

Memorandum for Cabinet by the
Hon. Minister of Commonwealth and Foreign Affairs

SOUTHERN RHODESIA

Up to February 8, 1966, twenty-three countries, viz., Trinidad and Tobago, Japan, Denmark, Norway, Sweden, The Netherlands, Italy, Luxembourg, Belgium, Iraq, U.S.S.R., U.S.A., India, New Zealand, Finland, Australia, Burundi, Colombia, Jordan, Haiti, The Yemen, Bulgaria and Brazil, had notified the United Nations Secretary-General of the measures taken by them in conformity with the Security Council resolution of the 19th November, 1965. These measures ranged from a total embargo (on all exports from and imports to Rhodesia) to a limited embargo. Furthermore the above-mentioned States informed the Secretary-General that they did not recognise the present Government of Rhodesia while those States having diplomatic or consular representation in Rhodesia had recalled their representatives. Commonwealth preferences were withdrawn by Trinidad and Tobago, India, New Zealand and Australia and the Benelux Countries stopped their guarantees to exports to Rhodesia.

Other missions at the United Nations have limited themselves to issuing press releases while others have given no publicity to measures taken by their countries. Countries which are known to have placed an embargo on trade with Rhodesia, including exchange control restrictions are, Canada, Ceylon, Cyprus, Jamaica, Kenya, Malaysia, Malawi, Pakistan, Sierra Leone, Singapore, Nigeria, Uganda, Tanzania, and, of course, Britain. Switzerland has blocked the Rhodesia Reserve Bank's account in the Swiss National Bank.

On the 6th December 1965, Government decided that all goods imported into Malta originating from Southern Rhodesia would be subject to an import licence. Moreover, Government expressed its intention not to issue import licences for tobacco and sugar from Southern Rhodesia except in the case of cargoes which had already been shipped from Southern Rhodesia and arrived in Malta not later than January 31, 1966. Thus Government's embargo covered 98% of Malta's global imports from Rhodesia. In 1964 the value of Maltese exports amounted to £1,005.

As may be seen from the above the difference between the present partial embargo and a total embargo on trade is insignificant. Were a total embargo to be enforced it would not materially alter the situation nor would it have any adverse effect on our commercial interests. Moreover the possibility of an import licence being granted for Rhodesian goods, other than tobacco and sugar, cannot be conceived in view of the general feeling among Commonwealth and other countries on the subject of Rhodesia.

(A case in point is an application received recently by the Ministry of Industrial Development and Tourism from a local firm for a licence to import a quantity of frozen beef from Rhodesia, to the value of £16,000).

/It would

It would, therefore, appear expedient to enforce a total embargo on all imports from and exports to Rhodesia.

This suggestion stems from the following two factors:-

(i) In the first place a Commonwealth country enforcing a total embargo on all trade with Rhodesia would, in the present texture of events, add weight, albeit psychological in the case of Malta, to the concerted and sustained effort of both Commonwealth and other countries to hasten the downfall of the Smith regime. Britain is particularly anxious that Malta should cooperate to the full.

(ii) Secondly, and this is more important still, it would discourage any underhand attempts by Rhodesian exporters to seek ways and means to circumvent and disrupt the efforts and, in some cases, the sacrifices, of those countries committed to a change of regime in Rhodesia. It is a well-known fact that Rhodesian exporters are trying with some success, to break through sanctions by all sorts of subterfuges.

The British Government has taken other steps, besides trade embargoes, to apply pressure on the Smith Regime in Rhodesia. The most important one is that relating to exchange control. The British Government has made representations to the Maltese Government through the British High Commissioner seeking the cooperation of Malta in this regard. The possibility of Maltese banks being used by Rhodesians for exchange transactions cannot be excluded.

It is for decision of Ministers whether:

- (1) to approve a total ban on trade with Rhodesia,
- (2) to approve that steps be taken to bring exchange control measures into line with Britain.

24th February, 1966.