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MY TELNO 1771:US/SOUTH AFRICA: SANCTIONS LEGISLATION

SUMMARY

1. THE SENATE WILL CONSIDER SANCTIONS LEGISLATION NEXT WEEK.
FINAL OUTCOME IN CONGRESS STILL UNCERTAIN.

DETAIL

2. THE BILL APPROVED IN THE SENATE FOREIGN RELATIONS COMMITTEE LAST MONTH (MY TUR) IS DUE TO BE TAKEN BY THE FULL SENATE ON 8 JULY WHEN CONGRESS RETURNS FROM THE INDEPENDENCE DAY RECESS. OUR CONGRESSIONAL CONTACTS EXPECT THE BILL TO BE APPROVED BY THE SENATE IN SOMETHING LIKE ITS PRESENT FORM, IE INCLUDING SOME RELATIVELY MINOR IMMEDIATE SANCTIONS (PARA 2 OF TUR) BUT POSTPONING THE MORE SERIOUS SANCTIONS (EG A BAN ON NEW COMMERCIAL INVESTMENT IN SOUTH AFRICA) UNTIL THE PRESIDENT HAS REPORTED TO CONGRESS, PERHAPS IN 18 MONTHS TIME, ON PROGRESS TOWARDS ENDING APARTHEID.
3. ASSUMING THE SENATE ACTS AS ABOVE, THE KEY QUESTIONS WILL THEN BE (A) WHETHER A HOUSE-SENATE CONFERENCE CAN AGREE ON A COMPROMISE BILL, AND (B) IF SO, WHETHER THE PRESIDENT WILL BE PREPARED TO VETO IT. NONE OF OUR CONTACTS IS PREPARED TO HAZARD A FIRM GUESS ON (A) AT THIS STAGE, LET ALONE (B). ON (A), IT IS THOUGHT THAT THE SENATE CONFEREES WOULD BE LIKELY TO HOLD OUT FIRMLY AGAINST AN IMMEDIATE BAN ON NEW COMMERCIAL INVESTMENT. BUT THEY MIGHT BE PREPARED, IN ORDER TO REACH AN AGREEMENT, TO MOVE AT LEAST SOME OF THE POSTPONED SANCTIONS INTO THE IMMEDIATE CATEGORY, OR POSSIBLY TO SHORTEN THE PERIOD OF POSTPONEMENT FROM 18 MONTHS TO A YEAR. IF SO, A COMPROMISE BILL COULD POSSIBLY GO FORWARD TO THE WHITE HOUSE IN THE FEW REMAINING WEEKS BEFORE THE START OF THE CONGRESSIONAL SUMMER RECESS ON 2 AUGUST. HOWEVER, IN VIEW OF THE EXPECTED DIFFICULTY IN RECONCILING THE HOUSE AND SENATE BILLS, MANY STAFFERS NOW THINK THAT THE CONFERENCE WILL HAVE TO RECONVENE IN SEPTEMBER, AND SOME ARE EVEN SAYING THAT THEY DOUBT WHETHER ANY AGREED CONGRESSIONAL PROPOSAL WILL EMERGE AT ALL.

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4. THE SITUATION IS THUS HIGHLY UNCERTAIN. BUT OUR BEST GUESS IS THAT SOME SORT OF CONGRESSIONAL PROPOSAL WILL EMERGE, POSSIBLY THIS MONTH, BUT MORE LIKELY AFTER THE SUMMER RECESS. AS FOR (B) ABOVE, IT IS STILL TOO EARLY TO SAY. MUCH WILL DEPEND, OF COURSE, ON THE PRECISE SHAPE OF THE LEGISLATION, AND ON DEVELOPMENTS WITHIN SOUTH AFRICA ITSELF (WHICH HAVE OFFERED LITTLE COMFORT RECENTLY TO THE DEFENDERS OF CONSTRUCTIVE ENGAGEMENT - SEE MY TELNO 1966).

HANNAY

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