

SEEN FROM SOUTH AFRICA

SHORT STUDIES OF CURRENT INTERNATIONAL PROBLEMS BY
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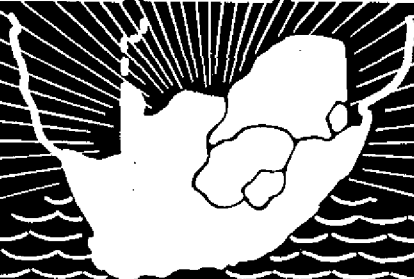
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U.N.O.

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THE SOUTH AFRICAN INSTITUTE OF INTERNATIONAL AFFAIRS
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UNIVERSITY OF THE WITWATERSRAND

JOHANNESBURG

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By

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**South African Institute of International
Affairs**

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Foreword

By LEIF EGELAND

**Chairman of the South African Institute of
International Affairs.**

Dr. Ben Cockram became the first Jan Smuts Professor of International Relations at the University of the Witwatersrand in August, 1962, and since then his comments on world events have been welcomed by the South African public.

A long experience in the practice of international relations and a background of scholarship particularly fit Professor Cockram for the difficult task of providing up-to-date comment on current affairs, and in deciding to reprint the present articles which originally appeared in the Johannesburg "Sunday Times", and to publish two lectures, the South African Institute of International Affairs believes it will be furthering one of its principal aims — to encourage critical public interest in world affairs.

It is true that these short studies may be overtaken by the onward rush of events, but the Institute believes that to preserve them in book form is well worthwhile, since they have three aspects of permanent value. First they provide brief but valuable backgrounds to the problems they discuss; secondly they are models of how facts should be mustered in elucidating current problems; thirdly they provide a record of how urgent world problems appeared when viewed contemporarily from South Africa by a trained and intelligent observer.

These aspects of Professor Cockram's studies will remain and merit consideration when the crises are over and when the events with which he deals have changed their significance as they pass from current affairs into the records of history.

LEIF EGELAND.

The Balance of Terror

An address to the Natal Branch of the South African Institute of International Affairs on 25th October, 1962.

At the present moment 10% of the world's income is spent on defence, 20 million men are serving in the armed forces, and 30 million men and women are working in the armament industries. After 17 years of peace (so far as major wars are concerned) nearly one-third as many men are mobilised as at the height of World War II, the U.S.A. and the U.S.S.R. are spending 100 times as much on military research and development as they were spending on the eve of that war (the U.S.A. four times as much as at its peak) and the nuclear stockpile held by these two countries is now about 30,000 megatons. This is sufficient to destroy Durban utterly 3,000 times over, or to destroy Durban and 2,999 other major cities. Both countries have over 2,000 bombers or missiles to deliver the multi-megaton weapons. It was possible for Admiral Tojo, after the bombing of Hiroshima, to argue that Japan should continue the war because the U.S.A. could not have many atomic bombs and Japan had many cities. He was right: America had only one other bomb, but no one can argue in this way now.

What follows from these bare facts? In the first place, because the missile cannot be shot down, and the impact of its warhead is utterly devastating, no statesman, Russian or American, would, because of his responsibility for the safety of his fellow citizens, wait to receive the first blow if he was really certain that it was coming; to do so would mean either that all his country's major cities would be destroyed, if the missiles were aimed at them, or that its capacity to retaliate, and so perhaps eventually to win the war, would

have been destroyed if the missiles had been aimed at its own missile stations.

Secondly, the efforts of both countries have therefore, in the most recent years, been concentrated on finding an effective anti-missile device, and so far there is no indication that either side has done so. Meanwhile each has sought to make it more difficult for the other to find its missile sites, by scattering them in remote places in its own or other countries, or by creating mobile missile launching sites. Russia is the better able to hide her sites — by controlling the publication of all information, and restricting all access — but America has the wider spread of bases, in Europe, (for example in Yorkshire) in Africa and in Asia, as well as in the United States, and also dispersed bases for the Polaris Submarines, from which missiles can be launched, (for example Holy Loch in Scotland).

To decrease the possibilities of destruction at fixed bases, missiles are stored underground, in silos which will resist pressures of 100 lbs. a square inch, and to increase the possibilities of retaliation, a small proportion of the strategic air command is kept aloft (and so ceases to be a target), while a larger portion is at sufficient alert to be airborne in the 15 minutes which the new missiles warning system will permit. The Polaris Submarines are long range, deep sea submarines which can fire their missiles from water too deep for the submarines to be located in it.

If in South Africa we are apt to consider ban-the-bomb marchers freaks, it is useful to remind ourselves that all major cities in the British Isles could be wiped out in half an hour and that Russia has stated that the presence of these air and submarine bases would justify such action in the event of war. Even if multi-megaton bombs were correctly aimed at Holy Loch or at an air base in Yorkshire they might incidentally wipe out Glasgow or one or more cities in Yorkshire.

Even assuming that neither Russia nor the United States wishes deliberately to start a war

of annihilation against the other there are, in such conditions, two ever-present dangers. The first is that a local dispute may flare into a full scale local or civil war, and that first one and then the other of the two great powers may be drawn in with the result that one or other, or both, may decide that a major war is inevitable. It is therefore imperative to try to prevent such local wars or civil wars starting, and, if they do start, to take immediate steps to stop them. A number have already occurred: in Korea, in Indo-China, in Hungary, in the Congo, in Algeria and in Cuba. Korea cost so many American casualties that it may only have been the pressure of her allies and world opinion which prevented the United States from using atomic bombs to bring an Asian war to a speedier end: at that time only the United States had the bombs. In Indo-China the Communist forces have been backed mainly by China which has not possessed the bomb, and they were initially fighting French forces also without it. The Congo was a civil war of rifles and tommy guns as has been the civil war in Cuba. The desperate efforts to bring about agreement in Laos were motivated by the knowledge that active intervention might lead to the use of nuclear weapons.

Since I wrote this the Cuba question has ceased to be a civil war of rifles and tommy guns. Apparently the factor which triggered off President Kennedy's announcement of the blockade of Cuba this week was the discovery, by means of aerial photographs, of sites in Cuba already prepared for missiles with nuclear warheads, and from which most cities in the east and centre U.S.A. and central Canada could be destroyed. It would also appear that the United States obtained information that Russian ships with warheads were on their way to Cuba. Suddenly the U.S.A. and the U.S.S.R. find themselves involved, as the result of a local civil war in a Caribbean island, in the risk of a head-on collision which the rest of the world has realised overnight may lead to nuclear war between the communist and noncommunist

groups with a lively prospect of their mutual destruction and a considerable risk of most of mankind being involved in it.

The other ever-present danger is the risk of human error. A message could be wrongly deciphered (this has happened frequently in instructions to ambassadors which must be assumed to be sent and received in much more normal conditions.) A warning device might be defective and give a positive signal of approaching missiles, or the scanner might wrongly interpret a correct signal or the officer for the moment in charge might be the colonel or group-captain so frequently featured in films or T.V. dramas who decides to take the decision to annihilate the enemy, and possibly himself, from an exaggerated sense of personal responsibility, pathological hatred, or just because he has had a row with his girl friend. All one can hope is that adequate precautions will already have been taken to reduce these risks to a minimum.

A third danger had not, frankly, occurred to me at the time when I wrote the above. It is that there might be mechanical defects in the missiles carried by aircraft in the course of their day to day routine flights, which either by themselves, or combined with trouble in the carrying aircraft, could result in the accidental explosion of nuclear missiles in areas and on occasions when this was never intended. I should like to read to you, in this connection, a report of an incident which is stated to have occurred in North Carolina last year which appeared in the press only a day or two before the trouble over Cuba flared up.

"When a United States bomber jettisoned a nuclear device over North Carolina last year, five of its six safety devices were set off and only the final switch prevented the bomb from detonating.

This is disclosed by Dr. Ralph Lapp, a nuclear physicist, in a book, "Kill and Overkill", which is being published today.

The Defence Department has declined to comment.

Dr. Lapp says: 'Nuclear weapons have been involved in about a dozen major incidents or accidents, mostly plane crashes, both in the United States and overseas.'

In one such incident a B52 bomber had to jettison a 24-megaton bomb over North Carolina. The bomb fell in a field without exploding.

The Defence Department has adopted complex devices and strict rules to prevent the accidental arming or firing of nuclear weapons.

In this case the 24-megaton warhead was equipped with six interlocking safety mechanisms, all of which had to be triggered in sequence to explode the bomb.

When Air Force experts rushed to the North Carolina farm to examine the weapons after the accident, they found that five of the six interlocks had been set off by the fall.

Only a single switch prevented the bomb from detonating and spreading fire and destruction over a wide area.

Dr. Lapp apparently is referring to an incident in January, 1961, when a jet bomber carrying two 'unarmed' nuclear weapons crashed near Goldsboro, North Carolina.

Reports at the time said one device parachuted safely to the ground and that the other was recovered from the wreckage of the plane.

Dr. Lapp adds: 'One can conservatively estimate that the United States stockpile of nuclear bombs, including H-bombs, already amounts to at least 30,000 megatons (equivalent of 30, million tons of TNT), enough to saturate a continent — or to overkill the Soviet Union many times'".

Neither of the first two dangers would be as serious as it is were it not Russia's policy to exploit discontent by propaganda, the infiltration of agents, the encouragement of agitators, the financing of subversive parties, and the provision of arms wherever it seems possible that a non-communist government may be weakened or overthrown with the prospect of being replaced by a communist one. Discontent with the Batista

régime in Cuba enabled Castro, with some outside aid, to overthrow it: the sequestration of American-owned property, and the arrest of American citizens led to the boycott in America of Cuban sugar and Castro sought first to sell sugar to Russia, then to borrow from Russia and finally to buy Russian arms to secure his own government against rising discontent. The next stage was the concession of a port for the use of the "Russian fishing fleet" (in the Caribbean Sea!). Russia has in return promised to defend Cuba against American aggression. This has hit the United States where it is most sensitive: it has infringed the Monroe doctrine and it has introduced communism into the heart of the American political system and across the line of sea communication between her east and west coasts, through the Panama Canal. These words do not, I think, require any amendment in the light of this week's events. I need only add that the building of missile sites in Cuba, from which most U.S. cities could be destroyed, has roused American public opinion and the Administration to a pitch, which has actually brought the world, inside 48 hours to the brink of a war. It is difficult for an European, to realise the intensity of the American reaction. I would hazard the guess that it is due to the fact that Russia has seemed to be so far off and the U.S. so well defended, that the possibility of extinction without notice has not penetrated the mind of the ordinary citizen. In Europe we have known for years that if nuclear war started the major cities would be destroyed, and, certainly in London, we have assumed total destruction to be our lot so that the idea has ceased to horrify us. We have moreover assumed that we should have no say in the factors bringing about such an event. The idea that Cuba, not content with thumbing its nose at its mighty neighbour, and confiscating millions of dollars of American property, was likely overnight to be able to destroy the nation's capital and its largest cities, has so outraged Americans that

action has been taken to prevent this whatever the consequences may be to the rest of the world.

In Kashmir and at various points across the Himalayas Chinese forces which conquered Tibet a few years ago have been occupying thousands of square miles of Indian territory and have at the moment only been stopped by counter action by the Indian army; constant attacks on isolated posts are taking place. Here again I must add that this week has seen a Chinese counterstroke which appears to have thrown the Indian advanced forces further back than they started their advance from. Chou-En-lai, having made more gains has offered to talk about an agreement, and India has demanded retirement by the Chinese forces first. It is even less likely that this condition will be accepted now than it was previously: the Chinese will, as before, wish to talk about a settlement based on their present line. Fortunately neither China nor India have nuclear weapons (so far as is known) but this dispute adds fuel to the fires of the no longer so cold war.

Anything can happen in Berlin at any time. We are all waiting at the present moment to see what Mr. Khrushchev will do at Berlin for this is the place where action by Russia could prove to be most embarrassing. On 21st October, only 4 days ago, Mr. Khrushchev stated that he would not negotiate over a reunification of Berlin: that Russia would wait until the U.S. congressional elections were over on 6th November to see if the U.S. were ready to negotiate on a new basis, but that if she were not, Russia would sign a peace treaty with East Germany, and that thereafter West Berlin could become a free city, with free access to it, **only** if the NATO forces there were withdrawn. The implication was that East Germany could close the access routes if she liked in the knowledge that if she were to be attacked by NATO forces for so doing Russia would come to her aid. Whether Khrushchev will proceed to take action now, without waiting for negotiation, is what the world is wanting to know. The world is

kept in a state of constant tension, in which Russia and China are able to choose their points of attack while the United States has to do its best to plug the breaches in the dykes of freedom.

The spy, the saboteur, the agent provocateur and the traitor all find their opportunities because we are living in an era not only of scientific and technological revolution but also of political and ideological revolution. The empires of the 19th and early 20th centuries at least ensured the peace for decades within the countries which formed part of them and these covered most of the world. With their break-down as the result of the Second World War the number of independent countries has doubled (and so has the number of members of the United Nations). A similar problem was seen in Europe after World War I when the Hapsburg, Ottoman and Romanov Empires broke up, the first being replaced by Austria, Hungary, Czechoslovakia and an enlarged Rumania, the second by Albania, an expanded Greece, a truncated Bulgaria, Turkey in Asia, Iraq, Syria and the Lebanon, Palestine, Trans-Jordan and Saudi Arabia, the third losing Finland, Estonia, Latvia, Lithuania, Poland and Bessarabia. The mere list of names is a reminder of the constant wars, coups d'états, and revolutions which resulted from this Balkanisation of Europe. Since World War II those in Europe have been sharply divided by the Iron Curtain, the ones to the east being held down by terror (as the revolt in Hungary showed all too clearly), those to the west being held together by fear of being overthrown separately. Yet, in spite of this example, the spirit of nationalism proved too strong, after World War II, to prevent a similar Balkanisation of Asia and Africa. Already in Asia, Korea and Vietnam are sharply divided, not on natural frontiers, but by straight lines drawn across maps, between communist and non-communist. Laos presents what would be a comic opera spectacle of a country at present governed by a temporary coalition of right, left and neutralist princes of the same

royal family, but in fact ruled by rival armies, the one supplied from China, the other from the U.S. An off-shore American alliance links Japan with her former victims in Formosa, Korea, and the Philippines, and SEATO ties Siam, Pakistan and the Philippines with the U.K., France, Australia, New Zealand and the U.S.A. for the protection also of Cambodia, Malaya and Burma. CENTO was similarly designed to ally Turkey, Iraq, Pakistan, Iran and the U.K., with the backing of the U.S., to hold the Southern line in Asia Minor, but has been greatly weakened by the revolt in Iraq which resulted in the establishment of Brigadier Kasim's government. Iraq's oil revenues are however, drawn from the west and the four states have a real common interest. They are also weakened in the east by Afghanistan's quarrel with Pakistan over Pushtunistan and Pakistan's with India over Kashmir. The Indian army in Kashmir has now, almost literally, got the Chinese on one side and the Pakistanis on the other.

Africa used to be shaded red for British, and blue for French: Belgium, Portugal, Spain and Italy also had much smaller pieces, and there were two independent spots — usually coloured yellow — Ethiopia in the east, Liberia in the west. Ethiopia disappeared in 1935 when Mussolini occupied it and only Liberia remained yellow. The French empire in Africa is now restricted to the port of Jibuti and the corner of desert which surrounds it in French Somaliland, to the islands of Reunion and the Comorros in the Indian Ocean and to the Crozet and Kerguelen islands to the South East of South Africa. The British empire now consists of the banks of the river Gambia in West Africa, the islands of Ascension, St. Helena, Zanzibar, Mauritius, the Seychelles, Perim and Socotra, the High commission territories of Basutoland, the Bechuanaland Protectorate and Swaziland, and, for perhaps a year more, Kenya and Nyasaland. What will happen to Northern Rhodesia no one can tell; Southern Rhodesia is to all intents and purposes independent. There are no Belgian colonies re-

maining, Spain holds a sort of Jibuti on the Saharan Coast of West Africa, and a civil war appears to be endemic in Angola. If my addition is correct there are 34 fully independent countries within Africa today. I spoke last night in Johannesburg about the economic future of the underdeveloped independent countries of Africa and concluded that neither agriculture, mining nor industrialisation offered them a viable future without external aid on so massive a scale that it would reduce substantially either the standard of living or the standard of armaments of the free world. If they can see no future in peace they may be tempted to seek it in violence. Yet it is these underdeveloped Afro-Asian countries which now possess a majority at the United Nations and dictate its policies. Lord Avon, whom you will remember better as Sir Anthony Eden, wrote this summer, "There is surely a connection between the facility with which President Nasser could seize the Suez Canal by force and threaten Israel, and the impunity with which less than a year later, Indonesia took possession of Dutch Shipping with no presentable offer of compensation. This practice was perfected by Dr. Castro in Cuba, where the scale of the theft of American property surpassed any attempted before. Others have followed in his wake again, until in Indonesia plans are pointedly prepared for the "liberation" of territories in Western New Guinea which are administered by the Netherlands and occupied by native populations having no racial connection with the country which would now make them part of a new colonial empire. These depredations vary in character but unless they are checked their cumulative effect can be serious. Anarchy may be a greater danger than the nuclear bomb". Lord Franks, formerly British Ambassador to the U.S. and Chairman of Lloyds Bank, summed up the position in Africa; "the Governments of the developing nations can retain power only if they can produce results"; if they do not receive aid from outside they "must resort to tyranny and by

force and starvation extract the savings for capital investment". We live in a world in which civilization, if not life itself, is not only liable to be destroyed almost overnight, but one in which the anarchial condition of the new states is liable at any time to spark the explosion.

Is there anything which can be done to avert or postpone catastrophe? The obvious course is for the countries of the world to disarm. I should like to quote Alistair Buchan, Director of the Institute of Strategic Studies in London, on whose conclusions I have drawn widely in what I have already said: "To meet the urgent problems which confront us general and comprehensive disarmament is too nebulous and distant an objective. Briefly it would take many years of research and negotiation in an atmosphere of much greater international goodwill than we have today before nations would be prepared to commit themselves to so far-reaching an experiment as a disarmed world, with the degree of inspection and centralised enforcement which such a system of international order would necessitate". An alternative is to study "how to stabilise the level of major weapons which have now themselves become a source of international tension, largely independent of the ideological struggle which first stimulated research upon them". Possible ways of so doing would be:

- (1) to minimise the danger of accidental war by developing direct communication between White House and Kremlin;
- (2) to create a U.N. inspection force which could in a moment of crisis be called in by either side to convince the other that no attack was being planned;
- (3) to prevent the spread of nuclear weapons to other countries as the Kennedy administration has been trying to do;
- (4) to prevent the extension of the arms race to outer space or to new chemical or bacteriological weapons; and

- (5) to stabilise the existing system of strategic deterrence; for example by an agreement that each side should retain a retaliatory capacity sufficient, in the event of attack, to cause overwhelming damage to the other.

I am not a military expert, time is short and I would rather leave you with these suggestions of Alistair Buchan's than attempt to elaborate them. I would only say that to list them indicates how long and how difficult would be the road to agreement.

In the light of this week's events I would only draw your attention to the facts that:

- (1) The first course, direct communication between White House and Kremlin, is now being suggested, it is reported, by Mr. Macmillan;
- (2) The second, an U.N. inspection force, is being proposed at New York to make sure that the missile sites in Cuba are destroyed; and
- (3) The third, to prevent the spread of nuclear weapons, is the very object of the U.S. Government's present action in Cuba.

The fourth and fifth are long, not short-term courses, and may form part of the final settlement if a general settlement can be reached, which, as distinct from a limited settlement directed simply to the Cuban emergency, I very much doubt.

Finally is there anything which can be done to prevent revolution and control anarchy which together create the most likely conditions from which a general war could arise? Here I would quote Herbert Nicholas, a leading British expert who wrote in "Encounter" earlier this year: "with astonishing indifference to the West's true interests the real alternatives are persistently ignored. They are quite simply either a U.N. sponsored policy, necessarily Afro-Asian manned, and openly aimed at fostering Afro-Asian nationalism and independence, or else a free-for-all with the absolute certainty of Soviet intrusion on a massive scale and a near certainty of conflict quickly developing from civil strife to inter-African war

and finally to intercontinental war". It is unnecessary to point out the relevance of this conclusion to the future of South Africa.

To this I would only add that the Cuban emergency, if it has done anything, has at least brought home to most people that the best hope of a negotiated settlement, as against nuclear war, is the United Nations, and that it is perhaps time that the U.N. should be brought more directly into negotiations between the Great Powers and not used solely to pull the chestnuts out of the fire when the latter threatens to burn their fingers. If this could be achieved at least United Nations Day, 24th October 1962, might prove more worthy of its name than appeared likely yesterday.

DISCUSSION

The address was followed by a discussion from which the following points emerged:

Professor Cockram agreed that he had described only the present time — the threshold of the nuclear age. If China became a nuclear power India must try to follow suit, and so on, so that if the process is unchecked we could, in the near future, have some dozen nuclear powers. This would enormously increase the risks of war. The gloomy prospect at present is crisis following upon crisis.

Professor Cockram thought it possible that the U.N. might be able to provide machinery for staving off the Cuba crisis. America's firm action might have given the Russians more reason to seek an accommodation but it should be remembered that the communists' aim was not to reach a viable compromise but to use every tactic towards communisation of the world. It was his fear that the price for Russian acceptance of America's stand over Cuba might be paid in Berlin.

Asked whether one concession did not lead to another and whether a firm stand against the communists was the only way to check them, Professor Cockram said that his fear was that the stage had been reached when the testing of each

others nerves by politicians had turned into a game of Russian roulette!

Asked about the Afro-Asian bloc and the rivalry between different communist states the speaker agreed that the Afro-Asian bloc was not monolithic nor necessarily anti-West. Although their thinking is dominated at present by their recent escape from colonial status they would, in an issue of peace or war, be inclined to follow the great power they thought had the more peaceful intentions — this would, no doubt, be the United States. As to the divisions in the communist camp, they undoubtedly exist but have not prevented the Communist Party in Russia, China or Yugoslavia from acting effectively and ruthlessly. All believe in eventual communisation of the world.

Professor Cockram agreed that in the present crisis the Secretary General of the United Nations, U Thant, might have a key part to play in diplomacy designed to restrain both parties. The President of the General Assembly, Sir Zafrullah Khan, could likewise play a decisive role particularly as his integrity, spiritual force and incisive legal mind commanded universal respect. Despite Indo-Pakistan antagonisms he was respected by Nehru. These three Asians — representing Burma, Pakistan and India — could play a decisive role since they represented a neutral force and all had a deep sense of responsibility and duty combined with judgment and caution.

A questioner asked whether a small country like Cuba had not the right to work out its own destiny. In her legitimate fear of America had she not the right to seek help where she could obtain it. Professor Cockram said that he questioned Cuba's wisdom, not her right to act as she did. All one can say is that if a small country exercises its rights so as to threaten a major power it will provoke a retribution out of all proportion to the unwisdom of its politicians.

Although nuclear weapons were self defeating when used between nuclear powers this did not guarantee that in a moment of emotion the deci-

sion to use nuclear weapons would not be taken.

Professor Cockram did not believe that fear of the economic consequences of disarmament would prevent agreement on disarmament. With four-fifths of mankind suffering from poor health, inadequate food etc. the effort and resources put into armaments could be absorbed elsewhere. Nor is disarmament likely to come swiftly.

It was unlikely that the European Common Market powers, even with the addition of Britain, could become a major world force in the military sense. It is, however, possible that in the course of a generation China will become a major nuclear power.

Professor Cockram agreed that there was an undefined limit on spending money, manpower and resources on armaments which neither Russia nor the United States could pass without provoking an adverse reaction from their people. On the question of a technical limit to re-arming he agreed that the present stocks of nuclear weapons held by Russia and America were sufficient to "over-kill" each other. But the armaments race continued for new and more lethal weapons and especially the search for effective counter missiles.

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II

The United Nations General Assembly

(“Sunday Times” 9th September, 1962.)

Some of the events of the past few days at the United Nations have, surprisingly, proved to the advantage of South Africa.

Before the United Nations General Assembly gathers in New York a committee meets to consider the reports sent in by those governments still responsible for the administration of colonial territories and it has become the habit of this committee to hear petitions from individuals in those territories, just as the Trusteeship Committee does from those in the so-called trust territories.

Since South Africa has consistently refused to sign a Trusteeship Agreement for South-West Africa this committee provides yet another forum for criticisms of South Africa's administration of the territory and full advantage is usually taken of this by Rev. Michael Scott as he has done on this occasion.

The Soviet representative is seldom silent but it is usually to the advantage of South Africa when he leads the attack as he did this week.

His demand for the “immediate derogation of South Africa's mandate to govern South-West Africa” with the appointment of a special United Nations commission to take urgent measures for the proclamation of the independence of the territory is not one which the Committee is competent to decide even if the Assembly itself might conclude by a majority vote that it could do anything of the sort.

The further Russian accusation that the United States, West Germany and Great Britain are building up South Africa's armaments industry to enable South Africa to defy the United Nations must automatically rally these countries against him.

This should give Mr. Louw, the leader of the South African delegation to the Assembly, the chance to avoid that absolute isolation which is the greatest danger to which South Africa is exposed at New York.

The Soviet delegate's further attempt to identify Mr. Harry Oppenheimer with Dr. Verwoerd's policy in South-West Africa in particular, and against the rest of Africa in general, is a typical result of the ideological blinkers in which so many of Russia's propoganda horses are made to run and is likely to be just as helpful to South Africa.

The political views of Mr. Oppenheimer are sufficiently well known in New York for the absurdity of the charge to be self-evident, while the cynical readiness to denounce the opponents as well as the supporters of apartheid must remind the other delegates of the lack of all moral basis for Soviet policy in Africa.

The rift between General Nasser and the rest of the Arab League may not last long but while it does the pressure on South Africa from the Arab countries of North Africa may also not be as great as they would otherwise have been.

Syria, which has broken away from Egypt, is struggling to maintain its independence and may succeed as long as King Hussein holds Trans-Jordan and the land lying between the two countries.

Like Mahomet Ali in the 19th century, any Egyptian ruler of Syria must be sure of his communications through Palestine and Jordan if he is to maintain his position in Syria against Turkey.

Indeed, it is not going too far to say that if King Hussein did not exist Israel would have to invent him.

While he does, and while the Arab League is divided, Nasser has had to fall back on Cairo Radio to appeal to the Arab peoples over the heads of their governments. This not only angers the latter still further but radio is a weapon which may one day turn against him.

The reluctance of the new African states to commit themselves earlier this year to a project

for mass production of cheap transistor sets for Africans was in part motivated by their sudden realisation that if these would enable them to reach their own people in the villages the latter were also likely in the near future to be reached from stations outside their countries.

A third factor which may operate at this year's Assembly in South Africa's favour is the necessity for the United Nations to reduce forthwith its expensive commitments in the Congo.

The constantly increasing deficit which this has involved, now in the region of £100 million, has been behind the recent build-up of pressure on Mr. Tshombe to hand over the Union Minière revenues to the bankrupt Central Government.

With the Soviet group refusing to pay any contribution to the cost of the United Nation forces in the Congo on the ground that they object to their presence there, the refusal of other governments, such as France, to contribute to an operation originally regarded as directed against Belgium, and the reluctance or inability of so many member countries to envisage any contributions beyond their minimum annual payments, a situation exists where those who are ready to pay are reluctant to intervene further or longer, and the pressure for more drastic intervention comes mainly from those who do not intend to contribute anyway.

U Thant has himself insisted that this situation must be dealt with in part at least by reducing the United Nation's contributions to the cost of the Congo operation.

Fortunately the war in Angola appears to have died down and it is possible that there will develop at the Assembly a general inclination towards disengagement in Central Africa which will also operate against the implementation of demands for drastic action in South-West Africa.

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III

The Commonwealth and the Common Market

(“Sunday Times” 16th September, 1962.)

The meeting of Commonwealth Prime Ministers in London has dominated the overseas news this week, the vital issue being concerned with Britain and the European Common Market.

Two questions are agitating the overseas Prime Ministers:

The terms on which Britain may join, and,

The possible effect of the European political colossus which would be so created on the future of their own countries.

The first question has received almost all the attention in the Press reports so far. These reports have swung from one extreme to another.

One day the Premiers have “acclaimed Mac,” the next they have “turned on the heat”; and the only thing that is clear is that none of them are happy about the terms.

How could they be? Instead of duty-free entry into the U.K., the Commonwealth countries may face an eventual tariff of 20 per cent for beef, 19 per cent for mutton, 24 per cent for butter, 20 per cent for wheat and 9 per cent for cocoa (the rates for the Six) while the Six will enjoy duty-free entry into the U.K. instead of having to pay duties as they do at present.

The Commonwealth preferences must, according to the present demand of the Six, be eliminated by 1970.

New Zealand and Australian dairy farmers, Canadian and Australian wheat farmers, Australian fruit and wine farmers, Rhodesian tobacco farmers, and Ghanaian cocoa farmers may all have to face drastic cuts in their exports at a time when huge world surpluses exist of many agricultural products and when their prospects of getting rid of

their surpluses, except at give-away prices, are dim indeed.

South African farmers are in an even worse fix.

The preferences they still enjoy will also go, and the Six have so far paid little except lip-service to recognition of any obligation to help out South Africa.

If, after a year of hard bargaining, Britain has not wrung adequate concessions for Commonwealth farmers from the Ministers of the Six, what hope is there of her being able to get them for South Africa, no longer a member of the Commonwealth but simply an exporter of fruit, sugar, wine and processed foods of which the member countries of the Six are themselves exporters and which they intend to sell to Britain as the price of admitting her to their company?

One asset the Commonwealth countries have: the British farmer is in the same boat.

He has tended to concentrate in recent years on those farm products with which imports from the Commonwealth have not been competitive, seasonally or otherwise, and he is now faced with competition from European farmers enjoying the advantages of lower labour costs and warmer climates.

His position has been one of the main preoccupations of the British negotiators.

The agricultural constituencies have usually voted Conservative, and if the British farmer decides that he has been let down he will vote Labour at the next election (probably in 1963).

It is significant that the Labour leadership decided, on the very eve of the Prime Ministers' meeting, to ask the Government to pledge that there will be another opportunity for all Commonwealth Prime Ministers to review the final terms of any proposed agreement before Britain is committed to their acceptance.

The Asian and African countries of the Commonwealth have by no means been free of economic anxieties, but it is easier for the Six to make concessions over imports of tropical pro-

ducts because these are, for the most part, not competitive with their own.

The basis of Asian and African opposition has been to the political implications of signature of the Treaty of Rome.

They see the Six as a combination of former colonial powers—France Italy, Belgium, Holland and Germany—whom they have opposed regularly at the United Nations, and whose former colonies they have helped to freedom.

They do not like the idea of these countries being joined by Britain to create an economic unit so powerful that it will, in their view, replace the former political control which its members exercised over their colonies by a new economic dominion over the independent successor states.

Mr. Menzies can see a Britain increasingly pre-occupied with Europe, trading less with Australia, and becoming less and less interested in South-East Asia and the Pacific.

For how long would the former sentimental links with Australia last in such conditions; and would not Australia tend to become economically as well as politically and strategically, a satellite of the United States?

Mr. Diefenbaker has been trying for years to reduce the economic and financial dependence of Canadian companies on their United States counterparts, and he is anxious to preserve Canada's independent role as a link between America, Britain and Europe.

Both Mr. Menzies and Mr. Diefenbaker remain in office by the smallest of margins.

The reasons why the British Government thought it necessary to open negotiations with the Six have not received half as much publicity as the criticisms, partly because such negotiations tend to be a matter of hard bargaining.

You do not announce how much you intend to profit from a transaction before the other party has agreed to it, particularly if you are also arguing that your friends should be given concessions; and not only your Commonwealth friends but

your fellow members of the European Free Trade Area (Norway, Denmark, Sweden, Austria, Switzerland and Portugal), and, of course, South Africa.

The advantages might nonetheless be summarised as: The opportunities for expanding British exports within the most rapidly growing and largest market in the world open to them, for strengthening politically the still rather rickety structure of Western European co-operation against the permanent threat from the East, and for enlisting the assistance of the other countries of Western Europe in the further development of those countries of Asia and Africa which have hitherto relied upon Britain for the greater part of their capital investment and whose needs have now grown beyond her resources.

Whichever way the eventual decision may go it is safe to say that none of the Prime Ministers will leave the present meeting feeling that the decision which Britain will eventually have to make will be taken lightly or without the most careful weighing of the advantages and disadvantages for her friends as well as herself.

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IV

International Financial and Monetary Organisations

(“Sunday Times” 23 September, 1962).

Each September the Press of the world reports the departures of finance ministers to the annual meeting of the World Bank, and for a week or two the financial editors are allowed to spread themselves on the front page.

It is just as well, therefore, to remind ourselves that the World Bank does not exist.

What does exist is a group of three interlocking international financial organisations, the national directors of which are sometimes, but not necessarily, the same person.

Only one of these is called a bank and it is not the body which is usually referred to as the World Bank: it is the International Bank for Reconstruction and Development, and was established after World War II to assist in the reconstruction and development of territories of member countries by facilitating capital investment.

Its capital was increased to 21,000 million dollars in 1959, and the net outstanding loans total over 5,000 million dollars.

The Bank's engineers help prospective borrowers on the technical aspects of projects, its administrative officers help with organisation, and its loan officers suggest methods of financing.

Expert missions survey, if requested, the whole economy of a country, and recommend programmes of investment to improve its economic position.

That is why the I.B.R.D. has this week been pressed by certain African countries, notably Liberia, to extend its activities in Africa and why the Chairman has put the responsibility into the right hands by inviting the finance ministers of member countries to give urgent attention to in-

creasing the resources of the International Development Association.

This Association is the second of the three international organisations. Its creation was recommended by the I.R.B.D. in 1959, and it began operating at the end of 1960.

Its purpose was to help the less-developed member countries by providing loans repayable over fifty years without interest.

It started with resources of about 1,000 million dollars but is now lending about 500 million dollars a year and by mid-1963 will, therefore, have committed all its present funds.

The third and most important of the three interlocking organisations is the International Monetary Fund.

The articles of agreement of the I.M.F. were drawn up by a special conference which met at Bretton Woods in 1944 before the Dumbarton Oaks Conference which drew up the original suggestions for the Charter of the United Nations.

The I.M.F. is not, therefore, in any way a creation of the United Nations. Its objectives are simple: to promote exchange stability and to expand international trade.

By linking subscriptions with voting, and with the amounts which can be drawn from the Fund, it keeps power closely tied to responsibility and has avoided what is perhaps the greatest weakness of the United Nations Assembly, the equality in voting of all its members, which has put it under the control of those who contribute least and have the least responsibility for the execution of decisions.

The Fund has therefore not become a platform for propaganda or subject to political manipulation for extraneous purposes as the United Nations has become.

It has been greatly helped in this respect by the fact that neither Russia nor her satellites are members.

The Fund has indeed come some considerable way towards achieving its objectives.

In addition to setting up the International Development Association it has also assisted in the establishment and financing of special consortia to assist the development of individual countries.

One such was set up in 1961 to help India and undertook to provide over 2,000 million dollars within the following two years towards the development of India's third five year plan, the Fund itself providing 450 million dollars of this total.

The Fund has therefore played, as intended, a major part in securing the provision of capital for the development of the new countries, but this was not its main purpose.

The Fund's own resources now amount to over 15,000 million dollars and these are intended to be used in the main to secure financial stability.

Up to 1949 there were substantial drawings for obvious post-war reasons but they were repaid between 1950 and 1955. A total of 1,800 million dollars was made available after the Suez crisis in 1956 and repaid by 1961.

In that year the United Kingdom was allowed to draw 1,500 million dollars to deal with a run on sterling, but by last month this also had been repaid.

Australia was authorised to draw 175 million dollars and South Africa 75 million dollars, both in 1961, and the United Kingdom has been authorised to draw up to 1,000 million dollars if this should be necessary in future to protect sterling against further fluctuation.

The 1961 drawings were indeed in part due to temporary results of another achievement of the Fund, the introduction of de facto external convertibility by most West European currencies in December, 1958, and the further step to convertibility which nine of these countries took in 1961.

As a result the European currencies are stronger now than at any time since 1914.

For this reason it is unlikely that the directors will adopt new policies at their meeting this month.

Such weakness as there has been has appeared to be in the strongest of the international currencies, the dollar.

But it has not been due to any gap between the export and import trade of the United States but because the combination of American military expenditure overseas and massive American aid to other countries has resulted over the last two years in a considerable increase of their dollar holdings and a moderate reduction in the American gold reserve.

This in turn has led to talk of an increase in the price of gold which would have the effect of devaluing the dollar (and, indeed, most other currencies) in relation to gold.

Such speculation is, of course, of intense interest to South Africa, and Dr. Dönges has himself this week argued that this should not be too long delayed.

The price of gold shares has slowly but steadily increased during the past year, but this increase has been dictated more by their abnormally low level in relation to dividends at the beginning than by a real expectation of an early increase in the price of gold.

The prospect of an ultimate increase (on the general theory that one commodity alone cannot for ever be pegged in price) may, however, have influenced some investors.

Devaluation would be political suicide for President Kennedy unless the American public believed it to be necessary (which they do not).

The managing director of the Fund has dryly pointed out that devaluation could hardly contribute to the increase in confidence in most currencies which has been so satisfactory a feature of the year.

So an increase in the price of gold is likely to have to wait for another year and the Fund and its associated organisations will go on doing their unspectacularly effective work in fostering international financial stability and in concentrating on

improving the means of helping those countries which need help most.

The fireworks it will be well content to leave to the United Nations Assembly.

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China and the United Nations

(“Sunday Times” 30th September, 1962.)

The General Assembly of the United Nations has once again to decide whether or not to postpone a decision on admitting Red China to membership of U.N.

It is not a simple issue of whether Chiang Kai-shek's Government in Formosa, an army in exile occupying an island with a non-Chinese population of 7,000,000, ought to continue to represent China which, with its population of 730 million, has most certainly been governed by Mao Tse-tung for the past 14 years.

Recognition of a change of government is usually given after minimum proof of effective takeover. In South America there is an unwritten convention that this should seldom be longer than a week or two.

Most countries, including Britain, India and Canada, recognised the Red Chinese Government many years ago, and a number of them, including Britain, have been greatly embarrassed by having to explain their votes at New York against admitting Red China to UN.

Or rather, to explain their abstentions, for in the past it has usually been enough for them to abstain and leave a proposal to recognise Red China to fail for lack of a two-thirds majority.

Embarrassed but also relieved at the result of the voting because there is no doubt whatever that the admission of Red China would be regarded as a tremendous victory for Communism.

It would mean that Red China could in future exercise a veto in the Security Council just as Russia now can and with the same effect of stopping all action.

Had not Russia refused in January, 1950, to participate in the work of the Council so long as Chiang Kai-shek's government was represented

there, Russia could herself have vetoed the Council's resolution calling on members of the United Nations to assist South Korea against the attack on her by Communist North Korea.

It is highly unlikely that Russia will ever again let herself get into this sort of tactical mess, but it is quite certain that two Communist governments, each possessing the veto, would never do so at one and the same time.

However, a veto can at most prevent action. The admission of Red China to United Nations might so affect the balance in the Assembly that a majority might be found there for recommending positive action by member countries against a state which supported the West but was for other reasons opposed by the neutrals.

For the Assembly to recommend action on a matter of importance a two-thirds majority is required. The Assembly can dispense with the two-thirds requirement by deciding that the question is not of importance, but that would be to make nonsense of the recommendation.

The question, therefore, is whether a two-thirds majority can be built up in any conceivable circumstances against a Western country in such a position.

The answer, now that the United Nations numbers 108 members, of whom ten are Communist (11 if Yugoslavia is included), 24 Asian, 30 African and 20 Latin American, is that if Red China replaced Nationalist China a two-thirds majority might just be possible provided the question at issue was one which cut across cold war boundaries.

The most likely country to be so challenged is obviously South Africa.

It is impossible (at UN), even at the moment of voting, to be absolutely sure how marginal votes will go. But on any question into which apartheid could be brought it is likely that just over half the Central and South American countries and a third of the European would be found to line up with

almost all the African, three quarters of the Asian and of course all of the Communists.

Last year the motion on apartheid was lost by only four votes but since then Tanganyika, Trinidad, Jamaica, Ruanda and Burundi have all been admitted and Uganda may be during the present session.

None of these countries is likely to support South Africa; and if Red China has meanwhile been seated and Nationalist China ousted (Chiang Kai-shek would be likely to refuse to accept admission as the representative of Formosa even if Red China would agree to this as a compromise) it is almost certain that a two-thirds majority could be found for condemning South Africa and for sanctions of some sort against her.

Without Red China such a majority is now possible, but great efforts by South Africa's friends might just stave it off for a year or two longer.

More serious would be the effect of the admission of Red China on other countries in Asia.

Communist propaganda would make the most of such a resounding success, and the present uneasy balance of forces in South-East Asia could well be upset permanently.

The U.S.-supported regimes in South Korea and Viet Nam are having to struggle so hard to maintain themselves that they could be brought to the point of collapse if their own peoples finally decided that China was going to win.

Border states such as Afghanistan, Nepal or Burma would certainly hesitate to take any action which might make them the next target of Chinese aggression; and even Japan would be given furiously to think.

In other parts of South and East Asia, particularly Siam, Malaya and Indonesia, the large Chinese minorities would hasten to toe the Chinese line and the Governments might find themselves in the unstable position in which the South Korean and Vietnamese governments are now.

VI

The U.S.A., Cuba and Latin America

(“Sunday Times” 7th October, 1962.)

The formal announcement by Russia of its military assistance to Cuba (although the fact was known already) has provoked strong reactions from both the Republican and the Democratic Parties in the United States.

There have been demands for American military intervention to end both Castro's rule and the threat to the United States which it and the presence of Soviet military personnel imply.

President Kennedy has been given authority by Congress to call up an additional 150,000 men if the need arises.

Meanwhile, the embargo on trade between the United States and Cuba is virtually complete.

Instead of Cuba being a “banana-republic” dependent upon its export of sugar to the United States market, and Havana a pleasure ground for American tourists, Cuba is now almost wholly dependent on trade with Russia and Eastern Europe, and is kept going only by Russian aid on so massive a scale that Russian technicians are being sent in to see that it isn't wasted.

As part of the price to be paid Castro has had to endorse Communism formally, and to agree to build a special port, near Havana, for the use of the Russian “fishing fleet.”

Ever since the Spanish American war at the turn of the century which achieved the independence of Cuba, the United States has had the use of Guantanamo, a port in Southern Cuba which it has developed into a major naval base both to control the Caribbean and for the distant defence of the Panama Canal.

The United States has been punctilious about not allowing Guantanamo to be used for interven-

tion in internal Cuban politics(to have done otherwise would have given any Cuban Government too good an excuse to demand its evacuation) but much of the sting in the provision by Cuba of a port for the Russian fishing fleet lies in this equation by Castro of Russia with the United States.

It is the sort of gesture which has appealed to the Latin American sense of humour from the Rio Grande to Tierra del Fuego.

But Cuba is an island of only 6,000,000 people, and it is not easy for the outside world to realise why Castro makes most Americans get so hot and bothered.

It is perhaps because he has contrived to go directly counter to the most popular American ideologies of both this and the last century.

He has not only endorsed Communism and so brought this Old World infection into the antiseptic American world, but like a sort of inverted Canning, he has invited the Old World in to redress the balance of the New.

He has in fact said plainly that the Monroe Doctrine no longer exists to protect the Latin American republics from outside oppression, but to assure their submission to the United States.

And the abortive private invasion by Cubans in exile, which the United States Intelligence Service favoured and helped earlier this year, gave him a heaven-sent propaganda proof of this which he has exploited with great success.

Most Latin American countries have tended for many years to be ambivalent towards the U.S. They have appreciated the favours they have received, and have indeed come to expect them as a matter of course.

But they do not expect to have to pay for economic aid by political support, or social deference. They are proud peoples, who cling to their traditional way of life, and see no particular reason why they should change its tempo or its pattern.

Their governments have worked out a system of living with the United States by which mutual problems are discussed and aid given through

inter-American organisations. (Provided the aid is given with as few conditions as possible, they are ready in general to endorse the United States line when their support is sought, for example at the United Nations.)

But they fiercely resent any suggestion that they are clients or satellites and are apt to take an independent line wherever they feel they can safely do so, particularly when they are asked to line up against one of their number.

Their conservatism, however, exposes them to criticism at home alike for not accelerating the pace of development and for undue subservience to the United States in the international field.

In their turn the governments try to silence their critics, first through their party political machines, then through their control of Parliament, and, if both fail, by using the army.

Repression leads to revolt and the revolutionaries exploit both internal discontent and external xenophobia.

Recently attention has been drawn to the unfortunate effect which the building of new and larger U.S. embassies has had in emphasising the distinction between the North American **haves** and the South American **have-nots**.

Over much of the continent the standard of living is still desperately low.

Even **Brazil**, potentially the wealthiest, has a per capita income among the lowest and between 60 per cent and 75 per cent of Brazilians are illiterate.

Only 5 per cent of the land is cultivated and its one export crop, coffee, is one of those most subject to violent fluctuations of price, mostly downwards.

In the **Argentine** the beef and grain exports on which the country was built no longer exist.

In **Chile** the nitrate fields are in decay and the great United States owned copper mines barely keep the economy going.

Peru is the eroded ruin of a once-great and fertile country.

Venezuela is in the hangover period of a spending spree based on oil fields now producing at low capacity and selling their output at much lower prices than were obtaining a few years ago, a fate which befell Mexico 20 years earlier.

In nearly all the countries of Latin America there is an appalling contrast between the overgrown cities, lived in by the descendants of the Spanish or Portuguese conquerors (now known as Latinos) and the countryside which is increasingly left to the Indios and the Mestizos, or half-breeds, who scratch a bare subsistence.

In the cities themselves there is an industrial proletariat living in slums and little better off than the peasants, a badly-paid political and commercial bureaucracy a little higher up the scale, and the ruling few whose homes and standard of living are in shocking contrast.

The American business man works and associates with those who run the country and with whom he must deal, and the American tourists fill the great Hilton Hotels, with the result that both share the dislike with which the local regime is regarded.

The urban workers, underpaid and often underfed, vote increasingly for radical or Communist parties, which promise them a share of the economic cake when they secure power. In such conditions there is a general readiness to criticise the U.S. and a general sympathy among the have-nots (that is, the bulk of the population in all the countries of Latin America) for Fidel Castro.

American policy has attempted, during the post-war years, to combine agreements with individual countries for the financing and development of specific projects, with the sponsorship of regional programmes for development which are entrusted to inter-American organisations which advise and assist individual governments in undertaking programmes of common interest.

In recent years they have found that while political problems can best be discussed in inter-American forums such as the Organisation of

American States, economic programmes are more readily accepted and better serviced by United Nations regional and other organisations, from whom the same financial aid can be accepted without the need to pay lip-service to the American donors.

But, since the United States has not had to cope with the cold war in Latin America, as it has had to do in Western Europe or the Far East, both military expenditure and economic aid have been on an infinitely smaller scale in the Latin American than in the European or Asian countries.

In the 15 post-war years the United States provided in direct aid 31,500 million dollars to the rest of the world and only 625 million dollars to Latin America.

Many in Latin America believe that it would be better to have no aid at all because conditions would then become intolerable and the existing system would be overthrown more quickly.

And even the ruling few, while firm on the need to repress Communism at home, can see its use in enabling them to extract a bigger share of U.S. aid as the price of keeping Communism out.

Whether such regimes are capable of doing so for long, however heavily subsidised, is the fundamental question for the U.S.

Nearly 100 years ago Porfirio Diaz, one of Mexico's better Presidents, spoke of "Poor Mexico, so far from God, so near to the United States."

His lament is no less true of Latin America today.



VII

Independent Algeria

(“Sunday Times” 14th October, 1962.)

The admission of Algeria to the United Nations this week is the climax of one of the most fantastic ten months in history. In December, 1961, there were in Algeria nearly 1,200,000 French settlers and a French army of about 450,000 men.

Today there remain about 200,000 settlers and the French army has handed over the security of the country to an Algerian army less than one-tenth its size, the organised core of which, some 15,000 strong, had been waiting since early 1961 in Tunis and Morocco for just this purpose.

The Algerian army-in-exile had to overcome the resistance of the Algerian rebel groups inside the country (particularly those of the Algiers district) before the authority of its leader Ben Bella was recognised by the other Algerian leaders, both those active inside the country during the rebellion, and those who spent their time between France, Cairo, Tunis and Morocco.

The most striking fact about the take-over is that the French army brought into the country to defend the union with France had soundly beaten both the rebels in the field and the Moslem street fighters in Algiers in the course of a civil war lasting for six years, only to spend the last year breaking the resistance of the French settlers to the policy adopted by General De Gaulle after 1958 of trying to reach an agreement with the rebels for a free and independent Algeria.

The settlers wanted a French Algeria, and during the year the French O.A.S. faced the hopeless task of trying to break what was in effect an unwilling alliance between the French army and the Algerian F.L.N.

Bomb throwing and other murderous attacks on Moslem civilians were intended to provoke

retaliation which would bring about a renewal of the civil war.

These terrorist tactics, which failed, ensured such a legacy of hatred between settlers and Algerians that the former feared for their lives if they stayed after independence and the latter were equally determined to get rid of them whatever the economic and other cost to independent Algeria.

The long drawn-out struggle, and its tragic conclusion, were both due to the weakness of post-war French governments which had created an army inured to years of guerilla war in Indo-China and Algeria but convinced that in the end it risked being betrayed by the politicians.

Its generals found in Algeria the popular enthusiasm for the army which it had lacked for so long and its leaders first broke the Fourth Republic by rejecting its last government.

Then, having by so doing brought General De Gaulle back to power, they reacted in angry dismay against his policy of conciliation in Algeria.

Before De Gaulle could carry out this policy he had first, like Stalin, to purge the army command and disband key divisions such as the parachutists and the Foreign Legion, and then use the army to break the resistance of the settlers.

The cost to Algeria has been frightful—every newspaper in the world has been filled with photographs of dead and dying in the Casbah, villages have been wiped out, and much of Algeria's scanty cultivated area (only 13 per cent of the country can be cultivated) has been devastated by scorched earth tactics or eroded by neglect. The well-cultivated French-owned farms will be divided between landless Algerians knowing only subsistence methods; local government, health, transport and education have lost their key personnel, and the only central government officers that remain do so on the direct orders of the French Government, and by arrangement with the new Algerian Government.

Albert Camus made the town of Mostaganem

the scene of his great novel "The Plague" and Algeria will be lucky if with the aid of the W.H.O. and F.A.O. the whole country can be somehow preserved from epidemics and starvation.

Yet, during the years of civil war, Algeria was, ironically, also the scene of an urban boom.

The French army had to be supplied, and was ready not only to pay but to spend its pay.

Port and air facilities had to be improved to cope with traffic, and motor vehicles imported in tens of thousands.

In an effort to show the advantages of the French connection new factories were built in the coastal districts.

The development of the Saharan oil fields, and natural gas to the south of Algeria, brought pipe lines and the power on which it was planned to base the development of an iron and steel industry using iron-ore also from the Sahara.

France has indeed spent so much in the exploitation of the oil and natural gas resources (which are vital to its own future industrial development) that the Sahara and its resources have been left for future discussion.

They could pave the way for genuine economic collaboration between France and Algeria in the future: they could be the cause of renewed strife.

The best reason to hope for the former is that, from the French point of view, Saharan oil could save £200,000,000 a year in foreign exchange. The only alternative outlets for the oil are through Tunis, or just possibly Libya, and the former at least is unlikely to be willing to be used as a pawn against its much more powerful Moslem neighbour.

From the Algerian point of view while there is a world glut of oil only France would be likely to pay a good price for Algerian oil and a desperately poor Saharan population of a million would be an added burden.

Partly as a result of this urban prosperity the population of Algeria also increased during these

years by rather more than the total of the European population.

The devastated countryside and the tottering administrative and business cadres will, in any event, now have to support a larger population than ever.

Only a continuation of massive financial and economic assistance from France can keep Algeria going, and it was the knowledge of this and of their own military weakness which lay behind the almost superhuman patience of the Algerians during the O.A.S. terror campaign and which explains the restraint of the new Government today.

How long France will be prepared to support a million French Algerian workers in France itself (whose remittances have for decades been vital to Algeria), finance the Algerian economy, and admit Algerian wines and other produce in competition with their own is anybody's guess, perhaps for just so long as the poor marksmanship of the O.A.S. terrorists continues to contribute to preserving General De Gaulle's hitherto charmed life.

The parallels and differences between South Africa and Algeria are obvious.

Perhaps the greatest source of strength of South Africa is that she stands on her own feet, does not rely upon an overseas army for her security, and is not dependent on the ebb and flow of politics in another country.



VIII

Asian Archipelago

(“Sunday Times” 21st October 1962.)

Remarkably little attention has been paid recently by the world's Press to an area in which the balance of force has been shifting so fast that almost anything can happen.

In equatorial Asia two countries are on the move, Indonesia and Malaya.

The Indonesians live in the string of large and small islands which stretch over 3,000 miles between India and Australia, and there are about 90 million of them.

Sumatra alone would stretch from the Northern Transvaal to Cape Town. Malaya, in contrast, occupies part but not all of the Malaya Peninsula to the north of Sumatra and its population is about 7,000,000.

In 1959 President Sukarno of Indonesia dissolved the constituent assembly because he wished to be free to rule “without interference or opposition as conceived by the system of liberal democracy.”

This was frank enough and he has lived up to his intention. Inside Indonesia he stepped up the civil war against his right-wing opponents in the Celebes, Sumatra and Java and forced the bulk of them — 20,000 — to surrender in 1961.

Inside and outside Indonesia he stepped up propaganda for the transfer by Holland of West New Guinea, which Indonesia claimed as successor state to the Netherlands East Indies, but whose people are not Indonesian but Papuans like their neighbours in East New Guinea which is administered by Australia. West New Guinea is about one fifth the size of Indonesia but has less than one hundredth of the population.

Outside Indonesia Sukarno concluded an agreement with Russia for the provision of arms, particularly military aircraft and naval vessels, and

in 1959 he got from Russia a long-term loan to pay for them.

Finally Sukarno announced that if West New Guinea were not handed over by agreement he would take it.

West New Guinea had little attraction for the Dutch. The people were primitive, the climate unpleasant the country some of the most difficult in the world to traverse.

Oil had been found in the west but not in sufficient quantities to pay for the administration.

And so long as Holland held on to it there was no prospect of her recovering, even in part, the dominant position which she had held in the trade of the infinitely richer East Indies.

In 1959 Sukarno broke off diplomatic relations and excluded Dutch ships from all Indonesian ports.

In response to his threats of direct action the Dutch sent out naval and police reinforcements to West New Guinea.

In 1961 the Indonesians tried to land guerillas, and the Dutch sank some of their ships, but a strong movement was building up in Holland in favour of cutting her losses and it became apparent that the Dutch Government were seeking a face-saving solution.

This has been found in the shape of an United Nations Trusteeship. For a period of about a year, West New Guinea will be administered directly by the UN which will then be replaced by Indonesia, as administering country.

Eventually the Papuans there are, if the agreement is carried out, to decide their own future, but by a plebiscite conducted by Indonesia.

Since Indonesia is an Asian country it is improbable that the control, if any, of the plebiscite exercised by the United Nations will be thorough.

The Papuans of West New Guinea have been sold down the drain, and Indonesia, which has been in the forefront of the opposition to colonialism, has become a colonial power.

Holland might have resisted had she been

strongly supported by Australia and America, but both have been faced once again by the difficulties which they faced during the original struggle by Indonesia for independence.

If Indonesia got no help from the West she would turn to the Communist bloc in the East, and Australia did not want 100 million Communists 250 miles from her northern territory, or the United States to have another Korean or Indo-Chinese war on her hands, particularly one which could destroy Seato, the South-East Asia defence system which is all that props up Malaya, Siam and Vietnam.

The Singapore base would not have been defensible, the Australian and British forces in Malaya, hostages to fortune as they were after Pearl Harbour, and the vast United States effort and expenditure in Siam and Vietnam would have been wasted.

The Australian Government made up its mind rapidly. In 1958 it announced that it would not oppose an agreement between Indonesia and the Netherlands if it was reached peacefully, and it has welcomed the agreement reached.

But the cost will not be small. Australia will now have a land frontier with Indonesia of nearly 500 miles and whether or not this is kept demilitarised, as it should be between two trust territories, it will remain a strategic headache.

The development of the Papuans of Eastern New Guinea will have to be accelerated to prevent Indonesia claiming that she is doing more for her half, and, indeed, new plans have already been announced.

Eventually Australia may gladly settle for a united, independent New Guinea to push the Indonesians back into their own islands. The Americans, for their part, acted as go-betweens in the settlement reached.

Malaya has also achieved a resounding diplomatic success. Its natural port is Singapore, just as Malaya is Singapore's hinterland, but attempts at union broke down in the past because Singa-

pore's mainly Chinese population, combined with Malaya's Chinese minority, would speedily have outnumbered the Malays.

The prime Minister of Malaya, Tunku Abdul Rahman, saw that to leave Singapore to its Chinese was to make it certain that eventually they would answer the call of the blood and set up a Communist Government which would put Communist China in a position to dominate Malaya economically and strategically.

He therefore proposed in 1961 that independence should be given to the British Colonial territories in Borneo (Sarawak and North Borneo) within a Greater Malaya federation, which would also include Singapore, since the Malayas of Borneo would restore the balance between Malay and Chinese.

He was helped by the fact that the existing Government of Singapore, non-Communist coalition of Chinese, Indian, and Malay, was itself threatened by a growing Chinese Communist Party and was ready, under Lee Kwan Yew, to meet him halfway.

Malaya could also rely upon the support of the Sultan of Brunei, in North Borneo, who might see the advantage not only of securing his throne but also of having a chance of succeeding to the elective kingship of Malaya.

The question for the future will be whether the two Malay peoples, of Indonesia and Greater Malaya, will be able to live in amity together.

Malaya is small but rich; Indonesia is large and potentially rich but backward and bankrupt.

If they can, the next five years could see major economic developments in the whole of this potentially rich area: if they cannot then both may go down in fratricidal strife to leave Red China to collect the pieces.

For the moment the British and Australian forces in Malaya may well be regarded by Malaya as a useful guarantee of the security of Greater

Malaya against possible aggression from the south, as they have been in the past against aggression from the north. In fact their presence may become as useful an anomaly as a colonial Government is in Hong Kong.

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IX

The Cuban Crisis

("Sunday Times" 28th October, 1962)

A week ago it would have seemed impossible that the great Powers could have been at war and any part of North America, Europe and Russia subjected to nuclear attack before another week-end came round.

And because, of all things, of a dispute over Cuba—about which Western Europe couldn't care less and which could hardly have been described by any stretch of imagination as a vital Soviet interest.

It is probably only because Cuba is not vital to Russia that a precarious peace may still exist.

Why then did Mr. Khrushchev let the situation in Cuba get out of hand?

The answer is probably that the weakness of the American reaction to the failure of the attempt of the Cuban exiles to overthrow Castro earlier this year — an attempt which had undoubtedly been supported by some agencies of the American Government — encouraged him to believe that the Kennedy Administration would let him get away with almost anything rather than risk war.

He may also have hoped to force the American Government to make concessions over Berlin by creating a nuisance value of his own in Cuba.

And misled by the undoubted sympathy for Fidel Castro of Latin Americans, he probably miscalculated completely the effect on these Governments of an attempt to establish Russian naval and missile bases in the Caribbean.

President Kennedy undoubtedly took a calculated risk and appears to have got away with it—so far at least as the opening gambit in this particular game of international chess is concerned.

The reaction of the Latin American states has been particularly interesting and possibly the most influential single factor.

They have, as a group, endorsed the President's action and made it clear that, however much they may delight in pulling an occasional feather out of the eagle's tail, they still recognise the fundamental importance to them of America's policy of keeping Latin America out of the cold war.

How far they will be prepared to follow him in the next few weeks in his Cuban policy will depend not only on the limits which he decides to set to American action in Cuba but on Castro's own reactions to it.

So long as weapons are reaching Cuba they will probably acquiesce. But if this were to be followed by military action within Cuba to destroy the missile sites they would certainly become very restive.

It will be necessary, if their backing is to be retained, that any action in Cuba should be by the United Nations with the object, say, of verifying destruction of the sites by the Cubans themselves.

Castro, if he is cautious, may indeed even contrive to save face by delaying any action at all and simply letting the whole scare die down.

If he reacts emotionally and drastically, possibly by attacking Guantanamo, the American naval base in South-East Cuba, the United States Government, if it can make it crystal clear that Castro started any fighting, may continue for a while to retain Latin American support.

Their dilemma will be to decide what are their absolutely minimal needs so far as destruction of missile sites is concerned and to secure them without delay.

Their main problem in this respect will be to galvanise the United Nations into sufficiently rapid action.

The crisis has been momentarily staved off by Khrushchev's reported decision to divert the Russian ships, already on their way to Cuba, and by the American action in letting a Russian tanker through the blockade because they were satisfied that it was not carrying aggressive weapons.

This may imply that the United States Navy

has some means of detecting the presence of nuclear warheads in the ship's cargoes without search.

If so, they are in a much stronger position than seemed likely, because in deciding to search a Russian ship they might be betting on a near certainty of finding the weapons.

Such knowledge would also help to make the Russians cautious about trying to run missiles through the blockade. It would then be to the Russian interest to seek some sort of compensation for Cuba elsewhere. The obvious place is Berlin.

On October 21, exactly a week ago, Mr. Khrushchev said he would not negotiate over a reunification of Berlin, that Russia would sign a peace treaty with East Germany and that West Berlin could become a free city with free access to it only if the Nato forces were withdrawn.

He added that symbolic contingents could remain for a short while provided that a Russian contingent was also allowed into West Berlin.

The implication was that if the Nato countries refused, East Germany would be left to close the routes to Berlin if she wished and if those countries then tried to keep the access routes open by force, Russia would help her East German ally.

His interviewer commented that Mr. Khrushchev was leaving himself no course but to go to war. The Russian Premier is said to have replied that it seemed barbaric to calculate on defending a peace treaty by military conflict from the start "but we have no other choice."

Mr. Khrushchev did add that he would not take action until the United States had had a chance to open negotiations on a new basis after the congressional elections on November 6.

He may not have been prepared to give this period of grace unless Cuba has made him believe that America will be no more ready to make a concession over Berlin than to give way over the blockade.

Even so, he may still decide to act as he has threatened on the ground that East Germany is

just as much in the Russian as Cuba is in the American sphere of interest.

The marked lack of enthusiasm in Europe for President Kennedy's blockade is easily understood. Whatever might happen to Washington or Chicago if a nuclear war were to be started, it is still sure that London, Paris and Bonn would be among the first casualties.

It's no fun being present when two other people are playing Russian roulette with nuclear war-heads.

Even people who are not used to the idea of being targets for nuclear missiles find it difficult to believe that they should have no say in the decisions which may trigger off their own destruction or that it should come about as the result of a dispute between the United States and Cuba.

It has been pointed out that there are no good precedents for blockading another country in time of peace and particularly for enforcing the blockade on neutral shipping: indeed the American arguments of 1808 to 1812 (when the United States went to war with Great Britain because the latter insisted on searching American ships when she was at war with Napoleon) would justify a Russian refusal to agree to their ships being searched now.

There will certainly be much argument within Nato about how to avoid such a failure of advance consultation in future.

Whether it will be possible to negotiate a settlement over Cuba and Berlin in the present atmosphere with the necessary saving of face for Russia and without any weakening of the Western position in Berlin or elsewhere, only time will show.

Anything can still happen in Cuba because of the likelihood that the Cuban reaction will be an emotional rather than a reasoned one.

In Berlin, the stakes are probably better appreciated than anywhere else and each man has been taught for months to tread with egg-shell caution.

Undoubtedly the United Nations and its Secretary-General and President of the Assembly will have the main responsibilities.

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War in the Himalayas

(“Sunday Times” 4th November 1962.)

The frontier clashes between Indians and Chinese at opposite ends of the Himalayas are in two areas where maps have for years been marked “frontier undefined.” The lack of definition has been due partly to the immense difficulty of marking out any frontiers among the icy peaks, and partly to the fact that both Indians and Tibetans knew roughly where the frontier had been for years and were quite content to leave it so.

At the western end of the mountains in the easternmost valleys of Kashmir two historic routes meet, one, from Chinese Turkestan (Sinkiang) to the north, the other via Ladakh from Lhasa, far to the east in Tibet.

At the other end the great Tibetan river, the Tsang-po, or Bramaputrua as it is called in India, breaks clean through the wall of the Himalayas to join the Ganges in Bengal.

The trouble started with the departure of the British from India in 1948, when China took the chance to reassert its old claims to suzerainty over Tibet.

In 1954 India implicitly recognised Chinese suzerainty over Tibet, and in 1956 Mr. Nehru persuaded the Dalai Lama to try to work with the Chinese.

The facade in Tibet crumpled in 1959 with a revolt in Lhasa, and the flight of the Dalai Lama to India with 10,000 followers.

China, which had been seeking to woo the countries of South and East Asia, was shown to be a tiger in yak’s clothing, and “lost face” so badly that she reacted savagely against India.

The north-west seemed at first to offer the best opportunity to make trouble. Kashmir was divided

between the Indian and Pakistani forces, each supporting their co-religionists, here Hindus or Muslims, and the cease-fire line, which had been agreed under United Nations auspices, ran very close to the junction point of the trade routes from north and east.

The Chinese could, in fact, hope to pin the Indian forces against the Pakistani Army, and, before the Indians could get used to looking over their shoulders, they managed to occupy 10,000 square miles of Indian territory.

The Chinese remained in occupation of the territory they had seized.

Meanwhile China was preparing to bring pressure on India at the other end of the Himalayas, where again both terrain and the political situation favoured her.

First she sought to isolate India by signing boundary agreements with Burma in 1960 and Nepal in 1961, the latter of whom India had previously announced that she would defend against Chinese aggression.

China then reaffirmed her rejection of the old India-Tibet boundary to the east, known as the McMahon Line, and printed maps indicating that the boundary should not be to the north of the main ridge, but well to the south. This would range the Chinese forces within a few miles of the Bramaputra for nearly 200 miles.

The Chinese have captured the Indian advanced base at the north-west end and are attacking Walong in the north-east.

Worse still for India, her communications to Assam run through the northern tip of East Pakistan and a southerly projection of Tibet which almost divides the two semi-independent hill states of Sikkim and Bhutan which both lie east of Nepal.

If the Chinese chose to march for a short distance through the territory of one or the other they would be in Darjeeling, the old hill station of the Bengal Government, and the railway junction of Sillguri, and could cut off the whole of Assam

completely from the rest of India, except by air.

Indian forces could cross through East Pakistan with the permission of the Pakistan Government but this would only be given at a price.

The Chinese attack is, moreover, on so massive a scale, three divisions (30,000 men), are reported to be engaged, that it is clear that they intend to secure control before India can transfer reinforcements from Kashmir which would have to travel right across India and then on the single line of railway through the Sillguri gap.

The Indian Commander has collapsed from strain in the high altitudes, Krishna Menon has ceased to be Defence Minister, and Mr. Nehru has felt obliged to call on Indians to show the spirit which the British showed at Dunkirk.

Statesmen do not talk about Dunkirks for their own forces unless they expect one. From being a question of frontier posts this could be a question of the loss of India's eastern province, and the arrival of the Chinese within striking distance of both Calcutta and Dacca.

This is why India has asked for immediate aid and why the United States, Britain and Canada have pledged it. Only an airlift on an almost Berlin scale (and without adequate airfields) may prove sufficient.

The West has appealed to President Ayub Khan of Pakistan to give an undertaking not to take advantage of the withdrawal of Indian forces from Kashmir.

But Pakistanis have old scores to settle, they can be influenced by the Mullahs to a Holy War, and Mr. Nehru has consistently refused all concessions over Kashmir.

If, therefore, it appeared that the Chinese were going to win anyway, Pakistan might take the opportunity to throw the Indians out of Kashmir if the Indian forces there had been drastically reduced.

If they succeeded Mr. Nehru's Government could hardly survive in India, and the Chinese, if

they played their cards skilfully, might eventually help the Indian Communist Party to power.

It should also not be overlooked that if the United States gets too involved in both Cuba and South Asia, Mr. Khrushchev might decide to seek his own quid pro quo in West Berlin.

The storm clouds have certainly gathered over the frozen roof of the world.



XI

After the Crisis

("Sunday Times" 11th November, 1962.)

A threat to use nuclear missiles is a highly dangerous form of brinkmanship, but it has been argued that it is justified because nuclear war would entail such frightful destruction that even a threat can never be ignored and may therefore achieve that pause, in what tends to be ever-increasing emotional tension, which enables reason to take over.

"The Pause" has indeed become a part of strategic thinking and what has happened in Cuba would seem to have more than justified those who believe that it could both be obtained and be effective.

It is, therefore, worthwhile to consider what are the motives which may have influenced Mr. Khrushchev in reaching his decision.

In retrospect it seems probable that the most influential was the desire to prevent the Russian missiles already at the sites in Cuba, or in transit to Cuba, being inspected by the Americans who would, as a result, have had a very good idea of the stage reached by Russia in their development.

They may have been much superior to equivalent American missiles and in that event the Russians would naturally have been reluctant to see their know-how acquired by their opponents.

The likelihood is that the weapons were, in fact, not the most modern, and they might therefore have made the Americans conclude that the Russians did not have the lead about which they have boasted so much.

This could have been a true or false deduction, but, unless Mr. Khrushchev intended to use an actual superiority to start a war at a time and place of his own choosing (and when and where better than over Cuba when all American attention was turned inwards), the only result would

have been to encourage the Americans and enable them to act as if they had the superiority: i.e. the advantage in the cold war of threat and counter-threat would have passed to the United States.

Many of Mr. Khrushchev's statements in recent years have indicated that he would view this situation with great alarm. Soviet policy is, by definition, based on a cold calculation of material chances, and the Soviet leaders are uninfluenced by emotion.

Their opponents on the contrary are equally by definition, influenced by greed, fear, hatred, personal gain, or any of the other hallmarks of a decadent capitalism.

Far, therefore, from assessing their chances coolly and correctly they are liable to assess them emotionally and incorrectly and therefore the real risk of a nuclear war, destructive to both countries to an immense degree, even though the final victory of Russia must (again by definition) be assumed, comes from the Western countries!

Hence the indignation with which Russian leaders greet emotional outbursts from their opponents.

They would, in fact much prefer that their opponents should be as realistic as themselves: then at some time when the Russians did have a superiority in weapons, their opponents would accept the fact and make concessions from which they could never recover a position of equality, and Russia would have won the final battle without firing a missile.

Either way, from the psychological point of view the Americans would appear, therefore, to have won on points.

A pause of a different sort seems to be occurring this past week in Assam where no particular gains have been claimed by either India or China.

This seems to have been due to the necessity for regrouping on the Chinese side and for reinforcing on the Indian, but it is significant that the Chinese have been active in Ladakh in an obvious

attempt to tie down the Indian forces in Kashmir and so prevent their being moved across India to Assam.

The Pakistan Government has also refused either to give an assurance to India that the Pakistan forces will not take advantage of any weakening of the Indian forces in Kashmir, or to condemn the Chinese as aggressors.

With an apparent preponderance of force at either end of the Himalayas, and their own troops already over the passes, the Chinese are in a position to switch the point of attack at will.

One factor may help India: winter is coming to the hill country and may restrict reinforcement of the Chinese forces over the high passes: it is therefore more likely that any major attack will come in Assam than in Kashmir, and if they can hold the Chinese in Ladakh for a few weeks their problem of reinforcing Assam may be simplified.

There has also been yet another kind of pause in several countries because of elections and other political activities.

In the United States, President Kennedy has done remarkably well in the elections to Congress, but not well enough to remove control of the House of Representatives from the coalition of Republicans and conservative Democrats which has prevented the progress of many of his proposals for Social legislation during the past two years.

He will, as a result, be in a strong position over foreign affairs, his conduct of which the electors have endorsed, but much less so in domestic matters.

In France, General De Gaulle is between two elections: he got a reasonable majority for his plan for the direct election, by the people, of his successor, but not a majority of all entitled to vote.

The "Presidency" has therefore been strengthened as the executive and this may later strengthen France's voice in international affairs, but the elections for Parliament may well show

that the parties, almost all of which oppose him but have failed to combine, have a stronger measure of support among Frenchmen, reinforced by the Whites who have fled from Algeria, than General De Gaulle himself would wish.

Finally, still another sort of pause has been reached at the United Nations.

The Assembly has called for the imposition of economic sanctions against South Africa, including the breaking of diplomatic relations, and for the appointment of a committee to supervise their progress.

This had been probable throughout the session but is, nonetheless, a serious blow to South Africa, and it should not be too readily assumed that there will not be serious consequences.

The resolution was opposed by all the major Western countries, and there were many abstentions, but it is by no means sure that it will be vetoed in the Security Council and while it may not secure seven affirmative votes this year, a similar resolution might well do so next year if the committee reports no progress in achieving the objectives of the resolution, and would then be binding on all members (unless, of course, it were to be vetoed).

The passing of the week may therefore be hailed generally with a sigh of relief that nothing worse has happened but without a great deal of confidence that nothing worse will.

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XII

What is at stake in the Yemen

(“Sunday Times” 18th November, 1962.)

For a few weeks the only certainty emerging from conflicting reports from the Middle East has been that there is civil war in the Yemen. The Imam Ahmad died and was succeeded by his son, Mohammed Al-Badr. Al-Badr's claim was challenged by his uncle, Hassan, who had previously left in a huff to Cairo.

Discontented younger officers in the Yemeni Army seemed to President Nasser, however, to offer a better prospect of increasing his influence in the country.

In September, a group of army officers, led by Brigadier Abdullah Tallal, rebelled and claimed to have shelled the Palace at San'a and buried Al-Badr in the ruins: they killed several of his ministers and proclaimed a pro-Nasser republic.

It was next reported that the tribes were resisting the army; that Hassan had invaded the country from the East, that Nasser was sending arms, ammunition, men and aircraft to help Tallal and finally that Al-Badr was not dead, but had escaped.

Tallal, under the mistaken belief that Hassan was operating from the north of Aden Protectorate attacked him with bombs and shellfire but made no progress.

Hassan was then reported to be inside the Yemen a bit to the north and Tallal claimed to have defeated his “Saudi-Arabian levies,” but apparently without ejecting Hassan.

It seems clear that Tallal committed a considerable part of his inconsiderable forces to the East.

Meanwhile Al-Badr turned up in the North-West, pushing down the Red Sea coast towards Al Hudaydah, the only port of the Yemen. This port

has been modernised by Russian engineers and a new road built with Russian and Chinese aid over the mountains to San'a, the inland capital.

It is the only route by which Egyptian aid can continue to reach Tallal. The rest of the Yemen consists of roadless mountains up to 12,000 ft. high, with scattered valleys between them.

This week Al-Badr claimed that outside San'a, Al Hudaydah and the mountain town of Taif in the South, his tribal forces controlled most of the country.

They are not likely to be able to storm the towns, since they probably have only rifles and a few machine guns and Tallal has artillery as well as Egyptian aircraft; but they may be able to intercept road traffic and cut off supplies. The struggle could continue for a long time.

An attempt by some Yemeni officers to imitate Brigadier Kassim of Iraq by killing the hereditary ruler and taking over the country has therefore, failed to achieve the first objective and may, in the long run, fail in the second.

Had it succeeded, attempts would certainly have been made to kill King Hussein of Jordan and King Saud of Arabia, the two remaining kings in the Near East.

The death of Hussein could cause another war between the Arabs and the Israelis. Any revolt in Jordan would probably be led by partisans of Nasser who might proclaim the union of Jordan and Egypt, which could lead to the re-union of Egypt and Syria.

Israel would then be surrounded on all sides except the sea by one Arab state.

King Saud's hold on his country seems to be precarious and an increasing number of his people resent the extravagance of the princes.

Here the danger is that a change of regime might lead to trouble with the oil companies operating along the Saudi coast of the Persian Gulf, which provide almost the whole revenue of Saudi-Arabia and an important part of the West's oil supplies.

If Nasser could win control of the oil of the Arabian peninsula, he could hope to secure eventual control of the whole Middle East between Turkey and Aden, and between the Mediterranean and the Persian Gulf.

Meanwhile the Yemen would be a very useful lever in his hand.

Very big stakes are therefore, being played for in San'a and not only by Nasser. The Russians and Chinese have both, like Nasser, seen the possibility of using the Yemen as a jumping-off ground to get eventual control of the Middle East oil, and to weaken the last British military base in the Middle East, Aden. Both will try to keep the pot boiling.

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XIII

Chinese Cease Fire in India

(“Sunday Times” 25th November, 1962.)

Peking has offered Delhi not only a cease-fire in present positions in the Himalayas, but to withdraw her forces to a position 12½ miles behind the line actually controlled by the Chinese on November 7, that is, at the limits of their advance in their first major attack into Assam from both north-west and north-east.

In the absence of anything except vague statements and the mention of two or three towns it is extremely difficult to ascertain the exact limits to which the Chinese forces would be withdrawn in terms of this offer.

The Indian communiqués have indeed been so uninformative that the London Economist has complained of “the fog of New Delhi’s half-truths.”

It seems, however, that at the end of October the Chinese forces were dug in at between 13,000 and 14,000 ft. on the southern side of the ridge along which the McMahon line ran to the North.

The fighting has been in mountains over 14,000 ft. high and along the narrow valleys which twist into them from the south, which the heavy rainfall chokes with vegetation from giant bamboos to tangled rhododendrons, and the roads are more often than not steep and narrow tracks.

Of the three towns which the Chinese captured, Towang in the west and Wolong in the east are of little importance in themselves.

But the speed of the Chinese advance, after their capture, and that of Bombila 35 miles farther down the valley from Towang, have shown that the Indians had little in the way of defence in depth and that they had relied in their planning, or lack of planning, on the “impassable barrier” of the Himalayas.

These mountains are, in fact, no longer impass-

able to properly armed and equipped forces operating with aircraft and other modern transport from the plateaux of Tibet.

A thousand miles to the west the cease-fire would also leave the Chinese in full possession of Ladakh in the north-east of Kashmir which would mean that they had successfully chopped off the deep salient which the old frontier made between Chinese Turkistan (Sinkiang) and Tibet and had gained complete control of the trade route which runs through the Karakoram Pass in the north to meet the eastern trade routes from Lhasa.

India would have lost approximately one third of the area in Kashmir which the Indian forces have controlled since the ceasefire with Pakistan ten years ago.

The rest of Kashmir, the mountainous north and nearly half the whole country, is in the hands of the Azad Kashmir Government supported by Pakistan.

China and Pakistan agreed in principle last year on their boundary in this area and Pakistan is not, therefore, immediately threatened by China, while her strength in Kashmir relative to India has been greatly increased by the removal by the Indian Government of a considerable part of its forces from its side of the cease-fire line.

Both India and Pakistan claim the whole of Kashmir. But if the people were allowed to vote freely they would probably vote by a large majority to join Pakistan since they are predominantly Moslem and not Hindu.

Nehru himself has been the biggest stumbling block to any such arrangement in the past because he comes of a Kashmiri Brahmin family.

He has similarly in the past opposed any suggestion for division of the country along the present cease-fire line although the continuance of the stalemate year after year has made such a solution seem more and more likely.

To accept partition now would make sound military sense and may indeed be essential if In-

dia is to carry on the war, but it would certainly be regarded in India as another major defeat.

Nehru may therefore prefer to try first to reach a more acceptable boundary agreement with China even on terms which would be bound to be more favourable to China than to India.

The Pakistan Government might have been brought to agree to a division of Kashmir in the past and might just conceivably do so if it were now to be freely offered by India.

Mr. Sandys is being sent by Mr. Macmillan to both Pakistan and India to urge moderation and co-operation on both governments, and to pledge the return of the arms to Britain.

The motives of the Chinese Government can be guessed but it is difficult to assess which have been the most influential.

One motive was undoubtedly to secure control of the Himalayan passes and so not only prevent assistance reaching such Tibetans as are still resisting Chinese rule, but to weaken their determination to resist by destroying their last hope of outside aid.

Another was probably to take advantage of the unpreparedness of the Indian army in Assam to inflict such a defeat on it that India would lose face throughout Asia while China would be shown to be the most powerful country in that continent.

Mr. Nehru has pledged his Government to continue to resist Chinese aggression until her former northern frontiers have been recovered, even if this means fighting for five years or more. But India's military weakness may bring him to some sort of *de facto* acceptance of the Chinese cease-fire terms and, indeed, it has been reported that fighting in Assam has already ceased.

Meanwhile, he will certainly endeavour to use any breathing space to build up the Indian forces in Assam with American and British aid to a point of efficiency, supplies, and operational deployment which would give them a reasonable hope of fighting on equal terms if the Chinese should again attack.

But it is doubtful if India can, without the most massive military aid from the United States, achieve this objective without a very serious effect on the rest of her economy, a fact to which Mr. Nehru has already drawn attention.

It looks therefore as if the initiative will remain with China with the consequence that either India may have to reach some agreement with Pakistan over Kashmir or that the rich and fertile province of Assam with its tea-gardens and potential oil production will be in danger of being pinched out between the Chinese and East Pakistan instead of as in the past East Pakistan looking likely to be pinched out some day between India and Assam.

The best hope for an agreement between India and Pakistan is indeed that the Chinese may have, by their aggression, convinced the Pakistan Government, if not the Pakistan people, that if it is the turn of Assam to be over-run today it would be the turn of East Pakistan tomorrow.

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XIV

The Outlook for South Africa

An address to the National Management Conference, Johannesburg, on 13th November, 1962. (Reproduced with the permission of the National Development and Management Foundation of South Africa.)

It is an impossibility to cover the International Political and Economic situation and its implications for South African business in 1963 in the space of 30 minutes, except in a highly selective fashion. I will do my best but I should mention at the start that I have been here less than 3 months, following an absence of 18 years overseas, and that I can therefore only outline the factors likely to affect South Africa and perhaps reach a few general conclusions: the implications of these conclusions you will be far better able to estimate than I can.

I will, for clarity, group these factors under the general headings of economic, political, financial and military, but you will appreciate that each shades into the others and that the international situation is so complex that many interpretations are possible and any over-simplification dangerous.

I have placed economic first because I want to mention, briefly, the European Common Market. It is to be dealt with by a later speaker who is an authority on the subject, which I am not, but to omit any reference to it would be like presenting Hamlet without the Prince of Denmark, for the possible entry of Britain into the Common Market is likely to affect the prosperity of South Africa more directly and immediately than any other event in the next twelve months.

The direct results will be the loss, for South African exports, of the preferences which they at present enjoy in the British market, and, in addition the imposition of additional duties on them.

The indirect results, for South African exports, will be that their competitors in Europe will have their position strengthened by the abolition of duties and that French and Italian wines and fruits, for example, and French and German beet sugar, will be likely to capture a larger share of the British market.

South Africa may also be affected by the avowed intention of the British Government to seek the aid of the Six European Governments in financing major projects in the underdeveloped countries with the implication that there may be even less investment in South Africa from Western Europe.

More serious is that the bargaining capacity of South Africa in bilateral negotiations for markets will be considerably reduced because other countries will know that she will not be able to risk the breakdown of negotiations: if South Africa is seeking markets for food products or minerals, other countries will demand reductions in duties levied in South Africa to protect local manufacture or in quantitative import controls. Will not Japan, for example, press for a reduction on the duties on her products which, as you know, are subject to the highest tariffs which South Africa imposes.

The principle political factor is likely to be the United Nations where discussion on apartheid has resulted in a two-thirds vote by the Assembly in favour of economic sanctions against South Africa.

The Assembly can only recommend and it is unlikely that seven affirmative voters will be found in the Security Council for making sanctions collective i.e. compulsory on all Members of the United Nations. It should be born in mind, however, that none of South Africa's friends would like to have to veto an Assembly resolution passed by a two-thirds majority, and if a veto is not used five votes would be needed against the resolution.

The U.S.S.R., Rumania, the U.A.R., Ghana and

Nationalist China have already voted in favour: the United Kingdom, the U.S.A., France and Ireland have voted against: Chile and Venezuela, the two remaining Members of the Council, both abstained and everything will depend on the way they vote. If they vote against or abstain again it will be defeated. In that event the Assembly resolution will simply remain a recommendation to individual Members of the United Nations, who will each reach their own decision.

The result would probably be an extension of the Afro-Asian boycott of South African goods to East Africa. (Where it has been less effective than in West Africa) and to parts of South and East Asia (but not to Japan, which voted against the resolution).

The independant Negro group in the Caribbean, Haiti, Jamaica, and Trinidad and Tobago and two Latin American countries, Cuba and Mexico, voted for the resolution. It is possible that none of those countries which abstained on the vote will, in practice, take steps to implement it. These include all the other Latin American Countries (except Ecuador and Paraguay which were absent), all the Scandinavian countries, Austria and Thailand, but it might be over-optimistic to expect this.

Short of breaking off diplomatic relations and imposing full economic sanctions there are steps which a number of countries might take to avoid giving an impression of flouting the assembly. They might for example refrain from increasing their imports from South Africa or even allow them to decrease: they might restrict further financial investments in South Africa: and they might in particular prohibit the export of arms to South Africa. None of these actions would be likely to affect very seriously the economy of South Africa, although collectively they might be a nuisance.

Conversely South Africa might have to spend more to keep services going which could be interrupted by the Afro-Asian boycott. For example there has already been speculation whether South

African Airways may not have to find alternative routes, either now or in the future, if landing facilities on some existing airports are withdrawn by the countries in which they are sited.

What with the Common Market negotiations and the competitive character of some of them over production, South Africa's friends are most unlikely to be able to compensate for any reduction of South Africa's exports as a result of the Assembly resolution by increasing their own imports from South Africa.

The financial factor can be summed up simply: will there be an increase in the price of gold? The arguments in favour of this are the continuing relative weakness in the rate of increase of national production in the U.S., the United Kingdom and, recently West Germany; the continuing weakness in the price of raw materials, which would be helped directly by depreciation of currencies, and indirectly by the stimulus to industrial production which this would cause; the non-sense of pegging indefinitely the price of a single commodity, gold, and the complexity of the alternative courses proposed to achieve similar objectives.

The arguments against are that the U.S. administration and the International Bank and Fund are both pledged to oppose devaluation: that the European currencies are stronger than since 1914: that the U.S. position is fundamentally strong since the adverse balance is due to aid to other countries and military expenditure overseas, and that the main beneficiaries would be South Africa and the Soviet Union.

The European countries might perhaps face devaluation of their currencies in terms of gold without much risk of serious inflation but the risk would be serious in Latin America, in Australia and the U.S.A. itself. Dr. Dönges may prove right in his forecast that devaluation must come, and that it ought not to be too long delayed: it is however unlikely that it will come in 1962/63, and probably not in 1963/64. I have already indicated

that it is unlikely, for political reasons, that there will be any renewal meanwhile of large scale overseas investment in South Africa. However, South Africa's balance of payments has been consistently favourable for the past year, her financial reserves have been steadily increasing, and on the whole the financial prospect seems to be slightly better than the economic or political.

The fourth factor is the military factor which has two aspects, the external and the internal.

Externally South Africa cannot be said to be threatened immediately by any country: the risk is that incidents involving serious loss of life to Africans and Asians within the Republic might so influence Afro-Asian opinion that the governments of countries in these areas might be obliged by public opinion to take some forcible action, however suicidal, and then have to be rescued by the great powers. The headaches involved in a rescue operation would be so powerful that the majority of the great powers would almost certainly do everything possible to prevent circumstances arising in which the operation would be necessary.

But this does not mean that South Africa should not take precautions to make sure that an attack by African or Asian countries would be certain to be defeated and the continuation of the defence build-up is therefore likely.

Internally the build-up of the South African Defence Force is bound to provide a temporary stimulus to secondary industries, the iron & steel industry, the construction industry, the transport and servicing industry, and to agriculture which may well help to balance, equally temporarily, a decline in external trade which may not prove so temporary and may be on a much larger scale. On the other hand defence expenditure could add considerably to imports unless supplies of arms were denied to South Africa in the circumstances where I have already indicated.

What course does this analysis indicate that South Africa should follow during the next twelve

months? If there are no fundamental changes in South African political and social policy the initiative will continue to lie with others, not with South Africa, and since the balance of forces is also against South Africa, a defensive strategy seems to be inevitable. The overall objective can only be to gain time in order to enable changes to occur which might improve the balance of probabilities.

To this end cautious economic and financial policies would appear to be required. On the one hand it will be desirable to continue to build up reserves to meet any emergency requirement. On the other hand South Africa will need to be in a position to be able to bargain for admission of her exports against larger imports from particular countries.

The announcement last week by the Minister of Economic Affairs, Dr. Diederichs, of a further relaxation of import control in 1963 could enable such a course to be followed. Meanwhile the opportunity to obtain additional raw materials and plant has been given to South African Industry while money is plentiful and pending the effects of any such restrictions becoming noticeable. The Secretary for Commerce and Industry Mr. Kotzenburg, pointed out also last week that South Africa's obligations under G.A.T.T. in any event involved relaxation of import controls in 1963, since South Africa's reserve position is now strong and only weakness in the reserves is held to justify import controls. The alternative course of relaxing the exchange controls would simply have started a flight of capital from South Africa and a fall in the level of reserves which need to be kept high for the reasons indicated.

It would for the same reasons also appear that all possible steps should continue to be taken to increase gold exports to compensate for possible lower exports of agricultural, manufactured or mineral products, allocating such funds as can be made available to the basic industries, power, iron and steel and agriculture, and refraining from

stimulating local manufactures which may have to be sacrificed in subsequent negotiations to find markets for exports.

A side effect of such a policy (one which few if any other African countries are likely to have the courage to follow) would be to encourage private overseas investors in the belief that South Africa is financially the one safe investment area in Africa.

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