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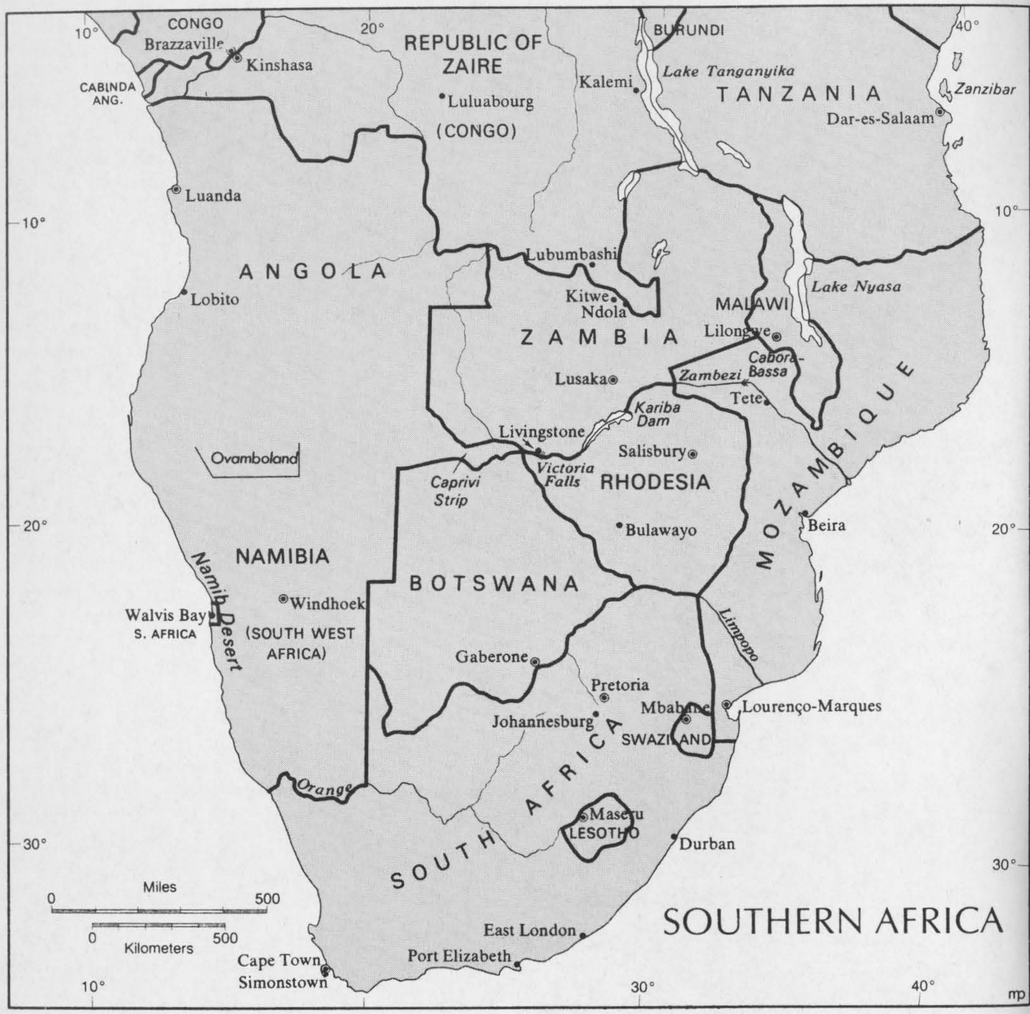
Updated as of 4/30/74

Rhodesian Chrome

A RESEARCH REPORT

Student & Young Adult Division • United Nations Association of the U.S.A.



Revised Edition, Library of Congress Card Catalogue No. 74 — 81721

Supplement

Rhodesian Chrome

A Research Report
Student & Young Adult Division
United Nations Association of the U.S.A.

SPECIAL WRAPAROUND SUPPLEMENT UPDATED AS OF 4/30/74.

[May 1974?]

UNA USA

UNITED NATIONS ASSOCIATION of the UNITED STATES OF AMERICA

345 East 46th Street • New York, New York 10017 • OXford 7-3232 Area Code 212

FOR RELEASE:

For Further Information Contact:
David Dull, 212 697-3232

For Immediate Release

U.S. ERRED IN BREACHING RHODESIAN TRADE EMBARGO, NEW ASSESSMENT SAYS

In the two and a half years since its passage, the "Byrd Amendment," permitting U.S. industry to import chrome from Southern Rhodesia in defiance of a mandatory United Nations embargo, appears to have sacrificed U.S. interests in Africa and the UN for largely illusory national security and economic benefits according to an updated study released today by the Student & Young Adult Division of the UN Association.

A bill, S.1868, to repeal the Byrd Amendment passed the Senate in December by a vote of 54 to 37 and is pending in the House of Representatives.

Today's update appears as a supplement to a longer report, *Rhodesian Chrome*, reissued today, which was written and published a year ago by the Washington Intern Program of UNA's Student and Young Adult Division. The supplement takes a new look, based on developments in the past year, at the national security and economic objectives stressed by proponents of the Byrd Amendment (Public Law 92-156), and at its impact on U.S. foreign policy.

The Byrd Amendment was proposed in 1971 as a way to legalize the importation of chrome ore from Southern Rhodesia despite a binding trade embargo against the illegal, white-ruled regime imposed in 1966 by the UN Security Council — with U.S. support. The amendment was, however, worded broadly enough to admit any item on the U.S. "strategic stockpile" list. In what appears to have been a surprise to most of the bill's backers, the main imports have consisted not of chrome ore (used by U.S. ferrochrome manufacturers who then sell mainly to U.S. stainless steelmakers) but of ferrochrome manufactured at the mine mouth in Rhodesia and sold directly to U.S. steel manufacturers. In 1973 Rhodesia captured 41 percent of the U.S. import market for ferrochrome. The ferrochrome plants in Rhodesia pay wages far below the U.S. scale and are free from expensive anti-pollution requirements.

As long as the Byrd Amendment remains on the books, the report says, Rhodesian ferrochrome will stand to gain more sales at the expense of U.S. manufacturers although this threat is now temporarily offset by peak demand resulting from a boom in the steel industry.

Meanwhile, imports of chrome ore from all countries, including Rhodesia, have sharply declined as 930,000 tons of the swollen U.S. Government stockpile of this ore were released for industrial use. Legislation is now pending to release another 3.9 million tons.

Politically the report cites testimony that U.S. interests have been damaged by the fact that the U.S. alone has openly flouted the UN sanctions, although clandestine violations by others appear to have been widespread. The sanctions, voted in December 1966 and widened in May 1968, are the only instance in which

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the Security Council has ever used its power under the UN Charter to require member governments to apply "enforcement measures" against an offending party. The Council's aim is to pressure the white minority leadership under Ian Smith to negotiate a new constitution granting political rights to the five million Blacks who make up 95 percent of the country's population. Legally, Southern Rhodesia remains a British colony; its self-declared "independence," unilaterally announced by the white rulers in 1965, has not been officially recognized by any state.

The political costs, according to the report, are of four kinds:

1. The amendment is a blow to U.S. support for the rule of law and collective security.

2. It reduces pressure for a negotiated multiracial solution in Rhodesia, and increases the likelihood of a military solution in which the long-term prospects of the white minority are far from bright — and have been further dimmed by the changing outlook for Portugal's neighboring colony of Mozambique.

3. It harms U.S. relations with nations of Black Africa, including some which have resources of petroleum, manganese, tantalum, and other minerals important to the U.S.

4. In the United Nations, it hampers U.S. ability to enlist the support of African governments — the largest regional group — on issues of key importance to Washington.

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Summary

May 1974 Supplement

Rhodesian Chrome

*A Research Report**

Student & Young Adult Division

United Nations Association of the U.S.A.

The Byrd Amendment, permitting importation of chrome ore and other strategic materials from Southern Rhodesia in defiance of a mandatory UN embargo, has been on the U.S. statute books since November 1971. S.1868, a bill to repeal this law, passed the U.S. Senate last December and is now under consideration in the House of Representatives.

Repeal of the Byrd Amendment has been urged by, among others, Secretary of State Kissinger, UN Ambassador John Scali, Assistant Secretary for African Affairs David Newsom, and Representative John Buchanan, who served as a U.S. delegate to the UN General Assembly in 1973. In addition, Peter M. Flanigan, Assistant to the President for International Economic Affairs, stated in June 1973 that Rhodesian chrome is *not* "an important element in U.S. security or in our overall foreign economic policy."

Following, in summary, is an analysis of the arguments for and against the Byrd Amendment, as presented in the supplement.

National security: The facts do not support the main assertion of the original proponents of the Byrd Amendment, i.e., that imports of chrome ore from Southern Rhodesia had to be renewed for reasons of national security. This argument

- ignored the availability of a U.S. strategic stockpile of high-grade chrome ore nearly 12 times what the Government now considers a safe level for both defense and essential civilian needs. In 1973 it began selling off most of that stockpile.

- depicted the Soviet Union (for many years the main U.S. source of chrome ore) as likely at any time to shut off the chrome supply for political reasons. This ignored the many aspects of Soviet dependence on economic and political cooperation with the U.S. Soviet chrome exports to this country have continued undisturbed since the 1950s, through crises over Berlin, Cuba, the Middle East and Vietnam.

- pictured Southern Rhodesia as a vital alternative source to the USSR, ignoring imports from South Africa, Turkey, Brazil, Greenland, India, Iran and Pakistan which, in 1973 alone, exceeded the present stockpile requirement of the Department of Defense. In fact, the small chrome ore imports from Rhodesia under the Byrd law have been at the expense of third countries — not of the Soviet Union, whose share of the U.S. import market has actually increased and is over half the total.

Economic and commercial concerns: A second major set of arguments alleges that U.S. industry needs cheap Rhodesian chrome. However

- rising prices for chrome ore in the years preceding the Byrd Amendment, and price declines thereafter, *cannot* be tied to the cutoff and resumption of imports from Rhodesia. Those

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* UNA originally published *Rhodesian Chrome* in May 1973. The May 1974 edition contains the entire text of the original and a new 16-page supplement. Additional copies are available from UNA-USA, 345 East 46th Street, New York, New York 10017.

imports have been far too small to affect the price trends. The upward pressure in the 1960s came primarily from a long-term, global increase in stainless steel manufactures; the recent downward trend is traceable mainly to reduced demand in the U.S. ferrochrome industry and to the stockpile sales.

- ferrochrome producers in the U.S. did *not*, as predicted, find in Rhodesia an attractive new source of metallurgical chrome ore. Since the Byrd Amendment, Rhodesia has accounted for only 10 to 11 percent of a sharply declining volume of metallurgical chrome ore imports. What has come instead from Rhodesia — unheralded by advocates of the Byrd bill in 1971 but admissible under its broad language — is a growing volume of *high-carbon ferrochrome.* It is manufactured in that country under low wages and no pollution controls and competes here with domestically-produced ferrochrome. Rhodesia's share of *rising* U.S. ferrochrome imports rose from zero in 1971 to 41 percent in 1973.

- a 1971 assertion that a certain shipment of chrome ore from the Soviet Union "may" have originated in Rhodesia is still occasionally cited as if it were fact — even though it was discredited at that time by experts in the U.S. Geological Survey.

- the recently established role of imported Rhodesian ferrochrome in supplying the U.S. stainless steel industry is minor, comprising 10 percent of U.S. ferrochrome consumption in 1973. It could quickly be replaced by other sources should renewed sanctions cut off the Rhodesian supply.

Legal Obligation: Enactment of the Byrd Amendment placed the United States in open violation of its UN Charter obligation to conform to binding decisions of the Security Council. Arguments have been made that the Council had no power to impose mandatory sanctions in the Southern Rhodesia case, or that the President had no authority to comply with the sanctions program, but such arguments do not stand up to scrutiny. The American Bar Association called on Congress in 1972 to repeal the Byrd Amendment, declaring "the rule of law to be the only alternative to the rule of force" and that "the good faith fulfillment of treaty obligations is central to the rule of law."

Effect on Rhodesian peace negotiations: The all-white minority regime in Rhodesia is in a complex "fight-talk" situation, fighting against an escalating Black insurgency while talking with the chief African negotiator, Bishop Muzorewa. Although the white leadership still balks at necessary concessions on Black political rights, major pressures for such concessions arise from insurgent activity and from the UN sanctions program, even in spite of widespread clandestine violations. Repeal of the Byrd Amendment, bringing new vigor to the UN sanctions, would strengthen the hand of both Black and white advocates of a negotiated, rather than a military, solution, and thereby improve hopes for peace in southern Africa.

Relations with Africa: The Byrd Amendment, with its implication that the U.S. places commercial considerations above African rights, has dealt a blow to our relations with African countries whose friendship and commerce are important to our interests and to U.S. imports of petroleum, manganese, tantalum, cobalt and other strategic minerals. Its impact has been strongest among African youth. The longer it lasts, the more likely it is to be remembered with bitterness by a future majority government of Southern Rhodesia.

U.S. posture in the UN: The Byrd Amendment has compounded U.S. difficulties in gathering support among the UN's 41 African member nations on issues important to Washington.

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United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 93d CONGRESS, SECOND SESSION

Vol. 120 WASHINGTON, TUESDAY, JULY 30, 1974 *No. 113*

House of Representatives

RHODESIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 5 minutes.

Mr. DIGGS. Mr. Speaker, I would like to submit for the thoughtful consideration of my colleagues, the following statement which I delivered to the Committee on Rules today regarding the granting of a rule to S. 1868, a bill to restore U.S. compliance with U.N. sanctions on Rhodesia.

STATEMENT OF HON. CHARLES C. DIGGS, JR.

Mr. Chairman, I appreciate and welcome the opportunity to appear before you today concerning the granting of a rule to S. 1868, a bill to restore U.S. compliance with United Nations sanctions on Rhodesia. I would like to request an open rule with one hour of general debate for S. 1868.

BACKGROUND

Southern Rhodesia is a self-governing British colony dominated by a 5 percent white settler population which, in 1965, unilaterally declared independence from Britain, while continually refusing to allow full political participation to the 95 percent African majority. As a result, the United Nations Security Council, at the request of Great Britain, declared the situation in Southern Rhodesia a threat to international peace and called for partial mandatory sanctions in 1966 and full mandatory sanctions in 1968. The United States, as a member of the Security Council, voted for and fully supported sanctions against Southern Rhodesia.

Two U.S. presidents subsequently supported the sanctions program. However, in 1971, Congress passed the so-called Byrd amendment (Section 503 of the Military Procurement Act) which allowed the United States to violate sanctions by importing "strategic" materials (primarily, ferrochrome and chrome) from Southern Rhodesia.

During the last session of Congress, S. 1868 passed the Senate by a vote of 54–37 after the significant defeat of a filibuster. Subsequently, on June 27, 1974, the House Committee on Foreign Affairs favorably reported the bill by a vote of 25–9.

U.S. LONG-TERM INTERESTS

Passage of S. 1868 is now demanded in terms of the United States' own long-range interests, which more than outweigh any economic benefits which may accrue to a few multinational corporations as a result of the Byrd amendment.

The Byrd amendment has placed an unnecessary stumbling block in U.S.-African relations and evidences an insensitivity to African concerns which must end! Independent, majority-ruled Africa, whose raw materials are becoming more and more critical for the United States, considers the repeal of the Byrd amendment a priority issue. Nigeria's exports of oil, for example, have become increasingly significant for an energy-conscious United States. The Federal Energy Office reports that, for the last full week of June (June 21–27), the United States imported more oil from Nigeria than from any other country. (21.5 percent of our bulk crude oil came from Nigeria, as well as 14.6 percent of the total—crude and refined oil combined.)

Economic interdependence between the United States and majority-ruled Africa is a fact of life. As indicated in recently-published hearings of the Subcommittee on Africa, U.S. imports ($1,511.6 million) from Africa (excluding Egypt, North Africa, and South Africa) in 1973 were nearly double our exports ($856 million) to that area. And, many independent African countries are major producers of minerals needed by the United States. Zaire and Zambia are important world producers of copper. The United States imports more than 22 percent of the world's cobalt, nearly three-fourths of which comes from Zaire. More than one-third of our imports of manganese come from Gabon, which, along with Zaire and Ghana, produces 16 percent of the world's manganese.

Surely, these facts serve to illustrate the overwhelming economic significance to the United States of majority-ruled Africa, in which the United States now has private investments of more than $3 billion, as opposed to the economic importance of Southern Rhodesia.

For those who are concerned with assuring future supplies of Rhodesian minerals—although plentiful supplies are available from other countries as the attached chart illustrates, as well as from our national strategic stockpile which contains enough excess material to replace Rhodesian imports for nearly twenty years—serious attention must be given to how an inevitably majority-ruled government in Rhodesia will view our current violation of sanctions. Change in southern Africa, particularly in Southern Rhodesia, is inevitable.

Just this past weekend, Portugal's President Antonio de Spinola abandoned earlier calls for federation and a referendum, accepting the idea of independence for the Portuguese "territories" of Angola and Mozambique, and for Guinea-Bissau. Certainly, independence in these areas has been inevitable for some time now. This is particularly true following the recent April 25th coup in Portugal, after which it has become more evident that Portugal's army in Africa is increasingly unwilling to carry on that country's African wars.

South Africa, which maintains an ever-rigid system of apartheid, cannot expect to forever sustain its hold over the 75 percent majority population which is African.

In Southern Rhodesia, where, as mentioned earlier, 5 percent of the population maintains political and economic domination over the 95 percent African majority, change is even more inevitable. Civil war continues in Southern Rhodesia. The illegal regime faces a continuing shortage of foreign exchange (alleviated somewhat by the Byrd amendment).

Entirely landlocked, Southern Rhodesia is bordered by the two independent majority-ruled states of Botswana and Zambia, by Mozambique (soon to be independent), and by South Africa.* Any attempts to circumvent sanctions will become even more difficult, with support for the breaking of sanctions coming only from South Africa among Southern Rhodesia's neighbors.

Surely, a majority-ruled Rhodesia will remember that the United States is the only country in the world to support, through domestic law, the open violation of United Nations sanctions.

INTERNATIONAL LAW

In addition to long-term foreign policy and economic considerations, it is quite clear that the Byrd amendment has made the United States an international legal renegade. As a status quo nation, the United States cannot afford to teach the rest of the world the lesson that treaties are to be dishonored at will.

As a country which argues for sanctions against other international law-breakers, our international credibility has clearly been impaired by not adhering to our own international legal obligations.

It is frequently alleged that restoration of U.S. compliance with sanctions would constitute meddling in the internal affairs of another country. However, it should be remembered that sanctions were instituted by the United Nations, thereby constituting a multilateral, rather than a unilateral, United States action.

Furthermore, as a major world power, virtually any significant political and economic action the United States takes is felt throughout the world and within other countries. Southern Rhodesia, however, is not recognized as a "country" by any state in the world, including South Africa. The Byrd amendment does impact internally in Southern Rhodesia by assisting the illegal Ian Smith regime in its attempts to maintain power by affording it $43 million in valuable foreign exchange from the trade with the United States alone.

In the past, we have not hesitated to use economic measures to influence the internal affairs of other countries, as evidenced by the nearly 300 House cosponsors of the bill to tie freedom of emigration with East-West trade (the Vanik amendment).

Clearly then, there are very vital foreign policy issues at stake which argue for the restoration of U.S. compliance with United Nations sanctions against Southern Rhodesia. Secretary of State Kissinger, in an October 3, 1973, letter to me, stated: "I am convinced that the Byrd provision is not essential to our national security, brings us no real economic advantage, and is detrimental to the conduct of foreign relations."

It is vital that the United States begin to look forward toward its very real long-term interests which rest in passage of S. 1868 and repeal of the nefarious Byrd amendment.

* Southern Rhodesia also shares a small border with Namibia, the international territory illegally occupied by South Africa.

U.S. BUREAU OF THE CENSUS: FT 246: IMPORTS, COMMODITY BY COUNTRY 1970–73

[Quantity in content tons]

Country	1970 Quantity	1970 Value per ton	1970 Percent total	1971 Quantity	1971 Value per ton	1971 Percent total	1972 Quantity	1972 Value per ton	1972 Percent total	1973 Quantity	1973 Value per ton	1973 Percent total	1st quarter, 1974 Quantity	1st quarter, 1974 Value per ton	1st quarter, 1974 Percent total
CHROME ORE[1]															
U.S.S.R.	200,783	$64	60.0	134,442	$77	45.0	180,089	$73	63	93,321	$58	54	34,910	$43	65.0
South Africa	39,957	32	12.0	57,741	34	19.0	45,608	35	15	14,276	42	8	5,724	47	11.0
Turkey	57,149	75	17.0	76,152	80	25.0	29,889	60	9	35,083	81	21	10,584	74	20.0
Rhodesia				10,700	72	4.0	27,955	67	9	18,484	80	11			
Pakistan	13,719	73	4.0	14,984	68	5.0	11,696	78	3	9,787	88	6			
Iran	13,248	72	4.0	5,040	76	2.0									
Philippines	10,340	32	3.0				3,964	51	1	2,793	36	1	2,320	56	4.0
Total	335,196	61	100.0	299,059	69	100.0	299,192	65	100	173,744	65	101	53,538		100.0
FERROCHROME, LOW-CARBON															
South Africa	11,658	387	64.0	8,661	399	32.0	14,406	413	31	8,745	501	29	3,763	592	35
Japan	210	340	1.0	4,882	603	18.0	9,598	566	21	7,577	563	25	2,565	575	24
Sweden	2,192	523	12.0	4,036	617	15.0	7,125	556	15	4,542	613	15	202	752	2
Norway	2,362	458	13.0	2,409	606	9.0	4,505	538	10	2,163	583	7	354	661	3
West Germany	1,910	483	10.0	3,728	628	14.0	2,163	560	5	1,506	742	5	334	883	3
Turkey				750	476	3.0	4,703	486	10	1,180	507	4	1,565	475	15
Portugal													722	537	7
Rhodesia							2,181	511	5.0	3,329	562	11	1,158	546	11
France	21	427	(.1)	773	550	3.0	336	528	(.7)						
India				1,623	493	6.0									
Yugoslavia							774	538	2						
Belgium							28	520	(.05)						
Mozambique							400	724	(.9)	1,177	542	4.0			
Canada				111	390	(.4)	30	560	(.06)	6	762	(.02)			
Total	18,353	422	100.0	26,973	535	100.0	46,149	505	100.0	30,224	560	100	10,662		100
FERROCHROME, HIGH-CARBON															
Finland	3,347	191	44.0	5,771	197	2.0	3,612	$188	8	4,528	196	7			
West Germany	3,037	297	40.0	4,392	369	16.0	1,519	329	4	263	320	(0.3)			
Norway	352	344	5.0	211	405	1.0	2,272	337	5	792	354	1	400	401	2
South Africa	322	220	4.0	3,871	247	14.0	18,377	257	42	23,451	275	34	7,608	294	44
Japan	236	309	3.0	8,362	350	31.0	2,267	325	5	298	398	(0.4)			
Mozambique	298	233	4.0							587	234	1			
Rhodesia							6,795	226	16	31,579	250	45	5,334	271	29
Brazil				847	344	3.0	2,535	257	6	4,160	243	6	556	254	3
Yugoslavia							3,176	205	7	2,149	373	3	2,302	369	13
France				2,927	384	11.0									
Italy							1,075	298	2						
Belgium				71	358	(.3)	1,021	232	2						
Sweden				151	342	(.5)	796	339	2	783	350	1	1,675	439	9
Spain										944	319	1.3			
Netherlands							556	330	1						
Canada				360	440	1.0							0.6	527	
Cyprus							16	425	(.03)						
Total	7,592	247	100.0	26,965	311	100.0	44,017	256	100	69,534	262	100	17,875		100

[1] 46 percent or more chromium oxide.

Note: All figures are rounded.

RHODESIAN SANCTIONS

S.1868, a bill to halt importation of Rhodesian chrome and restore the United States to full compliance with U.N. Security Council sanctions, passed the Senate in December 1973 and was reported favorably by the House Committee on Foreign Affairs on June 27. The following material is intended to answer some of the allegations about sanctions with facts.

I. Allegation: Sanctions deny the U.S. metallurgical grade chrome ore essential during a national emergency.

Fact: The U.S. stockpile of chrome has a substantial excess. Deputy Secretary of Defense W.P. Clements stated in a letter on July 20, 1973, that defense requirements for chromite ore are only 2.3 percent of the national stockpile. Office of Emergency Preparedness figures indicate that there is enough chrome to take care of defense needs for over forty years. Mr. Henry Ford noted in a letter to Rep. Charles Diggs this May that "One way of assuring adequate supply for the years immediately ahead, should the Rhodesian embargo be reimposed, would be for Congress to pass legislation that would release the national stockpile of chromite and ferrochrome. *

II. Allegation: Sanctions has made the United States dependent on lower quality chrome from the USSR which is sold at exhorbitant prices.

Fact: Between 1961 and 1966 (the year before sanctions), imports of chrome from Russia jumped from 4.7 percent to 58 percent according to the Department of Commerce, while imports from Rhodesia fell from 47.2 percent to 17.6 percent. Although Rhodesian chrome has been available, domestic ferrochrome producers have continued to buy over 50 percent of our chrome imports from the Soviet Union.

According to Mr. John Morning, supervisory physical scientist for the Division of Ferrous Metals of the U.S. Bureau of Mines, the Soviet Union has the highest grade chrome ore in the world, with a chrome to iron ratio of 4:1 as opposed to the 3:1 ratio of Rhodesian chrome. Figures from the Bureau of the Census for 1973 show that the United States paid only $58 per ton for Soviet chrome ore while paying $80 per ton for Rhodesian chrome ore.

III. Allegation: Sanctions have damaged the U.S. ferrochrome industry.

Fact: The opposite is true. The removal of sanctions has allowed Southern Rhodesia to export increasing amounts of cheap ferrochrome to the United States in direct competition with our domestic industry. The United Steelworkers of America, in the April 7, 1974 issue of Steel Labor, pointed out: "Today seven USWA locals who once employed 2,800 workers in four companies in Ohio, West Virginia, South Carolina, and Alabama now have a work force almost 30 percent smaller -- directly attributed to ferrochrome imports of which Rhodesia is the largest source." Because of the essentiality of ferrochrome for stainless steel production, it is not in the U.S. long-term interests to lose the capacity to produce ferrochrome.

IV. Allegation: Sanctions would cut the United States off from needed supplies of ferrochrome and chrome.

Fact: There are 700,000 tons of excess ferrochrome and 3 million tons of excess chrome in the national stockpile. Alternative sources of ferrochrome at prices cheaper than Rhodesia's are Brazil and Finland. Metallurgical grade chrome is available from the national stockpile, as well as from Turkey, the Philippines, the USSR, South Africa, and Pakistan. There is enough excess chrome and ferrochrome in our stockpile to replace Rhodesian imports for nearly 22 years.

V. Allegation: Reimposition of Rhodesian sanctions would constitute meddling in the internal affairs of another country.

Fact: It should be remembered that Rhodesian sanctions were instituted by the United Nations, thereby constituting a multilateral, rather than a unilateral, U.S. action. Failure to adhere to sanctions is a violation of our international legal obligations.

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* Ferrochrome -- the processed chrome ore used in stainless steel production.

Furthermore, as a major world power, virtually any significant political and economic action the United States takes is felt internally in other countries. (Southern Rhodesia, however, is not recognized as a "country" by any state in the world, including South Africa.) The Byrd amendment does assist Rhodesia's illegal Ian Smith regime in its attempts to maintain power by affording it $43 million in valuable foreign exchange from the trade with the United States alone -- thereby, significantly affecting the internal situation in Southern Rhodesia.

In the past, the Congress has not hesitated to use economic measures to influence the internal affairs of other countries, as evidenced by the nearly 300 House co-sponsors of the bill to tie freedom of emigration with East-West trade (the Vanik amendment).

VI. Allegation: Independent Africa is not concerned with the U.S. position on Rhodesian sanctions.

Fact: This is patently untrue. Governor Linwood Holton, in a May 30, 1974 letter to Rep. Edward Biester, wrote:

> Some eleven African nations took the initiative in publicly and privately praising the United States for the Senate repeal action in their own countries and at the United Nations. The Foreign Minister of Zambia (a leading copper-producing nation) wrote to our Ambassador expressing his country's pleasure, a sentiment reiterated in a public radio and press statement in Lusaka. The Minister of Foreign Affairs of Ghana expressed his country's strong approval in person to then Assistant Secretary of State-designate for African Affairs Donald B. Easum in Accra. An official of the Ministry of Foreign Affairs of Nigeria, one of America's leading petroleum sources, welcomed the Senate vote.
>
> ....I would add that most nations' representatives who commented also expressed the hope that the House of Representatives would follow suit in repealing the Byrd amendment in order to complete the action. A number noted that positive U.S. action in this domain would have a beneficial effect in encouraging other nations to be more rigorous in their own observation of sanctions.

As a nation which has a growing need for Africa's resources, the United States cannot afford to remain insensitive to independent Africa's concerns with U.S. support for minority rule in southern Africa. Secretary of State Henry Kissinger, in a February 8, 1974 letter to Rep. John Buchanan has stated: "...the Byrd provision has impaired our ability to obtain the understanding and support of many countries including such important African nations as Nigeria, a critical source of low-sulphur petroleum, and a country in which we have investments of nearly $1 billion."

The inevitability of independence in Portugal's African "territories" makes the Byrd amendment an even more short-sighted policy, inimical to the United States' longer-range concerns.

Committee on Foreign Affairs

Immediate Release
June 28, 1974

For further information contact:
Leslie Yates (202) 225-8971

DIGGS APPLAUDS FOREIGN AFFAIRS VOTE ON SANCTIONS

Congressman Charles C. Diggs, Jr., (D-Mich.), Chairman of the House Subcommittee on Africa, applauded yesterday's action of the House Foreign Affairs Committee in voting (25-9) to report S. 1868, a bill to restore U.S. compliance with United Nations sanctions on Rhodesia, to the House floor.

In Southern Rhodesia, a tiny white minority illegally seized power with its Unilateral Declaration of Independence (UDI) in 1965 -- a minority which represents less than five percent of the total population. Ninety-five percent of the population is black. The minority regime, headed by Ian Smith, maintains its repression only by instigating rigid economic, political and legal control very much akin to apartheid.

The United Nations, at the request of Great Britain (the legitimate authority in Southern Rhodesia) responded to UDI by voting sanctions against the regime. The United States supported and voted for U.N. sanctions in the Security Council. However, in 1971, passage of an amendment to the Military Procurement Act (the so-called Byrd amendment) had the effect of exempting Rhodesian chrome and other "strategic materials from U.N. sanctions.

During the last session of Congress, S. 1868 was unanimously reported out of the House Foreign Affairs Subcommittee on International Organizations and Movements and, subsequently passed by the Senate after the significant defeat of a filibuster.

Supporters of S. 1868 indicate that repeal of the Byrd amendment, which allowed the importation of chrome and ferrochrome from Southern Rhodesia, is crucial for a variety of reasons.

--U.S. relations with Africa have been unnecessarily damaged by the Byrd amendment. Africa, whose raw materials, including Nigerian oil, are becoming increasingly critical for the United States, considers repeal of the Byrd amendment a priority issue.

--By not adhering to its international legal obligations, the international credibility of a United States which, at the same times, argues for sanctions against other international lawbreakers, has been impaired.

--Competition from cheap imports of Rhodesian ferrochrome, allowed by the Byrd amendment, has been injurious to our own domestic ferrochrome industry.

--The United States' national security does not require importation of Rhodesian minerals as our national strategic stockpile contains enough excess material to replace Rhodesian imports for nearly 20 years.

--Alternative sources of chrome and ferrochrome (the processed ore used in stainless steel production) are available. Chrome is imported from the Soviet Union, Turkey, South Africa, and the Philippines; ferrochrome from Finland, West Germany, South Africa, and Brazil.

--Sanctions would deny the illegal Ian Smith regime a valuable source of critical foreign exchange (Southern Rhodesia has gained over $43 million from the trade in minerals with the United States alone), thereby constituting viable, nonviolent pressure for change in Southern Rhodesia.

Congress of the United States
Committee on Foreign Affairs
House of Representatives
Washington, D.C. 20515

August 14, 1974

Mr. Stanley S. Scott
Special Assistant to the President
The White House
Washington, D.C. 20500

Dear Stan:

I am writing in reference to S.1868, a bill to restore full U.S. compliance with United Nations sanctions against Rhodesia. I am sure that you realize that this is an issue of great concern to me.

Independent majority-ruled Africa, whose raw materials, including Nigerian oil, are becoming increasingly critical for the United States, considers repeal of the Byrd amendment a priority issue.

As you may know, S.1868 is scheduled for consideration by the full House this coming Tuesday, August 20. A crucial element in our success is the active involvement of the White House and State Department.

I would greatly appreciate anything you can do to facilitate active administration support.

Enclosed, for your consideration, are background materials setting forth the major issues.

Sincerely,

Charles C. Diggs, Jr.
Chairman, Subcommittee on Africa

CCD/lyj
Enclosure

Committee on Foreign Affairs

Immediate Release
June 28, 1974

For further information contact:
Leslie Yates (202) 225-8971

DIGGS APPLAUDS FOREIGN AFFAIRS VOTE ON SANCTIONS

Congressman Charles C. Diggs, Jr., (D-Mich.), Chairman of the House Subcommittee on Africa, applauded yesterday's action of the House Foreign Affairs Committee in voting (25-9) to report S. 1868, a bill to restore U.S. compliance with United Nations sanctions on Rhodesia, to the House floor.

In Southern Rhodesia, a tiny white minority illegally seized power with its Unilateral Declaration of Independence (UDI) in 1965 -- a minority which represents less than five percent of the total population. Ninety-five percent of the population is black. The minority regime, headed by Ian Smith, maintains its repression only by instigating rigid economic, political and legal control very much akin to apartheid.

The United Nations, at the request of Great Britain (the legitimate authority in Southern Rhodesia) responded to UDI by voting sanctions against the regime. The United States supported and voted for U.N. sanctions in the Security Council. However, in 1971, passage of an amendment to the Military Procurement Act (the so-called Byrd amendment) had the effect of exempting Rhodesian chrome and other "strategic materials from U.N. sanctions.

During the last session of Congress, S. 1868 was unanimously reported out of the House Foreign Affairs Subcommittee on International Organizations and Movements and, subsequently passed by the Senate after the significant defeat of a filibuster.

Supporters of S. 1868 indicate that repeal of the Byrd amendment, which allowed the importation of chrome and ferrochrome from Southern Rhodesia, is crucial for a variety of reasons.

--U.S. relations with Africa have been unnecessarily damaged by the Byrd amendment. Africa, whose raw materials, including Nigerian oil, are becoming increasingly critical for the United States, considers repeal of the Byrd amendment a priority issue.

--By not adhering to its international legal obligations, the international credibility of a United States which, at the same times, argues for sanctions against other international lawbreakers, has been impaired.

--Competition from cheap imports of Rhodesian ferrochrome, allowed by the Byrd amendment, has been injurious to our own domestic ferrochrome industry.

--The United States' national security does not require importation of Rhodesian minerals as our national strategic stockpile contains enough excess material to replace Rhodesian imports for nearly 20 years.

--Alternative sources of chrome and ferrochrome (the processed ore used in stainless steel production) are available. Chrome is imported from the Soviet Union, Turkey, South Africa, and the Philippines; ferrochrome from Finland, West Germany, South Africa, and Brazil.

--Sanctions would deny the illegal Ian Smith regime a valuable source of critical foreign exchange (Southern Rhodesia has gained over $43 million from the trade in minerals with the United States alone), thereby constituting viable, nonviolent pressure for change in Southern Rhodesia.

RHODESIAN SANCTIONS

S.1868, a bill to halt importation of Rhodesian chrome and restore the United States to full compliance with U.N. Security Council sanctions, passed the Senate in December 1973 and was reported favorably by the House Committee on Foreign Affairs on June 27. The following material is intended to answer some of the allegations about sanctions with facts.

I. Allegation: Sanctions deny the U.S. metallurgical grade chrome ore essential during a national emergency.

Fact: The U.S. stockpile of chrome has a substantial excess. Deputy Secretary of Defense W.P. Clements stated in a letter on July 20, 1973, that defense requirements for chromite ore are only 2.3 percent of the national stockpile. Office of Emergency Preparedness figures indicate that there is enough chrome to take care of defense needs for over forty years. Mr. Henry Ford noted in a letter to Rep. Charles Diggs this May that "One way of assuring adequate supply for the years immediately ahead, should the Rhodesian embargo be reimposed, would be for Congress to pass legislation that would release the national stockpile of chromite and ferrochrome. *

II. Allegation: Sanctions has made the United States dependent on lower quality chrome from the USSR which is sold at exhorbitant prices.

Fact: Between 1961 and 1966 (the year before sanctions), imports of chrome from Russia jumped from 4.7 percent to 58 percent according to the Department of Commerce, while imports from Rhodesia fell from 47.2 percent to 17.6 percent. Although Rhodesian chrome has been available, domestic ferrochrome producers have continued to buy over 50 percent of our chrome imports from the Soviet Union.

According to Mr. John Morning, supervisory physical scientist for the Division of Ferrous Metals of the U.S. Bureau of Mines, the Soviet Union has the highest grade chrome ore in the world, with a chrome to iron ratio of 4:1 as opposed to the 3:1 ratio of Rhodesian chrome. Figures from the Bureau of the Census for 1973 show that the United States paid only $58 per ton for Soviet chrome ore while paying $80 per ton for Rhodesian chrome ore.

III. Allegation: Sanctions have damaged the U.S. ferrochrome industry.

Fact: The opposite is true. The removal of sanctions has allowed Southern Rhodesia to export increasing amounts of cheap ferrochrome to the United States in direct competition with our domestic industry. The United Steelworkers of America, in the April 7, 1974 issue of Steel Labor, pointed out: "Today seven USWA locals who once employed 2,800 workers in four companies in Ohio, West Virginia, South Carolina, and Alabama now have a work force almost 30 percent smaller -- directly attributed to ferrochrome imports of which Rhodesia is the largest source." Because of the essentiality of ferrochrome for stainless steel production, it is not in the U.S. long-term interests to lose the capacity to produce ferrochrome.

IV. Allegation: Sanctions would cut the United States off from needed supplies of ferrochrome and chrome.

Fact: There are 700,000 tons of excess ferrochrome and 3 million tons of excess chrome in the national stockpile. Alternative sources of ferrochrome at prices cheaper than Rhodesia's are Brazil and Finland. Metallurgical grade chrome is available from the national stockpile, as well as from Turkey, the Philippines, the USSR, South Africa, and Pakistan. There is enough excess chrome and ferrochrome in our stockpile to replace Rhodesian imports for nearly 22 years.

V. Allegation: Reimposition of Rhodesian sanctions would constitute meddling in the internal affairs of another country.

Fact: It should be remembered that Rhodesian sanctions were instituted by the United Nations, thereby constituting a multilateral, rather than a unilateral, U.S. action. Failure to adhere to sanctions is a violation of our international legal obligations.

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* Ferrochrome -- the processed chrome ore used in stainless steel production.

Furthermore, as a major world power, virtually any significant political and economic action the United States takes is felt internally in other countries. (Southern Rhodesia, however, is not recognized as a "country" by any state in the world, including South Africa.) The Byrd amendment does assist Rhodesia's illegal Ian Smith regime in its attempts to maintain power by affording it $43 million in valuable foreign exchange from the trade with the United States alone -- thereby, significantly affecting the internal situation in Southern Rhodesia.

In the past, the Congress has not hesitated to use economic measures to influence the internal affairs of other countries, as evidenced by the nearly 300 House co-sponsors of the bill to tie freedom of emigration with East-West trade (the Vanik amendment).

VI. Allegation: Independent Africa is not concerned with the U.S. position on Rhodesian sanctions.

Fact: This is patently untrue. Governor Linwood Holton, in a May 30, 1974 letter to Rep. Edward Biester, wrote:

> Some eleven African nations took the initiative in publicly and privately praising the United States for the Senate repeal action in their own countries and at the United Nations. The Foreign Minister of Zambia (a leading copper-producing nation) wrote to our Ambassador expressing his country's pleasure, a sentiment reiterated in a public radio and press statement in Lusaka. The Minister of Foreign Affairs of Ghana expressed his country's strong approval in person to then Assistant Secretary of State-designate for African Affairs Donald B. Easum in Accra. An official of the Ministry of Foreign Affairs of Nigeria, one of America's leading petroleum sources, welcomed the Senate vote.
>
> ....I would add that most nations' representatives who commented also expressed the hope that the House of Representatives would follow suit in repealing the Byrd amendment in order to complete the action. A number noted that positive U.S. action in this domain would have a beneficial effect in encouraging other nations to be more rigorous in their own observation of sanctions.

As a nation which has a growing need for Africa's resources, the United States cannot afford to remain insensitive to independent Africa's concerns with U.S. support for minority rule in southern Africa. Secretary of State Henry Kissinger, in a February 8, 1974 letter to Rep. John Buchanan has stated: "...the Byrd provision has impaired our ability to obtain the understanding and support of many countries including such important African nations as Nigeria, a critical source of low-sulphur petroleum, and a country in which we have investments of nearly $1 billion."

The inevitability of independence in Portugal's African "territories" makes the Byrd amendment an even more short-sighted policy, inimical to the United States' longer-range concerns.

August 19, 1974

Dear Mr. Rangel:

This is to acknowledge and thank you for the telegram of August 14th to the President from the Black Caucus concerning sanctions against Southern Rhodesia.

I know the President will appreciate having the views of the Caucus on this important issue and assure you that I will bring your wire to his immediate attention.

With best regards,

Sincerely,

/s/ Bill

William E. Timmons
Assistant to the President

The Honorable Charles B. Rangel
House of Representatives
Washington, D. C. 20515

bcc: Stanley Scott w/incoming FYI re mtg. of Wed., August 21st.

WET:SJH:sjh

QUESTION WILL BE THE DETERMINING FACTOR. WITHOUT WHITE HOUSE INTERVENTION AT THIS POINT, DEFEAT IS VIRTUALLY CERTAIN, AND THE ADMINISTRATION WILL BEAR THE RESPONSIBILITY FOR FAILURE OF ONE ITS OWN FOREIGN POLICY OBJECTIVES. SO FAR, THE WHITE HOUSE COMMITTMENT OF ACTIVE SUPPORT HAS NOT BE FULFILLED AND SECRETARY KISSINGER HAS NOT SIGNED THE LETTERS HE PROMISED TO SEND TO KEY MEMBERS OF THE HOUSE.

THE ISSUE IS WILL THE UNITED STATES CONTINUE TO VIOLATE INTERNATIONAL LAW, REMAINING INSENSITIVE TO THE CONCERNS OF INDEPENDENT MAJORITY RULED AFRICA, WHO'S RAW MATERIALS ARE INCREASINGLY CRITICAL FOR THE UNITED STATES WILL WE ALSO CONTINUE GIVING COMFORT TO A MINORITY RACIST REGIME, THERE BY RISKING LONG TERM ACCESS TO RHODESIAN MINERALS WHEN MAJORITY RULE INEVITABLY COMES? OR WILL WE SUPPORT THE FOREIGN POLICY OF OUR LAST TWO PRESIDENTS

BY RETURNING TO THE COMMUNITY OF LAW ABIDING NATIONS IN A COOPERATIVE
MULTI LATERAL EFFORT TO INDUCE PEACEFUL POLITICAL CHANGE IN
THE WORLD?

IN ADVANCE OF OUR PERSONAL MEETING WITH YOU, MR PRESIDENT,
WE URGENTLY NEED YOUR ASSISTANCE ON THIS MATTER NOW

CONGRESSIONAL BLACK CAUCUS

NNNN

21021

The White House
Washington

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PMS PRESIDENT GERALD FORD

WHITE HOUSE DC

DEAR MR PRESIDENT THE CONGRESSIONAL BLACK CAUCUS RESPECTFULLY URGES YOUR SUPPORT FOR S.1868, THE BILL TO RESTORE THE UNITED STATES TO FULL COMPLIANCE WITH U.N. SANCTIONS AGAINST THE REPRESSIVE MINIORITY REGIME IN SOUTHERN RHODESIA.

WHITE HOUSE ASSISTANCE PLAYED AN INDISPENSABLE ROLL IN ACHIEVING PASSAGE OF THIS MEASURE IN THE SENATE LAST DECEMBER. IN THE HOUSE, THE NEED FOR WHITE HOUSE SUPPORT IS EVEN GREATER, IN VIEW OF THE FACT THAT OF 194 MEMBERS NOW EXPECTED TO VOTE FOR THE BILL, ONLY 40 ARE REPUBLICANS OF THE 193 COUNTED AGAINST THE BILL, 123 ARE REPUBLICANS. THE BILL IS SCHEDULED FOR THE HOUSE FLOOR ON AUGUST 20. THE POSTURE OF THE WHITE HOUSE WITHOUT