



**ORGANIZATION OF  
AFRICAN UNITY**

Secretariat  
P. O. Box 3243

منظمة الوحدة الافريقية  
السكرتارية  
ص. ب. ٣٢٤٣

**ORGANISATION DE L'UNITE  
AFRICAINNE**

Secretariat  
B. P. 3243

اديس ابابا \* Addis Ababa

COUNCIL OF MINISTERS  
Twenty-Ninth Ordinary Session  
Libreville, Gabon  
June 23 - 30, 1977.

CM/812 (XXIX)

REPORT OF THE ADMINISTRATIVE SECRETARY-GENERAL ON SANCTIONS  
AGAINST THE REBEL REGIME OF SOUTHERN RHODESIA



CM0812

MIGROFICHE

REPORT ON RHODESIA

The rebel white minority regime which usurped power in Southern Rhodesia has entered its twelfth year of existence. This is a challenge to the entire International Community which has always condemned this rebel regime.

Indeed, soon after the unilateral declaration of the so-called independence in Southern Rhodesia by a handful of white settlers in 1965, the Organization of African Unity, through its highest authority, namely the Heads of State and Government of Member States, expressed concern over the situation thus created in Southern Rhodesia. Both the United Nations Organization and the Organization of African Unity unequivocally affirmed that the Unilateral Declaration of Independence by a white racist minority constituted a serious threat to international peace and security.

Consequently, the United Nations Security Council decided on the basis of Chapter VII of its Charter that mandatory sanctions should be imposed on the rebel regime. The Organization of African Unity had already taken this same decision.

By so doing, the United Nations Organization and the Organization of African Unity hoped to use peaceful means to put an end to this irregular situation which would have unforeseeable dangerous consequences on world peace.

The sanctions imposed on the rebel regime in Salisbury produced the desired effects in certain sectors and at certain periods and, seriously disturbed the partisans of this regime. That is why, the Organization of African Unity and the entire International Community have constantly advocated that sanctions be maintained against the rebel regime of Ian Smith while reinforcing and intensifying the armed struggle. If the minority regime in Southern Rhodesia has succeeded in maintaining power for nearly twelve years in spite

of world condemnation and all the political, economic, commercial and other pressures, it is unfortunately because it is being supported by certain countries, especially the so-called Western countries which regularly violate, by various means, the international sanctions imposed on this regime.

Recent developments in Southern Rhodesia have given rise to several speculations. The accomplices of the rebel regime in Southern Rhodesia have tried to make the international community believe that the door was open for establishing various relations with Salisbury because of the Geneva political negotiations. This attitude was soon checked by the dead-lock at the Geneva Conference and, especially by the determination of the Government of the People's Republic of Mozambique to keep its borders with Southern Rhodesia closed.

Considering the present situation of the liberation struggle of the people of Zimbabwe, not only should the sanctions, as decided upon, be maintained against the rebel regime in Southern Rhodesia, but they should be extended and made more effective.

#### I. OUTLINE ON SOUTHERN RHODESIA'S ECONOMY

Since the People's Republic of Mozambique closed its borders with Southern Rhodesia and decided on 3 March 1976 to strictly apply the sanctions decided upon by the United Nations Organization and the Organization of African Unity, the economy of Southern Rhodesia has been experiencing serious difficulties. Southern Rhodesia's goods traffic through the ports of Beira and Maputo and the railway linking the two countries was estimated at 4 million tons per annum. This includes goods in both directions: imports and exports. It is believed that these goods could not flow normally because of the congestion at the South African ports which are the only alternative routes for Southern Rhodesia.

Before 1976, the economy of Southern Rhodesia achieved a relatively creditable performance, despite the world economic recession and the international economic sanctions. This was due mainly to the excellent agricultural harvest which was spread over two years (1974 and 1975). During that period income from agricultural products increased by 3%. In the mining sector, production has been increasing constantly since 1974. The rebel regime succeeded in finding markets for its mineral products thus escaping international sanctions. This was especially the case of chrome sold to America under the BYRD amendment which was fortunately repealed by the American Senate during the second half of March 1977. During the first quarter of last year, namely, from January to April, 1976, mineral production increased by 6% in volume and 32% in value, because of the 24% rise in prices. This information should be treated with the usual degree of caution because it was supplied by the "South African Financial Gazette" of 2 July 1976 which quoted Rhodesian statistics as reference. It must be noted however, that the rebel regime still exports its mineral products despite the sanctions imposed on it. The New York Times of 17 October, 1976 acknowledged, however, that the most critical problem facing Rhodesia was its inability to move all its goods, including nickel and chrome, to South African ports for shipment to world markets, all the more so that since Maputo's important decision of 3 May 1976 there is only one railway line that links South Africa and Southern Rhodesia. It would appear that South Africa accords priority to its own goods thus compelling its protege in the north to keep in storage between 7 and 8 million tons of goods meant for export.

Despite the depression which affected the international economic situation in recent years, Southern Rhodesia has succeeded in maintaining the rate of its 1975 exports especially as regards copper, cotton, maize, etc.... Rhodesia's imports in 1975 totalled 33 million dollars (Economic Survey of Rhodesia, April, 1976).

Four tables published by the Southern Rhodesian Ministry of Finance in April 1976 indicating the general situation of the economy of the rebel colony are attached to this report as Annex I.

The economic situation of Rhodesia, as described by the Southern Rhodesian Ministry of Finance is apparently not so serious. One can therefore conclude that the sanctions were far from fully respected.

## 2. TRADE WITH SOUTHERN RHODESIA

Southern Rhodesia still has trade relations with several countries. It is a well-known fact that most transactions with Southern Rhodesia are done in violation of sanctions regulations. According to the New York Times of 17/10/1976, 98% of Southern Rhodesia's Import/Export trade was done in violation of sanctions regulations. Businessmen from Southern Rhodesia tour the world to explore international markets.

In this regard and for information purposes only, it should be noted that 9 businessmen from Southern Rhodesia took part in the 25th Annual International Congress of Chambers of Commerce held in Madrid from 15 to 22 June, 1975. They were:

1. Mr. Burningham Ralph
2. Mr. Crookers, Kenneim
3. Mr. Daffy, Michael
4. Mr. Van Heerden, James
5. Mr. Maltas, Georges
6. Mr. Micheche, Martin
7. Mr. Sly, Richard
8. Mr. Steward, Douglas
9. Mr. Thompson, Andrew.

These names were released by Spain, host country of the said Congress. All Governments had been requested by the United Nations to furnish information on their foreign trade including their transactions with Southern Rhodesia and several have responded.

The figures supplied by Switzerland show that a substantial amount of trade is transacted between the latter and Southern Rhodesia. Trade between Switzerland and Rhodesia which stood at 4 million US dollars in 1964, 1965 and 1966 has today reached 7 million. Document S/AC.15 bearing on case No. 214 to the Security Council Committee on Southern Rhodesia gives the following figures on trade between Switzerland and Southern Rhodesia for the period January/June 1976.

Kg	Value Swiss Francs	Value US dollars
<u>Imports</u>		
897.079	7,204,350	2,842,289
<u>Exports</u>		
51,453	2,036,603	803,760

Having been called upon to carry out investigations on cases of violations of sanctions regulation by Swiss Companies, the Swiss authorities affirmed that "Three firms: SUBLISTATIC, S.A., ALTRADICO S.A., and J.G. NEF and Co. Ltd. were branches of the Dutch Firm JOBA/ZEPHYR in Switzerland. This firm is well-known for its activities in Southern Rhodesia, and has been repeatedly denounced by the Organization of African Unity. There is also a Swiss Company known as "Societe Fiduciaire Lemanc" based in Lausanne. It would appear that the said firm has very flourishing trade relations with the

JOBA/ZEPHYR Company. In their note of 1 June, 1976, to the United Nations Sanctions Committee, the Swiss authorities however stated that they had received information that the Lausanne firm did not carry out any activity with the JOBA/ZEPHYR Firm.

Added to this are the transactions regarding arms supply which, for obvious reasons do not appear in the official trade statistics. (see chapter on military cooperation) There is also a substantial trade between the Federal Republic of Germany and Southern Rhodesia. West Germany itself has acknowledged that during the period from January to June 1976 alone it exported to Southern Rhodesia 124,100 kg. of goods worth US\$709,000. During the same period, the Federal Republic of Germany imported 832,500 Kg. of goods worth US\$142,000. Most of these consisted of arms, ammunitions, equipment, vehicles and spare parts.

In addition, the Federal Republic of Germany owned up before the United Nations Sanctions Committee on Southern Rhodesia that three tons of powder milk had been loaded at the port of Hamburg for Southern Rhodesia. Although UN Resolution 253 on Sanctions against Southern Rhodesia exempted certain products for humanitarian reasons this proviso should not be used as a pretext to divert the spirit of the said resolution.

It is precisely on the basis of the proviso which allows the establishment of relations of a humanitarian nature with Southern Rhodesia that several countries, particularly the Scandinavian countries send various articles such as clothing and other equipment to Southern Rhodesia for use by hospitals and universities.

In this connexion, Sweden authorised the export to Southern Rhodesia of three ultrasonic scalers for dental treatment. These

scalars each of which costs US\$1,190 are manufactured by a Swedish firm called "AMLAB". In 1975 Sweden exported to Southern Rhodesia goods valued at US\$1,000 in the same way.

In its note dated 9 September 1976 addressed to the United Nations Committee on Sanctions against Southern Rhodesia, Denmark admitted that it had exported goods worth 335.00 Danish crowns during the period from January to June 1976 alone. These included capital goods, arms and ammunitions, manufactured articles and spare parts.

As regards Italy, Great Britain, in its note of 5 May 1976 addressed to the Sanctions Committee, exposed an Italian Company which had sold 20 tons of nylon to Southern Rhodesia. Indeed, according to information supplied by Great Britain, the Montedison Fibre Spa Company of Milan had delivered between 1 November 1975 and 31 January 1976, 20 tons of Cargo to the Security Mills (PVT) Ltd. of Bulawayo in Southern Rhodesia. These goods estimated at US\$46,000 were paid for through a Swiss Company known as "ATLAS TRADING". Negotiations on this operation were undertaken by a Rhodesian Office and an Italian Company which delivered the goods. This means that representatives of Southern Rhodesia can operate freely in all European countries. Their activities are made easy because of the multinational character of certain companies. Often, a company based for example in Zurich, Switzerland, can export goods from London, Paris, Amsterdam, Antwerp or elsewhere. This is the case, for instance, of NITREX AG registered in Zurich which works in collaboration with fertilizer exporting companies all over Europe. The United Nations Sanctions Committee was informed of a case where NITREX in collaboration with a NORWEGIAN Company had exported fertilizers to Southern Rhodesia. Both the Norwegian and Swiss Governments denied the accusations levelled against their two firms. This was also the case with France which had refused to be held responsible for the activities of its nationals outside France.

Owing to the complicity of certain capitalist multinational firms with the Salisbury regime these Companies resort to subterfuge to escape the force of international sanctions.

In certain cases which are admittedly very rare, some companies are charged with breaking sanctions regulations. This is the case of a Dutch company which was found guilty of importing 16 tones of tobacco from Southern Rhodesia and which having been exposed by the Dutch Anti-Apartheid Movements was fined 7,500 Dutch Guilders in January 1976 by a Court in Rotterdam. Although Belgium denies this, it appears to be the chief importer of Rhodesian Tobacco.

The volume of trade between the capitalist world and Rhodesia is such that Rhodesian Newspapers themselves do not hesitate to give it the widest publicity possible. For example, in its advertisement for the firm "SIMMS" the Rhodesia Herald of 2 July 1976 stated, with supporting photographs and models, that one could procure everything including spare parts, for all British made vehicles. In addition, the Rhodesia Herald of 23 December 1976 published the following advertisement on French products: "CALANDRE DE PACO RABANNE- PARIS the "in" perfume, the ultra-modern perfume in vogue in Paris - "Yves St. Laurent Paris, etc. etc... The Chronicle of 16.9. 76 advertised products made in West Germany, Japan and Switzerland.

Quoting a United Nations report, a French News Agency despatch of 4 October 1976 indicated that Switzerland was involved in 34 cases of infringement of sanctions regulations against Southern Rhodesia.

The main Swiss Firms in question are: ANACARDIA, FEMETCO and NITREX. Two big Austrian firms were also guilty of sanctions violation: namely, VOEST-ALPINE and GIRONZENTRALE. In short, West German, Belgian, French, Italian, Norwegian and other companies are implicated in similar cases. As for Israel, it was accused of exporting chemical products to Southern Rhodesia.

On the whole, it is member countries of the European Economic Community which break the sanctions regulations.

Addressing the UN Fourth Committee (Committee of Decolonisation) in December 1976, the Representative of the European Economic Commission made the following statement full of hypocrisy: "It is now 11 years since Ian Smith's regime declared a unilateral and unconstitutional independence. Since then, the situation in Rhodesia has been of great concern to our 9 countries. We unhesitatingly rejected the intolerable policy of the minority regime which has continued to practise racial discrimination and deny the majority of the people of Zimbabwe, of their basic political rights .... "We avail ourselves of this opportunity to confirm once again that we shall continue to apply the sanctions imposed by the Security Council until a satisfactory solution is found". This statement which is committing in every respect does not unfortunately conform with the practice. It would therefore be advisable that African countries which have privileged relations with member countries of the European Community bring pressure to bear on the latter so that they respect their commitment with regard to Southern Rhodesia by applying the sanctions decided upon by the United Nations.

### 3. INVESTMENT AND FINANCING

A Reuter report dated 22 March 1976 in Salisbury indicates that the international sanctions against Southern Rhodesia have made the latter become self-sufficient in several sectors of the national industry. At first, this statement may appear correct, but if Rhodesia is self-sufficient in certain sectors, it is because of foreign investments and financing. One of the principal economists of the Association of Rhodesian Industries somehow confirmed this when he said on 22 March 1977 that "Before 1965, all garments and shoes in the shops were all practically imported from outside" and that to-day that was no longer the case. He continued by saying that "although some articles are still imported" .... from where? Assembling and

finishing touches are done by local industries.

Despite these statements which reflect extreme optimism obviously to encourage investment by providing a positive image of the economy of Southern Rhodesia, the Rhodesian authorities themselves are compelled to contradict themselves by recognising that their industrial prospects are very unfavourable. The Rhodesia Herald of 4 March 1976 published a piece of information to the effect that the industrial production of Rhodesia in 1975 was in very serious decline, dropping by 1.34% as compared with the 1974 production volume.

#### Industrial Decline

<u>Sector</u>	<u>Per. centage</u>
Timber industry	9.40%
Non-Metallic Production	8.17%
Garments and Shoes	5.60%
Paper and Printing	4.37%

The South African Financial Gazette of 2 July 1976 reported that the volume of production of the manufacturing industry continued to fall. In its article on foreign investments, the Rhodesia Herald of 29 June 1976 stated that the capital income including dividends fell from 52,700,000 dollars in 1974 to 42,700,000 dollars in 1975. According to Objectif Justice of October, November and December, 1975, the Rhodesian regime itself had publicly recognised that the economic situation had worsened and that the strict observance of sanctions regulations had contributed substantially to the deterioration. Such admission by the regime itself should encourage the international community to increase its vigilance to render sanctions more effective if it really wants an end to the rebel regime of Ian Smith. Certain countries do not, unfortunately, understand the problem in this way. According to the information supplied to the United Nations Sanctions

Committee, the following companies are reported to have financed investment in Southern Rhodesia:

Firm	Country	Amount in Rh \$ million	Purpose
Handelskredit, Bank A.G	Swiss	13.3 dollars	construction of new steel- works
Handelsgesellschaft (HGZ)	Swiss (Zurich)	19.3 dollars	Same market
Fometco AG	Swiss	25.8 dollars	RISCO Project
GETRACO-Finmetal SA with the parti- cipation of Neunkir- cher Eisenwerk (Fed. Republic of Germany) and Klockner and Co (Fed. Rep. of Germany)	Swiss	9.3 dollars	RISCO Steel

These German companies were supposed to coordinate the purchase and resale abroad of surplus production of the enlarged RISCO steel-works to enable it obtain the required capital to pay its creditors.

Furthermore, the steel billets from the Southern Rhodesian RISCO steel-works were exported abroad. The sale of these billets was arranged by the Swiss and West German companies just mentioned above. It is obviously difficult to obtain all the information on investments and their financing in Southern Rhodesia because they are kept in absolute secrecy.

4. MILITARY ACTIVITIES

In order to maintain as long as possible, the power which they seized illegally almost 12 years ago, the white settlers of Southern Rhodesia devote an excessively large portion of their budget to defence. According to an article published in "Le Monde" on 30 April 1976, the military budget of Rhodesia increased by 16% during the last financial year and is expected to increase even more during the next financial year". The publication "Objectif Justice" of October, November and December 1975 had this to say about the military spending of Southern Rhodesia: "The military budget has gone up from 46 to 57 million Rhodesian dollars i.e. an increase of 23%. The rise in expenditure for security appears in the estimates of the Ministry of Internal Affairs and in the increase in appropriations for roads and road traffic which went up from 3,41 million to 27.7 million including 7.75 million Rhodesian dollars set aside for work on roads and bridges in the areas near the borders".

This was confirmed by the International Institute for Strategic Studies in its yearly report of 1976/77 military balance. According to the information published by this Institute and reproduced by the Ethiopian Herald, the Rhodesian army has three infantry battalions and four others which are undergoing training, three squadrons for special air services, one artillery company and one engineering squadron, 30 armoured cars and 20 reconnaissance planes. In all, the regular Rhodesian army now numbered 9,200 men as against 6,900 men the previous year. "Rhodesia", remarked "Le Monde" of 14/9/1976 "which has admittedly only nine thousand two hundred men serving with the colours had just extended the military service period by six months and is completing the training of the two additional battalions of African soldiers. "Between 1975 and 1976" the French daily adds "The Rhodesian defence budget went from 100 to 130 million dollars, an increase of about 30%. As for arms supply it is difficult to know their sources because of the theoretical isolation of the Salisbury regime and the resultant absolute secrecy. However some information leaks out from time to time.

In "AFRICA" No. 57 of May 1976 an arms expert was reported as saying "The Rhodesian Armed Forces must have received military supplies from foreign sources otherwise their equipment would have ceased operating long ago because of lack of spare parts". Indeed, considering the rapid increase in Southern Rhodesia's defence budget, it is obvious that the rebel authorities must have sources from which they can obtain arms and ammunition without much difficulty. An anonymous company in Salisbury reportedly claimed that it could sell 130 types of small arms and their ammunition, which it could procure from any corner of the world including the most sophisticated weapons manufactured by the Czech-Slovak company known as "OMNIPOL" (AFRICA No. 57 of May 1976). The Rhodesian racists therefore enjoy the complicity of international capitalists who work in connivance with the international mob of arms dealers. Because of this complicity Southern Rhodesia can <sup>now</sup> officially boast of having its own arms which it manufactures under licence and no doubt, thanks to the technical know-how afforded free of charge by the developed countries of the capitalist world. It was announced from Salisbury on 2 March, 1977 that the first firearms made in Rhodesia, "The RHOGUN", would be put on sale this month (March). The manufacturers of these arms reported that 1,500 units had already been ordered. The Rhogun was described as a type of fully automatic rifle at a unit price of 200 pounds sterling.

In addition to this assistance which helps the rebel regime to be self-sufficient, 14 New-Zealand made CT-4 TRAINERS were sold to Southern Rhodesia by a Swiss Company. Switzerland had already been involved in 1972 in another deal regarding the sale of 3 Boeing 720's to Southern Rhodesia.

Besides, Southern Rhodesian troops are supported by a considerable number of white mercenaries. The Ethiopian Herald of 21 December 1976 puts the figure of mercenaries at 400 American and 1,000 from Britain and other European countries as well as Australia and South America.

This same daily in an article on 9/1/1977 reported that "nearly 30% of the regular Rhodesian army is composed of British, American, Australian, South African and Portuguese mercenaries, formerly in Angola and Mozambique.

This figure was confirmed by the US Ambassador in Lusaka who declared, according to the Ethiopian Herald of 11/3/1977; that "more than 400 Americans are among the 1200 mercenaries fighting for the white minority government".

The Southern Rhodesian troops to which have been added these mercenary bandits behave like real faithless and lawless savages. They massacre entire villages and the war reports from the rebel régime are themselves sufficient to confirm one ferocity and vandalism of these troops. In June 1975, Smith's rebel troops destroyed Karima village and massacred several persons.

Since last year there has been a succession of horrifying reports:

- 1 woman killed and the husband wounded on 14/1/1976
- 2 Africans killed on 12/3/1976
- 2 Africans killed on 29/3/1976  
civillians
- 5 Africans/killed on 19/4/1976
- 1 woman killed on 6/5/1976 and another on the  
28th of the same month.
- 2 Africans killed on 12/6/1976.

In August 1976, Smith personally announced in parliament that 326 African civilians had been killed during the first eight months of that year. All these crimes led the Zimbabwean nationalists to reinforce their liberation struggle by further improving their guerrilla tactics. The freedom fighters have already destroyed several planes, captured arms and killed several in the enemy camp. At the moment the Rhodesian racists have their backs against the wall, some are fleeing the territory and others are clinging to their privileges.

and awaiting their fate. However, they should know that their end is near. British Prime Minister James Callaghan was quoted by the Ethiopian Herald of 18/9/1976 as telling these lost souls that "Europeans cannot win a prolonged armed struggle. They have not yet understood it; but the activities of the nationalists are on the increase along the Rhodesian borders". This remark is full of wisdom and common sense and it should induce the white rebels of Rhodesia to accept to leave the country, all the more so that in the Kissinger proposal they have been guaranteed substantial financial compensation. But the solution to the problem is to be found neither in the Callaghan recommendation nor in the Kissinger proposal for compensation.

The Burundi weekly publication "UBUMWE" No. 124 of 19/10/1976 believes that "the solution to the problem does not lie in the hands of Uncle Sam, but in understanding among the different nationalist factions themselves and the determination of the freedom fighters to wipe out this fascist and racist clique of Southern Rhodesia.

#### 5. OIL SUPPLY.

Oil supply is an important and crucial problem facing the rebel and minority regime of Southern Rhodesia. There has been an effective oil embargo against this regime following the decision taken in November 1973 in Algiers by the Heads of State of the Arab League. At least theoretically, the apartheid regime of South Africa is also in the same situation. It has, however, been observed that thanks to the connivance of certain international oil companies these two regimes are being regularly supplied with oil.

Of crucial importance to Rhodesia is the daily import of about 50,000 barrels of oil and petroleum products by rail and road from South Africa. (New York Times of 17 October, 1976).

The Center for Social Action of the United Church of Christ in June 1976 published a document on "Oil Conspiracy". That Document showed clearly how multinational companies satisfy Rhodesia's oil requirements. The International Press revealed in August 1976 that the International Company "Mobil Oil" and other foreign oil companies had been clandestinely supplying oil and other petroleum products to Southern Rhodesia thus violating the sanctions regulations. These Companies were mainly Mobil mentioned above, Shell, British Petroleum and Caltex. A detailed report already submitted to the Port Louis Session indicated how these three foreign oil companies were circumventing the Arab oil embargo by discharging, at South African ports, the entire cargo intended for other places. It even seems that these companies carry their dishonesty to the extent of trans-shipping their cargo on the high seas. The Tanzanian Daily News quoted by the Ethiopian Herald of 29/12/1976 revealed that half a million tons of "Arab oil" went to Rhodesia last year" that is to say in 1975. The Tanzanian newspaper accused Mobil, Caltex, Shell and BP oil companies of establishing all sorts of bogus companies in South Africa and Rhodesia to deal with the oil trade. To these four companies, should be added Total, a French oil company which also has a subsidiary in Rhodesia.

The Ghana Government on its part made a statement on 25/12/1976 calling on all international oil companies to halt oil supplies to Rhodesia. In this statement the Government of Ghana accused these companies of being the cause of the survival of Ian Smith's regime because by supplying it with oil, they were helping the rebel regime to sustain itself.

The American anti-apartheid movement, on its part, on 21/6/1976 informed the United Nations Sanctions Committee of "how multinational oil companies were using several clandestine means to help Southern Rhodesia to meet its oil requirements.

Mobil alone sells oil to Southern Rhodesia to the tune of 20 million dollars a year (New York Times of 2/8/1976) This company was accused of contravening the oil embargo, but its legal representative Georges A. BIRRELL categorically denied all the facts before the American Senate. On this important question of oil supply to Southern Rhodesia, Rev. LAROLD K. SCHULZ, as the Executive Director of the Center for Social Action of the United Church of Christ" gave overwhelming evidence before the Security Council Committee on the question of Southern Rhodesia: Below is the excerpt of that important evidence:

( The United Church of Christ and its predecessor denominations has been involved in Southern Africa for over a century. We have built and sponsored schools and hospitals and have spoken out against colonialism and racism. Based on resolutions passed by the General Synod in support of the liberation movements, the Center for Social Action has worked to expose United States collaboration with racist and colonialist forces in Southern Africa, has participated in corporate campaigns directed against corporations involved in Southern Africa, and has focused particularly on Rhodesian sanctions. The Center's exposure of the illegal sanctions breaking activities of the Air Rhodesia office in New York culminated in the closing down of that office. C.S.A. also conducted a nationwide campaign against travel agents who were promoting American tourism to Rhodesia.

In early April of this year, I received an overseas telephone call from a person representing an organization named OKHELA. I was told that OKHELA is an underground organization of white South Africans who support the African National Congress of South Africa (ANC).

The caller informed me that OKHELA had obtained some very sensitive information on how Rhodesia obtains oil. I was told that this information suggested that the South African and Rhodesian subsidiaries of the Mobil Oil Corporation have played a role in arranging the supply of oil products to Rhodesia seemingly in contravention of the United Nations sanctions regulations. This information

had apparently been obtained from strategically placed informants who worked in South Africa and Rhodesia and was supported by copies of some crucial documents, mostly secret and confidential reports and letters from within Mobil's South African and Rhodesian subsidiaries. OKHELA indicated that they were approaching the Center for Social Action because they were aware of the research and work that the Center had done on Rhodesian sanctions, and I was asked if we would be interested in developing and releasing the material publicly. Around mid-May I received a package by mail from OKHELA. This contained some twenty of the supposedly Mobil documents plus a detailed memo from OKHELA summarizing the results of its research on how oil gets to Rhodesia. Also included was a brief statement about OKHELA, which reads as follows:-

"OKHELA is a clandestine organization of white South African patriots who, as militants, are engaged in providing invisible support to the National liberation struggle, headed by the African National Congress of South Africa (ANC). This commitment to the ANC's fight against fascist apartheid, settler colonialism and imperialism includes armed struggle.

The material provided here was gathered by OKHELA during a period of intensive and secret research, with infiltration and intelligence work lasting over a year. The work took place in South Africa, Rhodesia, Mozambique, Britain, the Netherlands and the United States. This is a continuation of an OKHELA program of carrying out clandestine operations both inside and outside South Africa to expose the nature of Western capitalist collaboration with racist minority regimes in Southern Africa."

It was immediately apparent to me that the material provided by OKHELA was very sensitive. Governmental and business interests within South Africa, Rhodesia and indeed the United States itself, might be much happier if this material remained unpublished. It was

equally obvious to me, after studying the documents, that they should be published. I consulted attorneys with regard to the documents and obtained other counsel in regard to the material. Today at this press conference we are making available the first advance copies of this report. Several thousand further copies of the report are being printed and they should be available within a week.

In November 1965, Rhodesian whites led by Ian Smith carried out a unilateral declaration of independence, known as UDI. Whites made up only 5% of Rhodesia's population, yet they controlled the nation's economy and administration, and they have continued to deny the black majority their fundamental human rights.

Accordingly, not a single nation has given full diplomatic recognition to the Smith regime, and the United Nations Security Council has imposed mandatory economic sanctions against Rhodesia. These regulations have been incorporated into the legal statutes of almost all UN member nations, including the United States. As a result, it subsequently became illegal for American companies to provide Rhodesia with any goods except certain humanitarian requirements.

Following the imposition of sanctions regulations a British naval blockade of the port of Beira in Mozambique prevented supplies of crude oil from reaching the one pipeline which could carry it to Rhodesia. Rhodesia's one refinery has therefore stood dormant since 1966. This has meant that Rhodesia has had to import all products, from gasoline to asphalt, that are obtained from crude oil.

The biggest mystery surrounding the Rhodesia economy for the last ten years has been how the Smith regime has successfully evaded sanctions regulations, and imported all its requirements of a whole range of oil products. The Center for Social Action, in its report published here today, is now able to reveal how this operation appears to have been carried out.



Five multinational oil companies have subsidiaries registered in Rhodesia. They are Mobil, Caltex, Shell, British Petroleum and the French company, Total. Before UDI they obtained most of their supplies from Rhodesia's oil refinery. When this refinery closed down after UDI, they were forced to look elsewhere. The only way of obtaining oil products which could begin to be economic, was to import them from South Africa - where the very same oil companies had subsidiaries and, in most cases, refineries.

Better informed observers of the Rhodesian scene have usually assumed that the oil companies in Rhodesia did indeed obtain their requirements from South Africa; but they had not way of proving this or of discovering who it was in South Africa that provided the oil products. When queried on this point, the parent companies were unable or willing to provide clarification. Mr. Rawleigh Warner, Chairman of Mobil Oil Corporation, said last November (in a letter shown on page 34 of our report) that after UDI "the Rhodesian Government subjected all petroleum companies operating within the country to a stringent set of controls which required them to secure all of their product requirements solely from a governmental agency". He did not name the agency, nor did he explain how this government agency obtained the oil products which it then passed on the oil companies within Rhodesia.

It is at this point that the information and documents provided by OKHELA provide clues to the process. According to OKHELA's well placed sources the Rhodesian government agency referred to above is named GENTA, and it masquerades as a private company. Few Rhodesians know of its existence, let alone its role. As Mr. Warner has said, it does indeed sell to the oil companies in Rhodesia their requirements of fuel products, although it leaves the companies to make their own arrangements for importing non-fuel oil products such as solvents, greases, etc.

What has not been revealed before is that having apparently been told after UDI that they must buy their fuel products from GENTA, the oil companies in Rhodesia were then asked to set up procedures whereby GENTA could import the fuel from their sister oil companies in South Africa.

It seems from the documents that shortly after UDI, GENTA asked Mobil (Rhodesia) to make arrangements whereby MOBIL (South Africa) would sell to Genta most or all of Rhodesia's requirements of gasoline, diesel fuel, and Avtur (aviation turbine fuel). Genta would then resell these fuel imports to all the oil companies in Rhodesia -- including Mobil (Rhodesia). Other oil companies were asked to provide other fuel products.

That may seem complicated; but it is only the beginning of the story. It appears that because of sanctions regulations an elaborate scheme was then devised to make it look as if Mobil (South Africa) was not involved in any trade with Rhodesia. The physical transportation of oil products to Rhodesia from the Mobil refinery in South Africa posed no real problem, since unmarked railway cars were used. The problem lay in the paperwork, because nowhere in Mobil (South Africa)'s accounts department could there be a copy of an invoice billing a Rhodesian company.

Apparently, the scheme that was eventually used consisted of creating what Mobil has called a "paper-chase". This paper-chase was a system whereby sales and payments would be passed through various South African companies which acted as intermediaries. Thus Mobil (South Africa) could sell oil products to a South African company knowing that they would be passed on to other companies, which would eventually sell them to the required recipient in Rhodesia -- usually Genta. If ever Mobil (South Africa) were asked whether they provided oil products for Rhodesia, they could evade the question by stating that they sold only to companies in South Africa, and they did not know what these companies did with the oil.

Even if a sharp investigator managed to discover that certain Mobil products had found their way to Rhodesia, Mobil was safe ... so long as nobody could prove that there was intention on the part of Mobil for the products to reach Rhodesia. To quote one of Mobil's own documents, if intent to supply Rhodesia could be proved, Mobil (South Africa)'s parent company in the USA might, under certain circumstances, be subject to penalties under U.S. law.

It seems that for this reason, the paper-chase was set up in great secrecy. Very few people had knowledge of all the details, or had access to the few highly incriminating Mobil documents in which the overall scheme was described.

#### 6. IMMIGRATION

Immigration is one of the most important areas on which the life of the Southern Rhodesian regime depends. It is the yardstick for measuring the economic situation and the confidence of the white population. For instance, it has been observed in recent years that construction work and investments have slowed down and the Rhodesians have rightly attributed this to the fall in immigration. Since the independence of the People's Republic of Mozambique and especially since the latter's decision to sever all relations with Southern Rhodesia and strictly apply sanctions regulations, the number of immigrants and visitors to the rebel colony has dropped considerably. What is more, a good number of white settlers have left the territory following the intensification of the liberation struggle.

This is a fact that the leaders of the white minority regime of Rhodesia are compelled to acknowledge publicly. The Rhodesia Herald of 29/6/1976 confessed that "Rhodesia lost several Europeans during the first quarter of 1976".

According to the May 1976 issue of the DIGEST, the net losses for the month of May 1976 alone was 640 emigrants. During that month 720 persons had immigrated to Rhodesia while 1360 had left. In 1975, for the same period, that is to say, in May 1975, Rhodesia had recorded 300 immigrants as against 170 in 1974. Once again the Rhodesia Herald of 29/6/1976, it was stated that from January to May 1976, the net loss from Rhodesian immigration was 1520 people where in 1975 the situation was more favourable showing a net gain of 1250 immigrants. Tourism also declined in the same proportion, whereas up to April 1975, Southern Rhodesia had recovered 90,471 visitors from other countries, for the same period in 1976, there was only 71,029 i.e. a net loss of 20,000 visitors.

As early as March 1976 already, the white Rhodesians were alarmed at the sudden fall both in immigration and tourism.

According to the Rhodesian Herald of March 1976, the total number of visitors to Southern Rhodesia for business, holidays, education or transit purposes was 18,521 in January. In January 1975, this figure was 22,435 representing a loss of almost 5,000. This pessimism is also shared by South Africa. In fact, as published by the South African financial Gazette, on 2 July, 1976 "emigration by Rhodesian whites continued to out pace immigration". The New York Times of Sunday 17/10/1976 also indicated that a year ago there was a monthly in flow of about 1,000 white immigrants to Rhodesia. There has been a turnabout because at the moment about 1,000 whites are leaving Rhodesia each month mostly for South Africa. In any case, it is a well-known fact that the situation regarding immigration is serious. The Rhodesia Herald of 28/9/1976 reported that in August 1976 Rhodesia had suffered the highest net loss of Europeans in 10 years. It was shown earlier that that the net loss of immigrants was 640 persons in the month of May, 1976. This figure rose at an alarming rate from 640 to 760 in June, to 850 in July and then to 910 in August 1976. The total net loss for the first eight months of 1976 was 4,030. As far as visitors are concerned, the figure

did not exceed 107,930 in the first seven months of 1976 compared with 154,842 for the same period in 1975.

In the face of this serious situation, the Prime Minister of Rhodesia and leader of the white rebels, Ian Smith, desperately appealed to his men not to emigrate. According to the New York Times of 2/8/1976, Prime Minister Ian Smith asked all whites planning to leave Rhodesia to reconsider their decision, because, he said, he had every confidence in the future of Rhodesia. He said he was still working with black nationalism in order to find a solution once and for all to the Rhodesian problem. That appeal was unheeded because with the development of the armed struggle and the failure of the Geneva conference, the Rhodesian whites had lost confidence both in their regime and their future. They therefore continued to flee the country at an unprecedented rate. Most of them leave for Latin America with the intention of settling there as farmers. According to a French News Agency report from Salisbury on 10 March 1977, Paraguay was recruiting immigrants from among white Rhodesian farmers whose interests were being threatened by new laws giving the blacks more land and the possibility of majority rule. According to this report, a representative of a Paraguayan investment company, Mr. Isaac BROIDO, proceeded to Southern Rhodesia to contact prospective immigrants. It even seems that 40 Rhodesian farmers specialising in Tobacco had already visited Argentina to find out possibilities for emigration to certain Latin American countries.

The lesson to be drawn from this unprecedented decline in the Southern Rhodesian immigration and the panic which had befallen the settlers to the point of desiring to leave the country in great numbers in search of a new motherland is that efforts should be made to reinforce the armed struggle and track down the Rhodesian rebels until they become totally discouraged and take to flight.

7. SPORTING ACTIVITIES

In the field of sport as in all other sectors Rhodesians should be isolated according to the will of the International Community. Unfortunately, the fact is that the desire of the International Community is frustrated and certain recalcitrant bodies organise illegal sports encounters with Southern Rhodesian players and teams. In this regard, the following information was communicated either through the press or other sources of information^

- Southern Rhodesian female team prepares to the world Amateur Golf Championship to be held in October 1976 in Portugal.
- Visit to South Africa and Rhodesia by the British Cricket team, known as "Swallows" established specially to compete with the two white minority racist regimes.
- American baseball team, known as the "American Eagles" to participate in the elimination series of three matches against Southern Rhodesia at the end of February 1976.
- In July 1976 a British Hockey Team of the "English Dragons" was planning a trip to Southern Rhodesia to compete in several matches against the National Colts XI among others.
- Participation of a Southern Rhodesian team in the Federation cup women's world tennis tournament in Philadelphia from 22 to 29 August 1976.
- In February 1976, the press reported that three Cypriot footballers had joined a Southern Rhodesian football club and that there had been letters between the Cypriot football

Association and the National Rhodesian Football Association. The Cypriot Government, in a letter to the United Nations Sanctions Committee, acknowledged that the Southern Rhodesian Football Association had effectively illegally recruited some footballers and that steps had been taken to correct the irregularity.

- Southern Rhodesian swimmer participated in the swimming context in Rio, Brazil in early 1976. After the investigation conducted by the Brazilian authorities, it was established that Rhodesian by the name Thomas Duncan Addison took part in the race because of the facilities provided by Great Britain. He was actually issued a British passport. Similar cases are very frequent and amply show the extent of Britain's hypocrisy.
- An Uruguayan POLO team visited Southern Rhodesia in July 1976. It played against a Rhodesian team B.
- The Irish Anti-apartheid Committee informed the OAU General Secretariat that an Irish Hockey team, the Harps, toured South Africa in May 1976 and that it intended to proceed to Southern Rhodesia. The said movement protested to the Irish Hockey Union.
- A trip to Southern Rhodesia by the Gloucestershire Rugby team which was scheduled to play against a Rhodesian team on 29 May 1976.
- The press reported that the Rhodesian female squash team had participated in the open British Women Squash championship held in London during the second half of February 1976.

- A Southern Rhodesian team had taken part on the Second World Shooting championship which took place at Salzburg (Austria) on 7 and 8 August 1976. The said team was even reported to have scored several victories.
- A tour of Southern Rhodesia by a Hockey club of the Federal Republic of Germany. The Government of the Federal Republic of Germany acknowledged this in a note addressed to the United Nations Sanctions Committee on 15/9/1976 but denied any responsibility for this matter.
- Participation of a Rhodesian Golf team in the Golf tournament for the "Eisenhower Trophy" which took place in Portugal, at Penina in October 1976.
- A British cricket team toured Southern Rhodesia. This team composed of young students from English public schools apparently went to South Africa and Rhodesia towards the end of 1976.
- During this year it would appear that the Southern Rhodesian golf players are planning to take part in a number of golf tournaments scheduled to be held in various European countries including the Federal Republic of Germany, Spain, France, Netherlands, Portugal, Great Britain, Sweden Switzerland and others.

Most cases of violations of the sports boycott against Southern Rhodesia have been published by the international press and by the Salisbury press. They were also communicated to the United Nations Committee on Sanctions. Several countries involved, either denied the facts or found loop-holes to evade international condemnation.

The liberation struggle of the people of Zimbabwe has today reached a crucial phase. While victory is near and true independence, seized at the cost of numerous sacrifices, is at hand, the white Southern Rhodesian racists with their backs against the wall and their accomplices are intensifying their initiatives to silence the freedom fighters. For more than 11 years, the fascist and racist gang in Rhodesia have exploited the people and systematically plundered the wealth of Zimbabwe with the complicity, if not the blessing of their masters who gave them strong support through their financial assistance, military cooperation and moral backing.

Like the Burundi Weekly "UBUMWE" of 19 October 1976, we wonder "From where Kissinger's sudden generosity in respect of the African cause arisen?"

The solution to the Rhodesian problem will not come from outside. It will be found by the Zimbabweans themselves who have now understood that through armed struggle alone can they be freed from the racist yoke of the white settlers. Parallel to this armed struggle, efforts should be made to continue to isolate the Salisbury regime by every possible means. It is through the constant, strict and sustained application of international sanctions in all areas that it will be possible to weaken this reactionary regime and destroy it entirely once and for all.

TABLE I  
BALANCE OF PAYMENTS : CURRENT AND CAPITAL TRANSACTIONS

	1970	1971	1972	1973	1974	1975
Commodities (net)	23,1	- 1,6	58,2	83,0	50,8	33,1
Invisible transactions (net)	- 37,1	- 55,8	- 57,4	- 100,5	- 146,4	- 161,1
Services	- 13,5	- 22,1	- 19,5	- 55,1	- 74,8	- 89,3
Returns on investments	- 21,0	- 30,4	- 35,1	- 38,5	- 52,7	- 42,7
Transfers	- 2,6	- 3,3	- 2,8	- 6,9	- 18,8	- 29,1
Net balance of current account	- 14,0	- 57,4	0,7	- 17,4	- 95,7	- 127,9
Capital transactions (net)	26,3	30,5	- 2,3	51,6	62,6	101,3
TOTAL CURRENT AND CAPITAL TRANSACTIONS	12,3	- 26,9	- 1,6	34,2	- 33,1	- 26,6
SHORT-TERM FINANCING, FLUCTUATION OF BANK RESERVES, ERRORS AND OMISSIONS	12,3	- 26,9	- 1,6	34,2	- 33,1	- 26,6

After deduction of non-monetary gold, domestic freight, adjustments of time and coverage of commodity exchange evaluation.

TABLE II  
NATIONAL INCOME

	1970	1971	1972	1973	1974	1975
Wages and Salaries:						
Europeans, Asians and coloureds	325,6	366,4	411,7	460,8	528,9	604,3
Africans	229,1	255,1	285,4	316,6	372,5	435,7
TOTAL	554,7	621,5	697,1	777,4	901,5	1040,0
Fixed rent:						
Residences occupied by owners	15,3	16,9	18,7	20,8	22,0	21,8
Central Government	2,8	2,7	2,6	2,9	3,5	3,5
Local Government	7,2	8,5	9,6	10,8	11,9	13,1
TOTAL	25,3	28,1	30,9	34,5	37,4	38,3
Gross profits:						
Private enterprises:						
European, Asian and coloured	70,0	80,6	88,5	89,2	114,9	121,6
African rural households:						
Capital consumption and formation	55,7	74,5	77,5	52,3	108,4	89,8
Sales	7,8	12,4	20,6	16,2	24,8	22,8
African and others	4,7	4,2	5,3	6,4	6,5	6,7
Non-financial institutions	241,7	289,9	343,8	415,2	541,5	559,9
Financial Institutions:						
Private	2,0	2,8	- 0,2	1,4	- 3,5	- 4,0
Nationalised	- 1,9	- 2,4	- 1,7	- 2,3	- 2,0	- 0,9
Nationalised institutions (non-financial)	15,4	25,4	30,6	18,6	19,9	13,1
Central Government enterprises	3,7	0,4	0,0	0,0	0,1	0,1
Local Government enterprises	15,8	16,3	18,5	25,8	23,0	22,2
TOTAL	414,9	504,1	583,1	622,7	833,6	831,2
Gross Domestic Income (Cost)	994,9	1153,7	1311,1	1434,6	1772,5	1909,5
Plus : Indirect taxes	87,2	97,9	106,6	118,4	129,2	135,3
Minus: Subsidy	- 2,9	-	- 5,0	- 5,6	- 19,6	- 8,9
GROSS DOMESTIC INCOME (MARKET PRICE)	1039,2	1251,6	1412,6	1547,4	1882,1	2035,8
Minus: Net returns or investments paid abroad	- 21,0	- 30,4	- 35,1	- 38,5	- 52,7	- 42,6
GROSS NATIONAL INCOME (MARKET PRICE)	1058,2	1221,2	1377,5	1508,9	1829,4	1993,2

TABLE III  
INDUSTRIAL ORIGIN OF GROSS DOMESTIC PRODUCT (in US.\$ million)

	1970	1971	1972	1973	1974	1975
Agriculture and Forestry:						
European, Asian and coloured	95,7	122,5	144,2	149,9	200,0	216,3
Africans	53,7	72,8	83,2	59,3	113,8	95,2
TOTAL AGRICULTURE AND FORESTRY	149,4	195,3	227,4	209,2	313,8	311,5
Mines and quarries	67,2	70,2	70,8	97,6	128,1	132,5
Manufactures	220,3	261,7	306,5	349,2	438,3	474,5
Water and Electricity	30,6	32,9	35,9	39,5	41,2	49,1
Construction	58,8	64,5	81,3	91,1	99,2	106,7
Finance and Insurance	21,7	24,2	27,1	31,7	34,8	40,9
Real Estate	31,9	35,0	38,6	42,6	45,6	45,0
Distribution, hotels and restaurants	138,2	155,5	175,6	201,1	243,5	260,5
Transport and Communications	67,8	78,0	86,7	85,2	89,7	102,6
Public Administration	61,6	69,9	77,9	91,0	106,5	122,8
Education	34,1	39,5	43,0	48,0	55,0	64,9
Health	16,4	18,9	20,8	22,4	25,9	30,5
Public services	30,5	33,5	37,8	38,4	42,6	48,8
African rural property	9,8	14,1	15,1	9,1	19,4	17,4
Other services	56,6	60,5	66,4	78,2	89,0	101,9
GROSS DOMESTIC PRODUCT	994,9	1153,7	1311,1	1434,6	1772,5	1909,5

TABLE IV  
INDEX OF INDUSTRIAL PRODUCTION  
Average 1964=100

	Food Products	Beverages and Tobacco	Textiles	Clothing and Shoes	Timber and Furniture	Stationery and Printing	Chemical and petroleum products	Non-metallic mineral products	Metals and metallic products	Transport, equipment and workshops	Other manufacturing Groups	All manufacturing Groups	Electrical production	Mineral production	Total industrial production
1970	155,3	107,1	200,7	130,1	156,6	141,9	155,2	195,5	185,5	100,3	114,7	148,0	169,1	145,1	149,3
1971	171,1	112,1	223,6	138,6	172,9	150,6	168,9	225,8	213,0	114,0	131,4	163,8	179,4	157,6	164,0
1972	181,5	123,6	260,2	150,8	176,8	168,6	187,2	250,9	237,9	112,4	157,3	179,7	159,0	171,8	178,3
1973	205,6	138,2	274,8	155,3	192,7	175,2	186,6	272,2	268,6	100,9	171,6	192,6	192,1	191,2	195,6
1974	204,0	154,0	291,7	158,5	202,8	187,3	203,9	300,8	300,9	103,3	174,0	207,2	153,6	183,0	197,4
1975	207,1	159,4	282,3	149,6	183,7	179,1	214,0	276,2	294,3	104,2	161,2	204,3	161,9	186,6	198,3

ECONOMIC RELATIONS BETWEEN FRANCE AND RHODESIA(Supplementary note on trade relations)

The French Government affirms that it applies the decisions taken by the United Nations against the illegal regime of Ian Smith who is monopolising power in Rhodesia. The following facts on this problem should be brought to the attention of public opinion.

- 1) According to Foreign Trade Statistics, France exported to Rhodesia, goods totalling 742,000 Frs between January and November 1976. (Code géographique No. 382)
- 2) According to information published on 3 October 1976 by the New York Times and this has never been denied, 10 CESSNA planes built under licence in Reims by "Reims Aviation" were sold by France to the Rhodesian army which uses as spotters escorting Smith's bombers against the Rhodesian nationalists and Mozambique targets. In Jeune Afrique of 28 January 1977 the French journalist Guy Ribereau says that the planes have 4 rockets and are at Buffalo Range airport.
- 3) In April 1976, Great Britain delivered a note to the UN Committee on Sanctions stating that France was not applying sanctions against Rhodesia.
- 4) Also in April 1976 "l'agence Economique et Financière" (AGEFI) part of the same news agency group which publishes the daily "Le Nouveau Journal", issued a second de luxe brochure singing the praises of racist Rhodesia.
- 5) Several French journalists including Patrich Chairéff (who provided proof of this in an article for the monthly magazine "Africa" of November 1976, from Dakar) wrote to the Rhodesian Information Office in Paris requesting information on the

CM/812 (XXIX)

Annex II

Page 2

recruitment of mercenaries in France. By return mail, they received the forms of the Rhodesian Army which were merely to be filled in and returned to Salisbury. Official forms from the Rhodesian "Government" are also supplied to all those requesting visas for Rhodesia. All the forms ask whether the person concerned is of "purely European origin".

- 6) Radio Salisbury mentioned, on 30 August 1976, the presence of French participants in the Symposium on metal-genesis organised by the University of Rhodesia in Salisbury.

N.B. Information provided by a Commission of Enquiry on Apartheid, Paris.



AFRICAN UNION UNION AFRICAINE

African Union Common Repository

<http://archives.au.int>

---

Organs

Council of Ministers & Executive Council Collection

---

1977-06

# Report of the Administrative Secretary-General on Sanctions Against the Rebel Regime of Southern Rhodesia

Organization of African Unity

Organization of African Unity

---

<https://archives.au.int/handle/123456789/9705>

*Downloaded from African Union Common Repository*