By STEPHEN ENGELBERG
Special to The New York Times

pressure.

A White House official said the President would sign a sanctions bill only if it became a  $a\200\230\alpha\200\230$  in Cm

A State Department official said the bill approved by the conference committee would be a key factor.  $\hat{a}\200\234We\hat{a}\200\23111$  have to see what the bill I like,  $\hat{a}\200\235$  he said.  $\hat{a}\200\234If$  it $\hat{a}\200\231s$  too punitive, he may veto it regardless.  $\hat{a}\200\235$ 

The Senate bill would ban new bank investment, the sale of computers and the sale of nuclear technology to South Africa. It would allow the President to

further sanctions after 18

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would be to accept the Senate bill with thepmvisimthlttbehmheruncï¬\202m be automatically imposed in 18 months if no progress was shown. Y

Rhodes Scholars Quietly Protest Founderâ\200\231s Rules

By Ton1 JOSEPH .â\200\230 Staff Reporter of THE WALL STREET J. AL While cities and campuses around the world erupt in protests against South African policy, a quieter demonstration of antiapartheid feeling is taking place among Rhodes scholars.

Soï¬\2020'if.w and current residents of Oxford University $\hat{a}$ \200\231s Rhodes House

have begun low-key protests on the campus and elsewhere, claiming that the very institution that pays for their studies is part of the apartheid system.

The founder of the scholarships, Cecil Rhodes, used black labor to make his forfune in gold in what became

segregated South Africa and Rhodesia. While Mr.

Rhodes, an Englishman, was colonial governor in southern  $\hat{a}\200\230$ Africa, harsh laws were enacted that, among other things, levied taxes on black men who refused to work for whites.

Blood Money?

Mr. Rhodesâ\200\231 legacy haunts the Rhodes p! . W awards about 75 two-year scholarships, including 32 from the U.S., every year. â\200\234It's increasingly difficult to say you're a Rhodes scholar,â\200\235 says Lynn Enterline, an alumna from Ithaca, N.Y. Her friends chide her, she says, about accepting â\200\230â\200\230blood money."â\200\235

So far, protests by Rhodes scholars

have been expressed in words, not action.

Barton Gellman, a current Rhodes scholar, 'says the trustees of the program  $a\200\234a\200\230arena\200\231t$ 

the kind of people who would respond well to a placard or a sitin." $\hat{a}\200\235$  Instead, says Mr. Gellman, Rhodes scholars are conducting \*3 ot of quiet behind-the-scenes meetings over coffee and port $\hat{a}\200\235$  with trustees.

Their complaint is against a rule in Mr. Rhodes's will requiring four of the nine South Africans selected annually to come from specific provinces or schools, which are all- or predominantly white. The chances for blacks are further hurt by the quality of their schools, which are far inferior to those provided for whites. Among

the 700 or so South Africans selected since 1902, only two have been black.

## Sight Unseen

The first black Rhodes scholar, Alain Locke, an American, was chosen in 1907 only because members of the selection committee hadnâ\200\231t met him. Southern scholars threatened to boycott Oxford, and administrators there asked Mr. Locke to skip a dinner for American scholars. More than 50 years passed before another black was selected. 3

This spring, 171 of 184 resident scholars signed a petition claiming that the current selection process in South Africa â\200\234is a tacit acceptance of apartheid and is therefore  $wrong.a\200\235$  Alumni have confronted Rhodes officials on both sides of the Atlantic. Last yearagroupofBrlushnlmnniproposed ' forming a committee with Rhodes trustees to study the rules on South African applicants, an overture the trustees declined. In 1983, the rules. about South African students became an issue at the program's 80th anniversary celebration; George Keys, a Washington, D.C., attorney, gave an emotional speech condemning the vir-% exclusion of black South Africans from

## program.

The American Oxonian, a Rhodes alumni magazine that usually sticks. to travelogues, reminiscences and scholarly articles, has begun to publish strongly worded stories on the situation. One article proposed suspending all the scholarships until South Africa takes steps to resolve apartheid; another recommended that Rhodes scholars try to raise funds to help black South African students.

## Going Public

Early in July, the Association of American Rhodes Scholars, an alumni group, sent a letter to Rhodes trustees at Oxford urging them to help resolve the controversy. Leaders of the association declined to discuss the matter, but Mr. Keys, the attorney who denounced the policy in 1983, says that if the reply is unsatisfactory, some scholars intend to â\200\230â\200\230go publicâ\200\235 with the correspondence.

1t's unlikely that the South African controversy will diminish the prestige or popularity of Rhodesscholarships. The scholars

have confined most of the debate to their own circles, and the trustees have refused to comment on it publicly. Also, today's success-oriented students covet graduate fellowships, and the name Rhodes still carries a lot of weight.

Even trustee support for a change in policy wouldnâ\200\231t guarantee more scholarships for black South Africans. Creating more scholarships would require an amendment to Cecil Rhodes's will, which in turn would require an act of Parliament. Some scholars say that such an amendment would probably not get the support it needs from Prime Minister
Thatcher, who headed the education department when it opposed a similar effort to amend the will in 1974.

S. Africa Recalls Envoy to U. S.

criticism from Washingtonâ\204¢~

=zMove viewed asâ\200\230reaction to

Johannesburg (UPI) â\200\224 South Africa yesterday recalled its ambassador-designate to the United States in the wake of stepped-up criticism from Washington and a day before U.S. lawmakers were to draft legislation to impose economic sanctions against Pretoria.

 $\hat{a}\200\234$ The South African Ambassador to the United States, Mr. Herbert Beukes, has beén requested to return to South Africa for consultations with the minister,  $\hat{a}\200\235$  a Foreign Ministry spokesman said in Pretoria.

He declined to elaborate, but political analysts here said the recall was a strong expression of dlplomatlc displeasure. Beukes has been in Washington for about two months, but he had yet to present his credentials to the ite House.

In Washington, a White House spokesman said the administration had no comment. Sources interpreted Pretoriaâ\200\231s move as an obvious sign of displeasure with the United States, which has heightened its criticism of South Africa in recent days.

The United States recalled Ambassador Herman Nickel from Pretoria June 15 to protest a South African military raid into neighboring Botswana the previous day. It said last week Nickel would not return until whiteruled South Africa ends its 10-day-old state of emergency in 36 black areas of the country that had led to the arrest of 1,259 â\200\230geo le â\200\224 mostly blacks.

agington, Senate and House negotiators were scheduled to meet to-day to draft compromise legislation imposing economic sanctions on South Africa. Congressional leaders hoped to enact a bill before weekâ\200\231s end.

In another development, Law and Order Minister Louis Le Grange announced in Port Elizabeth that he would introduce restrictions within the next few days on funerals for black riot victims. Funerals have drawn as many as 60,000 people.

With most forms of political protest outlawed in South ica, funerals have become platforms for leading dissidents, including Nobel Peace %nn

winner Bishop Desmond Tutu, to at-

tack government policies.

[Tutu, who was denied an urgent meeting with President Pieter W. Botha on Monday, has been invited to join clergy ssheduled to discuss racial unrest with him Aug. 19, Newsday special correspondent ia Kunstel reported. But Tutu said that he will not go if Botha maintains his new position afmnat dealing with advocates of civil disobedience.] Police anconneed 654 mortta'h arrests of fbltu:lxls

ringing to 1,259 the number of people steg since July 21.
But police also said they have freed 13 people â\200\224 12 blacks and one white i e past 10 days, leaving 1,246 people in prison. y seven of those still in jail are white, police said.

Police also reported unrest in the Cape and Transvaal provinces.

In another development dealers on

the Johannesburg Stock

said U.S. investors are dumpmg South African gold shares at a rapid pace in response to a state of emergency. Deal-

ers uld a cautious rally 'was thrown into reverse by Botha's refusal to speak with Tutu about the crisis.

Apartheid Protest in City

Chanting  $\hat{a}\200\234$  free South Africa,  $\hat{a}\200\235$  about 300 demonstrators marched along 42nd Street into Times Square during

the evening rush hour yesterday in a

boisterous, but nonviolent protest against the South African government..

The hour-long march, which formed at 60 E. 42nd. Street, culminated with a fiery speech in 'lâ\200\230nmes Square by David Ndaba, the African National Congressâ\200\231s deputy representative to the United Nations.

 $\hat{a}\200\234$ Your presense is another demonstration that we will never let down the people of South Africa. Just as the Jews could never benefit from a Nazi regime, the people of South Africa could never benefit from an apartheid regime,  $\hat{a}\200\235$  said Ndaba.

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Apparently in Reply to U.S. Steps

ALAN COWELL Do Sy JOHANNESBURG, July 30  $\hat{a}\200\224$  South | tration official said he knew of no Africa announced tonight that it had recalled its Ambassador- from  $\hat{a}\200\230$ Washington for consultations. The move represents a further deepening of South Africa $\hat{a}\200\231$ s international isolation and perhaps a sense of embat-

to South

|Pretoria Recalls Its Ambassador,

Pretoria Recalls Its Ambassador, Apparently in Reply to U.S. Steps

Ambassador Africa, W. Nickel, for consultations as an exof

South Africa said the attack was

 $\hat{a}\200\234$ If the Government is to tell people how to mourn as well,  $\hat{a}\200\235$  be said,  $\hat{a}\200\234$ we have reached a very SorTy pass.

Statement on Recall A Foreign Ministry statement about

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been  ${\tt Ambassador-designate}$  for about two

months.

gan would sign  $\hat{A}$ » bill imposing sanc-South African officials asserted that  $\mid \hat{A}$ ¢on g South Africa ) Mr. Beukes had not been given an op- oo 1 the Ails  $\hat{a}\200\230$ were not in his view excesportunity to present his credentials. sive and if it was approved by a large o [In a senior Admini: in 5

States and Britain abstaining, to call for  $\ensuremath{\mathbf{Y}}$ 

against South Africa.

Pretoria has responded to the outside pressures with defiance, and the action today, apparently a belated reprisal for Ambassador Nickel's recall, seemed to follow that stance.

President P. W. Botha said on Monday that South Africa might reply to

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Foreign Affairs confirmed that the South African Ambassador to the United States, Mr. Herbert

to return to