



SANCTIONS

**THE COST
TO BRITAIN**

SANCTIONS: THE COST TO BRITAIN

THE Secretary of State for Foreign Affairs, Mr. George Brown, referring to the continuation of sanctions against Rhodesia, is quoted as saying on 8th September, 1967, "I am certainly not willing to come to terms with a regime which will not accept the ordinary principles of civilization and if that costs us money and resources we ought to be willing to go on with it."

Mr. Brown obviously has no objections to trade and diplomatic relations with such "civilized" countries as Red China, Cuba, North Vietnam, Haiti, the Congo and with military dictatorships such as Nigeria, Ghana, Sierra Leone and other ex-colonial territories in Africa.

Since Mr. Brown's remarks quoted above, his Prime Minister, Mr. Wilson, has openly admitted that sanctions have not achieved their object. In view of this, it seems reasonable to enquire what sanctions have cost the United Kingdom.

On 13th March, 1967, the Rhodesian Minister of Finance said that a continuing analysis was being made in his Ministry of the cost of sanctions to Britain.

Because of the nature of the factors involved in this type of calculation, it was impossible to be precise. For example, it was difficult to arrive at the actual figure of world-wide loss to the British insurance industry resulting from the restrictions placed by the British Government on meeting its claims in Rhodesia, because there was no means of determining the loss of insurance business in a

wide variety of overseas markets. Loss in banking business was another indeterminable quantity, but certain leading European bankers (who had handled some of the transactions) had told the Rhodesian Minister of Finance that to their knowledge up to £200 million had been withdrawn or withheld from the London market because of the fear of some subsequent freeze action on the Rhodesian pattern.

Any computation of the overall cost of sanctions must therefore be of a most conservative nature.

The Minister's conservative estimate in March, 1967, was that the cost of sanctions to the British nation was slightly more than £150 million. The latest assessment of the cost up to June, 1967, is in excess of £200 million.

At the Commonwealth conference in the autumn of 1966, Mr. Wilson told the assembled heads of state and Prime Ministers that the cost of sanctions was about £100 million. He gave the House of Commons a different and smaller figure.

In March, 1967, Mr. Wilson again told the House of Commons that the cost to the British balance of payments was of the order of £40 million.

By his own admission, the cost to the British in 1966, including aid to Zambia, was about £15 million, most of which must have been spent outside Britain. According to Rhodesian figures, the value of British imports into Rhodesia during 1966 was £25.4 million less than in 1965. The British figure was £28.8 million. These two items alone amount to more than the £40 million quoted by Mr. Wilson.

Mr. Wilson takes no account of the interest and capital

repayments due to holders of Rhodesian stock issued in London, debt due to British Government agencies and debt under British Government guarantee. These items amount to about £9 million. He also ignored private investment income due to residents in Britain, amounting to over £10 million but now perforce blocked in Rhodesia as a result of British financial sanctions.

Before blaming Rhodesia for these last two items, it should be remembered that it was the British authorities who first froze Rhodesian funds, public and private.

There are many other factors about which it is impossible to be precise. Besides insurance and banking, there is a loss to British exports to the whole of Southern Africa as a result of consumer resistance, a loss to British shipping, and the additional cost of imports such as copper and tobacco.

All this arises from the fact that Mr. George Brown and his colleagues are unwilling to come to terms with Rhodesia. The burden is not borne by these gentlemen but by the ordinary man-in-the-street who has never been consulted about sanctions on Rhodesia.

It is true that Rhodesian trade and business play a relatively small part in Britain's economy, but with over half a million people unemployed there, the ending of sanctions would help to ameliorate both unemployment and the balance of payments problem.

Possibly the money spent in trying to destroy Rhodesia's economy and to create unemployment here might have been better spent in trying to boost Britain's export trade and create better employment in Britain.

(Additional Lower, P.T.O.)

Additional Losses, (Not taken into account.)

TOURISM. Rhodesia to Britain.
B.O.A.C. Both way fares to Rhodesia,
EXPENSES. Which Rhodesia normally elevated
for Britain - instead of ADDITIONAL
expenditure which the British Tax
Payer has to pay to compensate
African + Asian States in respect of
Sanctions.

AIRCRAFT CARRIER PATROLS. Never Published.

DEVALUATION. Losses incurred as a result of
Rhodesia NOT devaluing.

BROADCAST PROPAGANDA STATIONS. (in BOTSWANA)
(now WITHDRAWN!)

AIR LIFE FUEL and ROAD TRANSPORT (Zambia).

ADDITIONAL MILITARY PERSONNEL - and SUPPORT.



RHODESIA

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