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SOUTH AFRICAN-ARAB RELATIONS

By

Olusola Ojo

(i) Introduction

Any study of South African-Arab relations inevitably faces a lot of difficulties. These difficulties emanate principally from the secrecy in which a lot of these relations are shrouded. The existence of any such relations are often denied by Arab officials, even before the Arabs instituted an oil embargo on South Africa in November 1973. Moreover, the South African regime's awareness of the strategic importance of oil, an important component in Arab-South African relations, has led it to extend the Official Secrets Act to cover almost everything that has something to do with the oil industry. Since 1973, for example, no details of oil imports or exports have been provided in South African official trade statistics. The Petroleum Information Act passed in 1979 prevents the publication of statistics relating to oil production, exploration, South African Coal, Oil and Gas Corporation (SASOL) imports, sales, etc., under penalty of prison sentences. The information on oil flow between Arab countries and South Africa since then has therefore been circumspect.

The Organisation of African Unity (OAU) Secretariat has also been an accomplice in concealing information available to it on the ground that a revelation of such information would embarrass the particular countries concerned and would likely damage Afro-Arab relations. Yet, no such qualms are felt in relations between South Africa and other groups of states. And, unlike in the Western countries where there are anti-apartheid movements which monitor Western involvement in southern Africa, there are no such bodies in African and Arab countries to report or investigate African and Arab activities in southern Africa.

As a result of these factors, information relating to Arab-South African relations are often erratic and very fragmentary. This paper does not, therefore, claim to be an exhaustive study of the totality of Arab-South African relations. It merely highlights areas of Arab-South African relations and examines how these have affected Afro-Arab relations. Specifically, such issues as economic, oil, and military cooperation between Arab countries and South Africa are examined. Finally, it suggests possible ways of ending such cooperation.

(ii) Background

Until African states began to make their presence felt on the international scene, the political relations between Arab states and South Africa were normal. Some of them had diplomatic relations with, and established missions in, Pretoria. Those that did not have missions there were influenced by availability of resources and not by any hatred for the government of South Africa, nor its racialist policy of apartheid. Those of them who were in the United Nations (UN) related normally with the country at the world body. When, for example, the Second Conference of Independent African States which met in Addis Ababa, Ethiopia in June 1960 called on all states to sever diplomatic and economic relations with South Africa, the United Arab Republic (UAR)--as Egypt was then known--was opposed to it. And this was despite President Nasser's image then as a foremost opponent of apartheid and imperialism.¹ In fact, UAR was the only country represented at the conference that had diplomatic relations with South Africa. Its delegate was also opposed to a proposal that the Suez Canal should be closed to South African vessels. The conference, however, resolved that member states should close their air and sea ports to South African vessels, boycott her goods, and refuse facilities, including the use of their air space to South African aircraft. However, Mr. Zulficar Sabre, the Egyptian chief delegate, told correspondents that the resolution would not be applicable to South African ships passing through the Suez Canal. He declared: "South African ships will still be able to pass through the Suez Canal and use the Suez port facilities. We consider the Canal an Arab waterway with international obligations."²

However, the accession of African states into the international system in 1960 (16 of them gained independence that year), and the fact that they all made ending apartheid one of the cornerstones of their policies, resulted in pressures being mounted on the international community (including the Arab states) to do something to effect a change in southern Africa. Besides, Arab countries, particularly Egypt, saw in the emergence of the new African states a potential ally in the Arab struggle against Israel in the Middle East since they all shared the anti-colonial experience and have cultural bonds. Partly as a result of Nasser's leading role in the preparatory meetings of the 1961 Belgrade non-aligned conference, which the Arabs hoped to use to get the participants' endorsement of their Middle East policy,³ and partly because of his "radical" posture in African affairs, maintenance of diplomatic relations by Egypt with South Africa became an embarrassment. Diplomatic ties with the Republic were therefore severed in 1961.

Other Arab states were even less concerned than Egypt about African opinion. It should, however, be remarked that there was

not much between these states and South Africa except for the sale of oil. The increased participation of African states in international conferences nevertheless brought the issue of apartheid closer to the Arabs. From 1960 onwards they often joined the Africans in condemning apartheid and imperialism in Africa in the resolutions of conferences attended by both groups of states. From then on, also, the League of Arab States occasionally and without difficulty passed condemnatory resolutions on South Africa. Problems only arose when the radical members of the League, such as Egypt under Nasser, wanted the League to adopt specific measures against the Republic, as happened in 1961 when a recommendation to suspend all consular and commercial relations with South Africa was tabled before the League Council.⁴

Iraq did not formally break ties with the Republic until 1966 when a radical Baathist Party, which was anxious to play a more active role in Africa in discouraging Afro-Israeli relations, came to power. Lebanon maintained relations until 1974. By then, maintenance of relations by any Arab state had become very embarrassing to the Arab League as a result of the euphoria that characterised Afro-Arab relations following Africa's almost total break with Israel in October/November 1973. Even then, Lebanon continued to maintain consular relations with the Republic. Other Arab states were less noisy about, and less formal in, their relations with South Africa as business with the Republic continued as usual.

Three reasons seem to have informed Arab-South African relations. The first is economic. South African and Arab needs are complementary. South Africa possesses the technological skills, food, and manufactures needed by Arab states. On the other hand, Arab states are the world's greatest producers and exporters of oil which South Africa needs and does not produce. Moreover, the distances are not long and both regions are well served by shipping lines across the Indian Ocean.

The second reason is political. South Africa shares ideological affinity with a number of conservative Arab states. These states, like South Africa, are worried over the expansion of Soviet influence in Africa and the Middle East. These conservative states see in South Africa an effective bulwark against such Soviet expansion in southern Africa, and are, for instance, willing to supply South Africa with oil, albeit through a discreet channel. The Saudis have reportedly decided to supply all the oil South Africa needs.⁵

Thirdly, there is a religious motive behind Arab relations with South Africa and this also complements the political factor. There are about 500,000 Moslems in South Africa--the largest in the southern hemisphere.

Muslim leaders view the Republic as a possible base for the southern expansion of Islam. There are extensive links between various Arab capitals and the Muslim community in South Africa. In 1975 Saudi Arabia initiated a move to bring together several independent Muslim bodies in South Africa, and to establish the Islamic Council of South Africa (ICSA) to represent all the Muslims--Indian, Malay, and African--in the country. Soon after its formation, the ICSA joined the 38-nation Islamic Conference. A trustee of the Guy Street Mosque in Durban, the largest mosque in South Africa, was reported to have compared unfavourably the freedom of worship which South African Muslims enjoy with those enjoyed by their co-religionists in several African states, such as Mozambique. He claimed that South Africa allowed complete religious freedom.⁶ The South African government also sees a possibility of an alliance between Muslims and the government over the homeland policy.

(iii) Military Cooperations

Before the 1970s, when Western countries openly and freely sold arms to South Africa, the question of military collaboration between South Africa and the Arab states did not arise. The Arab states were neither producers of sophisticated armaments which South Africa normally imported, nor did they possess any special military skill which the South Africans could want to learn. On the other hand, the South Africans looked up to the Israelis to learn more about counter-insurgency tactics and to import military technology.⁷

However, African pressures, particularly through the OAU, the Commonwealth, and the UN, made many Western countries rethink their open military collaboration with South Africa. As a result of this pressure, the UN Security Council agreed in November 1977 to impose a mandatory arms embargo on the Republic. Open arms sales to South Africa thereafter became illegal and very few countries are often willing to openly defy such UN sanctions. Thereafter, military collaboration between South Africa and other states are carried out in a very discreet way, at times using third parties. This is where a number of Arab countries come in. In September 1974, for example, it was reported that Jordan had sold a sophisticated British-built missile system and 41 Centurion tanks to South Africa. Earlier, in May 1974, the head of the Jordanian air force, Brigadier Aboud Salem Hassan, reached an agreement with a Jordanian arms dealer, Munther Bilbeisi, for the sale of 31 Hawker Hunter jets to the Republic through another intermediary. The jets were probably meant for onward transfer to Rhodesia (Zimbabwe) by the South Africans, as an evaluation team which included two Rhodesian officers, Brigadier Saady Mutch and John Scratchheard, visited Jordan to inspect the jets.⁸

Such disclosures are rarely made. Yet there is evidence that South Africa and a number of Arab countries cooperate militarily. According to the Stockholm International Peace Research Institute (SIPRI), South Africa imported between 1970 and 1977, US\$780m (in constant 1975 dollars) worth of major weapons--armoured vehicles, ships, missiles, and aircraft. About 18% of this came from Jordan alone.⁹ Three forms of military collaboration between the Arabs and South Africans are discernible. First, South Africa exports some types of military equipment to a number of Arab states. The most important example of this is the buying of ground-to-air missiles of the type of Crotale, by Arab states. The system was reportedly developed by West German companies, partly in South Africa. It has been in production since 1968 and was sold to 10 countries. Among these were Saudi Arabia, Egypt, and Libya. In South Africa it is called Cactus while in the Arab countries it is named Shahine. About 25% of the system is now produced in South Africa.¹⁰

Second, some Arab states act as intermediaries between Western countries and South Africa in the sales of arms. For instance, France was reported in February 1980 to be secretly negotiating the sale of sophisticated arms worth over £40m to South Africa through Egypt in order to hide the nature of the deal and the origin of the arms. The bulk of the South African order consisted of French armoured vehicles and ground-to-air missiles. Egypt's share of the deal was not more than light infantry weapons and ammunitions worth about £10m. The plan was to ship the arms to South Africa as being Egyptian manufactures.¹¹

And third, some Arab states have substantial shares in some companies that manufacture weapons in South Africa. Kuwait, for example, owns 50% of MTU, Munchen which produced the motors for 6 missile speed boats for Pretoria. She also owns 14% of Daimler-Benz, Stuttgart which was reported in 1980 to be building a factory for engines for military purposes at Atlantis, near Cape Town. Kuwait also owns 10% of Metallgesellschaft, Frankfurt which built a uranium enrichment plant in South Africa through its subsidiary, Lurgi.¹²

(iv) Economic Cooperation

Commercial and other forms of economic cooperation between Arab states and South Africa falls into two broad categories, viz. direct and indirect. The indirect form of cooperation is manifest in the Arab indirect investment in South Africa. As a result of the unprecedented oil price increases in 1973 and 1974, Arab oil-producing states accumulated vast revenues. For example, while total oil revenues of the 7 major Arab oil

producers in 1972 were US\$8443m their revenues rose to US\$1219m in 1973 principally as a result of the late 1973 price increases. Total revenue for 1974 was US\$5220m and by 1976 this had increased to \$71500m.¹³ What is even more significant is the unabsorptive surplus revenues that these states accumulated. The credit balance of Saudi Arabia, Kuwait, Abu Dhabi, Qatar, and Libya represents more than 95% of Organization of Petroleum Exporting Countries (OPEC) surpluses. Saudi Arabia and Kuwait alone hold over 82% of the total which the Swiss Bank Corporation estimated to be \$178b in 1976.¹⁴ For 1977, Citibank estimated the "surpluses" of Saudi Arabia, Kuwait, and the United Arab Emirates at \$36b.¹⁵

The accumulation of these revenues enabled these Arab states to invest vast sums of money in Europe and North America. A UN field analysis of the oil surpluses shows that they are almost entirely invested in the industrialized countries. In fact, the money never leaves the big consumer states; it is simply transferred from the accounts of the oil companies in London and New York to the accounts of the producers in the same cities, and then distributed between the other European states, Canada, and Japan.¹⁶ The availability of Arab money for investment in Western Europe and North America has enabled American and European banks and companies to continue to invest in South Africa despite the economic and financial problems of the Western world, thus contributing significantly to South Africa's programme of economic self-sufficiency. There is a correlation between the availability of Arab funds in Western countries and the expansion of loans to South Africa by institutions in these countries. For example, there is a noted increase in American loans to South Africa since 1974. Loans advanced by American lending institutions to South Africa had totalled \$2.3b by 1978.¹⁷ The bulk of the loans were made to state or parastatal corporations, such as the Iron and Steel Corporation (ISCOR) and the Electricity Supply Commission (ESCOM). There was also a phenomenal rise in US direct private investment in South Africa after 1974. In 1970 US direct investment in the Republic was only \$868m, but this has risen to \$1582m by 1975.¹⁸ This increase could not have been possible without American access to the Arab surplus petrodollars.

Moreover, besides making the surplus oil revenues available to European and American institutions, a number of Arab states also acquired significant shares in western European and American companies whose subsidiaries are very active in South Africa. The government of Kuwait, for example, has 33% of the controlling shares in the Urangesellschaft company which owns 10-15% of the notorious Rossing Company in Namibia. Rossing supplies Namibian uranium to virtually all the Western countries which have nuclear reactors.¹⁹ Similarly, Daimler-Benz of West Germany, in which the Kuwaiti government has a 14% controlling share, is

also very active in the automobile industry of South Africa.²⁰ The company owns 26.7% of the United Car and Diesel Distributors of South Africa which itself owns 100% of the Car Distributors assembly of South Africa. Mention has been made of Metallgesellschaft which is 10% owned by the Kuwaiti government. The company's investment in 12 South African companies is worth about DM650m.²¹

Information about direct Arab investment is not easily available, although there are persistent reports that such investments exist. For example, in 1978 a group of unnamed Arab states were reported to be involved in an agreement to invest about \$525m in the South African Bantustan Transkei²² which no state in the international community, except South Africa that created it, has recognised. It was reported that this was not the first loan a Beirut-based financial consortium had arranged for Transkei.

Trade and other commercial links between the Republic and Arab states are also growing. Although, with the exception of Lebanon, all Arab countries have announced official and occasional strongly enforced boycott of South African goods, not less than a dozen South African trading houses are actively doing business with Arab states.²³ Shortly after the Arab League summit resolved in November 1973 to sever economic links with South Africa and to impose "full embargo on the exportation of Arab oil to the Republic," the South African government, in the wake of the Portuguese revolution, sounded Middle Eastern Arab states on possible landing rights for the South African Airways, as an alternative to those in former Portuguese territories on the West coast of Africa. The South African ambassador to Britain, Dr. Carel de Wet, visited Bahrain, Lebanon, and Saudi Arabia where he was said to have been "most cordially received."²⁴ He promised, among other things, South African technological assistance to Bahrain's new aluminium smelting project. In 1975 it was reported that a number of Arab trade delegations visited South Africa and a South African tour operator, TFC, had negotiations in Cairo to take package tours to Egypt. Saudi Arabia was also reported in April to be concluding an investment and military aid programme with the Republic.²⁵ One South African trader said in 1978 that his own annual sales to the Gulf States was up to R5m. Another export manager claimed that they deliberately avoid getting a major share of the Arab market for fear of their competitors blowing it up. Several South African traders also claimed that they had easy access to Arab top government officials, including cabinet ministers.²⁶

The variety of South African goods which find their way to Saudi Arabia, Kuwait, the UAE, Jordan, and occasionally to other Arab states is vast. In 1977 Kuwait bought hundreds of thousands of tons of building materials. Timber exports from South Africa

to most of the Arab states have soared in recent years. Fresh fruits and vegetables as well as processed and canned foods are ordered in relatively large quantities from South Africa. South African frozen chickens and eggs are regularly carried to countries such as Dubai and Bahrain. Shipping lines openly advertise their calls at ports such as Dubai, Kuwait, Doha, and Basra.²⁷

However, the most publicized item in Arab-South African trade is oil. In November 1973 the OAU Secretary-General told an emergency ministerial conference of the Organisation that between 1964 and 1970, 90% of the total oil consumed by South Africa came from the Gulf and that two-thirds of this was supplied by Arab states--Iraq, Qatar, and Saudi Arabia.²⁸ After the Arab states had officially imposed a ban on oil exports to South Africa in November 1973, South Africa has kept its supply lines top secret. Local subsidiaries of Western oil companies are not allowed to tell even their head offices what is going on. It is therefore difficult to know the actual percentage of South Africa's oil that originates from Arab states. However, an analysis of the data obtained on tanker movements from Lloyds of London in 1977 shows that oil continued to flow from Arab countries, particularly from Bahrain, Iraq, Kuwait, Oman, Qatar, and the United Arab Emirates (Abu Dhabi and Dubai) and Saudi Arabia.²⁹ In June 1977, it was also reported that South Africa was exchanging unknown amounts of gold bullion for Saudi Arabian and Kuwaiti oil.³⁰

(v) Impact on Afro-Arab Relations

Until the Africans were "suddenly" awake to the potentials of an Arab oil embargo against South Africa, Arab-South African relations did not feature in Afro-Arab relations. First, many of the African states were not aware of the nature and extent of these relations. And second, many African states themselves carry out discreet trade links with South Africa despite the apparent non-compromising stance of the OAU. These contacts, no doubt, seriously undercut the moral authority of the African states to criticize the Arabs for having warm relations with the Republic.

However, the Africans showed keen interest in a possible use of the Arab "oil weapon" against South Africa as a gesture of reciprocity for Africa's break of diplomatic relations with Israel in 1973. The then OAU Secretary General Mr. Nzo Ekwangaki remarked that countries which were our worst enemies depend considerably on us for their energy supplies. The *Tanzania Daily News* said that an Arab oil boycott would accelerate Africa's liberation struggle since this would "completely paralyse" the South African, Rhodesian, and Portuguese economies.³¹

The Arabs responded favourably to the OAU pressure and imposed a boycott in November 1973. However, all the attempts by the OAU to get greater Arab commitment to enforce the boycott

resolution yielded no positive results. The Arabs often claim that they have no control over their oil once it leaves their shores and that they had no means of monitoring what happens to it. The Africans were not convinced. An OAU committee which visited Iraq, Kuwait, Qatar, the UAE, and Saudi Arabia in November and December 1977 to lobby support for sanctions enforcement recommended that the issue of the oil embargo be made a permanent item in all Afro-Arab cooperation meetings.³² However, all the proposed joint Afro-Arab ministerial meetings where the matter could have been discussed have since been postponed as a result of the extension of internal Arab disagreement over Egypt's peace initiative towards Israel into Afro-Arab politics.³³

The African belief that the Arabs were not doing enough in enforcing the oil boycott and the occasional revelations of growing Arab-South African relations have nonetheless strained Afro-Arab relations. The disclosures of the Jordanian-South African arms deal in 1974, for instance, brought a sharply worded protest note from the OAU to the Arab League. The *Daily Times* of Nigeria in an editorial called for an emergency meeting of the OAU to review continued African support for Arab countries.³⁴ Again, shortly before the Afro-Arab summit meeting in Cairo in March 1977 the Nigerian Commissioner for External Affairs Brigadier Joseph Garba criticized what he regarded as "the apparent unconcern which many non-African Arab countries seem to be exhibiting towards the problems of Southern Africa."³⁵ It is, however, pertinent to remark that partly because some African states were guilty of trading with South Africa, but mainly because many expected Arab financial largesse, the OAU was never able to force the issue of Arab-South African relations with the Arab League.

(vi) Conclusion

Arab-South African relations are likely to grow in the immediate future rather than decrease. First, the evangelical revivalism which has gripped the Muslim world in the past few years is likely to further encourage Arab proselytizing activities in South Africa. Furthermore, the growing Soviet-American rivalry and the active extension of this rivalry into Africa and the Middle East is also likely to lead to greater convergence of interests between the pro-American conservative Arab governments and South Africa. Moreover, the world oil glut may encourage some Arab oil producers to surreptitiously sell oil to South Africa. It is also possible that the indefinite suspension of Afro-Arab dialogue may have removed the most effective pressure on the Arab states to sever their links with the Republic.

Nevertheless, it would be short sighted on the part of the Arab states to abandon black Africa because of the short-term gains of Arab-South African relations. Despite its shortcomings

and the marginality of its achievements, Afro-Arab relations have considerably expanded since 1973. Opportunities to expand and make relations more mutually beneficial also abound. The sustenance of Afro-Arab cooperation is also very important for Third World solidarity in the "north-south dialogue" to create a more just and equitable international economic order.

The political and economic cost of severing Arab links with South Africa is after all not prohibitive. The balance of trade is in South Africa's favour. Besides, there is nothing South Africa supplies which cannot be easily obtained elsewhere. Many of them, like the agricultural products, can even be obtained from, or developed in, other parts of Africa. A total ban of oil to the Republic will not affect the revenue of any of the Arab states in any significant manner since none of them depend on oil sales to the Republic. Arab investors in Western companies should also be selective in the companies they invest in. Companies that help prop up the racist regime of South Africa should be avoided. Those that already have large controlling shares in some of these companies should also try to use their influence to change such companies' policies in favour of African liberation.

NOTES

¹See Ismael Y. Tareq, *The UAR in Africa: Egypt's Policy Under Nasser* (Evanston: Northwestern University Press, 1971).

²*The Times* (London), 25 June 1960, and *Johannesburg Star*, 23 June 1960.

³For details see Olusola Ojo, Orobola Fasehun, and Amadu Sesay, "The Middle East Conflict and the Non-aligned Movement," *The Quarterly Journal of Administration* (forthcoming).

⁴*Interview* (Cairo), January 1977.

⁵*Foreign Report*, 31 January 1979.

⁶*Ibid.*, 21 July 1976.

⁷See Olusola Ojo, "The Israeli-South African Connections and Afro-Israeli Relations," *International Studies* (October-December 1981).

⁸*Guardian* (London), 10 September 1974, and *Egyptian Mail*, 21 September 1974.

⁹Stockholm International Peace Research Institute, *Year-book* (1978).

¹⁰ Information obtained from *Anti-Apartheid Bewegung*, Bonn, September 1980.

¹¹ *Sunday Times* (London), 17 February 1980.

¹² *Anti-Apartheid Bewegung*.

¹³ The calculation was made on the basis of data contained in Abdelkader Sid Ahmed, "Mobilization of Domestic Resources: Development and the Members of the Organization of the Petroleum Exporting Countries," *United Nations on Trade and Development*, ID/B/C.3/145, October 1978, Annex p. 4.

¹⁴ *Ibid.*, p. 17.

¹⁵ *Ibid.*, p. 22.

¹⁶ Cited in *Ibid.*, p. 19.

¹⁷ *Africa Confidential*, 15 December 1978.

¹⁸ See Gordon Bertolin, "US Economic Interests in Africa: Investment, Trade and Raw Materials," in *Africa and the United States: Vital Interests*, edited by Jennifer S. Whitaker (New York: New York University Press, 1978), p. 24.

¹⁹ Wolff Geisler, "The Uranium of the Rossing Mine in Namibia," paper delivered at the Hearings on the Namibian Uranium of the UN Council for Namibia, 7-11 July 1980 in New York.

²⁰ Ann Seidman and Neva Mekgetta, "Transnational Corporations and the South African Military-Industrial Complex," *Notes and Documents* (New York: UN Centre Against Apartheid, September 1979), p. 20.

²¹ *Anti-Apartheid Bewegung*.

²² *Africa Confidential*, 17 November 1978.

²³ *Financial Times* (London), 26 July 1978.

²⁴ *Africa Research Bulletin (ARB) Economic Series*, 15 May-14 June 1978, p. 3148.

²⁵ See Olusola Ojo, *Afro-Arab Relations* (London: Rex Collings, 1982), forthcoming, chapter 2.

²⁶ *Financial Times*, 26 July 1978.

²⁷ *Ibid.*

²⁸ARB, 15 November-14 December 1973, p. 2936.

²⁹Martin Bailey and Bernard Rivers, "Oil Sanctions Against South Africa," *Notes and Documents* (New York: Centre Against Apartheid, June 1978), pp. 8b and 8c.

³⁰*New York Times*, 25 June 1979.

³¹See Olusola Ojo, "The Role of the Arab World in the Decolonization Process of Black Africa," *International Problems* 20, No. 2-4 (Summer 1981):79.

³²OAU, Report of the Secretary-General to the 30th Session of the Council of Ministers, February 1978, p. 26.

³³For details, see 'Sola Ojo, "The Arab-Israeli Conflict and Afro-Arab Relations," in *Africa and the International Political System*, edited by Timothy M. Shaw and 'Sola Ojo (Washington: University Press of America, 1982), pp. 157-159.

³⁴*West Africa*, 30 August 1974.

³⁵See Ojo, "The Role of the Arab World," p. 80.