The full House is expected to vote on the Export-Import Bank bill, H.R.12157, during the week of May 22nd. This past week, debate on the budget resolution and economic aid bill took longer than expected, and next week was already "booked". The main reason for the long delay is that the House leadership realized that the Eximbank bill, with its prohibition on financing for South Africa, is going to be controversial and will involve long and heated debate. So we need to use the extra time to do as much as we can to get the word to Representatives that lots of people support ending U.S. government links to apartheid.

So far the work in Washington has gone well. At least 10 national groups that we know of got letters to the Hill supporting a cut-off of Eximbank credits for South Africa, in the space of four working days. They include the United Steelworkers of America, United Auto Workers, Coalition for a New Foreign and Military Policy, Americans for Democratic Action, Interfaith Center for Corporate Responsibility in Investment, a group of church representatives in Washington, prominent black Americans including Benjamin Hooks of the NAACP and Mayor Richard Hatcher of Gary, Indiana (President of the newly-formed Trans Africa lobby), Women Strike for Peace, Women's International League for Peace and Freedom, the American Committee on Africa, and ourselves.

We are also beginning to see evidence of activity against the South Africa cut-off, primarily from exporters of capital goods. These are the corporations which benefit from the credits that Eximbank now provides to the South African government and private purchasers to buy American goods; it is no surprise that they object to the possibility of a cut-off. South Africa's lobbyists are busy, but they may be less visible because of a reprimand from the State Department for getting involved in Senator Clark's Iowa election campaign and a major controversy in South Africa over the tactics of the Information Department (which hires their Washington lobbyists).

WHAT NEEDS TO BE DONE

We need to keep a steady stream of telegrams, letters and phone calls reaching Representatives' Washington and local offices, urging them to support the ending of Eximbank financing to South Africa as adopted by the House Banking Committee. The single most important argument to make is that Eximbank financing is providing direct U.S. government support to South African apartheid.

The scheduling delay may make it possible for you to organize a group to meet with your Representative in the district, perhaps over the up-coming weekend. There is no question that this is the most effective way to influence your Representative if the time permits. Every member of the Banking Committee who was confronted personally with the facts about South Africa and people who care deeply about them voted with us. If this isn't possible, the next best thing is to make personal contact with a staff person; follow up on the phone to learn how your Congressman intends to vote. If you get word on his or her position please call.

Be on the look-out for industry lobbying in your district. We already know that Caterpillar Tractor, General Electric, and the steel and aircraft industry are organizing against us. Try to work with unions in these plants to demonstrate the fallacy that ending Eximbank credits to South Africa will hurt American workers. The AFL-CIO strongly endorsed the South Africa cut-off in February.

Here are some other ideas. One high school teacher spoke to his Representative on the phone with his class listening in on a conference-call hook-up. In several districts, delegations have visited with Congresspeople personally with good results. Try presenting your Representative with a packet of clippings, leaflets and tapes on disinvestment and bank campaigns to demonstrate that large numbers of people are actively opposed to U.S. economic support for apartheid.
S. African Information Ministry

Probe Imperils Vorster Ally

By Carrie Murphy
Washington Post Special Correspondent

JOHANNESBURG — An investigation into the alleged misuse of hundreds of thousands of dollars of government funds has led to revelations of a top-secret South African effort to influence public opinion abroad and is threatening the political career of a man widely expected to succeed Prime Minister John Vorster.

Funds from these activities, which has been under way for six years, were used to finance "unnecessary, probably wasteful and extravagant" trips by Information Ministry officials, according to a government auditor's report.

The auditor said the fund was used to bankroll an extensive pro-South Africa publicity campaign abroad and to establish a bogus public relations company as a front for alleged secret diplomatic activities.

As leaks about the investigation mushroomed, Vorster revealed early this week that he had personally allocated the funds with parliamentary approval as part of a campaign to counter "a vicious onslaught against the republic."

Responsibility for the alleged misuse of the money, however, was quickly shifted to Eschel Rhodie, head of the Ministry's Department of Information, and, according to political insiders, is likely to fall ultimately on the shoulders of the powerful minister of information, Conrie Mulder.

Vorster has already declared that "the effectiveness of the department and its head ... has been destroyed," and the opposition in Parliament has called for Mulder's resignation. Two top information officials have already announced their early retirements.

Should Mulder's star begin to fade, the chief beneficiary in the struggle within the ruling National Party would be Foreign Minister Pik Botha, who is viewed as being in the moderate wing of the party and who is Mulder's main opponent to succeed Vorster.

The burgeoning scandal is also likely to have an adverse impact on South Africa's extensive, but at times bumbling, public relations campaign abroad which has been run under Vorster's leadership.

It has involved the purchase—not always with secret funds—of thousands of dollars of advertising in newspapers like The Washington Post and The New York Times.

It has been suspected that a public relations effort based in London, called the Club of Ten, which buys full-page advertisements for South Africa in major newspapers, is financed by the South African government.

Vorster, Mulder and Rhodie have all jumped to the defense of the top-secret program — the complete scope of which has not been revealed — by invoking images of a South Africa besieged on all sides and engaged in a struggle for survival in which anything is fair game.

Vorster declared that he had secretly authorized the transfer of funds from other government departments to the information Ministry "to assist it in a delicate and unconventional way in combating the total onslaught against South Africa. The purpose was to withstand the invasion of our country's good image and stability."

Mulder struck a similar theme, but added that "when the survival of South Africa is at stake, rules don't apply."

The beleaguered minister said the onslaught came not only from the Communist side, but also from the West. He said there were 79 organizations in the United States actively "engaged in plotting against the country on a daily, weekly or monthly basis."

Rhodie said there were "dozens" of secret projects under way, all part of a "no-holds-barred propaganda war against [South Africa's] enemies."

Rhodie said that he had objected to the auditor's probe last year and that Mulder backed his refusal to provide the auditor with information.

Vorster, however, said he told the auditor-general, Gerald Barrie, to press his investigation when Barrie reported suspected irregularities in the secret fund in the last half of 1977.

Barrie's report questioned the payment of more than $240,000 to a travel agency despite government policy to book all official overseas trips through government agencies and the payment of $240,000 for publicity for South Africa without Treasury approval.

The report also charged that there was an attempt to hide the fact that tickets were bought for a woman to travel abroad with Rhodie and that Rhodie had ordered the destruction of travel vouchers.

Barrie also declared "unnecessary, probably wasteful and extravagant" trips by two Department of Information officials, one of whom was Rhodie's brother, Denays. On one trip they flew more than 3,600 miles across the United States to "evaluate" the services of a Department of Information typist.

Rhodie said Saturday, when he disclosed the existence of the secret fund, that the officials "went to the U.S.A. [including Los Angeles and Atlanta] for a series of closed meetings with opinion formers from many states in the U.S.A."

"South Africa's enemies must be laughing their heads off at the way the auditor general and sections of the press have destroyed an apparatus which, unknown to the public, was in secret achieving incredible success — simply because we fought the way our enemies do."

Barrie's report also disclosed that the secret funds were used to set up a public relations organization called "Thor Communicators," which apparently has been used for secret contacts with black African states.

A wealthy businessman, Louis Legt, told a local newspaper that he had "communicated sensitive international messages from African presidents to Rhodie in Thor's office, and that he had acted "virtually as a courier" in business trips to black Africa during the Angolan war.

When Barrie reportedly asked Mulder about Thor Communicators, the minister said he had no comment. Lytt has denied it had any dealings in weapons.

Barrie's report also documented that a trip to the Seychelles Islands in the Indian Ocean by a party of 10, including Rhodie, was paid for out of government funds, but no record or explanation for the trip was put into department files.

Mulder had informed Parliament last month that the trip was a vacation, but according to a newspaper account, Mulder has now told Barrie that it was a secret and official voyage although the purpose is still not known.