

The copyright of this thesis vests in the author. No quotation from it or information derived from it is to be published without full acknowledgement of the source. The thesis is to be used for private study or non-commercial research purposes only.

Published by the University of Cape Town (UCT) in terms of the non-exclusive license granted to UCT by the author.

# **Bridging the Gap**

The Role of the Private Sector in Track-Two Diplomacy and South  
Africa's Political Transition.

Shannon Kate Mitchell

MTCSHA004

A minor dissertation submitted in *partial fulfillment* of the requirements for the award of the  
degree of Masters of Social Science.

Faculty of the Humanities

University of Cape Town

2012

## ***COMPULSORY DECLARATION***

This work has not been previously submitted in whole, or in part, for the award of any degree. It is my own work. Each significant contribution to, and quotation in, this dissertation from the work, or works, of other people has been attributed, and has been cited and referenced.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## Table of Contents

<b>Table of Contents</b>	<b>i</b>
<b>Abbreviations</b>	<b>iii</b>
<b>Abstract</b>	<b>iv</b>
<b>Introduction</b>	<b>6</b>
Background .....	6
Rationale.....	7
Research Question.....	8
Research Methodology.....	8
Thesis Structure.....	9
<b>Chapter One: Literature Review</b>	<b>11</b>
1.1) The Journalistic Overview .....	11
1.2) A Practitioner’s Perspective.....	15
1.3) An Academic Account.....	19
<b>Chapter Two: Track-Two Diplomacy</b>	<b>25</b>
2.1) Prenegotiation .....	25
2.2) Track-Two Diplomacy.....	27
2.3) Third Party Intervention.....	31
<b>Chapter Three: Anglo’s Trek to Lusaka</b>	<b>34</b>
3.1) Anglo’s History within South Africa’s Economy.....	34
3.2) Context of the Anglo - ANC Meeting: 1985 .....	38
3.2.1) <i>The Domestic Armed Struggle</i> .....	39
3.2.2) <i>The Financial Retreat</i> .....	42
3.2.3) <i>Social Sentiment</i> .....	46

3.3) The Zambian Board Meeting.....	47
3.4) Anglo’s Angle.....	49
3.5) Opening the Floodgates to Lusaka.....	57
3.6) Anglo-ANC Assessment.....	60
<b>Chapter Four: The Mells Park Meetings, 1987 – 1990</b>	<b>63</b>
4.1) History of Gold Fields in the South African Economy.....	63
4.2) Context of the Mells Park Talks .....	66
4.3) The Way Forward .....	67
4.4) Gold Fields Endgame.....	73
4.5) Consequences of Mells Park.....	74
4.5.1) <i>Opening the Door to Direct Contact</i> .....	75
4.5.2) <i>Building a Sense of Possibility</i> .....	75
4.5.3) <i>Understanding White Perceptions</i> .....	77
4.5.4) <i>Preparing for Official Peace Talks</i> .....	78
4.6) Mells Park Assessment .....	81
<b>Chapter Five: Assessment</b>	<b>84</b>
5.1) Participants.....	85
5.2) No official mandate.....	86
5.3) Secrecy.....	87
5.4) Third Party Intervention.....	88
5.5) Objectives .....	91
<b>Conclusion</b>	<b>93</b>
<b>Bibliography</b>	<b>96</b>

## Abbreviations

African National Congress	-	ANC
Azanian People's Organisation	-	AZAPO
Back-Channel Negotiations	-	BNC's
Chief Executive Officer	-	CEO
Institute for a Democratic Alternative for South Africa	-	Idasa
Interactive Conflict Resolution	-	ICR
Johannesburg Stock Exchange	-	JSE
National Intelligence Service	-	NIS
Nationalist Party	-	NP
Orange Free State	-	OFS
Organisation for African Unity	-	OAU
Pan-African Congress	-	PAC
Progressive Federal Party	-	PFP
Southern African Development Community	-	SADC
South African Communist Party	-	SACP
Umkhonto we Sizwe	-	MK
United Democratic Front	-	UDF
United Nations	-	UN

## Abstract

This dissertation explores the important contributions that unofficial negotiation processes can and do make to conflict resolution and political transitions. The theories regarding unofficial negotiations are explored in the context of a South African case study and will look at the ways in which the efforts made by members of the private sector during the last five years of apartheid, from September 1985 to February 1990, contributed to the start of official negotiations and a peace agreement, ending decades of racial prejudice and violence. What is so interesting about the South African case study is not only the success of the unofficial negotiation processes, but the specific roles played by members of big business, both as participants and as third-party mediators. The private sector in South Africa for decades had a complicated relationship with the government, causing severe animosity among the poorest members of the population who resented capitalist greed while they suffered racial oppression and poverty. In this dissertation, details of how two of the most powerful mining companies intervened against apartheid and facilitated important track-two diplomacy, as well as their motivations and the consequences of their actions will be presented and discussed. The South African case is a testament to the importance of back-channel negotiations as well as the positive contributions that the private sector can make to conflict resolution. More importantly, it takes a unique focus on the motivations of the private sector role players and identifies the ways in which the historical context and interests of the private sector affected their involvement in track-two diplomacy, and the outcomes of these proceedings.

This thesis will therefore begin with a thorough examination of the major literature regarding the unofficial negotiations conducted by mining companies between 1985 and 1990, as well as the theories which will be used to conduct this theory case study, including prenegotiations, track-two diplomacy and the role of third party intervention. The South African case study has been divided into two phases, firstly the meeting which took place between the African National Congress (ANC) and executives from the Anglo American Corporation (Anglo) in September 1985 and secondly, the series of talks in Mells Park, England from 1987 to 1990, attended by members of the ANC and South African academics and facilitated by Consolidated Gold Fields (Gold Fields). Anglo and Gold Fields extensive history within the South African economy and the context of the meetings will be examined, as well as details of what was discussed at both sets of meetings, the motivations and interests

behind the company's intervening and reaching out to the ANC and the contribution the talks had on the official peace process. The study will end with an assessment of how the South African case study fits into track-two diplomacy theory and the ways in which features of the private sector contributed to the success of unofficial negotiations in South Africa's political crisis.

# Introduction

## Background

The fall of the racist apartheid regime under the Nationalist Party (NP) leadership, the commencement of negotiations in South Africa and the first democratic and multi-racial elections on 27 April 1994 is hailed as one of the most momentous and victorious chapters in South Africa's history. The ending of apartheid through peaceful means and no further violence or possibly civil war, is seen as a testament to the commitment of the leadership of the NP government and the ANC to an end to decades of systemic racism and oppressive government policies.

The story of South Africa's four years of official negotiations from 1990 to 1994; the delays, the breakthroughs and the threats to the entire process, were highly publicised and drew interest from all across the world, mostly due to relief considering the political and economic situation in South Africa in the 1980's. However, far less is known about the secret meetings and discussions which took place under the radar and away from media attention between the ANC and members of the South African population, specifically Afrikaner intellectuals and businessmen, in the five years leading up to the South African negotiations. There were hundreds of meetings conducted throughout the 1980's before the ANC and the government finally entered into official peace talks and many political analysts argue that these unofficial talks had a significant influential on the formal negotiations which took place in the early 1990's as well as the ultimate success of the negotiation process. This dissertation will focus specifically on two particular sets of unofficial, informal talks which were initiated, attended and facilitated by businessmen from the major mining corporations of Anglo American Corporation and Consolidated Gold Fields. Anglo representatives travelled to Lusaka, Zambia to meet with and discuss economic and political issues with the ANC leadership in exile and Gold Fields funded and organised meetings in England between ANC representatives and respected and influential members of the Afrikaner community. All these talks were conducted with no official mandate and were not considered negotiations, but rather information retrieval processes and enlightened discussions regarding South Africa's political and economic issues. However, what started as highly informal and politically risky, particularly in the Gold Fields case, as will be discussed later in the thesis, turned out to be

the foundation for formal peace talks and the beginning of the long path to a democratic South Africa.

### **Rationale**

The reason why this topic is engaging and important is not only due to the significant impact the secret talks behind the scenes had on the South African political landscape, but who the role players were and what their motivations were for stepping in and potentially making themselves politically vulnerable in order to get involved. In the South African case, we are referring to two of the largest and most influential corporations in the South Africa. It can be argued that Anglo and Gold Fields have been the engines of the South African economy for almost a century, since the beginning of the mineral revolution and the start of South Africa's modern economy. It is the sheer economic enormity of these companies that gives significance to these secret talks with the ANC in exile. The fact that Anglo and Gold Fields took the opportunity to get involved in South African politics at a hands on level, and reach out to an organisation like the ANC, which at this point were on the outskirts of official South African politics, regarded as a terrorist organisation, warrants discussion, not only into how this influenced the negotiation process in South Africa, but also why they got involved and what they hoped to gain from their engagement. This dissertation will unpack the reasoning and motivations behind Gold Fields and Anglo's intervention into the political future of South Africa and will explore what they hoped to gain from their interaction with the ANC and how it fitted into their business strategies for future in South Africa.

Further rationale for this research topic is the theory which is being used to explore it. Track-two diplomacy is a new and exciting theory which has given further depth to prenegotiation theory and the understanding of how conflict resolution and peaceful transitions occur. Track-two diplomacy theory has also been shaped by this particular case study – the secret talks in South Africa has cemented track two diplomacy in political transition theory and has allowed it to play an important role in understanding the importance of prenegotiations in official, track one negotiations and peace talks. Lessons learned from the study of the South African case have been used to inform prenegotiation processes in places such as the Middle East and Northern Ireland, and furthermore, role players within the South African negotiations have played significant roles in international peace negotiations since 1994.

Finally, this research topic is engaging due to the calibre of authors it has attracted. There are numerous highly respected authors who have done amazing work researching and exploring the back-channel negotiations in South Africa. Most of these authors were able to write about this topic at the time and just after the events occurred, capturing the players at their prime and gaining insightful understanding as to the thoughts and motivations behind the actions of those people involved at the time that these events were unfolding; from the ANC, the South African government and the private sector. It is the writing of these talented authors – Allister Sparks, Patti Waldmeir, Robert Harvey, Daniel Lieberfeld, Gail Gerhardt and Clive Glaser which will be used in this thesis to unpack the events in South Africa.

### **Research Question**

The research question for this dissertation is: *What role do private sector interests play in track-two diplomacy?* This question is important as it allows for a significant contribution to the existing literature regarding unofficial negotiations in general and specifically in South Africa. The current literature regarding track-two diplomacy in South Africa does not take into consideration the impact certain actors have on the unofficial negotiation process. The aim of this research is therefore to *build and add to the available body of work regarding track-two diplomacy in South Africa by contextualising it using the perspective of the private sector* and explore the way in which participation by the mining sector, taking into consideration the sectors particular aims and interests, impacted on the official negotiation process in apartheid South Africa. The history of the South African economy and particularly the history of Anglo and Gold Fields in the South African economy are imperative as it provides important context to understanding why these companies felt the need to get involved in South African politics. One cannot understand why the concept of economic disinvestment from South Africa was such a challenging concept without a thorough understanding of the corporations deeply rooted foundation in the South African economy.

### **Research Methodology**

This dissertation adopts a theory-orientated case study methodology<sup>1</sup>, which will locate the South Africa private sector case studies in the context of track-two diplomacy theory. This thesis will explore the theory regarding track-two diplomacy and apply it to the South African

---

<sup>1</sup> Alexander George and Andrew Bennett, *Case Studies and Theory Development*, (MIT Press, 2005), pp. 8.

case study. However, this dissertation will also go one step further and will fill in the gaps which exist in the current literature which doesn't give enough weight to the motivations of the private sector and the way in which these particular interests influenced the track two negotiation process and the outcomes. This dissertation also has a strong historical component and discusses the way in which events in South African history have shaped more recent events; particularly how the economic strength of the gold mining corporations in South Africa later contributed to their ability to support the ANC and the end of apartheid. In recent years, there has been a renewed focus on historical analysis in social science studies<sup>2</sup> and this thesis highlights the importance of solid historical context when it comes to analysing a political question.

### **Thesis Structure**

This dissertation will begin with a detailed exploration of the dominant literature regarding the unofficial track-two diplomacy initiatives in South Africa involving the mining sector between 1985 and 1990. Chapter one will focus on the six major authors who have contributed to the topic of secret talks with the ANC and will focus on what these authors have written about the private sector's role in South Africa's political transition, and more importantly, what the strengths and weaknesses of their arguments are. The chapter will then identify the gaps in the available literature with regarding to its theoretical focus, as well as the lack of focus on the motivations and interest of the private sector and how this influenced the track-two proceedings. The thesis later fills in these gaps by exploring the ways in which the motivations, position in the South African economy and actions of the private sector in South Africa can add to track- two diplomacy theory in the assessment section at the end of chapters three and four.

Chapter two continues with a theoretical study of track-two diplomacy and unofficial negotiation theory, and will outline which literature will be used to conduct this South African-based theory case study. A study of prenegotiation literature will be conducted as track-two diplomacy falls under the banner of prenegotiation and therefore the prenegotiation literature gives conceptual context to track-two diplomacy. A detailed overview and discussion of track-two diplomacy theory, including dominant characteristics, requirements and desired outcomes will be done in chapter two. A study of the role of third party

---

<sup>2</sup> George and Bennett, 8.

intervention will also be done in order to characterise the role played by Anglo American and Gold Fields and identify the importance the of a third party can play in South African's track-two diplomacy events.

Chapters three and four explore the South African case study, looking specifically at the series of dialogues which occurred between 1985 and 1990 and involved members of the mining sector, both as participants and mediators, and representatives of the ANC. Details of these talks in Lusaka in 1985 and in England between 1987 and 1990 will be discussed; including the participants, motivations of the parties concerned and the focus of the meetings, as well as the international and domestic environment in the 1980's which had an influence on the mining company's motivation to intervene in South Africa's political issues. The consequences of these talks and the impact track-two diplomacy initiatives between the ANC and members of the private sector had on the political transition in South Africa will be explored and each chapter will end with an assessment in terms of track-two diplomacy theory and whether the meetings made a difference to the environment in which official negotiations occurred. This analysis will look at how these unofficial meetings between the ANC and the Anglo executives and the South African academics impacted on both the ANC and government's strategies and the move towards participating in official negotiations on both sides of the fence. Finally, in chapter five the South African cases will be applied to the literature to assess the ways in which the Anglo and Mells park meetings fit within the track-two diplomacy framework that has already been outlined.

## Chapter One: Literature Review

There has been much written on the subject area of the secret meetings in Lusaka and Mells Park between 1985 and 1990. This chapter looks at the writings of six major authors who have documented and written about the proceedings of the two meetings, including the environments in which they took place, the participants, the aims and objectives of the participants, the fears of those attending and details of how the meetings took place and what issues were discussed. These six authors have specifically been chosen for this chapter as they document the details of the proceedings of the meetings as well as had a significant amount of access to the participants of the meetings, allowing for first-hand accounts of what was discussed, and the importance of these discussions in the overall move towards official negotiations. These authors include a large amount of detail regarding what happened at the talks; however, they do disagree on some of the details of the meetings, including how some of the participants got involved in the process and how many meetings took place in Mells Park. What is lacking in these publications is a focus on the motivations and interests of the private sector and how the involvement of big business, specifically Anglo and Gold Fields, contributed to the move to official negotiations in 1990. It is this gap which this paper will fill and will explore the unique ways in which the actions of Anglo and Gold Fields in track-two diplomacy contributed to the ANC moving to the official negotiating table in 1990.

This chapter is divided into three sections based on the approach the authors take on discussing the events which occurred in the South Africa case. Allister Sparks and Patti Waldmeir both take journalistic approaches to exploring the events and Robert Harvey provides a practitioner account due to his connections to the British government. Daniel Lieberfeld and Gerhardt and Glaser provide an academic perspective, with Lieberfeld taking a political science perspective and Gerhardt and Glaser taking a more historical perspective.

### 1.1) The Journalistic Overview

Allister Sparks' book *Tomorrow is Another Country* is an account of the complex process and the important events which led to the end of apartheid and the beginning of peace talks in South Africa. Sparks' is regarded as one of South Africa's leading journalists and he focuses attention on the critical role that certain individuals played in the country's transition to democracy. Although *Tomorrow is Another Country* looks at the large series of events which

led to the negotiating table, he also explores the clandestine meetings which took place between the ANC and elite Afrikaners in England in the late 1980's. According to Sparks, the process began during a meeting held in London by the ANC and British businessmen who had economic interests in South Africa. It was at this meeting that Michael Young from Consolidated Gold Fields approached Oliver Tambo, asking what British businessmen could do to help in the ANC fight. Young, before working for one of the largest international mining companies, was a political advisor to Prime Ministers Alec Douglas-Home and Edward Heath. Young reports that Tambo responded "I would like to see if we couldn't have a dialogue with the Afrikaners."<sup>3</sup> Rudolph Agnew, Gold Field's chairman, supported Young and agreed to fund the meetings and Young then went about approaching Afrikaners in South African who had connections to President Botha. Willie Esterhuysen and Sampie Terreblanche showed an interest in getting involved in the process and Neil Barnard from the National Intelligence Service approached Esterhuysen to spy for the organisation and report back on the meetings attended. Esterhuysen agreed to inform to the NIS and told Thabo Mbeki that the government was seeking through him an informal connection with the ANC.<sup>4</sup> A second conduit of information was created by the inclusion of Willem de Klerk in the secret meetings. Wimpie 'reported back surreptitiously to the man who was ultimately to make the decision to release Mandela and unban the ANC.'<sup>5</sup> According to Sparks, F.W de Klerk was not pleased with his brother attending the talks and did not want to know about the discussions, to which Wimpie reported responded "too bad, I'm going to report back to you anyway, whether you like it or not."<sup>6</sup> Secrecy was important and Sparks describes that the process was 'an elaborate exercise to have contact without running the political risk. If the meetings were found out, they could all be blamed on renegade individuals.'<sup>7</sup> It was this plausible deniability that allowed for these 'mock negotiations' to continue. Sparks discusses how the first meeting between the two groups at Henley-on-Thames was tense and suspicious; however, over the twelve meetings between November 1987 and May 1990 a shared patriotism and unspoken fellowship developed.<sup>8</sup> The meetings had a routine of dinner on Friday night and formal sessions on the Saturday and Sunday, which had a set agenda

---

<sup>3</sup>Allister Sparks, *Tomorrow is Another Country: The Inside Story of South Africa's Negotiated Settlement*, (Jonathan Ball Publishers, PTY (Ltd), 1995), pp. 59.

<sup>4</sup>Sparks, 60.

<sup>5</sup>Ibid, 61.

<sup>6</sup>Ibid.

<sup>7</sup>Ibid, 62.

<sup>8</sup>Ibid, 63

prepared and chaired by Michael Young.<sup>9</sup> According to Sparks, the topics of discussion ranged over ‘political developments in South Africa, the rise of international pressures, sanctions, the state of the economy, the possibility and implications of releasing Nelson Mandela, and what both sides believed could be done about the deepening racial conflict.’<sup>10</sup> Sparks emphasises that although the formal discussions were important, ‘the informal relationships and friendships were even more significant.’<sup>11</sup> According to Esterhuysen “negotiations don’t always have to be formal, you can also use Glenfiddich to resolve a problem.”<sup>12</sup>

Like Allister Sparks, Patti Waldmeir is also regarded as one of South Africa’s most talented journalists and has been reporting on South African politics for many years. Due to unique access she has had to important figures in South African politics, particularly in the ANC, Waldmeir in her book *Anatomy of a Miracle: The End of Apartheid and the Birth of the New South Africa*, is able to give extraordinary detail as to the strategies and thought processes behind many leaders within the South African struggle. She also allows for further details as the secret meetings which took place in Lusaka and England. Waldmeir looks at the role of the private sector in secret negotiations in chapter four, entitled ‘The Great Seduction’. Waldmeir identifies how Anglo American Corporation ‘struck a clever blow for capitalism when it became the first to break the taboo against talks with the ANC.’<sup>13</sup> This meeting in Zambia in 1985 between the ANC and the Anglo executives ‘legitimised contact with the movement’<sup>14</sup> Waldmeir explores the challenges faced by the participants before they even arrived in Zambia. On the ANC side, Oliver Tambo was afraid that meeting with Anglo would look like he was ‘selling out to capitalism’ and many of the businessmen who had committed to the meeting never got to Zambia due to pressure from P. W Botha. Waldmeir reports that it was through the encouragement of Kenneth Kuanda that the meeting was eventually attended by Tambo. Tony Bloom, one of the businessmen who attended the meeting at Kaunda’s private game reserve, reported “I was surprised (almost overwhelmed) by the cordiality of the meeting. A more attractive and congenial group would be hard to imagine. There was a total lack of aggression, animosity or hostility towards us...the initial

---

<sup>9</sup>Ibid.

<sup>10</sup>Ibid.

<sup>11</sup>Ibid, 64.

<sup>12</sup>Ibid, 66.

<sup>13</sup>Patti Waldmeir, *Anatomy of a Miracle: The End of Apartheid and the Birth of the New South Africa*, (Rutgers University Press, 1998), pp. 73.

<sup>14</sup>Ibid, 73.

round of introductions was almost like a reunion.”<sup>15</sup> Waldmeir also talks of the personal relationships that were forged at the meeting, particularly between Gavin Relly and Thabo Mbeki, who reportedly bonded over their shared a vice of pipe smoking. According to Waldmeir, the gulf between the economic policies of business and those of the ANC remained huge, specifically regarding the concept of nationalisation, as the ANC’s Freedom Charter advocated state ownership of ‘monopoly capital’.<sup>16</sup> Waldmeir argues that the ANC’s aim for the meeting was persuading the Anglo executives that their investments would be safe, so that they would be ‘powerful ambassadors for change’ back in South Africa.<sup>17</sup> Waldmeir places emphasis on the message conveyed by the ANC to the businessmen which was that ‘they were patriots, as deeply and passionately committed to South Africa as any of their white visitors; that they were human beings – and moderate ones at that – not fanatical ideologues.’<sup>18</sup>

Waldmeir describes the talks that occurred in England from 1987 to 1990 as being ‘thrice removed – talks about whether to talk about talks.’<sup>19</sup> These talks were never intended to be official talks or negotiations. It was these meetings which were arranged by Michael Young from Gold Fields. Before the meetings in England between the ANC and members of the elite Afrikaner community began, the National Intelligence Service (NIS), led by Dr. Niel Barnard, approached Professor Willie Esterhuysen to spy at these meetings and report back to the NIS, and in turn the South African government. Esterhuysen had been approached by Gold Fields to represent the Afrikaner community at the first meeting in 1987 and Waldmeir discusses that by using Esterhuysen as a spy, the government was establishing a low-risk channel of communication with the ANC, with plausible deniability to the voters. “Publically P.W Botha could continue to declare that his government would never talk to terrorists. Esterhuysen would do it for him.”<sup>20</sup> According to Waldmeir, the NIS was using this channel of communication to get information in order to achieve its goal, which was the splitting of the ANC. In 1987 the government still aimed at holding onto power. The ANC, according to Waldmeir, were using the talks to discuss the possibility of the transfer of power; neither side

---

<sup>15</sup>Ibid.

<sup>16</sup>Ibid.

<sup>17</sup>Ibid, 74.

<sup>18</sup>Ibid.

<sup>19</sup>Ibid, 77.

<sup>20</sup>Ibid, 76.

at this point were ready or willing to share.<sup>21</sup> Waldmeir argues that it is through these talks over the next three years that these views began to change, that a friendship grew between Thabo Mbeki, the head of the ANC delegation, and Esterhuysen, to the point where they held their own secret meetings which were unknown to the rest of the delegates. Esterhuysen had told Mbeki that he had been approached by the NIS and was reporting back on the meetings and Mbeki, according to Waldmeir, wanted this as it created ‘a reliable channel through which to feed his message of reassurance to Pretoria.’<sup>22</sup>

Waldmeir places great emphasis on the value of the Mbeki-Esterhuysen friendship in the peace making process and discusses how the environment at Mells Park, with wine and whiskey being consumed by the fireplace, was highly conducive to relationship building in the evenings and creating an environment of trust between the delegates over the years.<sup>23</sup> According to Waldmeir, Esterhuysen identifies two phases to the Mells Park talks: how to start negotiations and positions and principles. Waldmeir also discusses how it was not only Barnard of the NIS that was receiving report backs about the meetings; Wimpie de Klerk, future president F.W de Klerk’s brother, attended some of the meetings at the end of 1988 and was reporting back to F.W. It is reported that the ANC encouraged the invitation of Wimpie to Mells Park as they wanted to create a channel to F.W who was seen as highly conservative and a possible successor to Botha.<sup>24</sup> The culmination of three years of talks ended with de Klerk unbanning the ANC and other liberation organisations and Waldmeir states that Mbeki and Esterhuysen watched the announcement that Mandela would be freed from prison together over a glass of champagne at Mells Park. Although Waldmeir discusses the atmosphere at Mells Park, as well as the motivations and opinions of the participants, like Sparks, she fails to discuss what influence the private sector had on the talks, and what their motivation was for getting involved at that point. It is the significance and influence of the involvement of Anglo and Gold Fields in these secret talks that will form the bases of this dissertation.

## **1.2) A Practitioner’s Perspective**

In his book *The Fall of Apartheid: The Inside Story from Smuts to Mbeki*, Robert Harvey gives a brief history of South African politics, however, more emphasis is placed on the

---

<sup>21</sup>Ibid, 77.

<sup>22</sup>Ibid.

<sup>23</sup>Ibid, 78.

<sup>24</sup>Ibid, 80.

transition years in the 1980's. Harvey is a highly regarded author, as well as a former British politician within the Conservative Party and the British House of Commons. Due to his political background, he is able to focus attention on the roles played by specific people within the South African conflict. He looks at the decisions and strategies of President Botha and the rise of President de Klerk and the influence this had to the transition. Harvey also discusses what he believes are the reasons for the fall of apartheid, which include international sanctions which placed great economic pressure on the government and the domestic violence, particularly in the black townships, which continued to bring the South African more and more admonishment from abroad. Harvey provides a detailed account of "the talks about talks" which took place at Mells Park in Chapter 12: Most Secret Conduit. It is due to contact with participants at these meetings that Harvey is able to provide a concise account of the events at Mells Park and the consequences which unfolded on the South African political stage. Harvey begins by outlining how Oliver Tambo approached Michael Young of Gold Fields to set up a channel of contact between the ANC and influential white South Africans. Harvey compares this task given to Young to 'trying to act as an intermediary between the British and the Germans at the height of the Second World War.'<sup>25</sup> According to Harvey, Young's task would be more difficult given that Gold Fields was seen as a pillar of the English community by the Afrikaner community. Fear of retribution from the security services also meant that Young would have to approach Afrikaner elite in secret and risk being kicked out the country. Young began by contacting moderate, but prominent Afrikaners, including Sampie Terreblanche and Willie Esterhuysen at Stellenbosch University, Pieter de Lange, head of the Broederbond, Marinus Weickers, a professor at the University of South Africa and Willy Breytenbach, a senior civil servant in the government with close ties to the military. Many of the men Young approached declined attend the meeting in England; however, in the end, Terreblanche, Esterhuysen and Breytenbach agreed to cooperate with Young. The three men were believed to be well connected within the Afrikaner community and NP government and were prepared to meet with the ANC in England to discuss the current political crisis.<sup>26</sup> Coordination with the participants before the first meeting was made difficult as the NIS had tapped the phones of Esterhuysen as well as the ANC headquarters in Lusaka. Harvey stresses the risks faced by the attendee's, specifically the Afrikaner South African's, who risked their professional reputations, their liberty, and conceivably their lives.

---

<sup>25</sup>Robert Harvey, *The Fall of Apartheid: The Inside Story from Smuts to Mbeki*, (Palgrave MacMillan, 2001), pp. 125.

<sup>26</sup>Harvey, *The Fall of Apartheid: The Inside Story from Smuts to Mbeki*, 127.

The first meeting, described by Young as enormously tense, occurred in October 1987 at the Compleat Angler in Marlow, England. The three Afrikaners met with an ANC delegation consisting of Aziz Pahad, Harold Wolpe and Tony Trew.<sup>27</sup> Harvey explores the role played by Young during the first meeting; ‘Young ensured that the discussions were deliberately vague, and ranged over major issues without touching on specifics.’<sup>28</sup> At the end of that first meeting, Harvey states that it was decided that the group should meet again and should have a more specific agenda going forward.

In his book Harvey also places emphasis on the need for secrecy regarding the meetings and how Young had reported being followed at his home and office in London, presumably by South Africa’s state security bureau. Esterhuysen also received threats back home and was given instructions on how to search his car from bombs.<sup>29</sup> It was evident that the South African government, at the least, suspected that communication between the ANC and prominent Afrikaners was taking place. However, Esterhuysen after the first meeting in England confirmed that he had been in touch with Niel Barnard of the NIS, and that he had told them about the meeting he had attended. What Harvey identifies as important is that President Botha was now definitely aware of Young’s actions and the plan to have more meetings and had made no move to stop them; ‘that he accepted that the talks should continue was extraordinary; that the Old Crocodile would himself give the talks his imprimatur was astonishing.’<sup>30</sup> Botha’s actions indicated that he had decided to talk; ‘cautiously, secretly, indirectly.’<sup>31</sup> Harvey also discusses how the NIS agreed to Esterhuysen telling Mbeki that he would be reporting back to the agency about the meetings. Mbeki was told at the second meeting and Harvey states that the ANC was secretly delighted with the news as ‘a channel had been opened up to the very pinnacle of the whole, fearsome apparatus in South Africa – to President Botha and his shadowy intelligence chief. The next talks would not be a tense exchange of pleasantries after all, but hard negotiations on the main issues concerned, at just one remove, at the highest level between the two sides.’<sup>32</sup> Young saw Botha’s secret approval of the talks as a ‘massive breakthrough’ but it was placed large pressure on the talks as the stakes had been raised by Botha’s tacit involvement. It also increased the need for secrecy as

---

<sup>27</sup>Harvey, 127.

<sup>28</sup>Ibid, 128.

<sup>29</sup>Ibid, 129.

<sup>30</sup>Ibid.

<sup>31</sup>Ibid.

<sup>32</sup>Ibid, 130.

this breakthrough would be threatened should conservative South African's and government officials or militant ANC leaders find out about the talks and derail this diplomatic strategy.

The second meeting occurred between 21 and 24 February at the Eastwell Manor Hotel, 'the first direct negotiations between the ANC and the Afrikaners.'<sup>33</sup> At this meeting, Thabo Mbeki, the then ANC director of communication, headed the ANC delegation. Harvey states that tensions were lower at this meeting, although both groups denied that they were given any mandate from either side to officially negotiate. This process was outlined by Young as 'creating a climate of change'.<sup>34</sup> The four principal issues addressed at the meeting at Eastwell Manor were the cessation of violence, the ANC demand for majority rule, the fears about the ANC reputation for radicalism and the addressing of the white minority concerns for their own rights and cultures.<sup>35</sup> The next round of talks occurred in August 1988 at Mells Park, a manor in England owned by Gold Fields. Harvey highlights the significance of the round of talks which occurred at Mells Park from 21 to 24 April. Earlier that year President Botha suffered a stroke and F.W de Klerk took over as leader of the Nationalist Party. Willem de Klerk, F.W's brother attended the April talks and asked a question on behalf of his brother: would it be possible to start talks about talks with the ANC and what would the preconditions to talks be? This was the first time that an apartheid leader directly showed a desire to begin discussing the option of negotiations openly with the ANC and Mbeki responded saying that there would be no preconditions on the ANC side; however, they believed the release of Mandela would be a show of good faith. They also stated that the talks should focus on the issue of violence in the country, the participants in formal negotiations, the unbanning of the ANC and ending the state of emergency currently in place.<sup>36</sup> This moment is described by Harvey as a breakthrough, although Mbeki and Esterhuysen reportedly already saw the Mells Park talks as pre-talks as information was being relayed directly to Tambo and Botha, and later de Klerk through his brother and the NIS.<sup>37</sup>

Although Harvey provides much detail as to what was discussed at these meetings and how assisted in leading to the release of Nelson Mandela, the unbanning of the ANC and the start of the official negotiation process, what he fails to do, as do Sparks and Waldmeir, is place

---

<sup>33</sup>Ibid, 133.

<sup>34</sup>Ibid,

<sup>35</sup>Ibid, 140.

<sup>36</sup>Ibid, 166.

<sup>37</sup>Ibid, 169.

the events into a theoretical study. Nor does he provide an analysis of Gold Fields interests and why they chose to get involved and fund these clandestine talks.

### 1.3) An Academic Account

Gail Gerhardt and Clive Glaser discuss the South Africa's political transition in their book *From Protest to Challenge*. Volume 6, entitled '*Challenge and Victory, 1980 to 1990*' specifically includes information regarding the secret meetings which took place during the late 1980's. One of the major strengths of Gerhardt and Glaser's book is the inclusion of documents and memorandums written by the ANC in exile regarding their internal views and opinions regarding the meetings which were taking place. These documents provide valuable insight into how the ANC viewed these talks and what issues they placed emphasis on. Document 126 is entitled "Summary of Discussions between Certain Representatives of Big Business and Opinion-Makers in South Africa and the ANC. ANC memorandum, September 14, 1985."<sup>38</sup> This document includes notes taken by the ANC delegates at the meeting with Anglo and media representatives in Zambia on 13 September 1985, described by the ANC as having a 'cordial atmosphere.'<sup>39</sup> The participants of the meeting were Gavin Relly, CEO of Anglo American Corporation, Dr. Zach de beer of Anglo, Tony Bloom of Premier Group Holdings, Tertius Myburgh, editor of the Sunday Times, Harald Pakendorf, editor of Die Vaderland, J. De L. Peter Sorder, Director of South African Foundation and Hugh Murray, editor of Leadership SA. Representing the ANC were President Tambo, Pallo Jordan, Mac Maharaj, Chris Hani, Thabo Mbeki and James Stuart. The ANC emphasises in this memorandum that the purpose of the meetings was not to talk about talks with the NP government, but rather to get to know each other and discuss the problems facing South Africa.<sup>40</sup> The ANC reports that the business representatives believed that President Botha was committed to reforms and that further reforms were expected. According to the ANC, Big Business saw its role in South Africa as 'maintaining good relations with the regime in the expectation that they could continue to quietly nudge the Botha regime towards reform.'<sup>41</sup>

One of the insights explored by the ANC in the memorandum is that Big Business is accepting the possibility that Botha's regime will not survive much longer and are searching

---

<sup>38</sup>Gail M. Gerhardt and Clive L. Glaser, *From Protest to Challenge*, Volume 6: '*Challenge and Victory, 1980 to 1990*', (Indiana University Press, USA, 2010), pp. 576.

<sup>39</sup>Ibid, 580.

<sup>40</sup>Ibid, 576.

<sup>41</sup>Ibid, 577.

for what they describe as ‘middle ground’ in the South African body politic.<sup>42</sup> At the meeting, the businessmen raised their concerns regarding the armed struggle, the ANC’s relationship with the South African Communist Party (SACP) and the ANC’s economic policy.<sup>43</sup> The ANC representatives report that they used this meeting as an opportunity to straighten out the major misconceptions the businessmen had about the positions of the ANC, stating that they did not relish violence but that it was the state which has made the armed struggle necessary. The ANC delegates outlined the organisation’s economic policy which was based on the original Freedom Charter and advocated ‘a re-distribution of the wealth of our country in contrast to the present economic order which is characterised by extremes of wealth co-existing with gross mass poverty.’<sup>44</sup> This re-distribution would require the nationalisation of the monopoly industries, banks and mines. They also requested that Big Business in South Africa ‘take a more positive position’ against the apartheid regime, which they have failed to do in the past decades.<sup>45</sup> This positive position was outlined as the need to ‘publically increase and step up the pressure on the regime especially with regard to the release of Nelson Mandela and all political prisoners’<sup>46</sup> as well as lifting the state of emergency and ban on the ANC and removing troops and police from black townships.

Gerhardt and Glaser also discuss how Niel Barnard, head of the NIS, was monitoring a series of secret talks being conducted in Britain between the ANC and members of the Afrikaner establishment.<sup>47</sup> Barnard was being informed by Willie Esterhuysen, one of the Afrikaner delegates. The talks were initiated by Michael Young, a British businessman, reportedly at the request of Oliver Tambo. The first meeting took place in October 1987 and was attended by three Stellenbosch professors, Esterhuysen, Sampie Terreblanche and Willie Breytenbach, who provided information regarding the government’s thinking and identified that the first issues to be discussed were what the preconditions for negotiations would be and ‘what kind of future political system would be mutually acceptable for both sides.’<sup>48</sup> Thanks to these talks ‘an almost direct – but still deniable – line of communication had been opened through which the two sides could explore each other’s minimum demands.’<sup>49</sup> This line of communication became even more direct in 1988 when Wimpie de Klerk became a

---

<sup>42</sup>Ibid.

<sup>43</sup>Ibid, 578.

<sup>44</sup>Ibid, 579.

<sup>45</sup>Ibid, 578.

<sup>46</sup>Ibid, 580.

<sup>47</sup>Ibid, 181.

<sup>48</sup>Ibid, 182.

<sup>49</sup>Ibid.

participant and reported back to his brother F.W de Klerk, who became South Africa's president in 1989. Gerhardt and Glaser outline the contributions the series of seven secret meetings had on the South African conflict. Firstly, the talks affected the opinion of the Afrikaner participants, helping them to realise that 'the people at the ANC's helm were not monsters. They were reasonable, educated, civilised people; moderate leaders.'<sup>50</sup> According to Gerhardt and Glaser 'friendships were formed and acknowledgement of a common patriotism became possible in spite of underlying fears and mistrust.'<sup>51</sup> Gerhardt and Glaser do provide insight into the psychological importance of these talks for both sides, and the book places emphasis on the relationships and friendships that were formed. However, like Sparks, Waldmeir and Harvey, there remains a theoretical element and an understanding of the important role the private sector played and why.

Daniel Lieberfeld is an important author for this thesis as not only has he written extensively on the secret meetings which took place behind the scenes of the South African conflict, but he also conducts a theoretical study as to where the meetings in Zambia and Mells Park fall within conflict resolution and prenegotiation theory in his papers *Evaluating the Contribution of Track-Tow Diplomacy to Conflict Termination in South Africa, 1984 – 90* and *Promoting Tractability in South African and Israel/Palestine: The Role of Semiofficial Meetings*. On 13 September 1985 four executives from the Anglo-American Corporation, as well as three members of the South African media, flew to Zambia to meet with Oliver Tambo and other ANC leaders in exile. Daniel Lieberfeld discusses how Kenneth Kuanda, Zambia's President, organised the meeting, due to his relationships with the ANC, and Gavin Relly, Anglo's CEO. The private sector participants at the meeting, identified by Lieberfeld, were Gavin Relly, Peter Sorour, the South Africa Foundation (SAF) chief executive, Zac de Beer, an executive director at Anglo and Anthony Bloom, CEO of Premier Milling, a company part-owned by Anglo. ANC President Oliver Tambo, who had been based in exile at the ANC headquarters in Lusaka, attended the meeting, as well as Thabo Mbeki. Lieberfeld theorises that the Anglo representatives were in a unique position to reach out and conduct talks with the ANC in exile as it would have been politically risky for the South African government to act against large corporations who the government relied on economically. Due to Anglo's position as the largest company in South Africa, it would not have been politically wise to

---

<sup>50</sup>Ibid.

<sup>51</sup>Ibid.

seize the CEO's passport.<sup>52</sup> Lieberfeld identifies Anglo's motivation for engaging in dialogue with the ANC as wanting to 'establish a relationship between the wealth-producing sector and a new African economic policy.'<sup>53</sup> Anglo had also experienced the nationalisation of the majority of its mining interests in Zambia after gaining independence in the 1970's and the company feared that the ANC would follow a nationalisation route once apartheid was abolished and the party came to power. Due to this fear, Lieberfeld outlines that the businessmen asked whether ANC economic policy envisioned state control and nationalisation of industries. The businessmen stressed that political progress depended on economic growth, which capitalism could effectively produce.<sup>54</sup> According to Lieberfeld, the ANC saw the benefit of talks with the Anglo representatives as 'enhancing the democratic forces and weakening and demoralising the regime.'<sup>55</sup> Kuanda chaired the meeting and placed emphasis on the fact that the aim was not to make any decisions. The environment was said, by participants, to be relatively laid back, with the men referring to each other by their first names and creating a 'fraternal atmosphere.'<sup>56</sup> Lieberfeld reports that Gavin Relly identified the meeting as 'one of the nicest days I have ever spent.' According to Lieberfeld, the significance of the Zambia meeting was that it opened the floodgates of international business to deal with the ANC and showed that the ANC was being taken seriously as a potential 'government-in-exile' by the private sector in South Africa.<sup>57</sup>

Lieberfeld also discusses the series of six meetings held in England between 1987 and 1990. Participants in these meetings were elite members of the Afrikaner community and senior ANC officials. What Lieberfeld identifies is important is that many of the Afrikaner participants had ties to the NP government, and some were even members of the Afrikaner Broederbond, "a secret ethnic organisation whose leadership had long controlled mainstream Afrikaner politics, culture and business."<sup>58</sup> Lieberfeld looks at the role Gold Fields played in the planning of these meetings. He discusses how the company's Vice-Chairman Humphrey Woods, tried unsuccessfully to arrange such meetings and that it was eventually a consultant for Gold Fields that contacts Willie Esterhuyse, a professor of political philosophy at

---

<sup>52</sup>Daniel Lieberfeld, *Evaluating the Contribution of Track-Two Diplomacy to Conflict Termination in South Africa, 1984 – 1990*, (Journal of Peace Research, Vol. 39, No.3, May 2002), pp. 360.

<sup>53</sup>Lieberfeld, *Evaluating the Contribution of Track-Two Diplomacy to Conflict Termination in South Africa, 1984 – 1990*, 360.

<sup>54</sup>Ibid, 361.

<sup>55</sup>Ibid.

<sup>56</sup>Ibid.

<sup>57</sup>Ibid, 362.

<sup>58</sup>Ibid, 364.

Stellenbosch University. Esterhuysen went on to represent the Afrikaner interest at the Mells Park meetings from 1987 to 1990 when the ANC was eventually unbanned by President F.W de Klerk.<sup>59</sup> The involvement of Gold Fields also went further as to having Michael Young, head of communications and corporate affairs, chairing the meetings. As discussed by Lieberfeld, the motivation for the meetings the ANC side was to increase the number of 'politically influential Afrikaners to the circle of those with whom the ANC had contacts.'<sup>60</sup> Lieberfeld argues that the meetings in England were significant in that they were 'the first substantive 'proximate talks' between the ANC in exile and the South African government.'<sup>61</sup> This approximation was achieved through the connection between the Afrikaner participants, particularly Esterhuysen, and the NIS which, according to Lieberfeld, contacted Esterhuysen and asked that he report back to the NIS about what was discussed at the meetings. This was done so under the knowledge of the ANC and led to the organisation seeing the Afrikaner participants as playing an 'emissary role' for the NIS and the NP government.<sup>62</sup> The talks revolved around both politics and economics, particularly the requirements for official negotiations on both sides. Report backs to the NIS and white South Africans by the Afrikaner participants centred around the ANC's 'willingness to negotiate, it's decreasing commitment to 'armed struggle' and its willingness to handle minority rights, i.e. of whites, with sensitivity.'<sup>63</sup> Lieberfeld discusses the impact these meetings in England had on both the NP and ANC's policies and choices for the future of South Africa. During the time in which these secret talks were occurring, the NP was still trying to discredit the ANC within the country. However, the Mells Park meetings 'helped to legitimise the ANC as a negotiation partner'<sup>64</sup> within South Africa and undermined the government's strategy. It also caused a polarisation among Afrikaners, those who supported negotiations and those who wanted to remain strong and continue to fight for power. The Conservative Party (CP) used unofficial talks as a show of weakness on the side of the NP government, threatening the NP's support base.<sup>65</sup> On the ANC side, secret meetings furthered the strategy of 'winning white's support for majority rule' as the meetings showed that through discussions, this strategy could gain ground. Lieberfeld also outlines how the secret meetings caused the ANC

---

<sup>59</sup>Ibid.

<sup>60</sup>Ibid.

<sup>61</sup>Ibid.

<sup>62</sup>Ibid.

<sup>63</sup>Ibid, 366.

<sup>64</sup>Ibid, 368.

<sup>65</sup>Ibid.

to begin specifying its preconditions for official negotiations.<sup>66</sup> Lieberfeld concludes that the Mells Park meetings consistently highlighted participants shared identity as South Africans and contributed significantly to lowered threat perceptions and to increased willingness to negotiate.<sup>67</sup> This in turn created an environment in which decision makers began to realise that ‘a negotiated resolution was possible in terms of both strategic goals and domestic politics.’<sup>68</sup> However, there is little discussion of the specific motivations of Gold Fields and what influence the involvement of the corporation had on these meetings and the decisions taken by the ANC and the government.

Although all the authors discussed in the above chapter explore the details of the secret meetings attended by members of the business sector and all make important contributions to our understanding of the events which resulted in the abolishment of apartheid, many are lacking a theoretical focus. Lieberfeld does look at the unofficial negotiations from a track-two diplomacy theoretical basis; however, he fails to look at the ways in which the interest and motivations of the private sector, specifically Anglo and Gold Fields, influenced and impacted the transition process and how the South African experience can contribute to track-two diplomacy theory. Commercial interests bring a different dimension to negotiations and diplomatic proceedings and the motivations of the interested parties define how the process unfolds.

The following chapter will outline and comprehensively explore the relevant theories relating to track-two diplomacy and will lay the theoretical foundation for the South African case study. The chapter outlines prenegotiation theory and track-two diplomacy theory, including its requirements and objectives, which forms the lens through which the talks in South Africa with private sector involvement will be looked at. The chapter will end with a discussion on how unofficial, track-two diplomacy influences and leads to track-one diplomacy and official negotiations.

---

<sup>66</sup>Ibid, 369.

<sup>67</sup>Ibid, 370.

<sup>68</sup>Ibid.

## Chapter Two: Track-Two Diplomacy

Now that the major literature regarding the unofficial meetings between the ANC and the Anglo and Gold Fields representatives has been discussed in chapter one, the South African case study has been established. The next step is to identify and outline the theory which will be used to conduct this case study. Chapter three begins with a study of prenegotiation literature as track two diplomacy falls under prenegotiation and an exploration of prenegotiation literature provides conceptual context. Track-two diplomacy theory will then be explored and its characteristics identified. The role of third party intervention will also be explored in order to analyse the role played by members of the private sector in the South African peace-making process, as well as the roles played by the mediators at the meetings, Kenneth Kuanda and Michael Young. The most authoritative authors on prenegotiation, track-two diplomacy and third-party intervention will be used in this chapter.

The theory of track-two diplomacy will be the lens through which the South African case study will be analysed. This chapter will identify the purpose and aims of track-two diplomacy processes and will outline how track-two diplomacy makes an important contribution to official track-one negotiations.

### 2.1) Prenegotiation

Negotiation is defined as “a discussion between two or more parties with the apparent aim of resolving divergence of interest and thus escaping social conflict.”<sup>69</sup> Within conflict resolution, negotiation can be used to settle conflicts regarding individuals, individuals, organisations or nations.<sup>70</sup> Pruitt and Carnevale argue that divergence of interests, parties having incompatible preferences among a set of available options, is found in international relations and that negotiation theory is useful in the understanding of political conflicts. The functions of negotiation, according to Pruitt, are the development of specific agreements, the development of longer term policies about roles, obligations and privileges and mediation of social change,<sup>71</sup> all of which can aid in ending or lessening a conflict. The authors of *Negotiation in Social Conflict* also identify five negotiation strategies: Concession making which entails reducing one’s goals, demands or offers; Contending by trying to persuade the

---

<sup>69</sup>Dean J. Pruitt and Peter J. Carnevale, *Negotiation in Social Conflict*, (Open University Press, 1993), pp. 2.

<sup>70</sup>Pruitt and Carnevale, 3.

<sup>71</sup> Dean J. Pruitt, *Negotiation Behavior*, (Academic Press, 1981), pp. 6.

other party to concede and not conceding oneself; Problem solving which tries to locate and adopt options that satisfy both parties; Inaction which involves doing as little as possible and; Withdrawal when a party drops out of the negotiation process.<sup>72</sup>

According to I. William Zartman there is an important step that comes before negotiation and plays an important role in peace making and that considering that negotiations begin when parties come to the official negotiating table “in fact takes no account of the most challenging phase of preparations and therefore misses an important aspect of the process of narrowing disagreement between parties.”<sup>73</sup> Zartman therefore defines prenegotiation as beginning “when one or more parties considers negotiation as a policy option and communicates this intention to other parties. It ends when the parties agree to formal negotiations (an exchange of proposals designed to arrive at a mutually acceptable outcome in a situation of interdependent interests) or when one party abandons the consideration of negotiation as an option.”<sup>74</sup> The nature of prenegotiation lies in the parties concerned coming to the conclusion that “some joint solution is possible.”<sup>75</sup> Zartman through the study of numerous case studies comes to the conclusion that prenegotiation is necessary in the negotiation process, referring to it as a “preparatory phase without which the negotiation would not have taken place.”<sup>76</sup> Zartman also argues that prenegotiation is a period of transition during which perceptions and behaviours are changes and that by the end of the prenegotiation phase adversaries are capable of cooperating and forming some form of trust.<sup>77</sup>

The function of prenegotiation is ultimately to facilitate a shift to “a conciliatory mentality, believing solution is to be found, with, not against, the adversary and preparing to give a little to get something, to settle for an attainable second best rather than hold out for an unattainable victory.”<sup>78</sup> Zartman argues that the risks associated with prenegotiation are lower and that this increases its chance of success. The reasons given are that “exit costs are lower in prenegotiation, where no engagements have actually been made as yet, parties can be freer about stating maximum terms and real interests clearly. The exchange of information reduces the unknown and hence the risks of eventual concessions.”<sup>79</sup> The parties, according to

---

<sup>72</sup>Pruitt and Carnevale, 4.

<sup>73</sup>I. William Zartman, *Prenegotiations: Phases and Functions*, (International Journal, Vol. 44, No. 2, Getting to the Table: Process of International Prenegotiations, 1989), pp. 238.

<sup>74</sup>*Ibid*, 240.

<sup>75</sup>*Ibid*.

<sup>76</sup>*Ibid*, 243.

<sup>77</sup>*Ibid*.

<sup>78</sup>*Ibid*.

<sup>79</sup>*Ibid*, 244.

Zartman, come to know what to expect and allows the transition to official negotiations to be smoother and less tense. Studies on conflict resolution advocate that the concept of requirement, the reciprocity of actions between adversaries within a resolution process, is a vitally important element in the move towards negotiations. In the resolution of a conflict it is important for adversarial groups to see that concessions will be repaid with concessions.<sup>80</sup> According to Zartman, prenegotiations are the best time to indicate that concessions will be reciprocated as neither party is committing to any specific concessions but are merely assuring each that they are prepared to do so.<sup>81</sup> This exploring of concessions and how concessions will be responded to by the other party is important to this dissertation as this was one of the important issues discussed at the Mells Park talks and allowed for both parties to increase not only their understanding of their adversary, but also what they were willing to give up in the quest for peace. The topic of concessions will be further looked at in chapter four which studies the agenda of the Mells Park talks in greater detail. Track-two diplomacy can be considered to be a theory which fits into the broader framework of prenegotiations and that many of the functions of track-two diplomacy, discussed in the next section of the chapter, fit the aims and objectives of the prenegotiation process, which Zartman considers so important in conflict resolution.

## 2.2) Track-Two Diplomacy

Conflict resolution is a field which calls for the voluntary participation and mutual agreement of parties to produce self-sustaining agreements and improve relations.<sup>82</sup> Within the field of conflict resolution falls the practice of interactive conflict resolution (ICR), which, according to Ronald J. Fisher, “provides a quiet, neutral, low risk forum for influential but unofficial representatives of parties to come together and engage in frank discussions and sustained analysis with the guidance and facilitation of an impartial and skilled third party.”<sup>83</sup> Track-two diplomacy is applied in the field of interactive conflict resolution.

Joseph Montville defines track-two diplomacy as ‘unofficial, non-structured interaction between members of adversarial groups that is directed towards conflict resolution through

---

<sup>80</sup>Ibid, 245.

<sup>81</sup>Ibid.

<sup>82</sup>Ronald J. Fisher, *Interactive Conflict Resolution: Dialogue, Conflict Analysis and Problemsolving*, Dennis J. D Sandole, Sean Byrne, Ingrid Sandole-Staroste and Jessica Senehi (eds), *Handbook of Conflict Analysis and Resolution*, (Routledge Taylor and Francis Group, 2009), pp. 331.

<sup>83</sup>Fisher, *Interactive Conflict Resolution: Dialogue, Conflict Analysis and Problems*, 331.

addressing psychological factors.<sup>84</sup> Unofficial talks are different to official, formal talks which involve the direct participants of the conflict communicating in a forum where they are able to negotiate a treaty or a peaceful settlement to the conflict. Daniel Lieberfeld within the analysis of facilitated track-two initiatives distinguishes between “hard” track-two and “soft” track-two. Lieberfeld uses representatives, third party, dialogue mode and objectives as the main factors which identify and distinguish hard and soft track-two initiatives. Lieberfeld also outlines specific types of interactions, all of which fall under the general sphere of track-two diplomacy.<sup>85</sup> Within the “hard” track-two initiative frameworks Lieberfeld makes a distinction between semi-official talks, also referred to track-one-and-a-half. Within semi-official talks the representatives of the conflicting parties are mixed, including either senior officials or non-officials, possibly citizens, who have been granted a mandate to conduct the talks on behalf of each party. Within the talks there is a third party, or mediator, who is often non-official but is closely connected and has access to the relative authorities. This facilitation is also stated by Lieberfeld as being less active than a traditional mediatory role. The dialogue mode of semi-official talks is informal and usually done in secrecy, with confidentiality being a priority and the prime objective is to provide a basis, or foundation for official track-one negotiations between adversaries to occur. The important factor here is the mandate which the parties at the table are given.

According to Lieberfeld there are also types of track-one diplomacy which fit into the category of track-two initiatives and these involve track-one back-channel negotiations (BCN’s). As with typical track-one diplomacy, the proceedings are officially sanctioned and attended by the direct adversaries of a conflict. However, BNC’s are conducted in secrecy and often occur in parallel to with the official front-channel negotiations.<sup>86</sup> Back-channel negotiations therefore accompany but do not replace the official formal negotiation process. The negotiators in back-channel initiatives mainly have a close relationship to top decision makers<sup>87</sup> and within conflict resolution practices agreements have often been reached during back-channel negotiations rather than through the official negotiation process. Back-channel negotiations have occurred frequently within the Israel-Palestine conflict and have been studied to identify their ability to facilitate agreements between adversarial groups. However,

---

<sup>84</sup>Ronald J. Fisher, *Interactive Conflict Resolution*, (Syracuse University Press, 1997), pp.117.

<sup>85</sup>Daniel Lieberfeld, *Promoting Tractability in South Africa and Israel/Palestine: The Role of Semi-Official Meetings*, (American Behavioral Science, 2002), pp. 4.

<sup>86</sup>Anthony Wanis-St. John, *Back-Channel Negotiation: International Bargaining in the Shadows*, (Negotiation Journal, 2006), pp. 119.

<sup>87</sup>Ibid, 120.

most track-two initiatives are conducted before parties have come to the table and are therefore part of the prenegotiation process.

There are a number of factors which identify track-two diplomacy initiatives and others which distinguish track-two diplomacy from the more formal, track-one negotiations commonly seen in conflict resolution. Firstly, participants in the talks need to belong to adversary groups<sup>88</sup> and secondly, specific political solutions and programmes for action within the conflict are discussed during the diplomatic processes.<sup>89</sup> Another requirement of track-two diplomacy, according to Lieberfeld, is that no participants are in the position to negotiate, and therefore do not have an official mandate. The aim is to provide an informal arena in order for doors of communication to be opened between conflicting groups and issues relating to the conflict to be discussed in an unofficial, and therefore less intimidating, environment.

Lieberfeld summarises the functions of track-two diplomacy as Exploration, Clarification and Verification.<sup>90</sup> Participants are able to build a foundation of understanding and common ground by exploring responses to specific proposals. It also allows adversarial groups to clarify their positions and demands to each other and verify and refute opinions or beliefs they have about their opposition or refine their own policies. Track-two engagements are generally less politically risky due to their nature of secrecy and parties are therefore able to consider formal dialogue and begin testing the waters in a safer space, without the fear of political, social or economic repercussions or committing to an official peace-making process. Track-two initiatives “seek to build relationships of working trust among representatives of adversarial groups and feed ideas and proposals into the political process.”<sup>91</sup> However, in order to feedback information into the political process a direct connection and line of communication with decision makers and top leadership is necessary. Track-two negotiations can therefore decrease conflict caused by miscalculation or misunderstanding, and can also “contribute to stability over the longer term by fostering change at the personal level, rather than just at the government level.”<sup>92</sup> In essence, track-two diplomacy has the

---

<sup>88</sup> Daniel Lieberfeld, *Evaluating the Contribution of Track-Two Diplomacy to Conflict Termination in South Africa, 1984 – 199*,. 356.

<sup>89</sup> Lieberfeld, *Evaluating the Contribution of Track-Two Diplomacy to Conflict Termination in South Africa*, 356.

<sup>90</sup> Lieberfeld, *Promoting Tractability in South Africa and Israel/Palestine*, 15.

<sup>91</sup> Lieberfeld, *Promoting Tractability in South Africa and Israel/Palestine*, 20.

<sup>92</sup> Marieke Kleiboer, *Ripeness of Conflict: A Fruitful Notion*, (Journal of Peace Research, volume 31, no. 1, 1994), pp. 112.

ability to bring together members of opposing sides when leaders cannot be brought together in an official capacity. Track-two dialogue is also used when the option of track-one dialogue is not yet an official or openly accepted option in a conflict but an opportunity to explore other options is on the table.

Track-two diplomacy plays an important role in a prenegotiation process. However, it must be remembered that the point of prenegotiation is to create or improve an environment in which negotiations can take place. Track-two diplomacy supports track-one diplomacy as this is where concrete decisions are made by leaders, where concessions are agreed to, and conflicts are ended by signed agreements. Track-two diplomacy lays the foundation for track-one diplomacy to build on. What is therefore important to explore at this point in this dissertation is what influence track-two diplomacy has on track-one proceedings. Lieberfeld in his paper “Evaluating the Contribution of Track-Two Diplomacy to Conflict Termination in South Africa, 1984 - 90” discusses five major influences that link these two processes. The first influence is creating a shared sense of possibility that the end to a conflict can be negotiated. This is achieved through exploration which increases understanding and therefore minimises threat perception between adversaries, and instead is replaced by ‘a joint search for co-operative solutions.’<sup>93</sup> The second influence of track-two diplomacy on track-one proceedings is reducing threat perception through the process of exploration, verification and clarification which has already been discussed. Thirdly, unofficial talks can cause a shift in public opinion and ‘create latent political support for negotiation that increases the political feasibility of official, track-one talks.’<sup>94</sup> The fourth function influence of track-two diplomacy, according to Lieberfeld, is that it fulfils a ‘preparatory function’ within the participating parties. Participants are able to familiarise themselves with the oppositions objectives and opinions, as well as gain experience on discussing issues – a skill which can be used during the official negotiation process. The participants in the meetings also become champions for negotiations in their parties and can push this agenda as they are able to see its merits and become comfortable with the concept. Finally, track-two diplomacy can play the important role of creating a new perspective for members within an adversarial group who are opposed to or distrust negotiations and are advocates for continued violence. Participants are able to gain further information and weigh options and gauge the possibility of success of

---

<sup>93</sup> Lieberfeld, *Evaluating the Contribution of Track-Two Diplomacy to Conflict Termination in South Africa*, 358.

<sup>94</sup> *Ibid.*

further violence. All these outcomes of track-two diplomacy are transferred to track-one negotiations and ‘enable a smoother negotiation process.’<sup>95</sup>

### 2.3) Third Party Intervention

An exploration of third party intervention identifies the important role that mediation played in the track-two diplomacy initiatives with the ANC. According to Jürgen Rüländ, “globalisation, economic liberalisation and the concomitant growing interdependence have given rise to the emergence of new actors in international relations. International organisations and regimes as well as transnational actors such as multinational corporations and internationally organised Non-Governmental Organisations (NGO’s) are not only numerically proliferating as empirical evidence suggests, but also factually playing an increasingly prominent role in international politics.”<sup>96</sup> One of the ways in which these new actors are participating in conflict resolution is through third party intervention and as has been discussed in the previous section on track-two diplomacy, third party intervention is an important factor in ICR.

Vamik Volkan, an American psychiatrist, conducted extensive research into conflict resolution, and more specifically, in the use of both official and unofficial diplomacy in conflict resolution.<sup>97</sup> Within official diplomatic processes, diplomats are said to pursue ‘a highly rational and ritualised approach that downplays the significant role of emotions and does not acknowledge or understand deeper psychological processes of intergroup conflict. According to Volkan, unofficial diplomacy fills this gap by its ability to ‘humanise the conflict and build confidence between the parties so that they can overcome hatred and move towards negotiations.’<sup>98</sup> A neutral third party, referred to by Volkan as a ‘catalyst group’,<sup>99</sup> is said to be essential to the success of unofficial diplomacy as it is the third parties role to bring together the opposing parties for meetings in which it is hoped that they will become acquainted and develop relationships.

Third party intervention, according to Fisher and Keashly, consists of six different types, one of which is conciliation. Conciliation within the role of third party intervention is outlined as

---

<sup>95</sup> Ibid, 359.

<sup>96</sup> Jürgen Rüländ, *The Contribution of Track-two Dialogue towards Crisis Prevention*, (ASIEN, 2002), pp. 84.

<sup>97</sup> Fisher, *Interactive Conflict Resolution*, 105.

<sup>98</sup> Ibid.

<sup>99</sup> Ibid.

‘a trusted third party which provides a communication link between the antagonists to assist in identifying major issues, lower tension, and moving them toward direct interaction, typically negotiation.’<sup>100</sup> Conciliation is said to have a low to moderate degree of control over the unofficial negotiations, mainly due to their outlined role as a mediator who may have a degree of control over the flow of talks but is allocated only as much status in the talks as is given by the parties concerned. Consultation involves a skilled third party who facilitates problem-solving through communication and pure mediation is said to use reasoning, persuasion, and control of information and suggestion of alternatives to facilitate a negotiated settlement.<sup>101</sup> Power mediation implements leverage in the form of punishment or reward in order to bring about a settlement of conflicts and arbitration results in a judgement and the imposing of a settlement.<sup>102</sup> Peacekeeping is the maintenance of a peace agreement or ceasefire by a third party, which in international conflicts is often done by the United Nations (UN).<sup>103</sup> These six types of third party intervention are used in different scenarios depending on the conditions of the conflict and the desired outcome. Within the South African case study, this dissertation identifies that Gold Fields played a conciliatory role, linking the ANC with influential Afrikaners. In the meeting between the ANC and Anglo representatives, it was Zambian president Kenneth Kuanda who acted in a conciliatory role due to his relationship with both the ANC and Anglo America. Further discussion on the role of third party intervention will occur in chapters three and four.

Bryant Wedge, an American psychiatrist with an interest in international relations and conflict resolution, identified that the psychological elements of international relations are dangerous and unstable and can be a major source of unpredictability. His concept of a ‘psychiatry of international affairs’ he believed would increase predictability and could help understand the irrational elements of destructive conflict.<sup>104</sup> Wedge first put his theory to the test as an unofficial third party mediator in the Dominican Republic conflict in 1965. Through his experiences Wedge identified a general five-stage model of third party intercession.

- Stage one: Establish contact with each side as an interested outsider and initiate a dialogue process.

---

<sup>100</sup> Ibid, 164.

<sup>101</sup> Ibid.

<sup>102</sup> Ibid.

<sup>103</sup> Ibid.

<sup>104</sup> Ibid, 101.

- Stage two: Each side's interests are defined and mutual interests identified.
- Stage three: The two sides are brought together on neutral ground.
- Stage four: Assistance provided to the parties in considering cooperation programmes.
- Stage five: Intercession ends once cooperative programmes have been established.<sup>105</sup>

The point where unofficial and official diplomacy meets and 'insights and options generated in unofficial diplomacy are communicated to and considered by official diplomacy is defined by Fisher as Critical Juncture. This point can be reached by reports from unofficial participants to government or by involving official diplomats in sessions in an unofficial capacity.'<sup>106</sup> Critical juncture is an important aim of track-two diplomacy as it is only at this point that concrete steps towards official track-one negotiations and a peace agreement can be reached.

It is through the lens of track-two diplomacy that the meetings held between and facilitated by the private sector within the South Africa conflict will be analysed. An assessment will also be conducted as to how these meetings qualify as track-two diplomacy and how they contributed to the peace process and the start of formal negotiations between the South African government and the ANC in 1990. What the current track-two theory doesn't do is differentiate between the parties involved in track-two diplomacy and the ways in which this can and does influence the unofficial negotiation process. Parties play a role in the outcome and it will be different between private sector, NGO's and political organisations due to their specific aims and objectives with regard to involving themselves in the conflict. Within the South African case study, it was the particular interests and position of Anglo and Gold Fields in the national economy which allowed them to take on a third party role and initiate vital track-two diplomacy within the anti-apartheid conflict. The following chapter will examine the first of the South African case study chosen for this thesis - the meeting between Anglo executives and the ANC in Zambia in 1985 and will outline the context in which this meeting took place both domestically and internationally, the details of who attended the meeting and what was discussed, as well as Anglo's motivations and the influence this meeting had on informal negotiations and the eventual abolition of apartheid.

---

<sup>105</sup> Ibid.

<sup>106</sup> Ibid, 105.

## South African Case Study

### Chapter Three: Anglo's Trek to Lusaka

The first unofficial or track-two initiative within the South African conflict which will be explored in this paper took place on 13 September 1985 in Lusaka, Zambia. It was attended by high level members of the ANC, including its president, Oliver Tambo, and four executives from Anglo American Corporation, including Gavin Relly, its Chief Executive Officer, and was chaired by Kenneth Kuanda, the Zambian President. Kuanda coordinated the meeting due to his relationships with both Tambo and Relly. This was the first meeting held between important and influential members of the South African private sector and the ANC throughout the apartheid era. In this chapter the history of the Anglo American Corporation within the South African private sector and the gold mining industry, in order to understand the importance of the South African economy to the company's operations. The context within which this meeting took place will be discussed in three categories; the armed struggle, the financial retreat from South Africa, including by international banks and countries through the imposing of sanctions, and building social sentiment internationally against the apartheid regime. The details of who participated in the meeting and what was discussed will be explored and chapter three will end with an outline of Anglo's motivations for reaching out to the ANC in exile and the consequences of the meeting with regard to its influence on the conflict and the move to official, track-one negotiations with the apartheid government. This chapter is important to the overall aim of this thesis as it outlines the role and motivation of Anglo specifically in track-two diplomacy and explores the company's interests in getting involved with unofficial talks with the ANC in exile. It has been established that Anglo was involved in track-two diplomacy in South Africa, the important question which this thesis answers in why they chose to get involved and how this involvement contributed to official peace talks.

#### 3.1) Anglo's History within South Africa's Economy

Ernst Oppenheimer founded the Anglo American Corporation on 25 September 1917.<sup>107</sup> He had first come to South Africa in 1902 as a representative of A. Dunkelsbuhler and Co, a

---

<sup>107</sup>Duncan Innes, *Anglo: Anglo American and the Rise of Modern South Africa*, (Ravan Press Pty Ltd, 1984), pp. 91.

London based diamond merchant in Kimberly. After working in Kimberly and even becoming its Mayor<sup>108</sup> Oppenheimer became interested in gold, and specifically South Africa's growing gold industry in the Transvaal. 'Modern' gold mining on a large scale kick started the resource industries which are still operating today. There are indications that low scale mining activity had been conducted by locals in the Witwatersrand area as early as 1845. However, these activities were conducted on a small scale and the South African 'gold rush' and major western interest and investment in the gold and diamond fields, as well as the massive influx of international prospectors and businessmen seeking their fortunes, such as Cecil Rhodes, Barney Barnato and Ernst Oppenheimer, occurred after 1886, and the subsequent investment in the Witwatersrand gold fields allowed the industry to grow rapidly and caused South Africa to become the largest gold producer in the world for many years. The main gold reef of the Witwatersrand was discovered in 1886 on Langlaagte farm, situated on the outskirts of what became aptly known as the City of Gold, Johannesburg, within the Transvaal Republic.<sup>109</sup> The Witwatersrand developed to become the main gold fields of South Africa; although gold deposits were also discovered in the Eastern Transvaal and in the Orange Free State. Geographically, the gold-bearing ore found on the Witwatersrand was low grade compared to mining areas in Australia and South America and is concentrated in a relatively small area. Another characteristic of the Wits gold fields is that the 'gold belt', the seam of gold producing ore, moves on a slanting<sup>110</sup> or downward trajectory and goes deeper and deeper underground making it expensive and time consuming to get to.<sup>111</sup> Many mines would exhaust the gold supplies on the surface and would have to give up production and close the mine as they did not have the money or technology to continue digging deeper.<sup>112</sup>

The high start-up capital that was needed for mining operations on the Witwatersrand resulted in a monopoly; a hand full of wealthy and internationally financed mining houses, many of which had already began operations on the diamond mines in Kimberly. The reality for the early mining companies was that there was a large potential amount of gold to be mined; however, to optimise profit, miners would have to go deep into the earth and extract

---

<sup>108</sup>Anthony Sampson, *Black and Gold: Tycoons, Revolutionaries and Apartheid*, (Hodder and Stoughton, London, 1987), pp. 55.

<sup>109</sup>Francis Wilson, *Labour in South African Gold Mines*, (Cambridge University Press, 1972), pp. 14.

<sup>110</sup>Glenn Saxon Jr, *Gold Mining in South Africa*, *The Analysts Journal*, Vol. 9, No. 5, Nov 1953, (CFA Institute), pp. 61.

<sup>111</sup>Wilson, 15.

<sup>112</sup>Saxon, 62.

large amounts of low grade ore. The mining houses therefore had to keep costs in controllable areas as low as possible, and this meant maintaining a cheap labour force, as well as avoiding competition for labour which would drive up costs, causing reliance on a large and consistent pool of cheap labour. The shortage of cheap labour has plagued the gold mining industry in South Africa since its inception as the industry needed an estimated 300,000 to 400,000 black miners each year to do the majority of the unskilled work.<sup>113</sup> In September 1917 Oppenheimer received significant US funding and formed the Anglo American Corporation, which was based in Johannesburg, South Africa. The new company had both US, British and South African share capital and was envisioned as a major new mining house which would compete on the same level as companies such as Gold Fields.<sup>114</sup> The company began by purchasing mining rights on the Far East Rand and although Oppenheimer and Anglo were late on the South African gold scene unlike many of his competitors, the company thrived. Anglo also bought a large number of mining rights in the Orange Free State, an area which had not yet been extensively mined but turned out to be one of the most profitable gold regions in the country.

Oppenheimer continued to have an interest in diamonds after his early days in the Kimberly mining industry and began to build Anglo's diamond portfolio in South Africa. After numerous failed attempts, Oppenheimer bought a significant amount of shares in De Beers, Cecil Rhodes's original company, and on 20 December 1929 he was voted in as the company's Chairman.<sup>115</sup> From there the company bought large diamond interests in numerous African countries, including in Namibia, Angola, the Congo and Northern Zambia (then Rhodesia). Anglo began to diversify into the South African industrial and service sectors in the early 1900's. These industries included paper manufacturing (Mondi Paper Co), newspaper publishing (Argus and Times media groups), vehicle distribution, construction and engineering, freight services, property development, retail and financial services. It is believed that by 1976 Anglo and its subsidiaries held top positions in all South African economic sectors except agriculture<sup>116</sup> but this was all made possible due to the huge profits made from the South African gold mines and Anglo became "the cornerstone of the new South African capitalism and which developed into the biggest concentration of financial

---

<sup>113</sup>Ibid.

<sup>114</sup>Innes, 92.

<sup>115</sup>Ibid, 104.

<sup>116</sup>Ibid, 102.

power in the continent.”<sup>117</sup> Anglo’s influence did not remain in South Africa but spread globally with mining and other operations in countries all over the world and it is believed that the success of the Anglo empire was as a result of Oppenheimer’s ability to correctly perceive the fundamental tendencies of the time.<sup>118</sup>

Anglo since its inception has been a family business and Ernst Oppenheimer had brought in family members, such as his son, Harry Oppenheimer, to play a large role in the running of the company. Due to the size and influence of Anglo in South Africa, the Oppenheimer family was greatly involved in domestic politics and issues, specifically national issues affecting the economic health of the country and ultimately the ability of the company to operate sufficiently. Harry Oppenheimer during his time as Chairman appeared liberal regarding the political climate in the country, advocating apartheid reforms.<sup>119</sup> He was verbal on his demands for the relaxation of the job colour bar<sup>120</sup> and maximum wage for black miners, all of which were instituted by the government in order to protect white interests in the country. Oppenheimer was also of the opinion that economic growth, and not sanctions and economic pressure, was the key to ending apartheid. Known as the “Oppenheimer Thesis”, Harry advocated that as the South African economy developed and more of the black population were drawn into skilled jobs and the middle class, the apartheid policies would wither away.<sup>121</sup> Oppenheimer was therefore of the opinion that letting the market work was important in the fight against apartheid and he was not a major supporter of international sanctions on the government and embargos on South African products in the 1970’s and 1980’s. Oppenheimer also argued that disinvestment in South Africa ‘would only cause change by bringing about a state of despair amongst black people, which would lead, not to peaceful change, but to violent change.’<sup>122</sup> The fact that the ANC was a major advocate of sanctions which it hoped would bring the South Africa government to its knees and force it to end apartheid put it at direct odds with the “Oppenheimer Thesis” and many black nationalists saw Anglo as the prime example of the evils of capitalism. The ANC also argued against Oppenheimer by pointing out that “South Africa’s most dramatic period of economic advancement between 1967 and 1976 was also a period during which more was done that at

---

<sup>117</sup>Ibid, 55.

<sup>118</sup>Ibid, 57.

<sup>119</sup>Ibid, 95.

<sup>120</sup>Ibid,97.

<sup>121</sup>Ibid, 95.

<sup>122</sup>Ibid, 169.

any other time during our history to implement the worst features of apartheid.”<sup>123</sup> However, as the situation continued to deteriorate in the 1980’s, this view of the future of South Africa changed and Anglo was advocating stronger ties with the ANC, particularly under the leadership of Gavin Relly, who succeeded Harry Oppenheimer as Anglo’s CEO, and took the step to meet with the ANC leadership in 1985.

In the 1980’s, South Africa supplied two-thirds of the international gold market, making it an important area for gold mining companies. However, due to Anglo’s diversification into several other industries and shares in companies all over the world, gold was not the most profitable portfolio of Anglo at the time. Anglo’s diamond mining was more profitable; however, gold was still important within the Anglo empire and had made the company what it was. The company also didn’t want to lose access to South African gold or diamonds, or the numerous other sectors in which it played a major role. South Africa had for decades been the base of operations for Anglo and due to this significant investment, the company had a vested interest in the future of South Africa which would explain one of its reasons for reaching out and initiating a dialogue with the ANC in the 1980’s. It was not easy for a company the size of Anglo to simply pull out and leave decades of infrastructure and investment which made the empire such a formidable economic force.

### **3.2) Context of the Anglo - ANC Meeting: 1985**

By 1980, the Nationalist government and its apartheid policies had been in place for over 30 years and both the international and domestic resistance against the system was reaching a fever pitch. ‘In econometric studies, political instability has generally been found to reduce investment’<sup>124</sup> and there were numerous factors that contributed to South Africa’s political instability and economic strain throughout the 1980’s and which eventually resulted in negotiations for peace between the state and the ANC. None of these factors worked independently and without any one of them the situation in South Africa in the early 1990’s may have turned out very differently. It was not only the government and the general population in South Africa that were being affected. Many corporations, based both nationally and abroad, were taking financial strain and were being pressured to denounce apartheid and break ties with the country until the racial segregation and subsequent political

---

<sup>123</sup>Ibid, 96.

<sup>124</sup>Elisabeth Jean Wood, *Forging Democracy from Below: Insurgent Transition in South Africa and El Salvador*, (Cambridge University Press, 2000), pp. 151.

instability had been resolved. It was under this pressure that the Anglo executives decided to make contact with the ANC. This chapter will therefore look at the factor conditions that put pressure on the private sector and particularly the gold mining industry and under which the corporation made its decision to engage in talks with the ANC in September 1985.

### **3.2.1) The Domestic Armed Struggle**

Even before the formation of the South African Union and before the NP came into power in 1948, black South Africans had begun to publicly show their unhappiness with the economic segregation between blacks and whites, specifically on the gold mines of the Witwatersrand. Labour strikes and protests occurred, although these had little effect when going up against the industrial machine that was the gold mining industry. In 1912, a group of middle class black South Africans formed the ANC, with the intension of drawing attention to the struggle of black South Africans.<sup>125</sup> From its formation the ANC was dedicated to equal rights and equal representation between all South Africans, as well as democracy for the country.<sup>126</sup> An important step for the future relationship between the ANC and the big businesses operating in South Africa was the ANC's collaboration and cooperation between the SACP. The SACP began to work with the ANC in 1928 'after deciding that a nationalist democratic revolution to found an "independent native republic" would be the necessary first phase of the transition from colonialism to socialism.'<sup>127</sup> It was this long standing relationship between the SACP and the ANC which led to fears by big business that leadership under the ANC at any point in the future would have communist undertones and would involve a great deal of nationalism, particularly for the gold mines which was one of the country's most productive industry.

Once the NP came into power in 1948 and the apartheid policies began to be implemented on a grand scale, the ANC under new leadership, including Oliver Tambo, Walter Sisulu and Nelson Mandela, conducted a series of defiance campaigns which included work stoppages, non-cooperation and union action, in an effort to force the Nationalist government to reform the apartheid laws. These efforts by the ANC, along with other anti-apartheid organisations such as the SACP, the Pan-African Congress (PAC), an off shoot of the ANC, and the Azanian People's Organisation (AZAPO) resulted in years of civil disobedience, demonstrations and riots, which led to violence between supporters and members of the organisations and the government's security forces. The Unlawful Organisations Act passed

---

<sup>125</sup> Ibid, 125.

<sup>126</sup> Ibid.

<sup>127</sup> Ibid.

by the state in 1961 banned all activities of the ANC and the PAC<sup>128</sup> and from then on both organisations conducted their activities underground in South Africa or in exile in sympathetic countries. For many years and up to the beginning of negotiations in 1990 the ANC headquarters and base of operations was in Lusaka, Zambia, with offices also being established in London and Mozambique. Even with these banning's, the activities of the anti-apartheid movements continued in South Africa, leading to thousands of detainments, arrests and deaths. Much of the top leadership of the ANC, including Nelson Mandela, spent most of their lifetime in prison, particularly on Robben Island which had been set aside as an isolated prison for political prisoners.

The ANC founded its military branch, Umkhonto we Sizwe (MK), in 1961,<sup>129</sup> which focused on the armed struggle and the training of cadres in guerrilla and traditional war tactics and the use of weapons and explosives for the possibility of a civil war in South Africa in the future. The thinking behind the formation of MK was stated by Mandela in 1961; 'it would be unrealistic and wrong for African leaders to continue preaching peace and non-violence at a time when the government met our peaceful demands with force.'<sup>130</sup> The ANC had stood for peaceful resistance since its inception and throughout the years of violence against the government it advocated its distaste for violence, but viewed it as a necessity to get the government to capitulate and dismantle its racist policies. They were meeting force with force. MK training camps were located in Angola and many cadres were also sent to Russia for training. MK conducted isolated bombings in the country, with 200 attacks occurring in the first 18 months of its existence. However, due to the arrest of a number of its top leaders, including Nelson Mandela, the effectiveness of MK was compromised from very early on. MK was particularly focused on military and government installations which they referred to as 'hard targets'. However, civilians were also killed in sporadic bombings conducted in public areas such as shopping centres in white areas, activities which the ANC received international reprimand for. The ANC in the early 1980's began encouraging its supporters in South Africa to rise up and revolt in order to 'render South Africa ungovernable.'<sup>131</sup> Law and order by the mid 1980's had broken down completely in the townships, with the state police unable to control the rising violence. "The country was engulfed by a black uprising that was more radical, more violent, more widespread and more sustained than anything witnessed in

---

<sup>128</sup>Ibid, 129.

<sup>129</sup>Ibid, 130.

<sup>130</sup>Sampson, 81.

<sup>131</sup>Ibid, 177.

modern South African history.”<sup>132</sup> Some townships in the country were even identified by the government as “no-go areas”, places which were thought to be even too dangerous for the police to go into without military support.<sup>133</sup>

As a result of this surge of violence, President Botha announced a nation-wide state of emergency in July 1985, which was summed up by Oliver Tambo as a tactic which ‘will sanction the killings of hundreds of people without police or others being asked to account for it.’<sup>134</sup> Tambo continued by stating that a greater degree of repression produces a greater surge and that the state of emergency would move the conflict towards a real explosion in the country which would move beyond the townships.<sup>135</sup> Tambo’s prediction was not far off and by the end of 1985 official state figures put the total number of politically related deaths that year at 763.<sup>136</sup> As these were official figures, it is highly likely that the actual number of deaths could have been significantly higher that year but even the official numbers show that violence in the country was pervasive and widespread. The violence had also spread directly to the mining companies during this time with the Anglo American headquarters and the Anglo Vaal Buildings in Johannesburg being bombed in May 1985 after the companies dismissed 17,000 of its workers.<sup>137</sup> By 1986 the number of MK attacks had tripled from 1983, with a total of 230 attacks in 1986, 80 percent of which the government claimed were against soft targets, which resulted in the death or injury of civilians.<sup>138</sup> A poll taken in August 1985 revealed that 63% of whites and 59% of blacks believed that apartheid would be over within the next ten years.<sup>139</sup> Change was in the air and all sides, black and white South Africans, the ANC, Botha’s government and big business could feel that something was building. The question on most people’s minds was how it was all going to end – in compromise or civil war. By the mid 1980’s the ANC had become the embodiment of the tradition of liberation and the leading organisation in the struggle to overthrow apartheid and white minority power. It was due to this elevation in the hearts and minds of the majority of the South African population and the international community that both Gold Fields and Anglo saw it as an

---

<sup>132</sup>Robert M. Price, *The Apartheid State in Crisis: Political Transformation in South Africa, 1975 to 1990*, (Oxford University Press, 1991), pp. 152.

<sup>133</sup>*Ibid*, 192.

<sup>134</sup>Sampson, 178.

<sup>135</sup>*Ibid*.

<sup>136</sup>*Ibid*, 182.

<sup>137</sup>Luli Callinicos, *Oliver Tambo: Beyond the Engeli Mountains*, (David Phillips Publishers, 2004), pp. 579.

<sup>138</sup>Price, 193.

<sup>139</sup>Sampson, 180.

imperative to meet and cooperate with them in their attempts to bring peace and democracy, and ultimately political and financial stability, to the country.

### 3.2.2) The Financial Retreat

Between 1983 and 1985, President Botha had made some reforms to the apartheid policies and political structure of the country in the hope of curtailing some of the international outrage and internal unrest which had built up in the late 1970's, mostly since the Soweto Uprising in 1976 during which several students were killed at the hands of the police. A large number of these reforms were aimed at the South African business community which Botha knew was losing faith in apartheid due to financial difficulties. The Nationalist government needed the cooperation and support of business for numerous reasons. Politically, the support of business would increase the financial resources available to the National Party.<sup>140</sup> Many of Botha's policies required close cooperation with business if they were to succeed. One of his major goals was to centralise industry and to improve black education, housing and living conditions – tasks that needed private sector support as well as government funding.<sup>141</sup> These improvements were token gestures made by the government in the hope of curtailing black resistance without having to actually giving in to the main demand, which was the end of apartheid and total racial equality under a democratic, one-man-one-vote political system. Botha was also concerned about growing international pressure against South Africa. Facing the threats of boycotts and sanctions, it was Botha's belief that the national business sector would be important in portraying a strong and stable front and aid in boosting the economy to its former glory.<sup>142</sup> The President also hoped that the South African business community would use its international connection and influence to ensure continued foreign investment and flow of modern technology, all of which was needed to implement Botha's strategy of strengthening the South African defence force against the anti-apartheid uprising.<sup>143</sup> Although many businessmen supported Botha's reforms in the early 1980's,<sup>144</sup> as the situation continued to deteriorate, with the majority of black, Coloured and Indian South Africans rejecting the token reforms such as the tricameral legislative system, which included the Indian and Coloured communities, but not black South Africans. This new constitution

---

<sup>140</sup>Robert Schrire, *Adapt of Die: The End of White Politics in South Africa*, (Ford Foundation, 1991), pp. 61.

<sup>141</sup> Ibid.

<sup>142</sup> Ibid.

<sup>143</sup> Ibid.

<sup>144</sup> Ibid, 62.

sparked increased levels of anger as it indicated that Botha was in no way committed to ending apartheid and allowing all black South Africans to participate equally in national politics.<sup>145</sup> As has already been discussed, the mid 1980's saw a significant increase in violence and unrest in the country, to the point where it seemed that the government was losing its ability to maintain control, even by force. This violence saw a significant loss of confidence in South Africa as a good area for investment and resulted in serious economic consequences which contributed to many businesses, including Anglo and Gold Fields, looking to the future and cooperation with the ANC.

### ***The Banks***

In 1985 South Africa was experiencing its worst economic crisis in 25 years. Investors had begun to pull out of the country in the late 1970's and the increased wave of violence in the 1980's saw a renewed vigour to get out and by the end of 1984 many companies were in search of new, more stable markets to invest in. What was significantly concerning for the South government was the increase in white unemployment, 'with white destitutes sitting in the streets in Johannesburg, and long queues of whites in the unemployment offices.'<sup>146</sup> The apartheid system was designed to protect white workers and this high unemployment was a clear indicator that the economy, and apartheid, was failing not just black South Africans but the privileged minority as well. The first major blow to the South African economy came from the international financial institutions and in July 1985 the New York-based bank Chase Manhattan announced that it was stopping all loans to South African companies and was recalling all credit to the country as they came due, the bulk of which would need to be repaid within a year.<sup>147</sup> The decision was stated by Chase Manhattan as being made on practical grounds, as an acknowledgment that South Africa was no longer a good investment or worth the hassle as the bank had received serious condemnation from the American public for continuing to supply loans to South Africa companies, which only accounted for less than one percent of its \$87 billion assets. According to a Chase executive "We felt that the risk attached to political unrest and economic instability became too high for our investors. We

---

<sup>145</sup>Price, 177.

<sup>146</sup>Martin Legassick, *South Africa in Crisis: What Route to Democracy?*, African Affairs, Vol. 84, No. 337, Oct 1985, (Oxford University Press), pp. 590.

<sup>147</sup>Sampson, 30.

decided to withdraw. It was never the intention to facilitate change in South Africa; the decision was taken purely on account of what was in the interest of Chase and its assets.”<sup>148</sup>

Pulling out of South Africa was not detrimental to Chase Manhattan but it was a major blow to the South African economy. The value of the rand plummeted following the decision and many other banks followed suit,<sup>149</sup> mostly in the hope that if they got in early they could receive repayment before the companies went bankrupt, as most knew they would. One of the major influences on the American banks retreating from South Africa was also the threat of sanctions and according to Sampson “many politicians – particularly those opposed to government sanctions, including Reagan and Thatcher – would later point to the bankers’ withdrawal as part of the wisdom of the market-place making its own judgment on apartheid.”<sup>150</sup> The ANC and other anti-apartheid organisations had been placing pressure on international corporations for years to become a part of the solution and stop being part of the problem. The resistance movement viewed companies which continued to do business with South African companies and the Nationalist government and continued to invest in the morally corrupt economy as contributing to the maintenance of apartheid. Gratitude to Chase Manhattan for its decision was received in the form of a letter written on a piece of toilet paper from a political prisoner in South Africa, thanking the bank for its actions against apartheid.<sup>151</sup> In the wake of the withdrawal the value of the rand and the country’s foreign currency reserves, which included a significant amount of gold, continued to fall considerably and South African businesses were scrambling to get emergency loans from other banks (mostly European and Japanese) still lending in order to pay back the US banks.<sup>152</sup> At the Johannesburg Stock Exchange (JSE) during this time it was said that even the white brokers wanted Mandela released from prison so that the financial circumstances in the country would improve.<sup>153</sup>

### ***International Sanctions***

Due to the political turmoil and violence in South Africa during the mid-1980’s, the international community hoped that President Botha would begin making significant political

---

<sup>148</sup>Phillip I. Levy, *Sanctions in South Africa: What Did They Do?*, (The American Economic Review, Vol. 89, No. 2, May 1999), pp. 417.

<sup>149</sup>Sampson, 31.

<sup>150</sup>Ibid.

<sup>151</sup>Ibid, 30.

<sup>152</sup>Ibid, 32.

<sup>153</sup>Ibid, 33.

reforms which would ease the economic crisis and allow South Africa to recover financially. These hopes were crushed on 15 August 1985 when Botha made his rather infamous ‘Rubicon’ speech which illustrated that although token reforms would be made, the status quo would remain the same and that a complete dismantling of apartheid and a move to a democratic ‘one-man-one-vote’ society, as demanded by the ANC and other anti-apartheid supporters, was not on the cards as he believed it would place the white South African minority at risk. Botha warned both local and international critics “do not push too far,”<sup>154</sup> responding to the increase in criticism of the apartheid policies in recent years. Botha’s speech saw a further loss in confidence in South Africa by international businesses and governments and further disinvestment resulted in the JSE being temporarily closed in late August of that year. The post-Rubicon speech environment also saw a renewed anti-apartheid vigour, both nationally and abroad, and it was at this point that many foreign governments began taking the idea of sanctions against South Africa more seriously. Many leaders up until then, despite the ANC’s disagreement, had argued that sanctions would not help the South African masses as the financial burden would be placed on them first as they had the least to lose to begin with, rather than white South Africans or the government.<sup>155</sup> It would therefore take a longer period of sanctions to make the government feel the financial pinch enough to force it to make a change, which was the strategy behind the ANC’s call for increased economic sanctions and disinvestment.

This was the opinion of the American president, Ronald Reagan, who in 1985 stated that “Our aim cannot be to punish South Africa with economic sanctions that would injure the very people we are trying to help.”<sup>156</sup> However, in September 1985, the United States, followed by Japan, the United Kingdom under the leadership of Prime Minister Margaret Thatcher who had been a strong opponent of sanctions for many years, the European Community and the United Nations extended trade and investment sanctions to South Africa. These included bans on loans to the Nationalist government, the importing of Kruger Rands, iron and steel, exports of oil, petroleum, computers and arms to South Africa and the voluntary end to new investment by British companies in South Africa.<sup>157</sup> Although these sanctions did not entail a complete ban on all trade and investment with the South African

---

<sup>154</sup>Schrire, 83.

<sup>155</sup>Charles Becker, *The Impact of Sanctions on South Africa and the Periphery*. African Studies Review, Vol. 31, No. 2 (September 1988), pp. 64.

<sup>156</sup>Ibid.

<sup>157</sup>Ibid, 62.

government, it was seen as a step in the right direction and was a ‘statement of determination and moral condemnation.’<sup>158</sup> It is argued that the sanctions which were implemented did not have a major economic impact but it was a further sign of distrust in the South African market and the future of the economy under the current leadership, resulting in even more private companies beginning to move money and investments out of the country.

### **3.2.3) Social Sentiment**

One of the factors influencing the increase of economic sanctions by international governments and the increased pressure on international governments, businesses and national businesses to stop doing business in South Africa came from a strong anti-apartheid sentiment that was building amongst ordinary citizens in the international community. In the early 1970’s there was a growing foreign awareness of the plight of black South Africans under the apartheid regime. Churches, particularly US-based churches such as the Protestant denominations, put pressure on American companies operating in South Africa to improve the conditions of their black workers and in 1980 the Protestant and Roman Catholic churches even threatened to disinvest in banks with ties to South Africa.<sup>159</sup> It seems only right that the first international moral stands against an unjust system like apartheid would come from the institution said to embody human morality – the Church.

Citizens of the international community were demanding a stronger stand against the injustices of apartheid and during the 1980’s, as the violence in the South African townships continued to rise, so too did the media coverage and international outrage at the circumstances in South Africa and the suffering of the majority of its population at the hands of the minority government. Numerous marches and protests occurred during the 1980’s in countries all over the world, some calling for increased sanctions by governments, for companies to cut ties with South African markets, and some even for the release of Nelson Mandela. Many companies, especially the American companies, which continued to do business with or supply to South African markets, were beginning to worry about their corporate reputations and the possibility of being boycotted by both civilians and governments. American companies ‘were much more self-conscious than most Europeans about their corporate images and standing, and about the role of capitalism in the developing

---

<sup>158</sup>Ibid, 63.

<sup>159</sup>Siew Hong Teoh, Ivo Welch and C. Paul Wazzan, *The Effect of Socially Activist Investment Policies on the Financial Markets: Evidence from the South African Boycott*, (The Journal of Business, Vol. 72, No.1, January 1990), pp. 40.

world.’<sup>160</sup> Continued operations in South Africa could also impede the ability of corporations to do businesses in other African countries in the future if they were not seen to be anti-apartheid and supporting the fight against racism and prejudice. This was a major consideration for Anglo which relied heavily on access to natural resources, of which the African continent has abundant supplies. During the 1980’s apartheid South Africa was becoming a real test of corporate morality and the concept of social responsibility and it was no longer just up to international governments to throw their hats in the apartheid ring, but the big multi-national and international companies like Anglo as well.

All the above factors set the stage for the semi-official meeting between the ANC and the private sector executives in Zambia. It is under these conditions that both the ANC and Anglo decided that it was time to engage and talk about a new possible future for South Africa with the influence of the ANC as a legitimate political opposition.

### **3.3) The Zambian Board Meeting**

Within the track-two meeting which occurred in Lusaka, Zambia on 13 September 1986, the Anglo executives acted as participants in the process. Zambian president Kenneth Kuanda acted as mediator but not in the traditional sense whereby he would have played a more active role in the process and would attempt to introduce discussions and steer the conversation where necessary. Rather, Kuanda was the conduit through which the meeting was organised due to his relationship with both the ANC leadership, which had been in exile and had its headquarters in his country for decades, and with Anglo which had diamond mining interests in Zambia and had been operating there for numerous years.<sup>161</sup> Kuanda also provided the accommodation for the meeting at his presidential game lodge, Mfuwe, in Lusaka.<sup>162</sup> Kuanda stayed at the meeting but the discussion was dominated and led by the participants themselves. The meeting had been requested by Relly, and was not attended or highly supported by Harry Oppenheimer, who remained involved in the company and had admitted that he was nervous about the meeting,<sup>163</sup> possibly due to the expected repercussions from Botha. A larger group of businessmen had originally planned to attend the meeting with Relly, however, some dropped out when the plan of the meeting was leaked to President Botha. It was feared that Botha would disapprove of the meeting and punish those who

---

<sup>160</sup>Sampson, 208.

<sup>161</sup>Gerhart and Glaser, 359.

<sup>162</sup>Gerhart and Glaser, 576.

<sup>163</sup>Sampson, 194.

attended as the government forbade meetings with an organisation they labelled as “terrorists”; however, this did not turn out to be the case and Botha did not intervene. According to Relly, Botha was ‘cross, but not very cross’<sup>164</sup> about the talks and did not attempt to stop the executives from flying to Lusaka as ‘seizing the passports of leading industrialists to whom the economy depended was politically risky.’<sup>165</sup> According to Tony Bloom, one of the executives present at the Lusaka meeting “we could be dismissed as politically naïve, but we ran large businesses – we couldn’t be accused of treason”.<sup>166</sup> The value of the big businesses to the South African economy therefore allowed Anglo to conduct its meeting with the ANC relatively unimpeded by the government. The foreign ministry even sent the businessmen a briefing on the ANC, although it is likely that the briefing was subjective and portrayed the organisation from the government’s negative point of view. In the end the delegation consisted of Relly, Tony Bloom of Premier Group and Zach De Beer of Anglo, as well as members of the media, including Tertius Myburgh, editor of the Sunday Times, Harald Pakendorf, editor of Die Vaderland and Peter Sorour, Director of the South African Foundation.<sup>167</sup> They met with the ANC delegation which consisted of Oliver Tambo, Pallo Jordan, Mac Maharaj, Chris Hani, Thabo Mbeki and James Stuart.<sup>168</sup>

The meeting was intentionally held in an informal setting in the hope that this would decrease tension and facilitate an environment of open discussion about the challenges facing South Africa, both present and in the future. It was also emphasised that no decisions could be made at the meeting, but rather that the focus was ‘mutual learning and exploring common ground.’<sup>169</sup> The meeting lasted six hours and was described by the Anglo delegates as having a friendly atmosphere, with the participants even referring to each other by their first names.<sup>170</sup> Relly later described the meeting as one of the nicest days and as ‘a picnic among South African’s talking about their future together.’<sup>171</sup> An ANC memorandum written on 14 September 1985 about the meeting with businessmen described the atmosphere that day as ‘cordial’,<sup>172</sup> indicating that the organisation may not have felt as comfortable as the Anglo

---

<sup>164</sup> *Ibid*, 193.

<sup>165</sup> Lieberfeld, *Evaluating the Contribution of Track-Two Diplomacy to Conflict Termination in South Africa*, 360.

<sup>166</sup> *Ibid*.

<sup>167</sup> Gerhart and Glaser, 576.

<sup>168</sup> *Ibid*.

<sup>169</sup> Lieberfeld, *Evaluating the Contribution of Track-Two Diplomacy to Conflict Termination in South Africa*, 361.

<sup>170</sup> *Ibid*, 359.

<sup>171</sup> Sampson, 194.

<sup>172</sup> Gerhart and Glaser, 580.

executives were and may not have been as pleased with the outcome of the meeting or that the real mood was possibly exaggerated by the Anglo delegates or reported back to the media as so.

### **3.4) Anglo's Angle**

The motivation for the meeting by the Anglo businessmen was clear; South Africa was suffering economically from international sanctions and a lack of investment due to the political unrest which had increased significantly in the 1980's. The majority of corporations operating in South Africa acknowledged that apartheid was not working and a peaceful solution involving the ANC was an appealing option. Therefore, much of the discussion at the Lusaka meeting centred around the ANC's vision for the economic future of South Africa under leadership of the ANC and specifically on its views of state control and the nationalisation of industry.<sup>173</sup>

During the 1980's, the international business community was under pressure, both financially and morally, to break ties with South Africa and domestic companies were encouraged by the anti-apartheid organisations and the international community to stop doing business with the government, which was seen as helping to finance and therefore maintain apartheid. The ANC had implored businesses for years to become a part of the solution and begin disinvesting in the country in order to place economic pressure on the government. It was believed that under the real threat of an economic meltdown the government would see no other choice than to capitulate to the people's demands for a democratic political process and the end of apartheid. For years many companies operating in South Africa had benefited from cheap labour supplied by the Nationalist Parties segregation policies; however, now that international condemnation was mounting, it became more and more difficult for companies to justify doing business with the South African government. Many businesses, especially the financial institutions, simply pulled out of the country all together, seeing its ties to the country as no longer being worth the hassle due to the unstable economic climate and hostile social sentiment within the international community.

However, some companies, such as Anglo, decided to stay and try to improve conditions from within rather than becoming uninvolved bystanders. Gavin Relly in his paper entitled "*The Cost of Disinvestment*", published in 1986, argued that South Africa is not a country for

---

<sup>173</sup>Lieberfeld, *Evaluating the Contribution of Track-Two Diplomacy to Conflict Termination in South Africa*, 361.

the faint hearted and that the easy option when business is faced with lean times is to withdrawal, whereas greater participation is a harder road to walk.<sup>174</sup> However, it must be remembered that Anglo is a business, and like any other business, it has to look after its shareholders and make a profit. So the question is, if doing business had become such a costly and difficult task, why did some companies such as Anglo and Gold Fields chose to stay, and not only that, chose to get directly involved by reaching out to the ANC in exile. It would be optimistic and naïve to assume that they acted only on moral grounds, that their actions were purely benevolent. Anglo in the 1980's was one of the biggest mining companies in the world and a survey conducted in 1985 showed that Anglo, along with its numerous subsidiary companies, controlled 54% of the JSE and therefore dominated the South African economy, although Anglo did refute this statistic.<sup>175</sup> Companies of this size and success do not make decisions on purely emotional or moral grounds, although it can be argued that taking the moral high ground may have been one of many factors. This chapter will therefore explore the reasoning's and motivations behind why Anglo chose to intervene and reach out to the ANC and what they hoped to achieve by doing so.

All the factors that were mentioned above; the domestic armed struggle, the fall of the gold price, disinvestment and the increase of sanctions, as well as the increasing international condemnation of the apartheid regime, resulted in it becoming obvious that businesses would have to coordinate their own political initiatives in order to put pressure on the government to end apartheid and negotiate with the ANC.<sup>176</sup> For many years the mining companies had a mutual understanding with the South African government, although there had been issues along the way which caused friction. Many companies understood the parameters of apartheid and had learnt to do business within these parameters while still making a profit, specifically a large profit in the gold mining industry. This had resulted in very little need by companies to demanded massive changes. However, as apartheid began to impede there operations, businesses realised that they could no longer make apartheid work financially and it became obvious during Botha's Rubicon speech in August 1985 that the Nationalist government was not going to make the reforms needed to bring the country any political or financial reprieve. Due to this loss of confidence in the government, businesses like Anglo

---

<sup>174</sup>Gavin Relly, *The Cost of Disinvestment*. Foreign Policy, No. 63, (Washington Post 1986), pp. 146.

<sup>175</sup>Sampson, 190.

<sup>176</sup>Ivan Sarakinsky, Changing Politics and the Politics of Change, in South Africa at a Crossroads, in Larry Benjamin and Christopher Gregory, eds, *Southern Africa at the Crossroads?*, (Justified Press, 1992), pp. 127.

had to make a move towards positive change and this involved the ANC, which had been identified as having the largest support from the South African black, Coloured and Indian communities, as well as significant liberal white support. The trip to Lusaka occurred just under a month after Botha's disappointing speech.

The Lusaka trek made by the Anglo executives was in essence a fact finding mission. Anglo wanted to get to know the ANC and its economic views in order to strategise how the company was going to function in post-apartheid South Africa. The ANC had been portrayed for years by the Nationalist government and the South African media as communist terrorists who wanted to destroy the country and seek revenge on the white population for years of segregation and oppression. Although the ANC was portrayed in a more positive light internationally, the organisation was still shrouded in mystery. Rely and the Anglo executives, as well as other business leaders, had acknowledged by the mid 1980's that "only a process of negotiations with truly influential black leaders on issues of political power will make possible the final transition to a post-apartheid society."<sup>177</sup> Rely had identified the ANC as these truly influential black leaders and reaching out to the ANC, the possible future leaders of South African, was Anglo's way of getting a clear understanding of who the ANC leadership were and what they stood for, as well as what their views are for a post-apartheid society, specifically from an economic point of view, which was their biggest concern. During this turbulent time Anglo needed to focus on the health of the economy in post-apartheid South Africa, as if this was not a possibility then they would have to rethink their corporate strategies for the future and where South Africa fitted in. Those companies, such as mining companies, which couldn't just disinvest and pull out due to investment in expensive infrastructure already in the country, and had according to Sampson 'a massive stake in the country's future, whatever its government.'<sup>178</sup> The Anglo executives were therefore required to think longer term and were concerned about the damage being done by extended sanctions and loss of international investment which could be detrimental to the country once apartheid was abolished and it became time to rebuild.<sup>179</sup>

The main source of information gained by the business community regarding the economic views of the ANC during the struggle against apartheid was from the Freedom Charter which was adopted by the organisation in June 1955. The Charter advocated a degree of

---

<sup>177</sup>Rely, 137.

<sup>178</sup>Sampson, 190.

<sup>179</sup>Rely, 138.

nationalism, particularly regarding the mineral wealth of the country, and stated that “the mineral wealth beneath the soil, the banks and monopoly industry shall be transferred to the ownership of the people as a whole.”<sup>180</sup> In the mid 1970’s Anglo faced the nationalisation of the majority of their mines in Zambia and it was a major fear of mining companies operating in South Africa, and particularly Anglo, that the ANC would do the same thing if they were to gain power.<sup>181</sup> It was this concern surrounding the possibility of nationalism of its large number of mines in South Africa that contributed to Anglo’s meeting with the ANC. Anglo’s position on nationalism was that it was detrimental, and even destructive to a country’s economic performance and growth and according to Relly; “Whatever one’s political persuasion, one lesson from the first 25 years of independence in African countries has been absolutely clear: Massive state intervention in the economy, through the creation of parastatal enterprises, and through the building of vast bureaucracies that ignore the interest of agriculture and the bulk population has been uniformly disastrous.”<sup>182</sup> Relly used the examples of Mozambique, Tanzania and Zambia as countries which had moved away from nationalism towards promoting its private sectors after seeing the detrimental results it had on their economies.<sup>183</sup> A discussion about nationalism was therefore high on the agenda for Anglo at its meeting with the ANC, with the delegates outlining their belief that free market enterprise was the best option for the post-apartheid economy. They stated that “political progress depended on economic growth, which capitalism would most effectively produce.”<sup>184</sup> Anglo argued that the discouragement of nationalism and promoting a free market enterprise in South Africa would be beneficial to the post-apartheid economy and political restructuring, as well as for the private sector. Anglo raised the possibility that nationalism would damage the post-apartheid economy’s ability to rebuild and develop as continued competition in the international economy is incompatible with nationalism, especially in organisations where efficiency is paramount.<sup>185</sup> A challenge to South Africa’s position in the international economy would therefore not be financially beneficial to the majority of the population, a promise which had been made by the ANC throughout its anti-apartheid campaign. Anglo therefore made the point that nationalism would be detrimental to both sides. With regard to

---

<sup>180</sup> *Ibid*, 144.

<sup>181</sup> Lieberfeld, *Evaluating the Contribution of Track-Two Diplomacy to Conflict Termination in South Africa*, 360.

<sup>182</sup> Relly, 144.

<sup>183</sup> *Ibid*.

<sup>184</sup> Lieberfeld, *Evaluating the Contribution of Track-Two Diplomacy to Conflict Termination in South Africa*, 361.

<sup>185</sup> Relly, 145.

the concept of nationalism, Oliver Tambo stated that some of the major corporations would have to be taken under state control “as they represent tremendous wealth in the midst of unspeakable poverty.”<sup>186</sup> However, he did acknowledge that the ANC did consider the concept of a mixed economy in post-apartheid South Africa to be a viable option, as opposed to a nationalism response.

Although there were businessmen who made vague attempts to make contact with the ANC before 1985,<sup>187</sup> Anglo has been highlighted by analysts as being the first major company to seriously reach out to the ANC in exile and ‘struck a clever blow for capitalism when it became the first to break the taboo against talks with the ANC.’<sup>188</sup> For many black South African’s Anglo was the Poster Child for white supremacy and wealth in the 1960’s and 1970’s, the epitome of ‘monopoly capitalism’, which has historically been associated with black oppression and the apartheid government.<sup>189</sup> For decades the private sector, and more specifically the gold mining industry, had collaborated with the apartheid government in order to optimise profits for mining companies and therefore increase exportation and foreign investment in the country which was beneficial for the economy. It was, after all, the gold mining industry that had built the South African economy into a global powerhouse and a dominant force on the international gold market. However, this collaboration was not beneficial for all South Africans and resulted in numerous negative social and political ramifications, the worst of which was the legacy of separate development and racial segregation which was present on the Transvaal gold mines. According to Merle Lipton, the high demand of the gold mines for cheap, unskilled black labour resulted in the mine owner supporting “some major aspects of apartheid, particularly measures which enlarged the supply of cheap, unskilled, black labour and ensured its docility.”<sup>190</sup> Progress towards the deterioration of apartheid policies was slower on the gold mines than in any other sector of the South African economy and it was only towards the late 1970’s and 1980’s that major changes were made across the board.<sup>191</sup> It is possibly the number of years that these policies had been entrenched in the gold mining industry, as well as the benefits that some of the policies had on mining productivity, that resulted in this slow move towards de-racialism and a fair labour environment. The eventual move to a more liberal apartheid, or neo-apartheid

---

<sup>186</sup>Sampson, 194.

<sup>187</sup>Ibid, 192.

<sup>188</sup>Waldmeir, 73.

<sup>189</sup>Sampson, 96.

<sup>190</sup>Merle Lipton, *Capitalism and Apartheid South Africa 1910 – 1985* (Gower Publishing Company Ltd, 1985), pp. 110.

<sup>191</sup>Ibid.

system, on the mines was mainly due to changes in the environment, both nationally and internationally, which made certain laws expensive and no longer beneficial to the mining companies. There was a maximum average set for black wages within the mining sector and the government imposed fines on any mining companies which exceeded the set amount.<sup>192</sup> This initially allowed the mines to keep wage costs low and employ larger numbers of unskilled labour in order to maximise productivity and increase profits.

This was particularly effective in the early years of the industry when mining was more labour intensive. Low wages allowed the government to keep black earnings low so as to keep them within the unskilled and semi-skilled labour pool and dependent on the mines for employment rather than moving into the cities with their families to find work which was not desired. The aim was to keep the majority of the local black population in the separate Bantustans, or homelands, where they would live with their families and mostly farm, with the men travelling to the mines on a migratory basis in order to earn a salary. This was achieved with the Group Areas Act, also referred to as the Native Act, originally instituted in 1924, which controlled the influx of black South Africans into the urban areas.<sup>193</sup> The men were housed in compounds on the mines and were not allowed to bring their families and the salaries were not high enough for entire families to relocate to the urban areas. Therefore, the separate development and segregation of blacks in rural areas and whites in the more urban and semi-urban areas was implemented to the benefit of the mining companies and the government and these homelands ‘under the dynamics of South African gold mining had long since become impoverished labour reserves’.<sup>194</sup> The mine workers were issued passes which gave them permission to live and work in the mining areas. Passes were required to be carried at all times and were a form of movement control by the government. The pass law was first implemented in the Transvaal Republic in 1895 and was originally drafted by the Chamber of Mines as a way to put ‘a hold on the native’.<sup>195</sup> The Chamber of Mines represented the seven leading mining companies in South Africa at the time and was established in order to coordinate policy.<sup>196</sup>

However, there were times when this collaboration between the government and the mining companies for economic gains became strained. One contentious policy which caused

---

<sup>192</sup>Ibid, 120.

<sup>193</sup>Wood, 117.

<sup>194</sup>Wilson, *Minerals and Migrants*, 106.

<sup>195</sup>Lipton, 120.

<sup>196</sup>Ibid, 111.

animosity was the job colour bar, implemented on the mines in the Transvaal Republic in 1893.<sup>197</sup> The job bar was the Republic's method of ensuring that there was always employment for white South Africans on the mines by forcing the mine companies to employ a certain ratio of white to black labourers. Although this ratio varied over the years, it began at one white mine worker to every eight black miners.<sup>198</sup> The wages for white mine workers were set significantly higher than their black counterparts, making compliance with the job colour bar expensive for the mining companies and in many cases white miners were employed and paid more to do jobs that black miners could do for a fraction of the cost. According to Lipton, the mining sectors opposition to the bar was first noted by the Chamber of Mines in 1893, 'arguing that a test for miners should be based on competence not colour.'<sup>199</sup> As gold prices fluctuated and industrial improvements occurred, the colour bar became a major hindrance to mining productivity; however, pressure for the government to eliminate the bar failed, mostly due to pressure from the white Mine Workers Union (MWU) which viewed the employment of white South Africans as being in jeopardy. In 1948, the Nationalist government tightened the colour bar<sup>200</sup> and even in the 1960's when the mining sector was in decline and many companies were facing the closing of many of their mines, the government was unwilling to allow skilled black miners to work in managerial positions and continued to impose fines on those mines which allowed black miners to do activities put aside for white employees.

Another issue which resulted in significant tension in the 1970's and 80's was the maximum average wage set for black miners. Although keeping wages low was beneficial to mining companies in the early part of the 20<sup>th</sup> century, certain factors affecting the labour supply resulted in the mines needing to increase black wages in order to attract South African workers. The high demand for labour in the past had caused the mines to focus on recruitment from outside the country, and within the Southern African Development Community (SADC), all countries except Mauritius, the Seychelles and the Democratic Republic of Congo had supplied labour to the South African gold mining industry.<sup>201</sup> According to Lipton, by 1970 over 80 percent of black mine workers in South Africa were foreigners.<sup>202</sup> However, a series of mining riots between 1973 and 1975, the death of seventy-

---

<sup>197</sup>Ibid, 112.

<sup>198</sup>Wood, 115.

<sup>199</sup>Lipton, 112.

<sup>200</sup>Ibid, 116.

<sup>201</sup>Wilson, *Minerals and Migrants*, 104.

<sup>202</sup>Lipton, 120.

two Malawian miners in a plane crash in 1974 and the change to independent democratic leadership in Mozambique and Angola which limited the number of recruits to the South African mines.<sup>203</sup> All of these factors resulted in a labour crisis on the mines and a renewed focus on the South Africa population for the industry's vast labour requirements. Malawi alone had provided 30% of mining labour up to this point and after the plane crash the Malawian president has stopped all new recruiting and the renewal of labour contracts.<sup>204</sup> Negative connotations associated with mine working conditions and the low wages made recruitment within South Africa, particularly when competing with other local industries such as manufacturing and agriculture, difficult. The mining companies advocated a dramatic increase in wages which the government eventually allowed due to the major threat to the mining sector caused by the labour shortage. These wage increases were highly effective and during the 1970's employment of South African miners had increased to 333,000 men.<sup>205</sup>

It was this complex relationship between the state and the mining companies and years of close collaboration for mutual gains that built the negative perception of the mining sector, including Anglo, by black South Africans. They were seen as having colluded with the nationalist government to create the racist system under which they had suffered for so many years. Large mining corporations were associated with capitalist greed and racial prejudice and were therefore an enemy of the anti-apartheid movement and the ANC. Even as the relationships between the mining companies and the government, as well as the mining companies and black workers began to change and many international companies began to re-evaluate their positions on South Africa politics, as well as what role their companies could play in South Africa's future, this was viewed by many black South Africans as too little too late, particularly for the mining companies who had profited from the system for so long. Relly was aware of this negative image which had been cultivated over decades of highly profitable and socially damaging operations in South Africa and stated that 'as a very large company, Anglo America naturally has a capitalist label hung around its neck.'<sup>206</sup> Due to this negative image, Relly acknowledged that the company "would have to fundamentally change to make the company acceptable to the future black or partially black, government."<sup>207</sup> By being one of the first major companies to reach out to the ANC, Relly saw a way of mitigating against this negative image and show that the corporation was on the

---

<sup>203</sup>Ibid, 122.

<sup>204</sup>Wilson, Minerals and Migrants, 109.

<sup>205</sup>Ibid, 110.

<sup>206</sup>Relly, 141.

<sup>207</sup>Sampson, 191.

side of justice and a democratic South African future. As the ANC was the largest and most supported organisation within the anti-apartheid struggle, this was a calculated move to build a more positive image with the majority of the country, as well as the ANC leaders, many of whom at that point could possibly be the next leaders of the country.

Many of the discussions and points made by Anglo at the meeting in Zambia also indicated that a positive relationship between the ANC and Anglo would be beneficial to the organisation and the future of a politically and economically stable South Africa. Much of the arguments made by the Anglo representatives against nationalism were made not only for the sake of Anglo but the post-apartheid economy as well. It was also not in the ANC's best interest to lose the country's biggest employer and exporter, which would be seriously detrimental to the economy and would hinder the ANC's ability to deliver on the promises made to poor black South Africans during the years of struggle. The people were expecting freedom, as well as significant economic improvement and inheriting a crippled economy with no big international corporations operating in it, especially corporations of the size and with the international support and market as Anglo, would make the political transition slower and significantly more difficult. A large portion of the private sector wanted a change away from the current system and approached the ANC not because they were necessarily the best option for the country or their businesses based on policy, but that they had the largest support base. They were in essence backing the horse with the best odds. The ANC was viewed as having the greatest chance of winning, and Anglo therefore made a calculated move to get on their good side early and while they were still looking for private sector support, in the hope that this would benefit their ability to do business in South Africa in the future.

### **3.5) Opening the Floodgates to Lusaka**

The Anglo executive's trip to Lusaka in 1985 was the first major step in the business community reaching out to the ANC and as a result transformed the organisation into a legitimate opposition party and a player in South Africa's domestic politics, rather than a guerrilla army focused on civil war. The motivations behind this move by Gavin Relly as well as what was discussed at these meetings has already been looked at in this paper. This section will now explore the effect this meeting had on the ANC and the process of official peace negotiations in 1990.

Through the meeting with Anglo ‘the ANC was banking on the fact that, once it persuaded Anglo its money would be safe in the new South Africa, Anglo executives would return home as powerful ambassadors for change’<sup>208</sup> within the domestic and international business communities. Meeting with Anglo was a risky move on the part of the ANC as they ran the risk of being accused by its supporters of selling out to the capitalists. However, Tambo and the other leaders identified the benefits of having the support and cooperation of one of the biggest South African exporters and employers on their side. At the ANC strategy conference held in Kabwe, Zambia in 1985, before the meeting with the Anglo executives took place, the organisations leadership had identified the importance of winning over white support as they believed that many white South Africa’s were looking for a way out of apartheid’s crisis.<sup>209</sup> The ANC’s strategy in 1985 was therefore to reach out and form strong alliances with liberal members of the white South African community and the meeting with Anglo was a perfect starting point given Anglo’s economic strength and influence both nationally and abroad. It also allowed for an open discussion about the ANC’s economic policies and plans for the future of the country in a non-threatening environment and to people who were highly regarded and influential within the private sector, which Gavin Relly and the other Anglo executives were.

The Anglo meeting in Lusaka is described as having opened the flood gates to the ANC by the private sector<sup>210</sup> and succeeded in ‘establishing a relationship between the wealth-producing sector and a new African economic policy.’<sup>211</sup> Through report backs by the Anglo executives, the ANC had been humanised and it showed that they were approachable and willing to discuss corporate fears and concerns about the future and the ANC economic views. The businessmen were also encouraged by the lack of retribution from President Botha who had been aware of the Anglo meeting in Lusaka but had made no attempts to stop it such as confiscating passports to stop South African citizens from travelling. The fear of the government lashing out at members of the private sector that reached out to the organisation had been a strong deterrent. Many South Africa businesses could not risk retribution from the government, which may have included embargos and the cancelling of government contracts. Now that companies and individuals who met with the ANC no longer had a target on their backs they were more confident in meeting with the leadership to discuss

---

<sup>208</sup> Waldmeir, 73.

<sup>209</sup> Ibid, 66.

<sup>210</sup> Lieberfeld, Evaluating the Contribution of Track-Two Diplomacy to Conflict Termination in South Africa, 362.

<sup>211</sup> Ibid, 360.

economic issues and the possible financial future of the country with the ANC playing a legitimate political role. The Anglo executives in September were also accompanied by representatives of the media who also published information regarding the meeting in the Sunday Times, Die Vaderland and Leadership SA. This allowed the public to gain a better understanding of the ANC and its views on the current crisis and the future of the country.<sup>212</sup> It was not only members of the private sector but also national non-government organisations, university groups and even religious groups such as members of South African churches which followed the Anglo lead and met with the exiled leadership. The ANC had truly been brought into the fold and were being embraced by numerous organisations.

Significantly, it also paved the way for the Dakar Conference which was held in the Senegalese capital in 1987. In Dakar 61 Afrikaans-speaking intellectuals and 17 ANC officials met for three days of talks.<sup>213</sup> Many of the Afrikaans delegation were members of the South African parliament within the Progressive Federal Party (PFP) as well as members of the Institute for a Democratic Alternative to South Africa (Idasa) which had been established by PFP leaders Frederik van Zyl Slabbert and Alex Boraine.<sup>214</sup> Both men left parliament to create Idasa and led the Dakar delegation. Although Idasa was seen to be non-politically aligned organisation, many of its members were connected to the United Democratic Front and other anti-apartheid organisations, as well as the opposition PFP in South Africa. The Dakar Conference indicated once again the willingness of white South Africans and the ANC to engage in dialogue and support negotiations, which were conducted on an unofficial basis, allowing for a more open discussion with less political ramifications for both sides. It also meant that no concrete decisions or agreements could be made; the meeting was purely aimed at exploration and understanding of the realities of the ANC and apartheid South Africa and the possible future without any pressure to make or commit to any changes. What was most significant about the Dakar Conference was the discussion between ANC leaders and South African parliamentary members from the apartheid government, who were members of the white opposition. The Lusaka meeting therefore opened up doors to future track-two processes, including several members of the South African population and not only the private sector.

---

<sup>212</sup>Ibid, 362.

<sup>213</sup>Waldmeir, 363.

<sup>214</sup>Ibid.

With the knowledge that they had the support of the major South African capitalist companies and their position in the apartheid struggle and in the future of the country was acknowledged by the private sector, the backbone of the economy. The ANC had an increased confidence in its position and hope of seeing significant change in South Africa. The business sector switching sides and playing a more direct role in change in the country also showed that its strategy of placing pressure on the private sector to distance itself from the apartheid regime and of placing financial strain through international sanctions on the government may possibly pay off as Botha was already losing the confidence of the international and domestic corporations which had helped to develop the economy for decades. In the mid 1980's, one of the important components of the ANC strategy was to form a broad alliance of businessmen<sup>215</sup> and accepting a meeting with the Anglo executives was the first step in implementing that vital strategy.

### **3.6) Anglo-ANC Assessment**

As has already been discussed, the meeting in Zambia between the Anglo businessmen and ANC representatives had a significant impact on the road to abolishing apartheid as it opened the flood gates to Lusaka. Following the meeting, many other corporations and organisations and interested individuals, both nationally and internationally, took the initiative in reaching out to the ANC in exile and looked for ways to engage in a discussion with the organisation regarding its views and aim for South Africa, as well as assist in their struggle against the apartheid regime. This was a profound change in the nature of the ANC's relationship with the private sector and white South Africans. However; what is important to this study is looking at the ways in which the role of the private sector, and specifically Anglo America, played in the success of this meeting and the consequences which the meetings caused, as well as the interests of Anglo in reaching out to the ANC.

In September 1985, when the Anglo executives flew to Zambia, President Botha had been firmly against any private sector contact with the ANC, which was described as a terrorist organisation. As has previously been discussed, the Anglo businessmen did fear retribution from Botha to the point that some of the originally planned group dropped out. Botha had also not hesitated in the past to confiscate the passports of those he suspected were colluding with the ANC. However, what is interesting about this case, is that Botha reportedly knew about the planned meeting in September and did not attempt to stop Relly and the other

---

<sup>215</sup>ibid, 66.

executives. Relly and Bloom theorise that the reason for Botha's tacit acceptance of their meeting with the ANC was that it would have been politically risky to seize the passports of big businessmen. Bloom is even quoted as saying "we could be dismissed as politically naïve, but we ran large businesses – we couldn't be accused of treason."<sup>216</sup> The strength of Anglo's position in the South African economy therefore seems to have played a vital role in this meeting occurring at all. Yes, it is significant that Gavin Relly approached the ANC for a meeting, despite concern from even Oppenheimer himself, but the fact that the meeting happened at all points to the important position big business had in the political landscape of South Africa in the 1980's. As has already been discussed, the country was under economic pressure during this period due to international sanctions and it would not have been financially or politically prudent for Botha to take action against a company as large and influential as Anglo America and its CEO. It can also be argued that other companies within the private sector saw the Anglo meeting with the ANC as a play for power and influence with the possible future leaders of the country and that the opening of the floodgates to Zambia was as much about reaching out to the ANC as it was about protecting their own future financial interests in the country.

Had this been another type of organisation, rather than a company, or a smaller company, rather than Anglo America, this meeting may never have occurred, nor had such a significant impact on the political landscape and future of South Africa. However, a pivotal step in the process of the ending of apartheid was taken through the initiative of a large company which saw fit to reach out to the ANC despite the possibility of retribution. Although, what is also significant about Relly and Bloom's comments regarding Botha's lack of interference is that they seemed to have the confidence that Anglo's economic status would protect them and this is arguably why they decided to act as they did, they saw an opportunity which other companies didn't have and ran with it. The reasons why Anglo decided to reach out to the ANC would not be described as altruistic. As has been looked at in "Anglo's Angle" earlier in this chapter, the company went to the meeting out of concern for their extensive economic investment in South Africa. As Gavin Relly discussed in his paper, the process of disinvestment would have been costly; however, given the economic and political climate, Anglo was forced to plan ahead and used the meeting with the ANC in Zambia as a fact-

---

<sup>216</sup>Lieberfeld, *Evaluating the Contribution of Track-Two Diplomacy to Conflict Termination in South Africa*, 360.

finding mission, a way to gauge the organisation's economic policies and try visualising a future for the company in an ANC-led South Africa.

As has been outlined in this chapter, the Anglo meeting was the first step made by the private sector in switching alliances to the ANC and making definite steps in supporting the fight against apartheid and the move towards peace talks. Although the motivations by Anglo were not entirely altruistic and had a strong element of concern regarding the company's financial future in South Africa, the consequences had a highly beneficial affect for the ANC and the transition process and had a butterfly effect regarding unofficial, informal talks with the ANC. The next chapter will examine the second phase in the South African case, the Mells Park talks which took place in England and were facilitated by Gold Fields. Chapter four includes the company's long history in the South African business sector, specific details of the meetings, including participants and topics of discussion. The chapter includes with an exploration of Gold Fields motivations and the consequences of the meetings with relation to the conflict and the move to official peace talks.

## Chapter Four: The Mells Park Meetings, 1987 – 1990

In 1987, Consolidated Gold Fields arranged the first in a series of clandestine meetings between a group of ANC senior delegates and prominent members of the South African Afrikaner community. The two sides were represented by Thabo Mbeki, believed to be Oliver Tambo's right hand man and head of information for the ANC, and Willie Esterhuysen, a lecturer and respected academic at Stellenbosch University in the Western Cape. Michael Young, head of Gold Fields Communication and Corporate Affairs acted as mediator for the talks and handled the arrangements for the meetings, such as transport, accommodation and food for the participants. The first meeting, held on 31 October 1987 in Henley,<sup>217</sup> England, was the first of many which took place on average every four months over a two year period at Mells Park, an estate near Bath owned by Gold Fields. The last meeting took place in February 1990, the same month in which the ANC was unbanned and Nelson Mandela was released from prison. Formal negotiations for democratic transition began later that year between the ANC and the Nationalist government. What this chapter does is explore the history of Gold Fields in the South African economy, details of the talks, including the people who were in attendance, what was on the agenda and how these meetings were perceived and informally supported by the apartheid government. The chapter ends with a detailed look at the motivations behind Gold Fields involvement in the Mells Park talks and most importantly the significant impact these secret talks had on the South African conflict and the move to formal peace talks.

### 4.1) History of Gold Fields in the South African Economy

Consolidated Gold Fields has a long history within South Africa's private sector and can be attributed as one of the major players in sparking the country's industrial revolution which relied heavily on the gold mining sector in the late 1800's. The company was co-founded by Sir Cecil John Rhodes in 1886, at the very start of the 'Gold Rush' in the Transvaal province.<sup>218</sup> Rhodes arrived in South Africa in 1870 in the early years of the diamond discoveries in Kimberly. Rhodes staked a claim in Kimberly in October 1871 and formed a

---

<sup>217</sup>Gerhart and Glaser, 637.

<sup>218</sup>Eric Anderson Walker, *The Cambridge History of the British Empire*, Volume 7, Part 1, (Cambridge University Press, 1963), pp. 526.

partnership with Henry Rudd and together they initiated deep diamond mining in the Kimberly region, creating the original De Beers Consolidated Mines. De Beers Consolidated Mines had bought up the majority of the smaller mines and through these buy outs the diamond claims in Kimberly were reduced from 3,600 to 100.<sup>219</sup> The Kimberly diamond industry, with its access to large amounts of capital from England, was established at the right time to take advantage of the gold discoveries in the Transvaal; “diamonds were the detonator which made possible the real industrial- mining explosion, based on gold.”<sup>220</sup> The diamond houses, including De Beers Consolidated Mines, were perfect financial centres for the mining of gold and in 1886 Rhodes and Rudd moved to the Witwatersrand area of the Transvaal and began buying farms from the local communities, the majority of which were local Afrikaner farms.<sup>221</sup> Gold Fields of South Africa Limited was registered in London on 9 February 1887 of which Rhodes and Rudd were assigned Founders’ Shares.<sup>222</sup> The British investors and shareholders were excited about the prospect of South African gold riches; however, the initial land on which Gold Fields began to mine did not have rich gold-bearing ore and profits in those early years were made from selling off interests in its estates and not from gold sales.<sup>223</sup> In 1893, Gold Fields of South Africa invested in deep-level mining and through the amalgamation of Gold Fields of South Africa and three other companies, Consolidated Goldfields of South Africa Limited was formed.<sup>224</sup> Through access to British finance, Gold Fields became the first real mining finance house and experienced great success in South Africa from its inception. The majority of the mines owned by Gold Fields were deep which were costly to run; however the significant amount of gold allowed the company to make large profits by being cost effective and spreading its risk among numerous mines and other areas and industries.<sup>225</sup>

Gold Fields has a history of political intervention in South Africa. In the early years of the gold mining industry in Johannesburg there was significant tensions between the mining companies and the leadership of the then Transvaal Republic, led by President Paul Kruger and a small population of Afrikaner elite. The majority of the Transvaal population, which

---

<sup>219</sup>Paul Johnson, *Consolidated Gold Fields: A Centenary Portrait*, George Weidenfeld and Nicolson Limited, 1987), pp. 17.

<sup>220</sup>*Ibid*, 18.

<sup>221</sup>*Ibid*, 21.

<sup>222</sup>*Ibid*.

<sup>223</sup>*Ibid*, 26.

<sup>224</sup>*Ibid*, 28.

<sup>225</sup>*Ibid*, 26.

resided mostly in Pretoria and Johannesburg, had made their way there from the Cape Colony, ruled by the British, during the Great Trek which began in the 1930's.<sup>226</sup> These settlers were adamant to avoid any influence from the British in their Transvaal and Orange Free State Republics and consequently both regions had gold in abundance. Therefore, from early on, the mine owners, many of which were wealthy British businessmen, such as Cecil John Rhodes, butted heads with Kruger's government. Kruger was not against exploiting the mine owners for capital and imposed high taxes and obstructions which were to be used to continue his aim of building the supremacy of the Afrikaners in the Transvaal.<sup>227</sup> The mine owners resented these difficulties while they were trying to build their businesses in the country; many had come from the Kimberly diamond mines and had not experienced obstacles like they did in the Transvaal.<sup>228</sup> During this time, the British citizens living in the Transvaal, the majority of which were mine owners, were providing 90 percent of the Republics wealth but were considered to be "uitlanders", or outsiders, and were denied the vote and any role in politics. According to Sampson, this tension between the mostly British mining companies and Kruger's government reached a fever pitch in the 1890's and resulted in the mine owners planning and financing an internal uprising, which was reportedly managed from the Gold Fields headquarters in Johannesburg.<sup>229</sup> The armed raid which occurred in 1885 was aimed at taking over political control of Johannesburg for the British colony. The raid was led by Dr Leander Jameson and became known as the Jameson raid; a massive failure which brought embarrassment to the mine owners and Great Britain.<sup>230</sup>

The mine owners, unwilling to allow their investments and profits, including their expected future profits, to suffer even after their defeat, found an ally in 1887 the new British High Commissioner, Sir Alfred Milner. Milner's aim was to create a united Southern Africa under British leadership and saw the coup of the Afrikaner leadership in the Transvaal as the first step. Kruger's lack of cooperation resulted in the Second Boer War (also referred to as the South African War) in 1899, a war which was significantly funded by the larger mining companies such as Gold Fields as they saw a change in political regime and British control of the Transvaal as good for business.<sup>231</sup> Marxists commenting on the Anglo-Boer War in South

---

<sup>226</sup>Wood, 111.

<sup>227</sup>Walker, 526.

<sup>228</sup>Sampson, 51.

<sup>229</sup>Johnson, 32.

<sup>230</sup>Sampson, 51.

<sup>231</sup>Ibid, 52.

Africa refer to it as ‘a prime example of the power of international capitalism’<sup>232</sup> and stated that ‘it will rank in history as a leading case of usurpation nationalism.’<sup>233</sup> This war was one of the first modern large-scale examples of corporations involving themselves directly in international politics in order to improve their operating conditions and profitability, something which has become commonplace in the 20th Century throughout the world. The defeat of Kruger and the Transvaal leadership resulted in the formation of the Union of South Africa in 1910, bringing the British-led Cape and Natal Colonies and the Transvaal and Orange Free State republics under one rule. The Union was considered to be British territory but was under local rule and this new government was far more cooperative with the mining companies, cultivating a mutually beneficial working relationship for many years and allowing the industry to expand and become the largest gold producer in the world. This political cooperation continued after the Nationalist Party came to power in 1948 and it was only when the apartheid policies became a hindrance to business that Gold Fields once again stepped in and involved itself in the political future of the country, only this time it was not through war but secret dialogue.

Despite further investments internationally throughout the 20<sup>th</sup> Century, Gold Fields continued to operate within the South African gold mining industry during the apartheid years and after decades of investment, the company had a vested interest in the success of the South African economy which was in turmoil in the 1980’s. It was this vested interest in the country’s future, as well as its highly profitable history with the country, that resulted in Gold Fields stepping in under the leadership of its CEO, Rudolph Agnew and involving itself in indirect and informal discussions between the ANC and members of the Afrikaner community in 1987.

#### **4.2) Context of the Mells Park Talks**

The context in which the Mells Park talks occurred was similar to those circumstances which led to the Anglo meeting with the ANC in 1985 as the meetings in England took place later, in 1987. South Africa was being challenged economically due to sanctions and embargos on national businesses and products. The majority of international banks were weary of loaning to the South African government and companies due to social sentiment which was strongly against the apartheid policies and there was no indication at that point that Botha was willing

---

<sup>232</sup> Ibid, 54.

<sup>233</sup> Ibid.

to make any significant changes to appease the anti-apartheid masses who continued to use violence as a means of rebellion throughout the country, resulting in an indefinite state of emergency in 1986. The domestic violence was increasing, the economy was taking significant strain and although the ANC had indicated its willingness to reach and negotiate with the Nationalist government, at this point Botha had not given any open indication that he was ready to compromise and come to some sort of agreement with the ANC.

### **4.3) The Way Forward**

Between 1987 and 1990 a series of twelve secret talks were held in England, with a meeting being held on average every four months.<sup>234</sup> These meetings were attended by leaders of the ANC and Afrikaner academics from South Africa, the majority of which were held in Mells Park, an English estate owned by Gold Fields. During the two years of meetings Gold Fields acted in a mediatory role and not as a participant as the Anglo executives had been in Zambia. Michael Young had been approached by Oliver Tambo to arrange a meeting between the ANC and members of the South African Afrikaner community<sup>235</sup> in the hope of gaining a better understanding of white thinking<sup>236</sup> and white fears in South Africa which the ANC recognized would be a significant barrier to negotiations happening and the violence in the country finally coming to an end. Tambo's request was in line with the strategy decided on at the ANC's Kabwe Conference in 1985 which aimed to seduce the private sector and the more liberal white population away from the apartheid government with its policies and plans for a fair and democratic South African future. The fact that Tambo made this request of a Gold Fields employee indicated that he believed the company would have the connections in order to approach the right people, and would possibly have the ability to persuade them to meet with the ANC which would have been regarded as a highly risky move for any South African with any connection to the government. Tambo had a belief in Gold Fields and specifically in Michael Young's ability to handle such a politically sensitive assignment, as well as a belief that he could succeed as these meetings were important in the ANC's strategy to gain support of white South Africa through understanding and help them realise that the ANC wanted what's best for the country and is ultimately their best hope for a peaceful South Africa in the future.

---

<sup>234</sup>Daniel Lieberfeld, Contributions of Semi-Official Prenegotiation Initiatives in South Africa: Afrikaner-ANC Meetings in England, 1987-1990, ed. Ronald J. Fisher, Paving the Way, Contributions of Interactive Conflict Resolution to Peacemaking, (Lexington Books, 2005), pp. 111.

<sup>235</sup>Harvey, 125.

<sup>236</sup>Gerhart and Glaser, 181.

The first round of talks occurred at an English country inn near Henley, England from 31 October to 01 November 1987. The original participants were Aziz Pahad, Wally Serote, Harold Wolpe and Tony Trew representing the ANC and Willie Breytenbach, Willie Esterhuysen and Sampie Terreblanche who were representatives of and well respected within the Afrikaner community, although they were not directly involved with the government and had been granted no official mandate from the Nationalist government.<sup>237</sup> The participants in these meetings changed over the years as new participants were invited to join. In general, the meetings were led by Thabo Mbeki for the ANC and Willie Esterhuysen for the Afrikaner community. Esterhuysen was a lecturer at the University of Stellenbosch in the Western Cape and had links to President Botha and the South African government as he had once been a member of the Nationalist Party and the Broederbond, although he left both organisations in the mid 1980's.<sup>238</sup> The Broederbond at its inception was a secret organisation of Afrikaner nationals which opposed British dominance in South Africa; however, over the years the organisations support increased and aims changed dramatically and it became a strong supporter of the Nationalist Party and the apartheid ideals and principles. Esterhuysen also lectured Botha's daughter at the university at one point during his years there.<sup>239</sup> Members of the Afrikaans media and the Dutch Reformed Church were also in attendance at the Mells Park talks over the two year period, allowing for a wide scope of insight and opinion into the South African conflict and possible scenarios for the future.

From the beginning it was emphasized by both sides that the meetings were not about negotiations<sup>240</sup> and that neither side had been granted a mandate to make any decisions regarding peace talks in South Africa. Participants on both sides stated that they were attending the meetings in an unofficial capacity.<sup>241</sup> There was also an initial focus on what preconditions on both sides were necessary before formal negotiations could begin and gain an understanding of what future would be acceptable to both sides.<sup>242</sup> Perhaps the most important factor of the Mells Park talks was the indirect link that was created early on in the process between the ANC and President Botha through the communications of Esterhuysen and Dr Niel Barnard at the NIS. Esterhuysen had been approached by the NIS to report back to Barnard on the details of the talks which Esterhuysen agreed to do under the knowledge and

---

<sup>237</sup>Ibid, 637.

<sup>238</sup>Lieberfeld, Contributions of Semi-Official Prenegotiation Initiatives in South Africa, 109.

<sup>239</sup>Ibid.

<sup>240</sup>Gerhart and Glaser, 637.

<sup>241</sup>Lieberfeld, Contributions of Semi-Official Prenegotiation Initiatives in South Africa, pp. 112.

<sup>242</sup>Gerhart and Glaser, 182.

approval of the ANC delegates. This was the government's way of gaining insight into the ANC and its views on important issues without formally entering into talks and risking its political support from conservatives who were strongly opposed to reforms within South Africa. The ANC understood the motivation behind reporting back to Botha as a way to obtain information on how the ANC would react to certain moves and reforms by the state, such as the release of political prisoners like Mandela and Govan Mbeki.<sup>243</sup> The ANC also kept its participation in the England talks secret from its supporters in South Africa and some of its leadership, specifically the hard liners in MK who were convinced that the armed struggle was the way to end apartheid, not negotiations with the government. The more moderate ANC leadership feared that its cooperation in talks would cause rifts in the party and would be seen as the ANC leadership selling out to the enemy.<sup>244</sup>

At the same time that discussions were occurring in England, with information being reported directly back to Botha and Tambo, Barnard of the NIS was conducting parallel talks with Nelson Mandela while he was being held in Pollsmoor prison. Mandela, along with many other high profile political prisoners, had been transferred from Robben Island to Pollsmoor in 1985 and he was kept mostly in isolation from the rest of the ANC prisoners. While the government indirectly supported the talks at Mells Park, Barnard had a different angle and was implementing a strategy which involved the splintering of the ANC. Mandela had become an international icon for the struggle against apartheid and Botha did not want him to die in jail as this would increase his popularity as a martyr for the cause and could possibly escalate domestic outrage and violence.<sup>245</sup> According to political analysts, the South African government knew that they would win some much needed popularity with the international community if they were to release Mandela; however, they did not want to look weak and lose support of the South African white conservatives who were still holding onto the apartheid ideals. Therefore, Mandela's release would depend on him renouncing many of the ANC demands, such as the commitment to the armed struggle, majority rule and its close relationship and cooperation with the SACP.<sup>246</sup> Due to Mandela's isolation from the outside leaders of the organisation, he was not able to get up to date information on the Tambo's plans and strategies and initially was not aware of the talks at Mells Park. The government hoped to use this lack of communication as a way of getting Mandela and Tambo to

---

<sup>243</sup>Ibid, 637.

<sup>244</sup>Waldmeir, 79.

<sup>245</sup>Gerhart and Glaser, 179

<sup>246</sup>Ibid.

contradict each other and possibly get Mandela to speak out against the ANC's use of violence, resulting in a rift between the senior leadership. Botha also hoped that it would be easier to reason with Mandela after he had been in jail for so many years and could use his long awaited freedom as a bargaining chip.

Numerous talks were held between Mandela and the minister of justice, Kobie Coetzee, with Niel Barnard also attending many of these meetings, which were held without the knowledge of supporters on either side. Through letters smuggled in and out the prison by Mandela's lawyer, George Bizos, the leadership in exile and Mandela were able to enjoy some communication and Mandela assured them that any discussions he had with government officials which took place in the prison would adhere to the ANC policies and objectives and that he was committed to the same outcome as the leaders in Lusaka, which is what they were also working towards achieving at Mells Park. This move by Botha showed that the Nationalist government had accepted that a deal with the ANC would need to be reached at some point in order to solve the South Africa crisis; however, "the government's top strategists were determined to make him (Mandela) drop or water down his commitment to at least one or two of the ANC's basic tenets."<sup>247</sup>

The Mells Park talks had a broad scope and were divided into two phases – preconditions for negotiations and a discussion of specific positions and principles.<sup>248</sup> The main discussions within these two phases were centred on the following questions:

- At what point would the ANC agree to abandon the armed struggle in South Africa?
- Was the ANC prepared to accept a multi-party democracy interim government to rule in the transition to full democracy?
- Would a new constitution safeguard the rights of the white minority?
- What was the ANC's vision for the country's economic future?<sup>249</sup>

One of the first issues on the agenda was the release of high ranking political prisoners such as Govan Mbeki and Nelson Mandela. The ANC leadership advocated that they could not approach the negotiating table without many of its leaders who were still in prison<sup>250</sup> and the government had previously demanded that the ANC renounce violence and end the armed struggle as a precondition to Mandela's release, causing a stalemate. During the Mells Park

---

<sup>247</sup>Ibid, 180.

<sup>248</sup>Waldmeir, 79.

<sup>249</sup>Ibid.

<sup>250</sup>Lieberfeld, Contributions of Semi-Official Prenegotiation Initiatives in South Africa, 107.

talks it was revealed by the white delegates that Botha would be willing to release Mandela, but on humanitarian grounds in order to save face after years of refusing their release as it would be viewed as violence against the government paying off, which would have been a dangerous precedent.<sup>251</sup> The government wanted to know how the ANC would respond to the release of prisoners, if they would respond in a positive way towards negotiations and whether they would be able to control their supporters in the townships and prevent any further violence. The ANC did state that it would see the releases as a positive step and would reciprocate but that they would demand that the releases be made on political rather than humanitarian terms.<sup>252</sup> Debates, sometimes heated debates, about these topics allowed for both sides to gain a better understanding of what would need to happen for negotiations to begin. The issue of violence and the continued attacks by MK in South Africa was a contentious issue which was greatly discussed, as well as the ANC's views on why they continued to sanction violence in the country. The ANC stated that they did not want violence but would only stop its armed struggle once the Nationalist government stopped attacking its people and ended apartheid. However, in 1988 during one of the Mells Park meetings Mbeki stated that "the armed struggle would be stopped if the ANC was allowed to operate as a political party within South Africa – in other words, was unbanned."<sup>253</sup> This was the first time that the ANC had indicated to the government, indirectly through Esterhuysen, that they would halt the armed struggle without the full abolishment of apartheid. Although it took another two years for the ANC to eventually be unbanned by F.W de Klerk, this indication by the ANC that it was willing to negotiate and make concessions on key issues allowed the Mells Park participants and the government to see that common ground could be found and that the ANC was not blood thirsty and unrealistic. However, on the issue of a future democracy and one man one vote representation in South Africa the ANC was in no way flexible and it was a position they stuck to throughout the track-two dialogues and later during the official negotiation process with the government.

A major shift in the South African crisis occurred in 1989. In the January of that year President Botha suffered a stroke and resigned as leader of the NP, although he continued in his role as president of the country for most of the year. F.W de Klerk was at this time the Minister of National Education and although he was not seen as the favourite to succeed Botha as president, he won the internal NP election and replaced Botha as leader of the party.

---

<sup>251</sup>Harvey, 148.

<sup>252</sup>Gerhart and Glaser, 640.

<sup>253</sup>Harvey, 151.

Tensions were high between Botha and de Klerk due to the division of power between the presidency and the party.<sup>254</sup> An increase in tensions within parliament resulted in a boost in support for de Klerk and in August 1989 Botha officially resigned as president. In September 1989 de Klerk was inaugurated as president and caused uncertainty within the ANC as to de Klerk's view of the future of the country and official negotiations which had begun to seem like a possibility under Botha due to discussions at Mells Park and he even had a meeting with Mandela in July. De Klerk was known to be a conservative and had previously led the party in the Transvaal, which was viewed to be the most conservative and apartheid supporting province in the country.

However, despite the ANC's perception of De Klerk as a conservative and a hard liner, the ANC had a means of communication and understanding of his views through his brother from day one of his presidency. In August 1988 Willem (Wimpie) de Klerk attended his first meeting at Mells Park. At this point De Klerk was still a minister in Botha's government and Botha had not yet had his stroke and it seemed that he would control the move of the state in its decisions regarding the ANC. However, it is believed that Wimpie provided briefings to F.W from the August talks onwards so that even before he had become leader of the NP and president he already had an informal connection to the ANC leadership and a means through which to get information regarding their views on the country and their preconditions for change. The Mells Park meetings allowed de Klerk to know exactly where he stood with the ANC and their views on important political issues before he was in a position of power.

During the Mells Park meeting held between 21 and 24 April 1989, F.W de Klerk was the NP leader and possibly the next President of South Africa based on allegiances in parliament falling to de Klerk as well as Botha's poor health. During this meeting Wimpie provided a vital communication link between both sides and asked the ANC delegates a series of questions which he stated had come directly for his brother. President de Klerk wanted to know whether it was possible to start talks about official negotiations, as well as what the ANC's preconditions for the discussion would be, and what an acceptable agenda would be.<sup>255</sup> It was the first time that de Klerk indicated his desire to conduct direct talks with the ANC and made a move towards a formal negotiation process and he used his brother and the Mells Park talks as the vehicle to relay the message, acknowledging the value of this direct link between the government and the ANC.

---

<sup>254</sup>Schrire, 112.

<sup>255</sup>Harvey, 165.

According to Harvey, the ANC delegates responded to De Klerk's questions by saying that they were willing to go ahead with talks about talks immediately, that there would be no preconditions on their side and that De Klerk could set the agenda, although a discussion on practical matters would be a good focus.<sup>256</sup> This was the break through which all the months of meetings and discussions at Mells Park had been about; they had succeeded in provided the pre-step for official peace talks and ultimately the end of apartheid. It also showed for the first time that both the ANC and the government were willing to make concessions to assist in the beginning of the negotiation process. The government for years had refused to talk to the ANC without an end to the armed struggle and the violence in the country. The government had not wanted to seem weak and that it had been strong armed by the domestic violence. On the other side, the ANC had stated that it was not willing to talk to the government in an official capacity until all anti-apartheid organisations had been unbanned and political prisoners such as Mandela had been released from prison. By agreeing to start the process of talks about the possibility of formal negotiations without fulfilling any preconditions, both sides had placed the discussion of peace talks above politics; however, there still remained major preconditions which would need to be agreed upon before the formal negotiations could finally begin. Two of these major preconditions were met in February 1990 when de Klerk announced the unbanning of the ANC and the release of Mandela. Talks about the possibility of starting formal talks were on the agenda and had been agreed to by both sides, but there was still a lot of work to be done.

The fact that this breakthrough had been made possible through the efforts of one employee from a mining company, the epitome of capitalist greed and white wealth in South Africa for so many decades, made this an even more surprising victory. A testament to the emotional connections and relationships built at Mells Park is that Willie Esterhuyse acted as a special advisor to Thabo Mbeki during his time as South Africa's president.

#### **4.4) Gold Fields Endgame**

Gold Fields, under the initiative of Michael Young, went about gaining the cooperation of the ANC with a more hands-on approach, by planning, financing and facilitating meetings with Afrikaner nationalists and not just members of the company. Gold Fields would have had similar concerns to Anglo regarding sanctions, disinvestment and nationalism in South Africa but instead of pleading its own case, it focused more on facilitating talks with adversaries in

---

<sup>256</sup> Ibid.

the hope that initiating dialogue would result in political change in the country and ultimately lead to economic improvements that would benefit the company and allow for its continued operations in South Africa. Through meetings with the ANC Gold Fields was also learning about the organisations economic views, policies and plans for the future which would allow the company to strategise and make preparations for business operations in the future South Africa with inside information which other companies did not have.

By helping the ANC by arranging talks with members of the Afrikaner community, Gold Fields also showed that the company was on the side of the ANC and was willing to take risks in order to help them, although this help was offered under clandestine circumstances, which were agreed to by both sides. Agnew gave Young the go ahead in 1987 to make contact with the ANC and try to organise the meetings but wanted to make sure that Young's actions were kept secret from the shareholders who may not have supported the company being involved with a group some described as terrorists. There was also the risk of retribution from the South African government as Botha did not support any contact with the ANC which was a banned organisation. Through Young's direct involvement, Gold Fields was endearing itself to and getting on the good side of the ANC who at that point were the possible future leaders of the country and it had already been indicated that they had support internationally and from other members of the private sector, including Anglo American. At the time when these talks were initiated there was no certainty that they would succeed or help in any way towards a move to formal negotiations; however, the possibility of a stable South African economy in which Gold Fields could continue to operate and profit from the countries mineral wealth would have made the risk worth it to them, particularly if secrecy allowed them to operate without the scrutiny of its shareholders or the media. Gold Fields at the point of its intervention was acting as a concerned third party and was looking to the security of their investment in South Africa as one of the largest mining companies in the country.

#### **4.5) Consequences of Mells Park**

The main aim of track-two dialogues is to build a bridge or create a relationship between members of adversarial groups in a non-threatening way by meeting unofficially on neutral ground and with no intention or pressure to negotiate or make deals, but rather to discuss issues and build an understanding. It is argued that these unofficial talks feed into and assist the official negotiation process as groups have already found common ground and a mutual

understanding and sense that the enemy is human and can be cooperated with. Unofficial initiatives are therefore successful in so far as they contribute to changes in the political cultures on each side in ways that make the parties more receptive to negotiate.<sup>257</sup> This chapter will explore if this was the case in the South African conflict and specifically what affect the conflict resolution initiatives at Mells Park had on the ANC's policies and decisions regarding the future and the possibility of a peaceful resolution and negotiations with the Nationalist government. The aim of this chapter is identify how track-two diplomacy at Mells Park is attributed to bringing the ANC to the official negotiating table with the South African government.

#### **4.5.1) Opening the Door to Direct Contact**

Throughout the Mells Park meetings the ANC and the NIS were in essence engaged in a meeting within meeting. Through report backs by Esterhuysen to Director Barnard at the NIS and from Mbeki to the presidential committee based at the ANC headquarters in Lusaka, an indirect, and more importantly, a deniable line of communication was opened between the top leadership on both sides. According to Aziz Pahad, one of the ANC delegates "both sides understood that that the people we were talking to were listeners, who were reporting back to their home."<sup>258</sup> The point at which this indirect line of communication began to show results was in September 1989 when the NIS met with the ANC in a secret meeting in Switzerland.<sup>259</sup> This meeting was arranged through the Mells Park participants and was the first time that members of South Africa's intelligence service, who had been spying on and sabotaging the ANC's anti-apartheid operations for years, actually sat down to discuss the future with the ANC and it had been made possible through the valuable line of communication at Mells Park.

#### **4.5.2) Building a Sense of Possibility**

The meetings organised and mediated by Gold Fields in England between 1987 and 1990 represented the first proximate talks between the ANC and the government. Although no official representatives of the government were participants in the talks, it was known on both sides and to Michael Young that Willie Esterhuysen was reporting back to the NIS in South Africa on the issues discussed at the meetings and that this information was being passed on

---

<sup>257</sup>Lieberfeld, *Evaluating the Contribution of Track-Two Diplomacy to Conflict Termination in South Africa*, 370.

<sup>258</sup>Lieberfeld, Contributions of Semi-Official Prenegotiation Initiatives in South Africa, 112.

<sup>259</sup>Ibid.

to President Botha by Barnard. Esterhuysen had agreed to these report backs on the condition that he informed the ANC delegates.<sup>260</sup> Therefore, at Mells Park there was the situation that the ANC knew that Botha was receiving notes on the meetings and Botha knew that Mbeki knew of his arrangement with Esterhuysen and was reporting back to his leadership, particularly Oliver Tambo, in Lusaka. In essence, the Botha and Tambo were conducting a two year dialogue through the help of their emissaries, Esterhuysen and Mbeki.

The ANC had been asking for discussions with the government for years but had never been in a position of power to get the government to agree. However, all domestic and international circumstances of the 1980's were placing significant pressure on Botha to make radical steps towards change before the economy imploded or the country was torn apart by civil war. Years of failing to get the government to concede and agree to talks had also influenced the ANC strategy, with many leaders of the organisation, particularly those involved in MK, advocating violence, believing it to be the only viable option left and they would have to force the government to talk. Although there were leaders such as Oliver Tambo, Thabo Mbeki and Nelson Mandela who still advocated negotiations and a peaceful revolution over violence, the South African people were growing impatient and frustrated with the lack of success over the years and even the moderates had begun to acknowledge that the armed struggle will be the only way to force the government into cooperation. In the 1980's as MK increased the number of attacks in the country and the black townships were rendered ungovernable by violence, the possibility of a civil war was on the minds of Botha and the ANC leadership, as well as the international community which was looking up and taking notice of the racist atrocities being committed in South Africa. The ANC had come under enormous pressure during this time, both nationally and abroad, to put a stop to the MK attacks and bring order back into the townships; however, they were committed to the official party line – the violence will stop when the government ends apartheid and stops attacking its people. It was believed that by making the country ungovernable, through armed insurgency and mass civil disobedience, Botha would have no choice but to capitulate.

Although the moderate leaders had eventually faced the realities of the situation and acknowledged that violence may have a role to play in the struggle for freedom, these men did not relish violence and were in favour of talks and as Mandela had stated that for the

---

<sup>260</sup>Harvey, 130.

ANC ‘one of our strongest weapons is dialogue.’<sup>261</sup> It was argued that ‘it was state violence and the closing of all other meaningful avenues of change, which made the armed struggle necessary.’<sup>262</sup> These men saw the armed struggle as being forced on them by the government and with no other options, they could not back down and ‘abandon our people’s aspirations.’<sup>263</sup> However, the secret Mells Park meetings had given rise to hope for the ANC moderates. For the first time, the government was engaging in indirect talks and was willing to listen, although not publicly due to political fears. According to Robert Harvey, the ANC saw this indirect communication as a splendid prize – the opportunity for the men who actively commanded the guerrillas to talk to the enemy.<sup>264</sup> It was viewed as a positive step towards cooperation and the possibility of a peaceful resolution to the South African conflict.<sup>265</sup> The moderate leaders therefore hoped that Botha would blink and agree to a formal conflict resolution process before the country was plunged into civil war. Although it took two years of talks at Mells Park before official negotiations began, the possibility allowed the ANC to start thinking about the ends and not just the means and begin planning for a negotiated settlement with the state.

#### 4.5.3) Understanding White Perceptions

During the 1980’s one of the strategies of the moderates within the ANC was to win white South African support and convert them away from apartheid. According to Mbeki, the ANC’s aim was to win them away from apartheid, even if they don’t come to us.<sup>266</sup> Therefore, it did not matter if they didn’t become specifically ANC supporters, but rather that they rejected the need for apartheid and moved their allegiance away from the Nationalist Party. ‘The decision to get under white South Africa’s skin – motivated by President Oliver Tambo, but carried out by Thabo Mbeki – was probably the most important one ever made by the exiled movement.’<sup>267</sup> This meant that the ANC leadership needed to increase its interaction and development relationships with white South Africans in order to understand their perceptions of the organisation and their concerns about the future of the country and

---

<sup>261</sup>Lieberfeld, *Evaluating the Contribution of Track-Two Diplomacy to Conflict Termination in South Africa*, 355.

<sup>262</sup>Gerhart and Glaser, 578.

<sup>263</sup>Ibid.

<sup>264</sup>Harvey, 130.

<sup>265</sup> Daniel Lieberfeld, *Talking with the Enemy: Negotiations and Threat Perception in South Africa and Israel/Palestine*, (Praeger Publishers, United States, 1999), pp. 44.

<sup>266</sup>Waldmeir, 65.

<sup>267</sup>Ibid, 66.

the white minorities' position in it if the ANC were to come into power. In many ways, it was fear that prevented many white South Africans from renouncing apartheid, and rather supported slight reforms which they believed would still protect them and their economic and social positions. For years, the state through the media had built a perception of the ANC as terrorists. The ANC had also helped build this perception with attacks by MK on soft targets in white areas which killed civilians and had heard about broadcasts on the ANC radio station, Radio Freedom, which called on black domestic servants to attack their white employers.<sup>268</sup> This fear had benefited the government as they had continued to receive domestic support. Of course it must be noted that the ANC did have a white support base in South Africa and that not every white South African was under the perception that the ANC were terrorists. However, there was a significantly large portion of the white population that had serious concerns and misunderstandings of the organisation. As violence increased in the country, particularly in the 1980's, so too did white fear of civil war as well as possible retribution from the black population on whites for the atrocities of apartheid. The ANC moderates took the view that they needed to understand white thinking in order to quell this fear of the future and assure the white population of their safety.

By the ANC agreeing to meet with businessmen like the Anglo executives in Zambia and to participate in the Mells Park meetings arranged by Gold Fields and talk to members of the white South African population openly and honestly, the ANC bolstered its ability to get information about what the minority white population was concerned about regarding the ANC and how they could go about curbing these fears and get their support in the fight against apartheid. The ANC was in essence reaching out to possible allies, in the understanding that they could not get to the negotiating table alone. The only way of decreasing the fear of the unknown was through knowledge and understanding and to get rid of misperceptions. These meetings therefore built an emotional understanding and sense of reality between both sides and through these talks "South Africans met to lay the human foundations and erect the emotional buttresses for a lasting peace."<sup>269</sup>

#### **4.5.4) Preparing for Official Peace Talks**

None of the political developments in South Africa in the 80's happened in a vacuum. While the talks were being conducted in England between the ANC and white South Africans there

---

<sup>268</sup> Ibid, 65.

<sup>269</sup> Ibid, 64.

were also talks in Pollsmoor prison with Nelson Mandela, bombings by MK were occurring in the country, international pressure on the government from Western states to negotiate due to increases of violence, sanctions crippling the economy, internal politics between the National Party and the Conservative party, new leadership from P.W Botha to F.W de Klerk, the collapse of communist Russia and changes of leadership in neighbouring countries such as Mozambique, Angola, Zimbabwe and Namibia. All these factors had a collective role in placing pressure on both the ANC and the government to capitulate and were making negotiations look like a positive option in order to avoid further violence and an economic meltdown. The NP through the leadership of de Klerk had made his first indication to the ANC that it was being willing to enter into direct negotiations with the ANC. A discussion regarding timing and preconditions occurred between the ANC delegates present at Mells Park and Wimpie De Klerk, acting on behalf of his brother. It had become clear that the Nationalist Party wanted to talk and was open to a formal negotiation process in the near future. In response to this, the ANC saw the need to sharpen its principles and pre-negotiation demands so that it was ready when the time came to discuss their demands for an end to apartheid. It is argued that the government felt confident in taking the prenegotiation steps of releasing political prisoners and unbanning the anti-apartheid organisations in 1990 due to the reports back from Mells Park which indicated that the ANC leadership was reasonable and lacking in bitterness and the desire for revenge.<sup>270</sup>

On 21 August 1989 the ANC, through the Organisation for African Unity (OAU) issued the Declaration of the OAU Ad-hoc Committee on Southern Africa on the question of South Africa. The declaration asserted that “a conjuncture of circumstances exists which, given a demonstrable readiness on the part of Pretoria regime to engage in negotiations genuinely and seriously, could create the possibility to end apartheid through negotiations.”<sup>271</sup> This Harare Declaration set the ANC’s negotiating agenda and was also aimed at preparing the rank and file of the ANC supporters for compromise once negotiations began. Through a better understanding of white concerns about the future under the ANC, the leadership had accepted the fact that compromises would need to be made in order to come to an agreement with the government that would allow them to move forward. As stated in the principles of the declarations “We would therefore encourage the people of South Africa, as part of their overall struggle, to get together to negotiate an end to the apartheid system and agree on all

---

<sup>270</sup>Lieberfeld, Contributions of Semi-Official Prenegotiation Initiatives in South Africa, 116.

<sup>271</sup>Lieberfeld, *Talking with the Enemy*, 37.

the measures that are necessary to transform their country into a non-racial democracy. We support the position held by the majority of the people of South Africa that these objectives and not the amendment or reform of the apartheid system, should be the aims of the negotiations.”<sup>272</sup> In this statement, the ANC is saying that the end of apartheid is the main aim of negotiations but that the organisation would have to ‘agree to all measures that are necessary.’ One of these possible measures was that of an initial power sharing deal with the NP in order to create a smoother transition period.<sup>273</sup> It was believed that this would curb white fears for the future of the country and not result in panic and a desire to leave the country. However, after years of minority rule, the idea of power sharing was not appealing to the black majority who had suffered under apartheid.

The declaration outlined that the ANC was prepared to negotiate with the government but also stated its specific pre-negotiation conditions that needed to be met before negotiations could begin. These preconditions were based on ANC principles as well as what would help curb white fears and show that the ANC policies were structured and fair and not there to punish or condemn white South Africans for apartheid. An air of vengeance and retribution would not have helped the ANC gain significant white support and may have resulted in the NP trying to hold out for longer and not agree to negotiate due to fear among its voters. The ANC through the Harare Declaration stated that “together with the rest of the world, we believe that it is essential, before any negotiations take place, that the necessary climate for negotiations be created. The apartheid regime has the urgent responsibility to respond positively to this universally acclaimed demand and thus create this climate.”<sup>274</sup> The ANC’s preconditions for formal negotiations were the unconditional release of all political prisoners and detainees, lift all bans and restrictions on all anti-apartheid organisations and people, the removal all troops from black townships, the end of the state of emergency and repeal all legislation, such as, and including, the Internal Security Act, designed to circumscribe political activity and cease all political executions.<sup>275</sup> The ANC demanded that these conditions be met by the state and were to precede any official negotiation process.

---

<sup>272</sup>African National Congress, “Declaration of the OAU Ad-hoc Committee on Southern Africa on the question of South Africa (21 August 1989), Harare, Zimbabwe”, (Online) Available: <http://www.anc.org.za/3856?t=Organisation%20of%20African%20Unity> (2010, December 07).

<sup>273</sup>Lieberfeld, *Talking with the Enemy*, 44.

<sup>274</sup>African National Congress, “Declaration of the OAU Ad-hoc Committee on Southern Africa on the question of South Africa (21 August 1989), Harare, Zimbabwe”, (Online) Available: <http://www.anc.org.za/3856?t=Organisation%20of%20African%20Unity> (2010, December 07).

<sup>275</sup>Ibid.

By understanding white fears and concerns, the ANC was able to take them into consideration and make an effort to quell them in their statements of principles without neglecting their core values and promises to its supporters. The ANC reiterated its commitment to a free and fair democracy and that in South Africa all its people shall enjoy common and equal citizenship and nationality, regardless of race, colour, gender or creed. It also stated that all South Africans shall enjoy universally recognised human rights, freedoms and civil liberties, protected under an entrenched Bill of Rights. The ANC was thinking like a government which would have to accommodate the entire population and in order to do this it had to understand the needs of all communities within the population, including conservative white perceptions. This also extended to the private sector and the ANC was able to make decisions that would not alienate or chase away the big corporations which it would need to build the post-apartheid economy.

The unofficial talks that members of the ANC leadership participated in improved the organisations position at the formal negotiation table after 1990 as they knew a lot about how the government thought and what was important to them. They also had received five years of experience, from 1985 to 1990, discussing the important, and sometimes contentious, issues with different adversarial groups which helped during the official negotiations. Mells Park had prepared them for arguing their point of views with an opposing group and had also given them important insight into the government's psychological position.

This chapter has explored the Mells Park talks, as well as the consequences the talks had on the official negotiation process, which were the opening of the door to direct contact between adversarial groups, building a sense of possibility within the ANC for a peaceful ends to apartheid, allowing for a greater understanding of white South African perceptions and allowing both sides to prepare for official peace talks. The following chapter will assess the ways in which both cases fit into the track-two diplomacy literature, making the conflict resolution process in South Africa a strong case for the abilities and benefits of unofficial negotiations.

#### **4.6) Mells Park Assessment**

This chapter has discussed at great length the major impact the talks held at Mells Park in England between the ANC and influential members of the Afrikaner community, had on the official negotiation process and the abolishment of apartheid. He talks, as discussed, opened

up the door to direct contact between the struggle leaders and the South African government, built a sense of possibility that the South African conflict could be ended without further violence or civil war, allowed the ANC to develop an understanding of white perceptions and curb their fear of the future with the ANC in a leadership role, and allowed the ANC to begin mental preparations for official peace talks, and start developing policies to be implemented once in a leadership role. All these factors contributed greatly to the unbanning of the ANC, the abolishment of apartheid, the beginning of official peace talks and the democratic elections in 1994. However, what this thesis aims to do is explore the ways in which the role of the private sector specifically contributed to the success of track-two diplomacy processes in the South African transition. The Mells Park talks were spearheaded by Michael Young, whose efforts were funded by Consolidated Goldfields, although this was known by the participants only and not the company's stakeholders. Gold Fields financed the travel expenses for the participants who had to get to England, gave the participants and Young the use of the company manor for the meetings, as well as paid for accommodation, food and drink for the weekends. The process therefore required a significant financial commitment from the company for three years of talks, although given the size and success of the company; this would not have been a financial drain by any means.

What Gold Fields really brought to the table was its stature in the minds of the participants, a perception that if a company as large and respected as Gold Fields was getting involved, even in a surreptitious way, then the talks should and would be taken seriously by both parties. The ANC would have been pleased with the Gold Fields involvement, as like the Anglo meeting in 1985, it validated the organisation and showed that the ANC was being taken seriously by the international community and that the private sector was finally taking notice of the plight of South Africa, both politically and economically, under the apartheid regime. Although Gold Fields is a British company and may have been viewed in a more negative light by Afrikaans South Africans, the Afrikaner participants were already open minded enough to attend a series of talks with the highly controversial ANC, identified by many white South African's as a terrorist organisation. These men saw the benefits of opening a dialogue with the ANC despite the potential wrath from the NP government, and therefore the involvement of Michael Young and Gold Fields would have been viewed as a legitimising factor for the unofficial talks. Gold Fields could also be viewed as an interested, impartial third party, although it would have been obvious to both parties that it would be in the interest of the company for the political crisis in South Africa to be resolved in order to improve the

economic conditions. Young's political experience in the United Kingdom also played a beneficial role in the success of the meetings as he was well equipped to understand the political issues and concerns of both parties and would have been able to assist in the forming of the agenda for the meetings.

Gold Fields involvement in the Mells Park talks assisted in the success of the talks in that they provided deep pockets for funding and provided a level of legitimacy and provided a mediator in the form of Michael Young who had extensive political experience to inform his work at Mells Park. Had a different company taken the initiative to reach out to the ANC and elite Afrikaner South Africans, a company with less financial incentive to see the process succeed, less political connections to reach out and gain the cooperation and trust of the ANC, or without the resilience to risk backlash from the South African government, the process may not have succeeded as it did. Gold Fields position as an influential member of the private sector was instrumental in the success of the Mells Park talks and it's the unique abilities which the private sector has that can be used in unofficial conflict resolution processes.

## Chapter Five: Assessment

The desired outcomes of track-two diplomacy are ‘the emergence of a sense of possibility, belief that at least some elements on the other side are interested in a peaceful solution, greater awareness of the other’s perspective, initiation of mutually reassuring actions, a shared vision of a desirable future, exploration of ideas for the overall shape of a solution to the conflict, exploration of ideas for moving the negotiations forward and developing “cadres” with direct experience in communicating with the other side.’<sup>276</sup> The success of unofficial negotiations in South Africa will therefore be judged according to these desired outcomes.

This chapter will assess the ways in which the meeting between the ANC and the Anglo executives in Lusaka and the Mells Park talks in England meet the requirements of track-two initiatives discussed in chapter two. This assessment will be conducted in relation to who participated in the South African talks, under what circumstances the meetings took place, what the main aims and objectives of the talks were, the agenda set during the talks and the role of the third parties. The South African case study will be assessed on three levels – the ways in which the process and outcomes apply to track-two diplomacy theory, the contribution of the Anglo meeting and the Mells Park talks to the overall negotiation process in South Africa.

When looking at the private sectors initiatives in South Africa’s conflict resolution it is apparent that two phases of track-two diplomacy occurred. Although each phase involved different participants and characteristics and produced a different immediate outcome, together they assisted in creating the environment in which the ANC and the South African government entered into official negotiations and eventually a peace agreement in 1994. The meeting between the Anglo executives and the ANC leadership in Lusaka can be viewed as phase one in South Africa’s track-two diplomacy process and was instrumental in legitimising the ANC in the eyes of the business community in South Africa. Gavin Relly of Anglo sought ‘to establish a relationship between the wealth-producing sector and the new African economic policy.’<sup>277</sup> Anglo’s trip to Lusaka broke the seal and opened the international flood gates to the ANC in the mid 1980’s. The meeting with Anglo legitimised

---

<sup>276</sup>Lieberfeld, *Evaluating the Contribution of Track-Two Diplomacy to Conflict Termination in South Africa*, 370.

<sup>277</sup>*Ibid*, 360.

the ANC both as the dominant political party of the anti-apartheid movement and as an ally to businessmen who were concerned of the economic future of South Africa. The meeting showed other businessmen, both nationally and internationally, that the ANC was not the adversary of the business community but rather the best hope for a peaceful and economically stable South Africa. This communication channel and support from the business community, started by the Anglo-ANC meeting, also enhanced the ANC's negotiation option as this support but greater pressure on the Nationalist government to capitulate and solve the current economic crisis. In essence the Anglo meeting sparked off a chain of events that humanised the ANC in the eyes of many members of the South African white community and allowed others to follow suit and engage with the ANC without fear of repercussions from the South African government.

Another important outcome of phase one was its influence on phase two, which began in 1987 with the meeting of ANC leaders and Afrikaans academics in England. Gold Fields may not have chosen to cooperate with the ANC and responded to Oliver Tambo's request to arrange contact with members of the Afrikaner community had Anglo not lifted the veil of secrecy surrounding the ANC leadership in 1985 and legitimised them in the eyes of the business community. The Anglo meeting laid the foundation for the Mells Park talks which in the end had a significant effect on the ANC and the South African government and the move to formal peace talks in 1990.

### **5.1) Participants**

Track-two diplomacy theory requires that participants be from adversarial groups<sup>278</sup> as this is the only way that progress can be made in a conflict, with both sides engaging with each other, even on unofficial grounds. At the meeting in Zambia between the ANC and members of the Anglo American Corporation in 1985, these two groups were historically adversaries. Anglo had been involved in both gold and diamond mining in South Africa since its inception. It was viewed by black South Africa as the epitome of the capitalism which had supported and nurtured the racist apartheid policies in South Africa for decades and Anglo had become the face of corporate greed which the ANC with its aims of a fair and equal society despised.<sup>279</sup> However, it was identified at the Lusaka meeting that the members of the business community and the ANC were no longer on different sides and both were

---

<sup>278</sup>Ibid, 356.

<sup>279</sup>Waldmeir, 73.

looking for an end to apartheid, although possibly due to different motivations. At the talks held in England, it was Gold Fields which supplied the funding, the venue and the facilitation for the talks through Michael Young. In these meetings, the ANC was talking with members of the South African Afrikaner community, numerous members of which had actively supported and helped to maintain the apartheid policies for generations in order to solidify the National Party's political power in South Africa.

## **5.2) No official mandate**

According to studies by Daniel Lieberfeld, semi-official negotiations within a track-two initiative require that the participants are granted a mandate from the adversarial groups concerned to discuss issues and possible agreements regarding a conflict. The ANC-Anglo meeting was aimed at mutual learning and understanding between parties, not to come to any official agreement regarding the conflict. The businessmen were representatives of the company and interested and affected parties within the South African private sector. They in no way represented government and could not make any formal decisions regarding the ending of apartheid.

At the Mells Park talks both party's participants stated from the beginning that they were in no position to make any decisions or come to any agreement during the talks. Therefore, although many of the ANC delegates included members of the ANC's leadership, such as Thabo Mbeki, Aziz Pahad and Jacob Zuma, they were not granted permission to negotiate on behalf of the organisation. The ANC delegates were in effect the mouth piece of the entire organisation, including its top leadership in Lusaka and its supporters on the ground. The ANC was also not engaging in discussions with individuals from within the South African government but rather interested and connected individuals from the Afrikaner community. Although president Botha was aware that these secret meetings were being conducted in England and he had made no attempt to stop them and was even receiving report backs from Esterhuysen via the NIS, the delegation was in no way officially mandated to speak on behalf of the government or enter into or commit the government to any agreements regarding the conflict.

These talks are therefore characterised as unofficial, aimed at opening up channels of communication and exploring the possibility of negotiations in the future and what would be necessary to achieve this; however, at no point during the two years of talks at Mells Park

were the participants in a position to negotiate an end to apartheid. Lieberfeld also outlines that report backs to political leaders are a hallmark of track-two initiatives,<sup>280</sup> which were occurring at the onset of the talks in England. The ANC delegates were reporting to the leadership in Lusaka about opinions and insights expressed by the white South Africans at Mells Park, as well as their perceptions of the ANC. Willie Esterhuysen, to the knowledge of the ANC delegates, was also reporting information concerning the meetings to the South African government and President Botha via Niel Barnard. In 1988 there was also a second line of communication to the presidency, via Wimpie de Klerk who was reporting to F.W de Klerk who became the leader of the NP in early 1988 and was inaugurated as president later in the year. These report backs in essence created an indirect channel of communication between the ANC leadership and Botha long before formal negotiations were seen as likely. Also beneficial to the track-two dialogues in Mells Parks was that there remained a core of participants from both sides, although new participants were brought in at different stages, such as Wimpie De Klerk. These core participants created a sense of continuity and the attendance of new participants at different stages, even just for one meeting, allowed issues to be discussed from different point of views and added depth to the discussions based on personal experience and knowledge of certain factors in the conflict.

### 5.3) Secrecy

As discussed in the theoretical chapter of this thesis, track-two diplomacy advocates that initiatives be conducted in secret or at least in confidentiality.<sup>281</sup> During the late 1980's both the ANC and the South African government were facing pressure from their supporters, members and constituents. The ANC was divided into moderates who advocated negotiations and a peaceful end to apartheid as opposed to leaders such as Chris Hani who were supporters of aggression as a way of forcing the government to capitulate and advocated further use of MK activities, some of which resulted in the death of civilians and brought both international and domestic condemnation. Due to the political unrest and economic pressure, the government was also facing pressure from conservatives and liberals within the government and the South African population. There were those who advocated change as a way of resolving the conflict and supported negotiations with the ANC. However, conservatives did not want to be seen to be giving in to 'terrorism' and supported harsh police action against protesters and further control of the masses through force.

---

<sup>280</sup>Lieberfeld, *Promoting Tractability in South Africa and Israel/Palestine*, 3.

<sup>281</sup>*Ibid*, 120.

Within the government, Botha only allowed a few members of the NIS and his most trusted advisors to know about the talks that were occurring in Mells Park. Botha did not want his conservative supporters to find out that he was indirectly sanctioning talks with the ANC as this could cause an internal rebellion and rifts within the government during a time that cooperation was key. The ANC also feared retribution from its supporters if the organisation's leadership was seen to be cooperating with the private sector, viewed as collaborators with the apartheid government. Therefore, the meeting with Anglo was kept confidential. However, the Anglo participants did not maintain a level of secrecy. Leadership within the company, including Harry Oppenheimer, were aware of the 1985 meeting in Zambia, and President Botha also knew and did not attempt to stop the trip. On their return to South Africa, reports of the meeting were published in the media and went a long way to improving the ANC's image within the South African private sector, as the Anglo participants spoke positively about their experience in Zambia.

The Mells Park talks could also have been misconstrued by ANC supporters as the organisation capitulating to the government, which may have compromised the organisation. There were also reports of the Mells Park participants being threatened and followed on both sides and many feared for their safety, increasing the need for secrecy. Unlike the Anglo delegation which reported back on the meetings with the ANC and even published the story in some of the domestic and international media, Gold Fields kept the activities at Mells Park a secret from its shareholders. This was firstly to protect the participants from domestic scrutiny; however, Rudolph Agnew, Gold Fields CEO was not sure how the shareholders would react to the company interfering in domestic politics, especially due to all the media attention and international condemnation. There were also many people who did not support the ANC's aggression tactics and did not want the company to be seen cooperating with 'terrorists'. It was due to these internal conflicts that both the ANC and the government kept the meetings in Lusaka with the Anglo executives and the talks in Mells Park a secret from the South African population.

#### **5.4) Third Party Intervention**

Within the South African context, the mining companies of Anglo American and Consolidated Gold Field acted as the catalysts of track-two diplomacy initiatives in South Africa. It was a direct result of their actions that the private sector reached out and cooperated

with the ANC and that the first consistent indirect line of communication was opened between the ANC and the government through the Mells Park talks.

Both Michael Young from Gold Fields and Kenneth Kuanda, the Zambian president, played a role in not only arranging the meetings but attended them as well. However, neither were participants but rather played a conciliatory role in the process as both men did not have any leverage in the form of rewards or punishment for cooperation or a lack there of by the participants.<sup>282</sup> Kuanda and Young also had no direct influence over the outcome of the meetings, but rather acted as a bridge between the two sides and had the important role of assisting communication. At Mells Park, Young had the ability to steer away from discussions which were no longer constructive or introduce a new discussion which had not yet been looked at but both parties had identified as on the agenda for the talks. He acted as a conduit by which contact could be made and relationships formed for the greater good of South Africa. According to Daniel Lieberfeld, “the Gold Fields-sponsored meeting included substantial informal social interaction, with participants dining and drinking together. Informality and equal status between groups fostered interpersonal trust.”<sup>283</sup> However, both groups of delegates were aware that this was their meeting and that Young’s main role during unofficial talks was arranging the meetings and facilitating productive discussion following a specific agenda set by all the participants concerned.

According to Wedge’s model of third party intercession, Young’s facilitation at Mells Park followed five stages:

Stage 1	Establish contact with each side as an interested outsider and initiate a dialogue process	Michael Young of Gold Fields was originally approached by the leader of the ANC, Oliver Tambo, and asked to set up a channel of contact with Afrikaans South Africans. Young approached prominent Afrikaner academics from Stellenbosch University who agreed to travel to England and meet with the ANC delegation and participate in discussions about South Africa’s reality and apartheid. None of them held any official role within
---------	--	---

<sup>282</sup>Fisher, *Interactive Conflict resolution*, 164.

<sup>283</sup>Lieberfeld, *Promoting Tractability in South Africa and Israel/Palestine*, 14.

		the government, although they were highly respected within the Afrikaner community. <sup>284</sup>
Stage 2	Each side's interests are defined and mutual interests identified.	Both sides outlined their interests as developing an open dialogue about the current South African issues and an understanding of how each side thinks. The aim was mutual learning and finding common ground. Both sides reiterated that they had no negotiating authority and that these were in essence talks about whether to talk about talks. <sup>285</sup>
Stage 3	The two sides are brought together on neutral ground.	Gold Fields role in the Mells Park talks was mainly to provide logistical support, such as providing the venue at Mells Park, England, which was neutral ground for both sides. Gold Fields also sponsored the meetings by provided finances for meals and transport to and from the talks for both parties and it is estimated that this intervention cost Gold Fields one million pounds. <sup>286</sup>
Stage 4	Assistance provided to the parties in considering cooperation programmes.	Young was present at the meetings and acted as a mediator, helping to coordinate the process of agenda formulation and intervene to move on from discussions that were no longer constructive, introduce a topic which had not yet been discussed or ask participants to elaborate on statements made. <sup>287</sup> Young initially kept discussions vague in order to build a level of ease between participants. <sup>288</sup> This ease allowed for more difficult and emotive topics, such as the armed struggle, one man one vote and white fears to be discussed more rationally, although disagreements and heated debates did occur.
Stage 5	Intercession ends once	Numerous talks were held at Mells Park between

<sup>284</sup>Harvey, 125.

<sup>285</sup>Waldmeir, 77.

<sup>286</sup>Harvey, 128.

<sup>287</sup>Lieberfeld, *Promoting Tractability in South Africa and Israel/Palestine*, 15.

<sup>288</sup>Harvey, 128.

	cooperative programmes have been established.	1987 and 1990. New participants joined over the years, including Willem De Klerk, the brother of Botha's successor, President F.W De Klerk. These talks ended in February 1990 at the point where De Klerk announced the unbanning of the ANC and the release of Nelson Mandela and numerous other political prisoners. The next step was the beginning of official negotiations between the state and the ANC which lasted four years.
--	---	---

### 5.5) Objectives

The aim of the track-two initiatives were to create a platform of common ground that would assist in eliminating prejudice and misconceptions and allow for a smoother formal negotiation process when the time came, if it came at all. Within conflict resolution it is acknowledged that improved communication and understanding is one of the first steps in de-escalation and resolution.<sup>289</sup> Track-two diplomacy, as opposed to official track-one diplomacy, does not expect to come to any official agreements or a negotiated settlement, but rather 'seek to build a relationship of "working trust" among representatives of adversary groups and feed ideas and proposals into the political process.'<sup>290</sup>

As Aziz Pahad of the ANC delegations stated, "you didn't come to the starting table as "them and us,"<sup>291</sup> as a mutual understanding had already been established before formal talks had even been agreed upon. Unofficial talks are therefore not conducted as an ends, but rather in the hope that they will facilitate and inform future official negotiations between leaders of rival groups. It is believed that unofficial talks contribute to the possibility of negotiations and a peaceful conflict resolution by establishing lines of communication between key decision makers, in South Africa's case, between Botha and Tambo initially, and later Mandela and De Klerk, who participated in the formal negotiations from 1990 to 1994. The Mells Park talks also enabled the ANC and the government to agree on the preconditions for official talks which were on the ANC's side, the unbanning of the ANC and other anti-apartheid groups and the releasing of political prisoners. The ANC agreed that once these conditions were met, the organisation would abandon the armed struggle and enter into

<sup>289</sup>Fisher, *Interactive Conflict Resolution*,121.

<sup>290</sup>Lieberfeld, *Promoting Tractability in South Africa and Israel/Palestine*, 2.

<sup>291</sup>Ibid, 16.

formal negotiations with the government.<sup>292</sup> Information gathered from the Mells Park talks also had a significant impact on the Nationalist government's strategy in the late 1980's and its final decision to concede. Botha had hoped to exploit differences between the pre-negotiation demands of the ANC in exile and Mandela, who the government was talking to in prison, thereby causing a rift between the ANC leadership.<sup>293</sup> However, when it became clear that the ANC leadership was in complete agreement as to its preconditions and the way forward and that no divide could be found, the government was forced to abandon its final hope of avoiding formal negotiations and came to accept the inevitable talks with the ANC. Had Botha not received information from Mells Park, he may have come to this acceptance later with further negative implications for the country, including economic sanctions and disinvestment, violence and possibly even civil war. The talks were also beneficial as when De Klerk came into power he immediately had an indirect line of communication via his brother at Mells Park and had been receiving information for months before he was inaugurated. De Klerk was able to use the information in order to better understand the dynamic of the ANC and the possibility of negotiations as a viable option to the end of the conflict.

Therefore, as a result of track-two diplomacy initiated and facilitated by Gold Fields, a critical juncture was reached in South Africa. A critical juncture is the point in a conflict where unofficial and official diplomacy meets and 'insights and options generated in unofficial diplomacy are communicated to and considered by official diplomacy.'<sup>294</sup> Through the discussions at Mells Park the critical preconditions for negotiations were relayed to both sides of the conflict and the information gained from the talks was directly used to initiate strategies and weigh up options for a prenegotiation environment. Mells Park had provided valuable stepping stones to the negotiation table and met the requirements of track-two diplomacy through its participants, the lack of an official mandate on both sides, confidentiality from supporters and the media, its objectives and the role of a third party.

---

<sup>292</sup>Ibid, 12.

<sup>293</sup>Ibid, 14.

<sup>294</sup>Fisher, *Interactive Conflict Resolution*, 105.

## Conclusion

Anthony Bloom, one of the influential Anglo businessmen who met with the ANC in Lusaka in 1985 stated that “*the things which men have in common are God-made, whereas the things that divide men are man -made.*” This is the main aim of unofficial track-two dialogues, as discussed in this thesis, to make conflicting parties realise that cooperation and a positive agreement is possible. Within the apartheid conflict in South Africa, this dissertation has argued that the track-two initiatives conducted by the private sector created an environment between 1985 and 1990 in which this realisation could be felt. Specifically through the efforts of Anglo American Corporation and Consolidated Gold Fields, both powerful and influential companies within the South African economy that in numerous ways had benefitted from the apartheid policies for many years, the ANC was brought into the fold of opposition politics and were given a forum with which they could verbalise their policies and aims for a democratic South Africa to not only the business community but to a large number of South African citizens and, indirectly, to the South African leadership through the Mells Park talks.

Although no concrete decisions or agreements were made and the South African government did not play any official role, these talks and secret meetings facilitated the creation of an environment of mutual understanding and indirectly created a relationship between the ANC leaders and the apartheid government. The Anglo-ANC meeting paved the way to Lusaka and the ANC and legitimised the organisations standing as a political force, not just a rebel movement. The talks in England created an indirect link between the government and the ANC leadership which progressed to direct negotiations, at which point a relationship had already been built between adversaries. They also gave the ANC a sense of possibility that a settlement could be reached without further bloodshed and allowed the organisation to understand white perceptions and create policies to abate these fears and concerns while at the same time not alienating its base and ideals for racial equality. Importantly, the numerous talks at Mells Park were used as a curtain raiser for official negotiations and allowed the ANC to prepare for formal peace talks in the future, both from a policy and negotiating point of view. A prenegotiation landscape had been created in which preconceived notions and misunderstandings were rectified and through these efforts both the ANC and the Nationalist Party-led government came to an agreement to enter into official talks and in 1994 hold democratic elections in South Africa and move forward with a Government of National Unity led by Nelson Mandela and F.W De Klerk.

The role of track-two negotiations in South Africa, identified in this thesis through its participants, unofficial mandate, view of secrecy, third party intervention and objectives, can therefore not be ignored or understated and it is the conclusion of this paper that the value of these unofficial initiatives, evident in the South African context, should be acknowledged and pursued in the hope that they can be used in future conflicts and assist in the move towards peaceful settlements and more successful conflict resolutions.

What is also important for this study is the specific contribution that the private sector had in the occurrence and success of the unofficial meetings. The motivations and economic position and stature of Consolidated Gold Fields and the Anglo American Corporation played an important role in the initiation and results of these meetings and had it not been these specific companies, or other organisations, many of the factors which resulted in the successes in Zambia, and at Mells Park, would not have been possible. The private sector is uniquely situated in politics due to its economic contribution and in South Africa this allowed Gold Fields and Anglo to make and act on decisions in a way in which other organisations could not. It is this understanding that can be added to the track-two diplomacy literature to inform further studies and unofficial negotiation endeavours in the future. It is this gap that this research has filled – to identify that history and motivations of the role players play a unique and important part in the process and results of prenegotiation. Track two diplomacy is not just a process, it is prenegotiation politics and what is most important is not who is there but why they are there.

Within the South African case, the *why* is deeply rooted in history and this dissertation has explored in depth the ways in which both Anglo and Gold Fields history in the South African economy influenced their decision to reach out and facilitate discussions with the ANC. The cost of disinvestment, as argued by Gavin Relly, was high for the large mining corporations such as Anglo and due to extensive investment in infrastructure, it was more economically prudent to stay in the country and wait for a political resolution. International pressure was also mounting, both economically and socially, and companies such as Anglo and Gold Fields were under pressure to show that they were part of the solution and not supporting the South African government and exacerbating the political issues with domestic financial support. Large, multinational companies do not become powerful without excessive forethought and planning for the future. Anglo and Gold Fields could sense that a change was coming and decided to play their hand and make a judgement call as to which side would provide them with economic security in the future. It was the understanding that apartheid

couldn't last forever and these big corporations decided to support the ANC so as to protect their South African investments in the future. It was business decision pure and simple, and based on the size and influence of the corporations involved, this decision was politically beneficial and placed South Africa on a trajectory towards official negotiations between the ANC and the Nationalist government and the eventual end of apartheid.

The contribution that this case study can make to track-two and prenegotiation theory is the understanding that political negotiations and transitions do not happen in a political vacuum. Big business in the past and at present has a major influence on politics, such as government lobbying which occurs by powerful industries. Their economic power and influence is viewed by many in a negative light, even sparking movements such as Occupy Wall Street - a campaign against the influence of major banks and multinational corporations over the democratic process in the US. The experience in South Africa is an indication that big business can and should use its power and influence for good and the important role that they can play needs to be better understood and acknowledged, and when necessary harnessed and taken advantage of. Big corporations in South Africa during the apartheid years were in a unique position to influence the end of the apartheid regime and the South African case study is a testament to the important and unique role of back-channel negotiations and the positive contributions that the private sector can make to conflict resolution in the future.

## Bibliography

### Books

Benjamin, Larry and Gregory, Christopher (Eds), *Southern Africa at the Crossroads?* (Justified Press, 1992).

Fisher, Ronald. J, *Interactive Conflict Resolution*, (Syracuse University Press, 1997).

Fisher, Ronald. J (ed), *Paving the Way: Contributions of Interactive Conflict Resolution of Peacemaking*, (Lexington Books, 2005).

Flynn, Laurie, *Studded with Diamonds and Paved with Gold: Miners, Mining Companies and Human Rights in Southern Africa*, (Bloomsburg Publishing Ltd, London, 1992).

Gerhart, Gail M and Glaser, Clive L, *From Protest to Challenge, Volume 6: Challenge and Victory, 1980 to 1990: A Documentary History of African Politics in South Africa, 1882 to 1990*, (Indiana University Press, 2010).

Gevisser, Mark, *Thabo Mbeki: The Dream Deferred*, (Jonathan Ball Publishers (PTY) Ltd, 2007).

George, Alexander and Bennett, Andrew, *Case Studies and Theory Development*, (MIT Press, 2005).

Gutteridge, William (Ed), *South Africa: From Apartheid to National Unity, 1981 – 1990*, (Dartmouth Publishing Company Limited, 1995).

Kelman, Herbert C, *A Social-Psychological Approach to Conflict Analysis and Resolution*, Sandole, Dennis J.D, Byrne, Sean, Sandole-Staroste, Ingrid and Senehi, Jessica (eds), *Handbook of Conflict Analysis and Resolution*, (Routledge Taylor and Francis Group, 2009).

Harvey, Robert, *The Fall of Apartheid: The Inside Story from Smuts to Mbeki*, (Palgrave MacMillan, 2001).

Innes, Duncan, *Anglo: Anglo American and the Rise of Modern South Africa*, (Ravan Press Pty, 1984).

Johnson, Paul, *Consolidated Gold Fields: A Centenary Portrait*, George Weidenfeld and Nicolson Limited, 1987).

Lieberfeld, Daniel, *Talking with the Enemy: Negotiations and Threat Perception in South Africa and Israel/Palestine*, (Praeger Publishers, United States, 1999).

Lieberfeld, Daniel, Contributions of Semi-Official Prenegotiation Initiatives in South Africa: Afrikaner-ANC Meetings in England, 1987-1990, Ronald J. Fisher (ed), *Paving the Way: Contributions of Interactive Conflict Resolution to Peacemaking*, (Lexington Books, 2005).

Lipton, Merle, *Capitalism and Apartheid, South Africa 1910 – 1984*, (Gower Publishing Company Ltd, 1985).

Lipton, Merle and Simkins, Charles (eds), *State and Market in Post-Apartheid South Africa*, (Witwatersrand University Press, Johannesburg, 1993).

Lodge, Tom and Bill Nasson (Eds), *All, Here and Now: Black Politics in South Africa in the 1980's*, (Ford Foundation, Pty Ltd, 1991).

Nan, Susan Allen, Shifting from Coherent towards Holistic Peace Process, Sandole, Dennis J.D, Byrne, Sean, Sandole-Staroste, Ingrid and Senehi, Jessica (eds), *Handbook of Conflict Analysis and Resolution*, (Routledge Taylor and Francis Group, 2009).

Newbury, Colin, Cecil Rhodes, De Beers and Mining Finance in South Africa: The Business of Entrepreneurship and Imperialism, Raymond E. Dumett (ed), *Mining Tycoons in the Age of Empire, 1870 – 1945: Entrepreneurship, High Finance, Politics and Territorial Expansion*, (Ashgate Publishing Limited, 2009).

Pienaar, Wynand and Spoelstra, Manie, *Negotiation: Theories, Strategies and Skills*, Juta and CO, Ltd, 1991).

Price, Robert M, *The Apartheid State in Crisis: Political Transformation in South Africa, 1975 – 1990*, (Oxford University Press, 1991).

Pruitt, Dean G, *Negotiation Behaviour*, (Academic Press, Inc, 1981).

Pruitt, Dean G, Carnevale, Peter J, *Negotiation in Social Conflict*, (Open University press, 1993).

Sampson, Anthony, *Black and Gold: Tycoons, Revolutionaries and Apartheid*, (Hodder and Stoughton, London, 1987).

Sandole, Dennis J.D, Byrne, Sean, Sandole-Staroste, Ingrid and Senehi, Jessica (eds), *Handbook of Conflict Analysis and Resolution*, (Routledge Taylor and Francis Group, 2009).

Schrire, Robert, *Adapt or Die: The End of White Politics in South Africa*, (Ford Foundation. Pty Ltd, 1991).

Sparks, Allister, *Tomorrow is Another Country: The Inside Story of South Africa's Negotiated Settlement*, (Jonathan Ball Publishers (PTY) Ltd, 1995).

Van Zyl Slabbert, Frederik, *Tough Choices: Reflections of an Afrikaner African*, (Tafelberg Publishers Limited, 2000).

Waldmeir, Patti, *Anatomy of a Miracle: The End of Apartheid and the Birth of the New South Africa*, (Rutgers University Press, 1998).

Walker, Eric, Anderson, *The Cambridge History of the British Empire*, Volume 7, Part 1.(Cambridge University Press, 1963).

Wilson, Francis, *Labour in the South African Gold Mines, 1911 – 1969*, (Cambridge University Press, 1972).

Wood, Elisabeth Jean, *Forging Democracy from Below: Insurgent Transitions in South Africa and El Salvador*, (Cambridge University Press, 2000).

Zartman, I. William, *Ripe for Resolution: Conflict and Intervention in Africa*, (Oxford University Press, 1985).

Zartman, I. William (ed), *Traditional Cures for Modern Conflicts: African Conflict Medicine*, (Lynne Rienner Publishers. Inc, 2000).

## **Journals**

Ally, Russell, *War and Gold-The Bank of England, the London Gold Market and South Africa's Gold, 1914- 19*, *Journal of Southern African Studies*, Vol. 17, No. 2, June 1991, (Taylor & Francis, Ltd).

Becker, Charles. M, *The Impact of Sanctions on South Africa and its Periphery*,

*African Studies Review*, Vol. 31, No. 2, September 1988, (African Studies Association).

Bienen, Henry and Herbst, Jeffery, *The Relationship between Political and Economic Reform in Africa*, Comparative Politics, Vol. 29, No. 1, October 1996, (Political Science of the City University of New York).

De Vletter, Fion, *Foreign Labour in the South African Gold Mines: New Insights on an Old Problem*, International Labour Review, Vol.126, No.2 (March/April 1987).

Ericsson, Magnus, *African Mining: A Light at the End of the Tunnel?*, Review of African Political Economy, No. 51, the Struggle for Resources in Africa, July 1991, (Taylor & Francis, Ltd).

Fisher, Ronald. J, *Assessing the Contingency Model of Third-Party Intervention in Successful Cases of Prenegotiation*, Journal of Peace Research, 2007, (Sage Publishing).

Giliomee, Hermann, *Democratization in South Africa*, Political Science Quarterly, Vol. 110, No. 1, 1995, (The Academy of Political Science).

Giliomee, Hermann, *The Making of the Apartheid Plan, 1929-1948*, Journal of Southern African Studies, Vol. 29, No. 2, June 2003, (Taylor & Francis, Ltd).

Godoy, Richard, *Mining: Anthropological Perspectives*, (Annual Review of Anthropology, Vol. 14 (1985).

Good, Kenneth, *Zambia and the Liberation of South Africa*, The Journal of Modern African Studies, Vol. 25, No. 3, Sep 1987, (Cambridge University Press)

Hong Teoh, Siew, Welch, Ivo and Wazzan, C. Paul, *The Effect of Socially Activist Investment Policies on the Financial Markets: Evidence from the South African Boycott*,

The Journal of Business, Vol. 72, No.1, January 1999, (The University of Chicago Press).

Jeeve, Allan, *The Control of Migratory Labour on the South African Gold Mines in the Era of Kruger and Milner*, Journal of Southern African Studies, Vol. 2, No. 1, Oct 1975, (Taylor & Francis, Ltd).

Kaempfer, William. H, Lehman, James. A, Lowenberg, Anton. D, *Divestment, Investment Sanctions, and Disinvestment: An Evaluation of Anti-Apartheid Policy Instruments*. International Organization, Vol. 41, No. 3, Summer, 1987, (The MIT Press).

Katz, Elaine N, *Revisiting the Origins of the Industrial Colour Bar in the Witwatersrand Gold Mining Industry, 1891-1899*. Journal of Southern African Studies, Vol. 25, No. 1, March 1999, (Taylor & Francis, Ltd).

Kleiboer, Marieke, *Ripeness of Conflict: A Fruitful Notion?*, Journal of Peace Research, Vol. 31, No. 1, February 1994, (Sage Publications, Ltd).

Legassick, Martin, *South Africa in Crisis: What Route to Democracy?*, African Affairs, Vol. 84, No. 337, Oct 1985, (Oxford University Press).

Levy, Phillip. I, *Sanctions of South Africa: What Did They Do?* The American Economic Review, Vol. 89, No. 2, Papers and Proceedings of the One Hundred and Eleventh Annual Meeting of the American Economic Association, May 1999, (American Economic Association).

Leys, Roger, *South African Gold Mining in 1974: The Gold of Migrant Labour*, African Affairs, Vol. 74, No. 295, April 1975, (Oxford University Press on behalf of The Royal African Society).

Lieberfeld, Daniel, *Evaluating the Contributions of Track-Two Diplomacy to Conflict Termination in South Africa, 1984 – 1990*, Journal of Peace Research, Vol. 39, No. 3, May 2002, (Sage Publications Ltd).

Lieberfeld, Daniel, *Promoting Tractability in South Africa and Israel/Palestine: The Role of Semi-Official Meetings*, (American Behavioural Science, 2002).

Lucas, Robert E.B, *Emigration to South Africa's Mines*, The American Economic Review, Vol. 77, No. 3, June 1987, (American Economic Association).

Marks, Shula and Trapido, Stanley, *Lord Milner and the South African State*, History Workshop, No. 8, Autumn 1979, (Oxford University Press).

Penrose Jr, R.A.F, *The Witwatersrand Gold Region, Transvaal, South Africa, as Seen in Recent Mining Developments*, The Journal of Geology, Vol. 15, No. 8, November - December 1907, (University of Chicago Press).

Petterson, Donald R, *The Witwatersrand a Unique Gold Mining Community*, Economic Geography, Vol. 27, No. 3, July 1951, (Clark University Press).

Putnam, Robert. D, *Diplomacy and Domestic Politics: The Logic of Two-Level Games*, International Organization, Vol. 42, No. 3, Summer 1988, (MIT Press).

Relly, Gavin, *The Costs of Disinvestment*, Foreign Policy, No.3, 1986, (Washingtonpost.Newsweek Interactive, LLC).

Richardson, Peter and van-Helten, Jean-Jacques, *The Development of the South African Gold-Mining Industry, 1895-1918*, The Economic History Review, New Series, Vol. 37, No. 3, August 1984, (Blackwell Publishing on behalf of the Economic History Society).

Richardson, Peter, *The Recruiting of Chinese Indentured Labour for the South African Gold-Mines, 1903-1908*, The Journal of African History, Vol. 18, No. 1, 1977, (Cambridge University Press).

Rüland, Jürgen, *The Contribution of Track-two Dialogue towards Crisis Prevention*, (ASIEN, Oktober 2002).

Saxon, Glenn Jr, *Gold Mining in South Africa*, The Analysts Journal, Vol. 9, No. 5, Nov 1953, (CFA Institute).

Southall, Roger, *The ANC & Black Capitalism in South Africa*, Review of African Political Economy, Vol. 31, No. 100, Two Cheers? South African Democracy's First Decade, June 2004, (Taylor & Francis, Ltd).

Southall, Roger, *Negotiations and Social Democracy in South Africa*, The Journal of Modern African Studies, Vol. 28, No. 3, September 1990, (Cambridge University Press).

Tiryakian, Edward A, *Apartheid and Politics in South Africa*, The Journal of Politics, Vol. 22, No. 4, November, 1960, (Cambridge University Press on behalf of the Southern Political Science Association).

Turner, Scott, *Gold*, The Science News-Letter, Vol. 23, No. 623, March 18, 1933, (Society for Science & the Public).

Van-Helten, Jean Jacques, *Empire and High Finance: South Africa and the International Gold Standard 1890-1914*, The Journal of African History, Vol. 23, No. 4, 1982, (Cambridge University Press).

Wilmot, James G, *Migrant labour and Gold Mining in South Africa Today: A Comment on the Cheap Labour Thesis*. 19<sup>th</sup> Annual ASSA Congress (July 1988).

Wilson, Francis, *Minerals and Migrants: How the Mining Industry Has Shaped South Africa*, Daedalus, Vol. 130, No. 1, Why South Africa Matters, Winter 2001, (MIT Press on behalf of American Academy of Arts & Sciences).

Winter, J.W, *The diamond fields of South Africa*, Foreign and Commonwealth Office Collection (1877), published by the University of Manchester, The John Rylands University Library.

Wood Gilbert, Donald, *The Economic Effects of the Gold Discoveries upon South Africa: 1886-1910*, The Quarterly Journal of Economics, Vol. 47, No. 4, August 1933, (MIT Press).

Zartman, I. William, *Prenegotiation: Phases and Functions*, International Journal, Vol.44, No.2, 1989, (Canadian International Council).

### **Websites**

African National Congress, “Declaration of the OAU Ad-hoc Committee on Southern Africa on the question of South Africa (21 August 1989), Harare, Zimbabwe”, (Online) Available: <http://www.anc.org.za/3856?t=Organisation%20of%20African%20Unity> (2010, December 07).