

1948, 17 May, Memorandum from Guillon to Gustafson re: US South Africa Policy, NARA, RG 59, Obtained and contributed by Mara Drogan.

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May 17, 1948

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MEMORANDUM FOR

Mr. J. K. Gustafson,  
Atomic Energy Commission.

THROUGH: Mr. A. A. Wells

I attach three items concerning South Africa. One is a general statement of U.S. policy, the second is our analysis of forthcoming election, and the third is a wire indicating that the present Ambassador is on his way back to the States. We are sending a new Ambassador to South Africa, but from what I have been able to learn here, I believe it would be better if we negotiated the matter in hand here or through special missions in South Africa, keeping the Embassy informed as may be later considered appropriate.

You will observe from the policy statement (of which revision is in preparation and will shortly appear) that there are a number of questions in U.S.-South African relations which could be resolved or manipulated in such a way as to advance our procurement objectives. I have checked some of these in the booklet.

In summary the most important outstanding questions appear to be (a) U.S. financial policy toward South Africa--the South Africans would like to have the gold price raised but we are presently opposing that policy. (b) South Africa believes that South Africa must eventually be assimilated in the Union (an aspiration which is hard to square with the Trusteeship plans of the United Nations.) I imagine it will be difficult for the United States to do anything for South Africa in this respect that it would not normally do, but we can conduct ourselves tactfully in view of our uranium objectives. (c) Various other questions such as the granting by the United States of concessions and duties on wool, the expansion of U.S. information and cultural exchanges, our attitude on the diamond cartel to which we are somewhat hostile; the question of making ships available to South Africa, etc.

The white population of South Africa, although potentially divided politically, is consolidated in its bitter opposition to the Soviet Union. The country is remote from the Soviet Union and lies behind

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*A. A. Wells*

the line which the British seek to make into a new bulwark of empire economic-ties. We might for that reason consider construction of atomic energy facilities there which we might not want to see constructed on the continent of Europe.

We believe that General Smuts is assured of election in South Africa and that the orientation of the country's policies will continue to be favorable to us. However, the Field Marshal is 78 and when he dies there will probably be a fragmentation of his own United Party and a regrouping of political forces.

I will continue to keep you informed about political developments in South Africa.

I should appreciate your returning the enclosed material to me.

Edmund A. Gullion  
Special Assistant to the Under Secretary

Enclosures:

Union of South Africa - Policy and Information Statement, March 1947  
Memo to Mr. Hickerson from Mr. Richards, 5/10/48  
Tel SO from Pretoria, 5/12/48