

on the system of apartheid.

EIR: You would think of Chief Buthelezi as expressing this kind of outlook, in his policy approach?

Smith: Certainly.

EIR: Before, you mentioned the necessity of bringing the ANC leadership, or some of it, into discussions on the Marshall Plan. Is this an idea of attempting to separate elements considered to be more moderate, from elements that are identified as terrorists, or pro-communist, or what?

Smith: You get a different opinion from everybody who talks to the ANC. In fact, they're a mixture, of what is called "moderate" and "communist." For me, however, communism has never taken hold, and can't, in South Africa, because of the strong tribal loyalties.

The point I was trying to emphasize, is the importance of including black leaders, so that the Marshall Plan won't be labeled "blood money" to make up for past exploitation, and so on.

EIR: Getting back, for a moment, to the question of sanctions, what seems clear, now, is that the effort has shifted, among those in Britain and elsewhere, who want sanctions, to force President Reagan to collapse on this issue, to create, in a sense, an American flank against Thatcher, thereby isolate her, and force her to cave in. What is your estimation of this?

Smith: She is a tough lady, and she'll weather the isolation. This tidal wave demanding sanctions is largely emotional, coupled with a fair degree of hypocrisy. I think Mrs. Thatcher is right, to try to preserve a sensible view in this crisis. President Reagan was doing the same, from what I can see, with his recent speech, even though it appears that the pressure on him in the United States is even greater than on Mrs. Thatcher here.

What surprises me, though, at least in Great Britain, is how little the real public interest has been involved in this crisis. Members of Parliament report that they are getting few letters sent to them on this issue. In Britain, this is becoming a political football, with the Labour Party attacking Thatcher, although when they were in power, they never had any intention of applying sanctions.

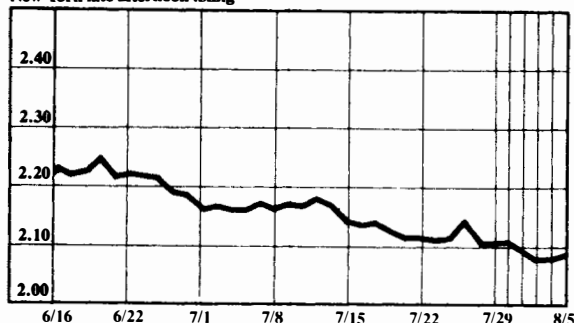
EIR: Of course, this South Africa issue is central to the brawl between 10 Downing Street and Buckingham Palace, that has erupted recently. . . .

Smith: I think this monarchy thing is being totally blown up out of all proportion. I've spoken to some very informed people, and they believe that this is purely a media invention. I saw Mr. Kinnock [Neil Kinnock, the head of the Labour Party] on television last night, and he was very forthright in demanding that any view that the Queen might or might not have, would not influence his policy. He was giving great support to the Queen.

Currency Rates

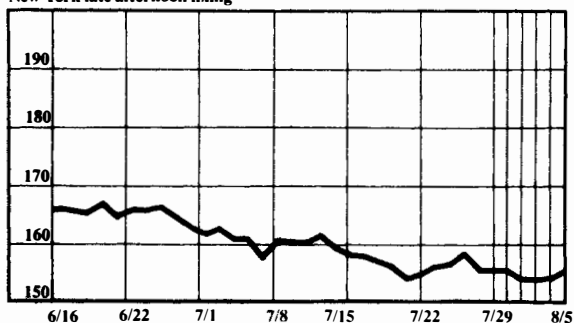
The dollar in deutschemarks

New York late afternoon fixing



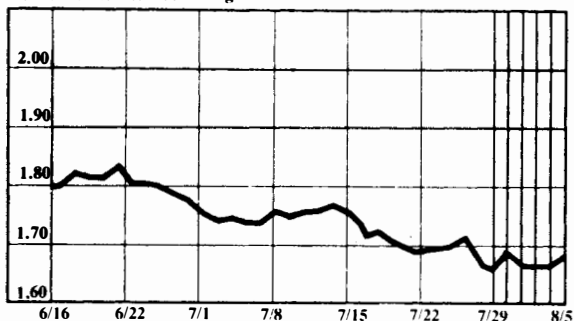
The dollar in yen

New York late afternoon fixing



The dollar in Swiss francs

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The British pound in dollars

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