

should be terminated. 3) If “the need to render the labor market less rigid is not tackled firmly, then the reform program proposed” will not succeed; a strategy is needed “to eliminate or drastically ease minimum labor standards.” 4) Overhaul the Department of Education to render it more efficient, with private education being encouraged. 5) Sell off most or all Industrial Development Corporation holdings within 18 months. 6) Government pension funds should be fully privatized. 7) “The main role of government is to create a suitably enabling market-friendly environment, and allow markets to respond appropriately.” 8) The rand should be revalued.

The South Africa Foundation is serving as the British-run locomotive to force through Thatcherite economics, and to eliminate the opposition—predominantly labor—by manipulating ANC government officials into smashing their Cosatu and SACP allies in the tripartite alliance. Part of the game has been for various banks participating in the SAF to take actions to cause the fall of the rand, and then have spokesmen blame the rand’s fall on statements by Shilowa and others, who have supposedly discouraged outside investors and the proverbial “market forces.”

However, the reality is that the rand had been holding steady against the dollar for over a year, when the March-April issue of *Foreign Affairs*, publication of the New York Council on Foreign Relations (part of the same British-led international orbit as the SAF) published a 13-page signal piece for investors to pull money out of South Africa. And that they did. A Johannesburg political analyst told *EIR* at that time: “This is when the slide started; prior to this things were going quite well. . . . But now the money is gone. It is another Mexico.”

Similarly, Standard Bank, whose head, Dr. Conrad Strass, is a trustee of SAF, took the lead in what appears to be a decision with other SAF-connected banks, to increase prime overdraft rates a full point on May 17, *without waiting for a lead from the central Reserve Bank*, dealing another blow to the economy. Officials at the central bank were reportedly quite miffed, but followed suit. The action is now the subject of parliamentary hearings. The leading individuals within Standard Bank are seen as anti-labor ideologues; they played a key role in formulating the South Africa Foundation’s “Growth for All” document, and they publicly attack, and try to create dissension within, the alliance among the ANC, Cosatu, and SACP.

Moves to break up tripartite alliance

The attempt to force failed Thatcherite economic policy on this country—a country that has some of the infrastructure for making it the engine of Africa—unquestionably has driven the biggest wedge in the tripartite alliance since President Mandela came to power. London’s *Financial Times* gloated July 25: “The uneasy alliance between South Africa’s ANC and the trade union movement appears to be crumbling.” The fact that the “honeymoon is over,” the *Financial*

Times said, “is probably no bad thing. The government has to make some tough choices in its economic policies, and it is unlikely to do so if it is always seeking to placate its union allies. It is too broad a movement to conduct a rigorous economic policy.”

The *Financial Times* insisted that it was Shilowa’s denunciation of the government’s economic plan as a “recipe for disaster” that was responsible for the drop of the rand. The rand had lost more than 4¢ against the dollar as of July 23, but this followed directly on the heels of a scathing London

South Africa Foundation: a tool of British policy

The South Africa Foundation was founded in 1959, during a period when the fight over dirigist economics was intense: a turning point in South Africa’s history, just as the present is. The Cape wing of the National Party—and the doctrine of apartheid—had been brought to power with British connivance in 1948, to terminate a movement toward South Africa’s industrialization associated with the name of Dr. J.H. van der Bijl.

In 1958, the Transvaal wing of the party took over, with Henrik Verwoerd as prime minister. Verwoerd had clearly started out under British control, but he began to move in league with France’s President Charles de Gaulle and West Germany’s Chancellor Konrad Adenauer. Verwoerd managed to bend apartheid to coexist with a new drive for dirigist industrialization, alarming the British. Hence, the founding of the South Africa Foundation (SAF) as a counterpole to the Verwoerd government. Verwoerd was later assassinated. From its inception, the SAF was to function as a shadow government, in which all of the power centers of the South African economy participated, directed by British interests.

The World Wildlife Fund connection

There is substantial overlap between the SAF and the South Africa Nature Foundation (SANF), the South African affiliate of the World Wildlife Fund (WWF, now the World Wide Fund for Nature), founded just two years later. A major common goal is to ensure that control of the world’s raw materials remains in the hands of a tiny handful of largely British or Anglo-Dutch multinationals.

The founding of both the SAF and SANF was supported, financially and otherwise, by Anglo American Corp. head Harry Oppenheimer and the Rembrandt to-

School of Economics report which hit the Reserve Bank's attempt to defend the rand.

Shilowa is being targeted for removal from the scene by means of threatening characterizations from the radical free-marketters. Terry Markman, a board member of the Free Market Foundation of Southern Africa, is telling people that Shilowa is "a dedicated ideological communist whom we will not be able to turn."

Similarly, the *Aida Parker Newsletter*, which often reflects Mont Pelerin Society thinking, raged in its June 1996

issue: "One man can bring the ANC government's new economic program crashing: that man is Cosatu secretary-general Sam Shilowa—a gentleman with an awesome ego. . . . His profound and implacable hostility to bankers and business is well known to investors here and overseas. Confrontational politics are his lifeblood. . . . Only weeks ago he was threatening to lay unspecified criminal charges against the banks if they raised their interest rates. This was accompanied by unbridled attacks on the South Africa Foundation and its soundly prepared 'Growth for All' document.

bacco group's chief, Anton Rupert. Rupert was later named chairman of the WWF in South Africa, and is also one of the co-founders of Prince Bernhard of the Netherlands' 1001 Club. Sir Francis de Guingand, the former head of British military intelligence who was the first head of the SAF, was also a member of Bernhard's 1001 Club. J.A. Stegmann, an SAF trustee, was a trustee of the SANF.

Oppenheimer and de Beers are in a category of their own, in terms of the British power they wield. Julian Ogilvie Thompson is currently a trustee of the SAF, as well as chairman, Anglo American Corp. of South Africa Ltd.; chairman, De Beers Consolidated Mines Ltd.; and chairman, De Beers Centenary AG. Anglo American Corp. is the largest mining firm in the world; it dominates the economy of South Africa. It constitutes, together with the two De Beers companies, the Oppenheimer empire. The Rothschilds and J.P. Morgan and Co. provided Sir Ernest Oppenheimer the financing to cartelize diamond and gold production in South Africa between 1902 and 1929. De Beers Consolidated Mines Ltd. (South Africa), and De Beers Centenary AG (Switzerland), control world diamond production. This control was established by Cecil Rhodes in 1880, and, by 1888, with Rothschild backing, the two firms controlled 90% of the world's diamond production.

Throughout its history, the SAF has been powerful, and dirty. A president of the SAF in the 1970s, Dr. Jan S. Marais, was the most prominent South African leader in the Perminex network in that decade. (Perminex was culpable in the murder of President John Kennedy, and was thrown out of France for its involvement in several assassination attempts against President Charles de Gaulle.) Marais was chairman of South Africa Metropolitan Life Assurance, founder-chairman of the Trust Bank of Africa, and a member of the board of the SANF. When Henry Kissinger visited South Africa in the mid-70s, Marais was *the* prominent non-government figure with whom Kissinger was seen regularly. Lord Derek Pritchard, another member of the 1001 Club, was the longtime head of the SAF's London office.

The SAF today

Although the South Africa Foundation initially had offices in London, Washington, Paris, and Bonn, in August 1995 the foundation "concluded a major restructuring exercise to better reflect new South African realities," according to an SAF press release. All firepower was apparently moved back to Johannesburg itself, although "the foundation has retained as consultants" the directors of its former offices abroad. "The fundamental objective of the foundation will be to enable South Africa's major corporations to formulate a coordinated view on macroeconomic and other issues and promote the interests of South Africa's private sector, both domestically and internationally. Major South African companies will be directly involved in macroeconomic and social policy deliberation."

Currently sitting on the SAF board of trustees, along with Ogilvie Thompson and J.A. Stegman, are other notables, including:

- Dr. Conrad Strauss, the current head of Standard Bank. Standard Bank was founded by Cecil Rhodes; in 1969, it merged with Britain's Chartered Bank to form Standard-Chartered PLC, one of the biggest drug-money laundering banks in the world; it is now described as "a relic of the British Empire." In 1987, the megabank divested its South African holdings, and Standard Bank is now South African owned—but "its allegiance has not changed," notes a knowledgeable South African source.

- M.H. Daling sits on all the boards of the Afrikaner insurance giant Sanlam, as well as heading up Sancorp, Sanlam's investment company. Earlier, Fred du Plessis, Sanlam's chairman, headed the SAF.

- Basil Edward Hersov, the Cambridge-educated head of the gold-mining company Anglovaal. He is also chairman of the board, First National Bank, South Africa. He was honorary president of the SAF beginning in 1979.

- M.J. Levett, the head of Old Mutual Insurance Company. Old Mutual co-signed the SAF "Growth for All" document.

- D.C. Brink, the head of Absa Bank, South Africa's largest.