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AID TO ZIMBABWE

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HEARING BEFORE THE SUBCOMMITTEE ON AFRICA OF THE COMMITTEE ON FOREIGN AFFAIRS HOUSE OF REPRESENTATIVES NINETY-SIXTH CONGRESS

SECOND SESSION

SEPTEMBER 23, 1980

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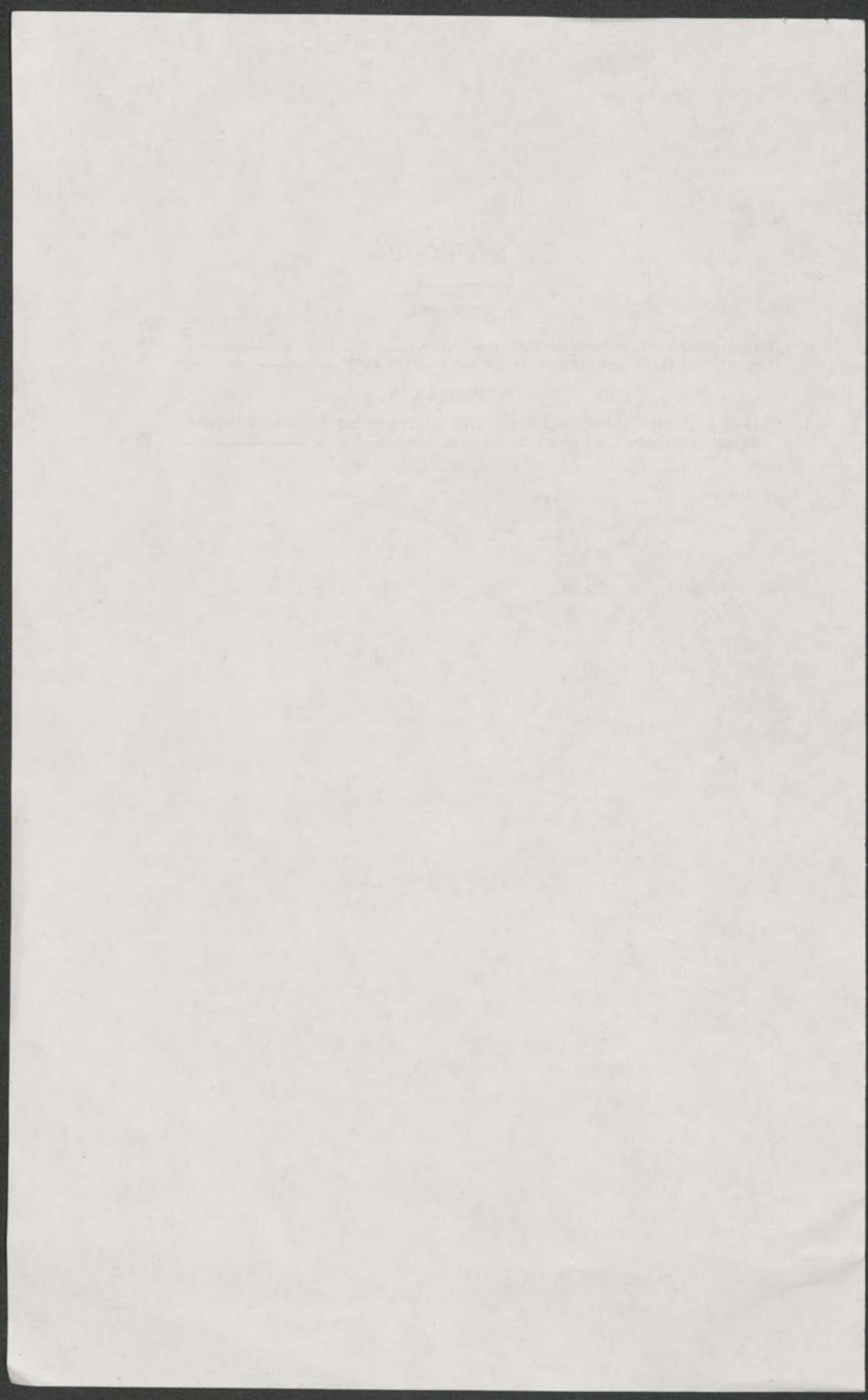
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AID TO ZIMBABWE

TUESDAY, SEPTEMBER 23, 1980

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
SUBCOMMITTEE ON AFRICA,
Washington, D.C.

The subcommittee met at 10 a.m., in room 2172 Rayburn House Office Building, Hon. Stephen J. Solarz (chairman of the subcommittee) presiding.

Mr. SOLARZ. The hearing of the subcommittee will come to order.

Today the Subcommittee on Africa will hold a hearing on the question of American aid to Zimbabwe. The peaceful transition to independence and majority rule in Zimbabwe several months ago was clearly one of the most significant political and diplomatic developments in the history of southern Africa. It is a development which has, I think, potentially profound consequences, not only for the future of this very important part of the world but also for our own national interest.

Somewhat disappointingly the Carter administration has responded to the establishment of majority rule in Zimbabwe with a relatively restricted foreign aid program for that country. The administration has indicated that it plans to provide approximately \$30 million in economic assistance to Zimbabwe for fiscal 1981 which represents an increase of only \$10 million over the amount that will be made available during the course of fiscal 1980. It is no secret that the economic and developmental needs of Zimbabwe to recover from the ravages and depredations of one of the most bloody and bitter civil wars in the history of the African continent are enormous.

My own feeling is that the developments that have taken place in Zimbabwe since independence have been nothing short of miraculous. A new government has come to power in that country which has merged the policies of racial reconciliation and economic progress. I just returned from an 8-day study mission to South Africa in July and it seems to me very clear that more so than any other single factor what happens in Zimbabwe over the course of the next few years will determine the prospects for peaceful change in South Africa, itself.

To the extent that the new government of Prime Minister Mugabe in Zimbabwe can provide opportunities for their people which make it possible to satisfy the legitimate aspirations of the African masses while at the same time creating conditions which facilitate the attention of the white minority should significantly strengthen the forces of peaceful change in South Africa.

But if the Government is unable to satisfy the legitimate aspirations of the African majority and if chaos and confrontation should erupt

it will probably only strengthen the feeling in white South Africa that this is what will await them if some form of equitable power-sharing arrangements are established there as well.

The Subcommittee on Africa which played a significant role in mustering support here in the House in favor of the President's policy of maintaining sanctions against Rhodesia pending agreement at the Lancaster House Conference therefore has a real interest in attempting to see if it is possible to provide Zimbabwe with a more generous allotment of aid in order to help stabilize the situation in that country.

We are particularly pleased and privileged to have with us today two extraordinarily distinguished Americans both of whom in differing ways have played a very important part in the history of this youngest of all the African countries. Our first witness today will be someone who is no stranger to this committee or this Congress or this room or this town, Hon. Cyrus Vance, our former Secretary of State who was a major architect of the administration's policy on Zimbabwe and who was instrumental in helping to persuade the Congress to support the administration's determination to play a constructive role in the search for majority rule in Zimbabwe.

After former Secretary Vance's testimony we will then be privileged to hear from the former Governor of the Empire State of New York, one of our most distinguished diplomats, Averell Harriman, who also served as the cochairman of the U.S. delegation to the independence day ceremonies in Zimbabwe. I was privileged to participate as a member of that delegation and I was enormously impressed by the way in which Governor Harriman so effectively represented the American interests on a moving and memorable occasion.

Given the extent to which both of these gentlemen have involved themselves in the question of Zimbabwe and are familiar with it, we thought it would be very helpful to get the benefit of their testimony on the question of American foreign aid to Zimbabwe.

Before I ask Mr. Vance to begin, I notice that my very distinguished colleague from New York, who has a long record of association with both of these gentlemen, would like to say a word.

Mr. Bingham.

Mr. BINGHAM. Thank you, Mr. Chairman.

I came by to pay my respects to these two distinguished witnesses. I don't know when we have had a more distinguished panel. Unfortunately I cannot stay. A very distinguished clergyman from my district will give the opening prayer in the House today—he is with us now—and we are going over to meet the Speaker.

I look forward to reading the testimony of Secretary Vance and Governor Harriman. It is a great pleasure to have them both back before the Foreign Affairs Committee.

Thank you Mr. Chairman.

Mr. SOLARZ. Thank you very much, Mr. Bingham.

Mr. Vance.

STATEMENT OF HON. CYRUS VANCE, FORMER SECRETARY OF STATE

Mr. VANCE. Mr. Chairman, I am delighted to be here today to testify on a subject of importance to our country and about which I feel very

strongly. I am particularly happy to be here testifying together with one of the great Americans, Governor Harriman.

As you know, Mr. Chairman, a Secretary of State is faced daily with a vast number of ever-changing problems throughout the world. Certain matters are, however, of special and continuing concern, such as the evolution of events which led to the creation of Zimbabwe—a matter in which I was deeply involved. Thus, I am particularly gratified to be asked to be with you today.

Much will be written, in the years ahead, about the emergence of independence for Zimbabwe. This event and the process which brought it about will, I believe, be recorded as a significant chapter in the history of U.S. foreign policy.

The aspects of that process which to me seem most significant are that we and Great Britain set out to assist by peaceful, democratic means a transition from minority rule to majority governance and a transition from war to peace. By hewing steadfastly to this course, working together with the neighboring frontline states, these transitions are well along the way to a successful conclusion. I believe that this process may well serve in the future as a guide for others struggling with the thorny problems of political change.

The question now before us is: How can we best assist this new nation and government which these historic events have brought into being?

During his recent visit to the United States Prime Minister Robert Mugabe was asked why the United States—with its varied political and budgetary demands and constraints—should help Zimbabwe. Mr. Mugabe replied that the rich nations of the world have a moral obligation to aid the poorer countries. I would add that we should aid Zimbabwe because it is in our interest to do so. Let me explain why.

First, we have already made a substantial political and moral investment in Zimbabwe. The question thus might be better phrased: How can we foster and support this important investment?

Second, the provision now of substantial assistance to speed Zimbabwe's recovery and to stimulate an expansion of its economy sufficient to benefit all of its people, black and white alike, is an essential corollary to our earlier effort to end the fighting. Three years ago we knew that unless we offered the people of Zimbabwe a credible alternative to armed struggle, the Soviet Union and Cuba would provide arms and advisors which would irreversibly escalate the conflict. Because we moved as we did, that did not happen. Instead, the people of Zimbabwe today have peace and independence and are beholden to no foreign power. The task confronting Zimbabwe today is to use its new-found independence to bring tangible economic benefit to all.

Today, as 3 years ago, there are alternative paths among which Zimbabwe has a choice. Prime Minister Mugabe has chosen to build on a free democratic system and a mixed economy. In order for this formula to succeed, the West must now be willing to commit itself to Zimbabwe's economic rebuilding and expansion—just as we earlier committed ourselves to help end the fighting.

If we do not now join with others to meet Zimbabwe's needs, opportunists and ideologues, both within and outside that country, will claim their day. Should this occur, Zimbabwe's path will then parallel

that of other African governments now seeking to restore their economies from the disastrous consequences of their experiment with the Marxist model. In that process, our own interests, those of the people of Zimbabwe, and the prospect for peaceful change in the rest of southern Africa would suffer.

In sum, the best bet the Soviets have for a second chance in Zimbabwe would be the failure of the West to support the course on which the Government of Zimbabwe has embarked.

Third, I need not recall for members of this subcommittee the fact that the last two administrations made substantial promises over the past 4 years to assist Zimbabwe. The Zimbabweans are also well aware of these commitments.

In 1976 the United States and the British discussed with the parties in the Rhodesian dispute the possibility of organizing international economic support for the transition to majority rule. These discussions envisioned the creation of a substantial international consortium to coordinate aid over a period of approximately 10 to 20 years.

In 1977, the present administration, along with the British, formally issued the Anglo-American proposals, an essential element of which was the Zimbabwe Development Fund. This also involved establishing a multidonor mechanism to which the United States would make a substantial contribution.

And again during the Lancaster House negotiations in 1979, we indicated in general terms our willingness to assist in Zimbabwe's economic and agricultural development within a multidonor context.

Some may argue that, if the various parties did not sign on the dotted line of the earlier proposals, they cannot expect to receive the aid which was a part of those proposals. This however misses the point. In my view, we made a commitment to assist Zimbabwe if—and I underline the word “if”—a certain result was achieved in the country, namely a democratic transition to majority rule which in turn maintained a pluralistic society. That result has been achieved.

I am not in a position to say exactly how much aid Zimbabwe needs. Prime Minister Mugabe during his visit estimated reconstruction requirements alone are approximately \$350 million over the first 2 years. More will be required from private as well as public sources for longer term developmental purposes.

Zimbabwe is fortunate in having a well-developed human and physical infrastructure which can absorb and use assistance resources well. It is apparent, moreover, that Zimbabwe needs a substantial infusion of money now—up front—in order to repair war damage and to move the economy forward. If that is made available, I can foresee a situation in which the American commitment to Zimbabwe can be met in a relatively short time.

It now behooves us to join with other donors in marshaling a substantial assistance program to this new country. In my judgment, our contribution should be somewhere in the neighborhood of a total of \$200 to \$250 million over the next 2 to 3 years.

Mr. Chairman, we have heard a lot of talk in recent years about “lost opportunities.” I believe we could more constructively use our time in identifying opportunities that should be grasped and in seizing those opportunities before they are lost. Zimbabwe is such an

opportunity. If we act now to provide the necessary assistance to speed Zimbabwe's recovery and development, I am convinced that we can help achieve a focus for stability in southern Africa which would have been unimaginable a year or two ago.

We must not lose this opportunity.

As the "Christian Science Monitor" wisely said on August 25:

This is not the best of seasons in the U.S. to be talking foreign aid. But, politics or not, it is a season for mature and far-sighted diplomacy. Better to spend some money on peace now—than invite instability later.

Thank you Mr. Chairman.

Mr. SOLARZ. Thank you very much, Mr. Vance. I did not fully realize how much we missed you until I heard you just now. That was terrific testimony. I want you to know how very much the members of this subcommittee appreciate your willingness to come down to Washington and share your views with us on this matter.

Our next witness will be Governor Harriman who, as I indicated, was the cochairman of the American delegation to the independence day ceremonies in Zimbabwe, one of the most distinguished diplomats in the history of our country.

Governor, we are enormously pleased and extremely grateful that you were willing to come this morning and share your views on this question with us.

Governor Harriman.

STATEMENT OF HON. AVERELL HARRIMAN, FORMER GOVERNOR OF NEW YORK

Mr. HARRIMAN. Mr. Chairman, I appreciate greatly your inviting me to join this morning in this discussion, the results of which I feel are very important to our country.

To follow the former Secretary of State, Cyrus Vance, is a privilege but at the same time it leaves very little to say because, as always, there are very few words left for me to say since he has given you an analysis of the situation in a skillful, accurate and dramatic way. I would like to add a word or two on certain points that he made or amplify them in fact.

I think that it is important to realize that the U.S. Government gave the British full support. The British were really very skillful in achieving this change from minority rule to majority rule with the protection of the interests of all and I don't think they could have achieved it unless it had had the strong support of the American Government. The Congress supported them. I think Mr. Vance as Secretary of State deserves great credit for the unflinching position that he took at that time.

Now one wonders why this country needs help at this time. I would like to emphasize the disaster that economically came to this country as a result of the 7 years of guerrilla warfare. Not only were some 25,000 individuals killed but a lot of facilities were destroyed and a lot of the cattle died. A lot of the people were displaced. It is hard to get accurate figures because I think they don't exist and they change from time to time, but the refugees have been estimated from 500,000 to 1 million.

Regardless of the number, they are men, women and children. Children who need schooling, which doesn't exist any more. Men who need employment and the intention, as I understand Mr. Mugabe's objective, is to put them on a farm, to cultivate but that means the necessary equipment, tractors and other agricultural machinery, and this all takes emergency assistance and that emergency assistance mounts up to the figures that Mr. Vance indicated.

There are other countries of course that are giving modest sums. Germany is giving some. China is giving some and some of the Scandinavian countries, but they are all relatively small amounts. The main sum has to come from the United States and Britain. I understand Britain has offered about \$156 million which have promised to do in the next 2 or 3 years. The sums that we have offered I think are inadequate, as you have indicated them.

I would hope that an additional appropriation, supplementary appropriation, could be achieved this year because the need is great for the immediate requirements. There are all sorts of decay in the economy. I understand the tsetse fly has come back which means disaster to the cattle and that means spraying in the very early stages in order to eliminate this disaster to cattle. Of course cattle is one of the most important agricultural products of the country.

I would join Secretary Vance in denying that I have sufficient knowledge to specify any sum. I would think that the more we can give, \$50 or \$60 million this year and \$100 million next year and \$100 million the following year, a total in the neighborhood of \$250 million, we would be giving a fair amount which would make a major contribution. I think we ought to try to rally the other countries as well, the European countries, to do their share because all of Europe is going to have to be of assistance.

I fully agree with what Secretary Vance has said about the importance of Zimbabwe in stabilizing southern Africa. This experiment of majority rule with the protection of the interests of the white population is a very, very bold experiment. The disaster that occurred to Mozambique because they threw out the Portuguese has become evident and I think that to some extent influenced Mr. Mugabe to realize that it was a great mistake not to give the white population a real opportunity and a real basis to be prepared to stay and give their lives to the development of the country.

I share Mr. Vance's feeling that Mr. Mugabe made an inadequate answer when he said that we should help them because the rich countries of the north should help the poorer ones. That is true and I believe it but in the case of Zimbabwe it is in the interest of the United States and the European countries to have it succeed. Mr. Mugabe has indicated that he has a Marxist philosophy but he has made it very plain that in the administration of Zimbabwe he is a pragmatist and his pragmatism leads him to the conclusion that the large ranches should be retained, industry should be developed, and private enterprise should be encouraged to enter the country.

I can tell you that there are important companies that are already considering coming into the country and one of the important companies is Ford Motor Co. and they are very serious about it. On the other hand Zimbabwe does not have the amount of money to stabilize

their situation, to rebuild the railroads which have been neglected, to rebuild the roads, to develop the normal life. They will not be able to make the investments they are planning. I think they are counting on the United States and Britain to do their share. China has indicated a modest amount of a loan, but I am afraid in this case the loans are not possible. The money given has to be grants. There is no use building up a debt which hangs over the head of a new country.

So I want to support what Mr. Vance says and indicate that I hope that the Congress will be able to have a supplementary appropriation this year in addition to the \$30 million, which I understand is in the budget, and then to have \$100 million a year for a year or two thereafter. My study of the situation, limited as it is, makes me feel that with these amounts we will be doing our share. Anything much less than that I think would really be taking a chance. We have an opportunity of seeing develop a great country which can influence the whole future of southern Africa and I think that all thoughtful people realize that next, after the Middle East problems are settled, we will find that southern Africa will be a very serious place for consideration.

A prosperous and successful Zimbabwe can have a very important influence and effect on that outcome. If Mr. Mugabe is not able to make a success of it, should he fail, which I don't like to even consider but one has to look at the realities, there is no doubt that the Russians can and will move in. He will have nothing to do with the Russians. He has not even recognized them. They have not an embassy there yet as I understand it. He has seen the bad effects of their influence. Therefore psychologically and from the standpoint of the ability of the people, they are in a position to plan and to use the funds that we and the British and others make available to achieve a solid and prosperous nation which will be unique in southern Africa and which will play a role in developing greater stability in that very important part of the world.

Thank you, Mr. Chairman.

Mr. SOLARZ. Thank you very much, Governor Harriman for a very thoughtful and thought-provoking statement.

Apropos your observation about the implications for Soviet penetration of the region if we were not to respond generously to the needs of Zimbabwe, I am reminded of a comment which appeared in the Zimbabwe press during the independence day ceremonies. One of the high officials in Mr. Mugabe's Cabinet said that he regretted the fact that Secretary Vance was not able to be there on the occasion because if Secretary Vance had come, this official said, then they would have also invited Foreign Minister Gromyko of the Soviet Union, and this would have given them, the official went on to say, an opportunity to let the whole world know how they felt about the United States and the Soviet Union because they would have sent a Volkswagen to pick up Gromyko and a Rolls Royce to pick up Secretary Vance.

Unfortunately, the Secretary as I recall, had some other matters at the time and could not be with us.

I gather from your testimony that both of you would have no difficulty in urging the Congress to support a bill, which just by coincidence I introduced yesterday, to provide Zimbabwe with \$200 million in economic assistance over the course of the next few years?

Mr. VANCE. I certainly would have no hesitation in supporting that bill. I question only as to whether it is enough.

Mr. HARRIMAN. I join in Mr. Vance's statement.

Mr. SOLARZ. I wonder how either or both of you would answer the argument which I suspect will be made against this legislation to the effect that Mr. Mugabe is a self-proclaimed Marxist who ultimately would like to establish a one-party state in Zimbabwe and that it is only a matter of time before he begins to implement the kind of political and economic policies which are antithetical to our own values and therefore by aiding Zimbabwe we would really be aiding a Marxist government which in the long run is likely to be hostile to our interests in Africa. How would you respond to that argument?

Mr. VANCE. I would respond in the following fashion, Mr. Solarz.

First, there is no question that Mr. Mugabe is a confirmed socialist. He has reaffirmed his commitment to socialism on numerous occasions, including his visit to the United States. He also says that he believes in the doctrine of Marxism. He, however, has also said he is a pragmatist and therefore he has acted to establish a mixed economy and a multiracial state.

I think we should take a look at what he does rather than his political rhetoric. One of the most recent things he has done is to promulgate a budget which is the first budget put forward by the new Government, and I believe that came forward on July 27. It is a very, very moderate budget. In terms of repatriation of funds the budget took a very moderate line. Insofar as income taxes were concerned, they were not raised. Foreign companies were promised they could withdraw their investment capabilities after 2 years and for the first time since 1965 they will have been allowed to take money out of the country. I think those are the kinds of things that you have to look at. You also have to look at facts such as the fact that at the same time he makes remarks about still being a Marxist he is inviting companies to invest in his country with a clear promise of repatriation of the profits which are going to be earned.

I think, in sum, that he is a pragmatist and the actions he has taken demonstrates that pragmatism.

Mr. SOLARZ. Governor Harriman.

Mr. HARRIMAN. Mr. Chairman, I agree with what Mr. Vance has said. I might contribute the fact that when companies like Ford are beginning conversations with them, they are getting assurances that they won't waste their time, and they believe in their intimate talks there is an opportunity for private enterprise to succeed. Mr. Mugabe has stated openly that he is a Marxist, but at the same time he has stated openly he is a pragmatist, and he believes they can work out a mixed society which will be workable. That means that he has to make it profitable for private enterprise to succeed. My guess is that that will be the outcome.

On the other hand, even if he should be somewhat more Marxist in their economic activity, we found Tito played a very important role in opposition to the objective of the Soviet Union's attempt to impose Communist dictatorships. Dictatorships of the proletariat all over the world is something which Mr. Mugabe has made it plain he will have nothing to do with, because he wants nothing to do with the Soviet Union. So, the risk that we take in this is not serious. The results

could be obtained even if there is not as much freedom as we would like.

Thus we think there is a very good chance that it will work out as Mr. Vance has indicated. I will support that as a projection, but at the same time even if it is not quite as optimistic as that, it will be a very sound situation from our standpoint as being opposed to the imposition of the kind of dictatorship in that part of the world which the Russians would impose.

Everything one does in life has certain risks but I think in this case it is about as sure an investment as I think we have ever made. We made a big gamble in Europe with enormous sums of money, in Greece and Turkey. They have all worked out. We have not failed to achieve our objective in other cases. We have found that our relations with Tito became very useful, even though our ideology was not the same. Tito was the leader of the nonaligned countries that kept the nonaligned movement from coming under the domination of Moscow.

The thing that is dangerous is Moscow's desire to impose on other countries their ideology by force and this objective seems to be clearly just as repugnant to Mr. Mugabe as it is to us. So, in summing up, I think that although whatever anyone does has risks, in this case I think we could be assured that our investment will be very profitable to us in creating greater stability whereas there will be disaster if Mugabe were to fail. The Russians would move in, and then we would have a situation which would be extremely damaging.

To sum up, I think we have a very good chance. In my judgment our investment will prove to be of great value to our Nation and to our national security.

Mr. SOLARZ. Thank you very much, Governor.

Mr. Vance, would you care to venture or hazard a prediction as to what might happen in Zimbabwe if we fail to respond in any significant way to their current needs because of domestic politics or budgetary problems or whatever, we are simply unable to provide them any money above and beyond the amounts which have already been made available? What do you think is likely to happen?

Mr. VANCE. If we and others in the West fail to respond adequately, I think there is a serious likelihood that it will be impossible to meet the needs and expectations of the people of that country. There are already people in Mugabe's own party who are critical of him for not having done more to move in a socialist or Marxist direction. If he fails, as Governor Harriman has said, they will be the first to rise up and say "Throw him out. Let us go the other route. Let us turn to the Soviet Union. Let us turn to the Eastern bloc." And that could well happen. I think that would certainly be very much against our interests and against the interests of the West because it would not lead to stability in this vitally important region.

Mr. SOLARZ. Let me ask, if I might, one final question to both of you. That is, how would you respond to what might be a more thoughtful, if less widespread criticism, of this legislation on the ground that however great the needs of Zimbabwe may be, that compared to most of the other countries of Africa the people of Zimbabwe are in economic terms far better off and that given the relatively limited amounts of money which we make available for Africa, to provide Zimbabwe alone with \$250 million which comes to the

equivalent of 40 to 50 percent of the total amount of development in economic assistance we make available to the entire continent in 1 year, represents an extraordinary amount of money to put into one country and that therefore while there may be very legitimate needs in Zimbabwe, given problems elsewhere in Africa and the poverty of the rest of Africa it would be very difficult to justify putting this much money, relative to what we put into the rest of Africa, in one country alone. I wonder how you would respond to that?

Mr. VANCE. I will give you two answers. First, I don't think we are putting enough money overall in Africa and we should increase our assistance. Second, Zimbabwe is a critical area, in a critical region at a critical point in history. The putting up of this money now can make the difference for the future both of Zimbabwe and for the region. There in a strategic sense it is in our national interest and the interest of the West.

Mr. SOLARZ. Governor, would you care to respond to that?

Mr. HARRIMAN. Mr. Chairman, I think that this argument, we should only give to the poor, is not a sound one. We should give to those countries who can use our money in such a way that they can develop a position in the world that will help us in the future to create a stable and peaceful world. In the Marshall plan, for instance, we did not pick out the poorest of the European countries to give money to. We gave money to those countries that could use it the best. Here we have a case of Zimbabwe being a country where we can be sure that our money will be well used. In some of the other countries I am for giving them the money but they are in such an undeveloped position that it is a very great gamble as to whether it will be useful. In the Marshall plan we gave money to the countries who could use it the best in order that the countries might develop and be able to serve the interests of civilization and the world and I think that is really the basic answer to this.

Here we have an opportunity to give a country that is better developed than some of the other countries, any of the other countries except South Africa, south of the Sahara, they are in a position to use our money in such a way that they can become an important factor in helping the development of the whole of that region.

I think we are sure of a better return in Zimbabwe than perhaps any other country that we are considering.

Mr. SOLARZ. Thank you very much, Governor Harriman.

Now I yield to my very good friend from New York, who represents the Republican side in today's hearing, who faithfully attends all of our meetings, Mrs. Fenwick.

Mrs. FENWICK. Thank you, Mr. Chairman.

I think that the point that the Governor has made about the money going to the places that can use it best is a very important policy statement which we ought to consider in our decisions on foreign aid. We have tended to target it to those poorer nations and I think we should consider this new point that the Governor has raised.

When the Planning Minister, Mr. Chidzero, was here he spoke of the training schools that were being developed in one of our industries, Union Carbide I think he said was the name, the company training schools teach what they most need which are skilled master

technicians, master plumbers, master carpenters, all the skilled trades.

I was wondering what can we practically do, in addition to this legislation which I am sure this committee will heartily endorse, what we can do to encourage private investment there? Would it be possible, Mr. Vance, for you to interest the U.S. Chamber of Commerce in this in some constructive way and explain to them the opportunities that are there, the conditions that have been laid down for their participation, inspire them with some sense of the opportunities that this represents for honorable investment?

I think particularly it might be helpful to go to those companies who have been under some pressure because they are established in South Africa, to indicate to them how very useful from every point of view, from our Nation's point of view, from their own point of view, if they found it to their advantage, to invest in this new country. Mr. Mugabe, when he was here, pointed out that not only would profits be able to be repatriated, but he does not plan any nationalization. There would be so much that we could tell them.

Also I think Minister Chidzero was extremely impressive in his remarks to the State Department that day. Have you any thought we might embark on something constructive and private of this kind?

Mr. VANCE. Yes; I think something can be done to encourage them to invest in Zimbabwe. I am sure that the appropriate kind of meetings can be arranged to work that out. We have done that with other nations in the past. We have encouraged such situations in the sub-Sahara countries such as Nigeria and others, and I think it can be done here.

I think it is critical in going forward with such a program to recognize practical business people will say—

That is fine but what is our Government going to do? Is our Government going to be behind us? If they are that is one thing. If they are not, we are going to have to take our chances as to whether it can go through the reconstruction that is necessary and redevelopment that will be necessary.

Mrs. FENWICK. I have one further question. Would either of you suggest that any condition should be put upon any gifts that we give to Zimbabwe? In other words, would you suggest as a matter of re-assurance both to our colleagues and to the public in general that these grants in aid, in economic development, should go into roads? In other words, should there be conditions or would that be counterproductive under the conditions which now prevail?

Mr. VANCE. My judgment is that that would be counterproductive. My judgment is that the matter of how the money is expended is the kind of thing that can be worked out between the people in our Government, in AID, with the Zimbabwean people. I know that there are certain priorities which the Zimbabwe Government has, such as reconstruction, the development of roads, et cetera.

I think this must be worked out among the technical people and it would be a mistake for the Congress to try to specify what will be done with the money.

Mrs. FENWICK. They did speak of roads and railroads. Governor Harriman has spoken of railroads. They hope that some of these troops might be used to help in that reconstruction. Thank you, Mr. Chairman.

Mr. SOLARZ. Of course you know Governor Harriman knows a little bit about railroads.

Mrs. FENWICK. Just a little bit.

Mr. SOLARZ. Mr. Gray.

Mr. GRAY. Thank you, Mr. Chairman.

It is certainly a pleasure to welcome the Secretary back to this room with which he is quite familiar, and also Governor Harriman who chaired the delegation to the independence day in Zimbabwe at which I had the opportunity to be part of.

Secretary Vance, were there any specific commitments made by the Carter administration to the British or to any of the participants with regard to aid in those Lancaster talks? In my conversation with some of the members of the Mugabe government after visiting there on at least two occasions there is a feeling that there was a much stronger commitment than that one which has been reflected in the aid that is now being offered for fiscal year 1980 as well as 1981.

Mr. VANCE. We indicated at the time of the Lancaster House talks that we would be willing to assist in the economic and agricultural development within a multidonor context. No specific sums were put alongside of that assistance, but I think it would be only fair to say that it was the clear implication that there would be substantial assistance and not token assistance. So, I can clearly understand why they would believe that what was said at that time indicated that there would be substantial assistance.

Mr. GRAY. Would you therefore say the assistance that is now being offered to them would reflect from their point of view token and not substantial and not be in basic agreement with what they thought was forthcoming as a result of the Lancaster talks?

Mr. VANCE. Yes.

Mr. GRAY. Some of the Western observers and journalists have been quite surprised by Mugabe's pragmatism and conciliatory tones. Were you surprised by that and do you regard Mugabe as a pragmatist, an African nationalist, or do you feel he is a Marxist?

Mr. VANCE. I believe he is a pragmatist and a nationalist.

You asked also, am I surprised that he is a pragmatist? The answer is, "No; I am not surprised that he is a pragmatist." I have talked with him a number of times in the last several years. I found in those conversations that although sometimes the rhetoric would be strong but when it came right down to negotiating he was a practical man who negotiates in a practical way.

Mr. GRAY. Would you say his pragmatism and African nationalism far outweighs his Marxism in terms of the development of our policy toward that nation?

Mr. VANCE. I would.

Mr. GRAY. Secretary Vance, do you regard it as a good sign that the Soviets have not been allowed to establish a diplomatic mission in Zimbabwe?

Mr. VANCE. Yes; it reflects the fact that Mugabe has turned to the West; he has turned to the West and said, "I want your help."

This is an important indication of his feelings about what is best in terms of trying to develop an independent Zimbabwe.

Mr. GRAY. Governor Harriman, how do you feel about that same question? Do you regard as a good sign that the Soviets have not been allowed to establish a diplomatic mission in Zimbabwe?

Mr. HARRIMAN. As I understand it, Mugabe has not invited them. He doesn't want to have them there. He has seen the results of what they did in Mozambique, which was disastrous; they pushed out the Portuguese, and the country is in a very serious economic condition. He doesn't want to have any part of them. He doesn't want them to influence the country. Therefore, I assume that is the reason he has not made any move to recognize them or allow the Soviet Union to have an embassy in Salisbury.

Mr. GRAY. One of the questions, Governor Harriman, that we are constantly confronted with here in the whole question of African policy, particularly Zimbabwe and southern Africa, is the question of Marxism, Marxist leaders, versus the question of nationalism. Do you see this denial by Mugabe of a diplomatic mission as a real indication of his really being more of an African nationalist, as Secretary Vance seems to indicate, a really strong indication of that?

Mr. HARRIMAN. I had the privilege of meeting him and talking to him. I have not know him as well as Secretary Vance, so I really can't give you any assurance of what my impression is that he recognizes that unless he makes a success of his administration the Soviets will move in. He may be a Marxist but he has shown himself to be very strongly opposed to the Soviet Government's policies and actions. We have seen plenty of evidence of this.

I haven't had enough experience with him to give you any assurances, but my very strong impression is that he is a nationalist. He has dedicated his life to obtaining majority rule and he has been successful in that. He is ready to fight for it, and now, I think, he is ready to use his influence to make it a success.

The fact that he is having conversations with American industry indicates that he is not so rigid in his ideologic beliefs that he is not willing to recognize that he has to develop a type of economy in which these foreign companies can operate profitably, and he has stated that these companies can take their funds out, everything they have. Of course, they won't be able to move the buildings, but other than that they can take any of their assets out and not be interfered with.

So, I think that his actions indicate that he is ready to follow what he calls a pragmatic point of view rather than any ideological view.

Mr. GRAY. Mr. Secretary, would you want to comment on that?

Mr. VANCE. I think what he wants is an independent Zimbabwe, free of domination by any outside power. He is a nationalist seeking an independent nation.

Mr. GRAY. One final question, which I would like to address to Secretary Vance; and perhaps, Governor Harriman, you would like to comment upon it as well, and that is, that the administration has earmarked approximately \$100 million a year for all southern Africa programs. It seems to me this whole question of aid to Zimbabwe and what the appropriate figure should be is also a part of that entire policy question of what is going to happen in southern Africa.

My own personal opinion is that I don't think that we have made a strong enough commitment to reconstruction of this bright, new experience that we have in Zimbabwe or, for that matter, in southern Africa. I would like to get the reaction, Mr. Secretary and Governor, of your thoughts on the question of, Do you think the importance of southern Africa warrants a greater degree of U.S. assistance for the

area as a whole, as well as what I understand is your position, that we should be giving more in terms of Zimbabwe?

Mr. VANCE. The answer is yes, I think we are going to have to give more, particularly if we can make some progress now in Namibia. I hope, although there are still obstacles ahead, that we can complete the unfinished business with respect to Namibia. If that is the case, then we ought to support it wholeheartedly.

There will be, if the process goes forward, the need for a U.N. force to go in during the period leading up to the elections, to supervise the elections. This will require substantial expenditures. The United States should play its part and provide its share to support that.

If the process is brought to a successful conclusion, again, I believe additional funding will be required to help Namibia get on its feet and move forward as an independent nation.

Mr. GRAY. Governor Harriman?

Mr. HARRIMAN. There is nothing I can add to what Secretary Vance has said.

Mr. GRAY. Thank you very much. It has been a delight to have you both here.

Let me say, Mr. Secretary, you look 10 years younger for some reason.

Mr. VANCE. I feel 10 years younger.

Mr. SOLARZ. Mr. Wolpe?

Mr. WOLPE. Thank you, Mr. Chairman.

I would like to begin by expressing my personal appreciation for the extraordinary contributions of both of the men who are before our committee today and for the analysis of the Zimbabwean situation which has been presented to the committee.

I suspect that for most Americans, Zimbabwe is a very small dot on a very distant continent and there is not much widespread appreciation of the extraordinary interests that we have in that part of the continent or the way in which an American contribution to the successful economic development of Zimbabwe not only would serve Zimbabwe's interests but also America's direct national interests.

I think that has been laid out as eloquently and clearly by both Governor Harriman and Secretary Vance as any analysis which has been presented before our committee.

I would like to pursue briefly the last subject that Secretary Vance raised with respect to Namibia. We had something less than an optimistic assessment of the Namibia diplomatic situation 1 week ago by Ambassador McHenry.

I think the question we need to be thinking about is that in the event that South Africa does not respond to the latest compromise positions that have been developed, and there is a move within the United Nations by African nations to impose sanctions on South Africa with respect to their Namibian posture, what should be the stance of the United States at that point?

Mr. VANCE. First, I agree that there are substantial obstacles to a successful completion of the process. It has come an awfully long way and basically all the issues that we wrestled with over the last several years have been resolved. It is a question now of whether South Africa is prepared to go forward and complete the process.

The United States, as I understand it, has indicated that they wish to send a mission to discuss with South Africa and others involved whether this process can be brought to a conclusion. How that is going to come out, I don't know.

I think it would be unhelpful for me to speculate at this point as to what should be done until we see what happens in the next couple of months.

Mr. WOLPE. On a related point, do you feel that the sanctions that were imposed on Zimbabwe played a role in securing the conditions for the negotiated settlement which has now led to the Government?

Mr. VANCE. The answer is "Yes." I think if we had lifted the sanctions which this subcommittee was very, very helpful in preventing, that you might well have never had successful negotiations of Lancaster House. Great tribute is due to this committee for what they did in standing up to what was a critical issue affecting not only this region but also national interests as well.

Mr. WOLPE. It would not have been possible without the leadership that you and the administration provided on this issue.

Thank you very much.

Mr. SOLARZ. I just have one or two more questions. The first, is what implications, if any, do you believe the situation in Zimbabwe has for the future of South Africa, particularly in terms of the possibility and prospects for peaceful change in South Africa? Do you think there is or will be a relationship between what happens in Zimbabwe and the political future of South Africa, or do you think these are two fundamentally different situations?

Mr. VANCE. I think that if you can make further progress toward peaceful development in Zimbabwe, that that can have a positive effect in South Africa. I don't want to try and measure the exact degree of that effect, but it will have a positive effect.

Whereas, if the Zimbabwe experiment fails and a radical government comes to power, then I think with such a nation on the South African border, that that could lead to much greater violence in South Africa as they try to resolve the problems that they must resolve. There is no question that they have got to resolve the problems that face them, but it would be more difficult to do so under the circumstances I have described.

Mr. SOLARZ. Mr. Fithian?

Mr. FITHIAN. Thank you, Mr. Chairman.

I apologize to our distinguished guests for having missed some of their testimony. I had to be next door to report out a bill.

I admire both of these gentlemen. I commend the chairman of the subcommittee for getting them both together on the panel. I don't know any time in the House in my 6 years here that we have had as much experience and wisdom in foreign affairs at the same table at the same time.

I would like to ask a question which I hope has not been asked before, but if we can lean back just a little from the immediate questions, I sometimes believe that we Americans tend to project into foreign affairs some wishful thinking; that is, we would wish that the Soviet Union has more problems than it probably does in the conduct of its foreign affairs. We project that thought.

We have heard a bit this morning, even in the fragments that I have heard, about the Soviet Union and Zimbabwe and their relationships, and I think that the chairman and all of us are hopeful that those are difficult, they are strained, they are unlikely to improve, especially if we pass the chairman's bill, et cetera.

I would like for you to reflect a moment and then give me your best considered opinion as to what the real relationship is, the real feeling, between Zimbabwe and its present leadership and the Soviet Union. And, second, what do you think is likely to develop in that relationship?

Mr. VANCE. The relationship between the Soviet Union and Zimbabwe is one in which the Soviet Union, in my judgment, would like to play a major role and have a major influence. This is so for a variety of reasons, including the strategic importance of the region.

Second, because of the political importance of Zimbabwe, the ripple effect of what happens or does not happen there will be of great importance throughout all of Africa.

Prime Minister Mugabe has made it very clear that he does not want assistance from the Soviet Union. He has indicated that he has turned to the West to give him the kind of assistance that he feels he needs to meet the problems immediately ahead of him in the reconstruction and development of his nation.

That then leads me to the third point. Having taken this position and having chosen the course that he has, namely, to try to follow a course leading to a mixed economy and a multiracial nation, we must assist Mugabe in this process. It is in the interest of the region, in the interest of Zimbabwe and in our own interest to do so.

Mr. FITHIAN. Governor Harriman, would you care to comment on your views on the prospective relationship between Zimbabwe and the U.S.S.R.?

Mr. HARRIMAN. I support what Mr. Vance has said. Mr. Mugabe has made it very plain by his actions that he does not want to have anything to do with the Soviet Union; he does not want an embassy there at the present time. He has relations with China. The Chinese have offered a \$30 million loan without interest. He has been ready to deal with China, but by his actions he has indicated that he wants to have nothing to do with the Soviet Union.

I can only imagine the reason why: Because he believes that their influence will be detrimental to the kind of Zimbabwe that he envisions will make it a successful, independent nation.

Mr. VANCE. Mr. Fithian, in a recent interview, Lord Soames, who was the Governor General, as you well know, when asked about Zimbabwe and the Soviet Union, said the following:

Mugabe is nonaligned but not as others are nonaligned against us. The influence of Russia at this point is zero.

Mr. FITHIAN. Thank you, Mr. Chairman.

I would like to make a personal observation, if I may: Many years back, when I was in academia and I became a great admirer of Governor Harriman's work in Russian-American relations, and clear on back to, I believe, the negotiation of the International Wheat Agreement years ago, my own personal aspiration was sometime to undertake a biography of our distinguished guest this morning, in my own writing

and research. It may well be, given the difficulty of this campaign year, that I will get around to that sooner than I had planned, in which case I guess I would hope not to see the Governor in post-November, but I just wanted to make that observation that I have been a very, very long-time admirer of Governor Harriman as one of the really almost unique individuals in American history in all of the kinds of responsibilities that he has had as Governor of the populous State of New York and his work in Russian-American relations.

I know of no living American who has made that kind of contribution in terms of its entirety and in terms of its breadth and in terms of its quality.

I am honored to be here this morning with the Governor.

Mr. HARRIMAN. Thank you, Mr. Fithian.

Mrs. FENWICK. I would like to add, a few words which I always forget when I start, because the subject that is before us seems so important, I would like to add my voice and associate myself with the remarks of the gentleman who has just spoken.

We owe so much to these two men who have come before us this morning—the country, and more than the country, the effort for decency and peace and stability in the world. It means a great deal to all of us and we are honored by having you both here.

I have another small question, Mr. Chairman, if I may:

I think for the record we might say that the newspapers were quoted that Mr. Kaunda had offered some Russian planes to Mr. Mugabe, which he declined to accept, he refused those planes, because he did not want the Soviet technicians who might come with them.

I think this is significant, for two reasons: It contributes to the series of acts by which I think we should judge even more than by the rhetoric of Prime Minister Mugabe. Also, I would like to ask both of you how seriously you view Mr. Kaunda's purchase of Russian planes and what effect that will have on the still unassimilated troops that Mr. Nkomo still has in Zimbabwe? How do we see the denouement of this rather awkward situation?

Mr. VANCE. I don't know how this is going to finally work out. I think Mr. Kaunda is a very able leader. He faces extremely difficult economic and other problems within his nation and he has been concerned with protecting his country and his borders from external attacks.

In my judgment this is a situation where the Western world could and should have done more to assist Mr. Kaunda, so that he did not have to turn, as he did, to the Soviet Union.

Mrs. FENWICK. Thank you.

Mr. SOLARZ. If the members have no further questions, let me observe in concluding the hearing that pending completion of the Fithian biography of Governor Harriman, I would urge those in the audience who have an interest in the Governor's achievements read his memoirs, as I did this summer, which are not only truly interesting but also constitute a remarkable commentary on the diplomacy and politics of the Second World War in which Governor Harriman was so centrally involved. In fact, I would go so far as to say that it is not possible to fully understand some of the recent events which have unfolded in Eastern Europe unless you read the Governor's memoirs.

So, to all of you budding Harrimanites out there, I strongly recommend it.

Secretary Vance and Governor Harriman, the subcommittee is enormously honored for your presence today. This was really terrific testimony. I find myself agreeing with everything you have said, which really proves that your testimony was just right.

I want to thank you both very, very much for being with us today.

Mr. VANCE. Thank you, Mr. Chairman.

Mr. HARRIMAN. Thank you, Mr. Chairman.

Mr. SOLARZ. The hearing is concluded.

[Whereupon, at 11:25 a.m., the subcommittee was adjourned, subject to the call of the Chair.]

APPENDIX

96TH CONGRESS
2D SESSION**H. R. 8184**

To authorize \$200,000,000 to carry out a multiyear economic support fund program for Zimbabwe.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 23, 1980

Mr. SOLARZ introduced the following bill; which was referred to the Committee on Foreign Affairs

A BILL

To authorize \$200,000,000 to carry out a multiyear economic support fund program for Zimbabwe.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That (a) chapter 4 of part II of the Foreign Assistance Act of
4 1961 is amended by adding at the end thereof the following
5 new section:
6 “SEC. 537. ZIMBABWE PROGRAM.—(a) In addition to
7 amounts otherwise authorized to be appropriated to carry out
8 this chapter, there is authorized to be appropriated

1 \$200,000,000 to carry out this chapter with respect to
2 Zimbabwe.

3 “(b) The aggregate amount made available under this
4 section and section 531 for the fiscal year 1981 for Zim-
5 babwe may not exceed \$50,000,000.”.

6 (b) The amendment made by subsection (a) shall take
7 effect on October 1, 1980.

