign Relations Authorization Act's Section 503, which repeals the Byrd Amendment. Senator Byrd will undoubtedly move to strike Section 503 from the bill. It is most important that you be present and vote in favor of the Foreign Relations Committee's position for repeal. Last fall the number of Senators absent and not voting made it possible for Senator Byrd to win.

The reasons why we favor repeal of the Byrd Amendment are these:

1. It would return the United States to a position where it obeys international law and fulfills its obligations under the United Nations Charter. The United States is the first nation to openly break the United Nations sanctions which it voted to support.

If we wish to see peaceful change take place in Southern Africa, we will have to recognize that the sanctions program, for all its inadequacies, has had an effect on the economy of Rhodesia. If there have been violators of the sanctions, as has been alleged against Switzerland, France, Italy, West Germany, and Japan, these nations should be pressed to co-operate. We should not use their failures as an excuse to break the law and scrap the whole notion of sanctions.

If in fact sanctions are a failure, then we should press for international action which would exert pressure for peaceful change toward freedom and justice in Rhodesia rather than unilaterally break sanctions for the sake of the particular concerns of American investors.

2. It would strengthen our commitment to the United Nations and to the resolution of international conflicts by means other than war. The fact is that guerilla warfare is already occurring in Southern Africa. We stand in danger of being drawn gradually into another Vietnam quagmire if we cannot find some way through international collective action to exert pressure for peaceful change. The Chinese have indicated that they would be willing to work inside the United

Nations for such change. Of course, if that is not possible, then no doubt they will back the aspirations of the black people of Africa who have not yet achieved political rights by other means, including military weapons.

3. It would help and not abandon the 5.2 million blacks in Zimbabwe (the African name for Rhodesia), who represent 95 per cent of the population of the territory, who have no significant political rights. Bishop Muzorewa, of Rhodesia, who has emerged as the spokesman for the African National Council, which represents those black Rhodesians who still hope for a non-violent solution, has recently urged that you vote to reinstate sanctions:

"The action of your government to break sanctions and to begin to import chrome was a severe blow to our struggle for freedom... Economic sanctions provided us with the only tool we have in our non-violent Christian struggle for a free Rhodesia."

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4. The allegations that were made last fall that our defense requires that we not be dependent on Russian chrome turns out to be a deliberate hoax to play upon our fears of Russian communist aggression. The Office of Emergency Preparedness has declared that we have an excess of 2.25 million tons of chrome from our stockpile. The Senate, in fact, passed a bill to release 1.3 million tons after the passage of the Byrd amendment. Even if all imports from Russia and Rhodesia were cut off, the United States would have enough chrome for all purposes, domestic and defense, for three years.

5. It has been alleged that the Russian ore is really Rhodesian ore anyway. This is probably also a fabrication. Russian ore is clearly different in color, substance and character from Rhodesian ore. No reputable scientific proof has been brought forward. Authorities at the Department of Commerce and the Geological Survey find no evidence that Russian ore is really Rhodesian transshipped. The only evidence comes from the stainless steel companies and is self-serving and flimsy.

6. It is alleged that the importation of Rhodesian ore will make American stainless steel competitive with Japanese stainless steel. This is a very dubious forecast. The problems of our stainless steel industry antedate the Rhodesian sanctions and they stem from a variety of factors which have nothing to do with the price of chrome as a component:

- a. The Japanese steel industry is highly leveraged. Its corporations have only a 10 to 20 per cent equity in their capital structure as opposed to American companies with 70 to 80 percent equity. This means that they can return 10 percent on their investment while getting 1 percent on their sales. They operate at close to full

capacity at all times and sell at low prices to achieve that goal.

b. Japanese wages are lower.

c. The Japanese have not hesitated to spend capital for highly efficient and productive facilities.

7. Differences in the price of chrome reflect the variables of supply and demand and the basic costs of production. The high price which Russian ore commanded is not due to deliberate gouging. Most other strategic materials, which continue to be in great demand, have risen in price in the last few years, irrespective of who produces them. The present price of Russian chrome is \$50-55 a ton, not the \$72. a ton figure cited in the debate on the Senate floor last September.

Russian ore has always been a better grade of ore than Rhodesian ore. It contains 54 percent chromium oxide versus the standard 48 percent and a 4 to 1 chrome to iron ratio versus the standard 3 to 1. It is therefore able to command a price premium notwithstanding its friability.

It should be borne in mind that the reason why Rhodesian and South African ores are less expensive than Russian is that they are produced by what amounts to a forced labor system at incredibly low wages in violation of international standards of human rights. In this way, by paying wages of about \$30 a month, far less than is necessary to sustain a bare poverty level existence, American mining companies in Southern Africa are able to earn a very handsome profit and undercut Russian prices as well.

8. If there are hardships imposed on American companies by sanctions, (and we do not say that there have been because of serious exploitative labor practices in the past) it would be better to grant compensation to these companies directly rather than to subvert international obligations. At the same time, we would point out that American tobacco companies have profited handsomely from the exclusion of Rhodesian tobacco from the British market by the sanctions program.

9. It is not true that the sanctions program hurts American labor. I.W. Abel of the United Steelworkers, Andrew Biemiller of the AFL-CIO and United Autoworkers have all taken positions supporting the sanctions program.

10. To allow the sanctions program to be broken for some American corporations and not for others creates injustices, and places the government in the anomalous position of prosecuting fertilizer manufacturers for sanctions violations while granting favors to Union Carbide and Foote Mineral and Allegheny Ludlum. Mr. Edward H. Bartlett, tax commissioner of Vermont and one of the defendants in a recent

suit commented: " It comes as no small surprise that the Executive Branch should now seek to enforce the regulations with respect to one commodity and not the other. This kind of enforcement raises fundamental questions of fairness as well as constitutionality."

11. While this is a low-visibility issue for most Americans, it is increasingly going to be on the agenda of black Americans as the forthcoming conferences and convocations sponsored by the Congressional black caucus and other black citizens testify.

There is also a consensus among many concerned groups that the Rhodesians sanctions must be restored. At a recent conference on Southern Africa representatives of 25 different organizations expressed unequivocal support for repeal of the Byrd Amendment.

We believe that the issues are relatively clear. We believe that they come down to favoring the special private interests of a certain few corporations who understandably favor a return on their investment at the expense of the public concern for a future world which is free from oppression and political injustice not only here but overseas. We believe that this can only be achieved by an adherence to international law and a concern for collective measures addressed to the redress of grievances which are very deep indeed in Africa, as elsewhere.

Thank you for your careful attention to this complex matter. We trust and hope you will vote to keep the McGee Amendment in the Foreign Relations Authorization Act.

Very truly yours,



Edgar Lockwood
Co-ordinator

Note: The Washington Office on Africa is supported by the American Committee on Africa, The United Methodist Church, The United Presbyterian Church and The United Church of Christ.

Our telephone number is 546-7961