

South African minerals and Soviet strategy

by William Engdahl

One of the least discussed aspects of the ongoing political destabilization of southern Africa is the role the Republic of South Africa plays as a supplier of certain minerals which are of strategic importance to the economies of the industrial West.

In the 1981 edition of *Soviet Military Power*, U.S. Defense Secretary Weinberger stated: "The Soviets are also seeking to develop a viable oil and strategic minerals denial strategy, either through physical disruption, market manipulation, or domination of producing or neighboring states. Soviet statements clearly reflect the U.S.S.R.'s understanding of the extent to which the United States and Western Europe currently depend on imports of vital strategic materials from the developing regions."

South African mineral resources, like it or not, are of vital and, in certain instances, irreplaceable significance for the defense and industrial needs of the West, especially the United States. If the demand for "economic sanctions" against South Africa is viewed from the standpoint of Soviet strategic interest, the events of recent weeks take on a very ominous character.

A geological uniqueness

Since the discovery of diamonds in the Cape Province in 1867, and gold near what is today Johannesburg in 1886, southern Africa has been the pivot in battles for world resource control. South Africa contains some of the most diverse mineral resources in the world, an abundance which has been the basis for one of the world's most advanced mining and minerals industries.

South Africa possesses the world's largest known reserves (Soviet bloc figures have to be estimated) of a number of precious metals and minerals essential to steel production. According to U.S. Bureau of Mines and Geological Survey data, South Africa has 75% of the non-Comecon world reserves (land-based) of manganese ore. Manganese is essential to the production of all steel, both as a deoxidizing agent and as an alloying element for hardening steel. As of 1983, no metallurgical grade manganese ore was produced in the United States. From 1979 to 1982, 33% of U.S. manganese and 43% of U.S. ferromanganese came from South Africa.

The Republic of South Africa has the world's largest reserves of the platinum-group metals (platinum, palladium,

iridium, osmium, rhodium, and ruthenium), in the famous Merensky Reef of the Bushveld Complex, one of the world's largest metal-bearing geological formations. It holds an estimated 86% of the non-Comecon supply of the precious metal, essential for automotive catalysts as well as a catalyst in petroleum refining and the production of nitrogen fertilizers. In 1979-82, South Africa supplied 56% of U.S. platinum.

Chromium is primarily used in the production of corrosion-resistant and special heat-resistant steel alloys, including all so-called stainless steels. In these applications, it is virtually impossible to replace. More than 99% of known world reserves of chromite are in southern Africa, with South Africa holding 74% in the Bushveld Complex and Bophuthatswana. In 1982, South Africa was the world's largest producer of chrome ore. The United States is the world's largest consumer of chromite, but produces none domestically. South Africa provided 48% of U.S. supplies in 1979-82.

Vanadium is used as an alloying agent in iron and steel production and in the production of titanium alloys. At present, there is no acceptable substitute for vanadium in titanium alloys, making it indispensable for production of jet engines and aerospace vehicles. In 1983, 52% of U.S. consumption was imported, with South Africa, which holds 49% of non-Comecon reserves, providing 54% of U.S. consumption.

South African uranium, primarily produced as a byproduct of gold mining, is the third-largest reserve base in the world. South African reserves of coal are estimated to be the fourth-largest in the non-Comecon world, with the Richards Bay coal-loading facility the quickest and most efficient in the world.

Anglo-Russian treachery?

One of the most obvious byproducts of the escalating international outcry against South African apartheid policies has been the announced decision by certain American banks, among them Citibank, Morgan Guaranty, Manufacturers Hanover, and the Bank of Boston, to refuse further lending to South Africa. Unnoticed, however, as American and increasingly West German and French firms and banks reduce their exposure, is the fact that the largest commercial bank of the British realm, Barclays, has *increased* its investment in South Africa, with an estimated \$14 billion in holdings there.

Barclays, known in London as the "Bank of the British Empire," was the bank for which NATO Secretary General Peter Lord Carrington served as director until last year. Carrington is a principal architect of the "New Yalta" deal with Moscow's leadership to recarve the geopolitical boundaries of the world under conditions of collapsed U.S. strategic power and influence, leaving a Soviet Empire, with the promised assist of the reconstituted British Empire as a kind of Russian colonial administrator. Collapse of U.S. economic ties with South Africa, would be a prime Anglo-Soviet objective.