

Statutes could assign it the task of ensuring price stability and give it autonomy from the Council of Ministers. The finance ministers could overrule the Bank, but only on stringent conditions. They would have to publish both sides of the argument, secure a "qualified majority" in the council (which in practice means that a combination of two big states and one little one could block it), and win a two-thirds majority among the deputies in the European Parliament. The second condi-

tion would be hard to meet, the third virtually impossible.

Such a system would delight neither the "democrats", who call it window-dressing, nor the Bundesbank, which would fear any possibility of political instruction. Certainly, to go beyond the Dutch compromise in diluting the Bank's independence ought to put EMU in doubt. But if the choice were between that compromise and no EMU at all, going Dutch would be worth considering.

De Klerk's throw

A gamble to save South Africa by surrendering white power

IF YOU hold a strong man down for a long time, and then let him climb to his feet, his first instinct may be to clobber you. You are apt, therefore, to proceed with caution. On February 2nd President F.W. de Klerk unbanned the African National Congress and the rest of South Africa's black opposition, and so gave the black man in South Africa a voice with which to negotiate the conditions under which he may eventually be freed. But for the present, as for more than 40 bitter years, the black man is still held down by the apartheid system, still voteless, still denied equality under the law, and still cheated of his rightful share of South Africa's wealth. That is why, with virtually its first legal breath, the ANC has criticised Mr de Klerk for not going far enough.

Until the last vestige of apartheid disappears, white South Africans had better get used to being told that, no matter how much they give, they have given too little. Years of subjugation have left blacks in no mood to answer a white murmur of "Sorry" with a respectful "Thank you". Expecting them to do so was the mistake of a previous would-be reformer, Mr P.W. Botha, who imposed a set of quarter-baked constitutional changes in 1983 (impotent parliaments for mixed-race and Indian people, nothing at all for blacks) and then started sulking when the excluded blacks lost their temper.

Mr de Klerk is offering something more substantial: unconditional negotiations with authentic black leaders, including a free Nelson Mandela. This has always been the necessary first step towards a peaceful settlement in South Africa, and it is by any standard a courageous gamble by a man whose career had hitherto been a byword for conservatism. But Mr de Klerk should not expect blacks to reward him right away. Even from prison, Mr Mandela has shown that he is too shrewd a negotiator to throw away bargaining points at the outset of what is certain to become a protracted fight over the balance of power in a post-apartheid South Africa.

The far side of the river

Once negotiation starts, Mr de Klerk will have plunged into the Rubicon at which Mr Botha balked. On its far side lies the unknown. While the gambling Mr de Klerk promises to end racial domination, the cautious Mr de Klerk rejects the black demand for one man, one vote in a unitary South Africa. That sort of democracy would mean rule by a black majority, which might feel an understandable urge to turn on its former

oppressors. Whites, equally understandably, want safeguards for "group rights", meaning white rights, plus a way to make sure the safeguards are honoured. It is hard to make sure of anything once you give up your power.

Nobody knows whether this circle can be squared, or how. Having made his gamble, Mr de Klerk will quickly find himself under pressure from two directions. Among blacks he has created an upward surge of expectations which—Gorbachev-style—he may be unable either to fulfil or to contain. Meanwhile he has given white defenders of apartheid the fright they need to scare up support for a last, desperate and perhaps violent defence of their racist faith. And he has done it all at a moment of relative weakness: when the National party has its smallest majority since 1953 and when it is still recovering from the loss of 29 seats in September's general election.

It sounds hopeless, and may be. But a government being squeezed from both ends sometimes has a golden opportunity to grab hold of the middle. The ANC says that Mr de Klerk has been driven to the negotiating table by black defiance and by growing isolation in the world. He has also picked a moment when his white and black opponents are both vulnerable.

Thanks largely to the state of emergency, black townships are generally quiet: even the ANC admits that its ability to continue "the armed struggle" is at a low ebb. The world's sanctions on South Africa have put a dark cloud over white spirits (which is why they should not be removed immediately), but they have hardly ruined the economy. As for the white opposition, Mr de Klerk is the first Afrikaner leader who has dared to strand his tribe's diehards behind him and urge the rest forward across the Rubicon. He promises to submit any settlement to the test of white opinion, but has until 1994 before having to hold a white election. He also says that a settlement must be acceptable to a majority of all South Africans, meaning to blacks as well as whites. By playing these twin vetoes against each other he may be able to build a South Africa acceptable to all its peoples.

It is pretty clear what sort of South Africa that ought to be. It would be a multi-party country, with personal freedoms entrenched in a bill of rights, an independent judiciary and a free press. It would be a prosperous South Africa, which opened up its economy and shunned the ruinous nationalisations and price controls which central planners



have inflicted on new nations elsewhere in Africa. Ideally, it would protect ethnic minorities (including the whites) by giving them a say over areas of special sensitivity—such as language and religion—perhaps in an upper house of parliament with special powers in these matters.

To many of these things many whites already agree. But none of them will matter if whites dare not take the step that

underpins them all. They must let blacks vote, on a common roll with whites, which in the end means surrendering power to the people whom they have feared and oppressed for generations. This is a tall order for a powerful, still undefeated regime that could hang on to power, ever more bloodily, for some time to come. But, after the crushing years of apartheid, what a splendid expiation it would be.

The risen sun

Whoever wins Japan's election will have a tough job working out its new role in the world

THE Japan that votes on February 18th is already a great power, but it is a lopsided one. Its greatness is sunk in bedrock: in social stability and financial and industrial might of a kind not seen since Eisenhower's America. Yet Japan has still not developed the political qualities it will need to make itself felt in a world where America looms less large and Russia less terrifying.

Japan spent the 1980s piling up financial assets fast enough to triple its share of world stockmarket capitalisation to 45%, and move its net external assets up from zero to \$350 billion—with roughly \$60 billion being added to that total every year. With an economy about half the size of America's, Japan is now spending more on capital investment in absolute terms than the United States is, and over twice as much per person. All this is something that an ambitious country, looking out at the collapse of an old order, should really be able to build on.

Or is it? However amazing they are, Japan's wonders are concentrated in only a few of the many areas that make a country count. Its giant exporters are some of the world's best companies. But only one in seven Japanese workers is employed in them. The rest toil in small industrial companies and service and distribution trades that are among the rich world's least productive. Dollar GNP per head exceeds America's, but prices are so high—thanks to an over-regulated and over-concentrated economy—that the average Japanese enjoys an income which, in terms of its purchasing power, is only the eighth-highest in the world. For that he works longer hours than his counterpart in any other big OECD country. Japan's wealth should make it one of the world's two or three leading countries; its puny diplomatic reach and unventilated economy hold it back. And its creaky political system stops it mending the things that are wrong.

It once seemed possible that this month's election might be the one in which that system would be changed. It is not going to happen. In 1989 Japan's voters, angered by the Recruit scandal, some sexual sleaze and—most of all—by a new consumption tax, turned on the ruling Liberal Democratic party. In an election last July they gave control of the upper house of parliament, for the first time ever, to a Socialist-led opposition alliance.

In this newspaper's view, that was a welcome development: not because the Socialists seemed fit for a share of power but because we hoped the shock to the Liberal Demo-

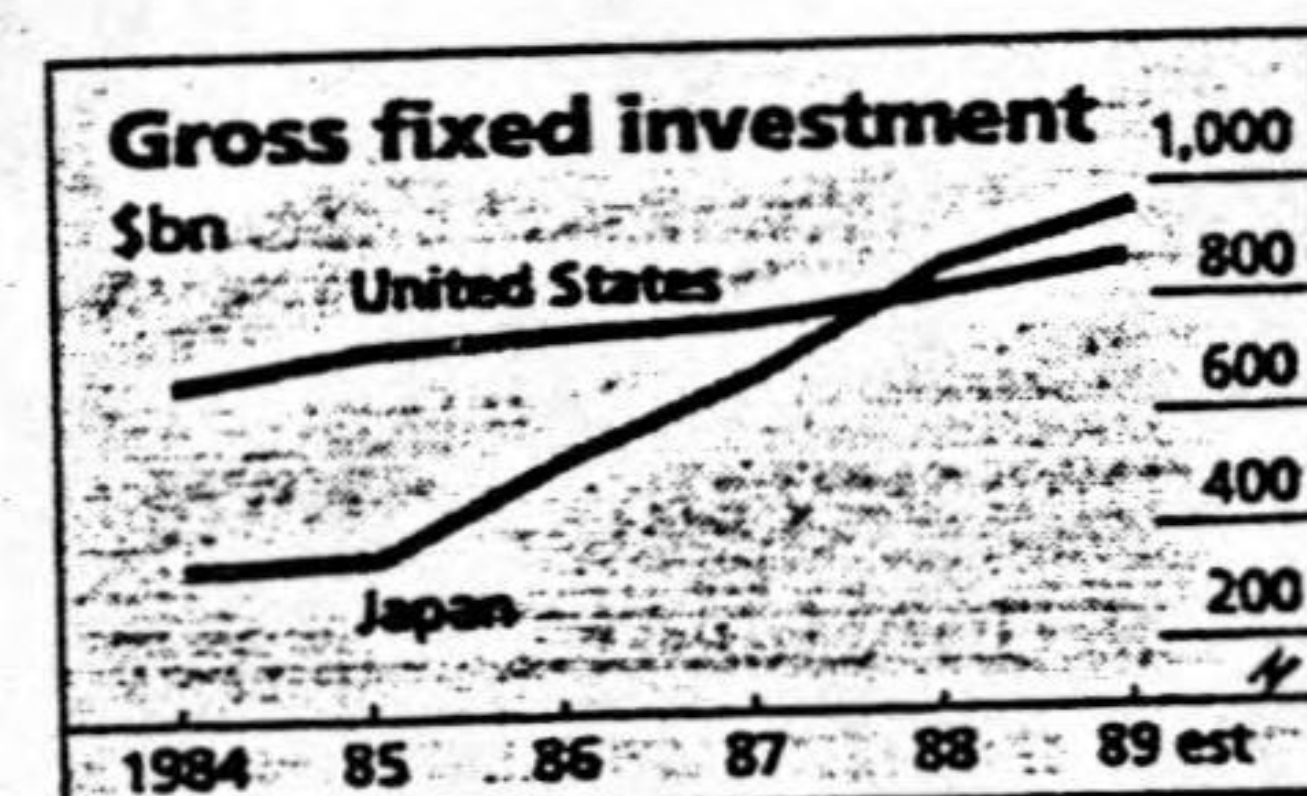
crats would lead them to a radical overhaul of their money-hungry, conservative, special-interest brand of factional politics. Two things went wrong. The first is that the elders of the ruling party were not shocked enough. They tinkered rather than overhauled. They brought in a new prime minister, Mr Toshiki Kaifu, who is competent and presentable but has no party power base that will allow him to do anything adventurous. They paid lip service to political reform—then spent \$1.5 billion on a two-week election campaign, about four times what was spent by all the candidates in America's year-long presidential race in 1988.

This cautious approach seems to have worked, partly because of the second thing that went wrong. The Socialists did nothing to prove themselves worthy of governing. They clung to ideas like the wickedness of the Japanese-American military alliance and the virtuousness of North Korea, and anyway put up too few candidates to take power without the help of independents and two centrist parties whose views on policy match the ruling party's more than the Socialists'. The opinion polls suggest a majority, albeit a reduced one, for the Liberal Democrats. At worst, it seems, they will govern with the support of one or two opposition groups.

Keeping the spooks away

The Economist wants to see the Liberal Democrats continue to run Japan. This is not out of any satisfaction with them: despite all the praise they deserve for their decades of service to Japan's economic miracle, their party is organised for an era that is over. But, like so many of the conservative constraints on modern Japan, this one is best withered by exposure to the outside world; and the Liberal Democratic party remains better placed than any other to keep Japan turned outwards.

The principal task, certainly urgent and probably difficult, for Japan's new government will be to do what it can to keep relations with America from degenerating into a trade war. The latest round of trade talks between the two reach one critical point next month and another this summer; America is likely to impose some sanction on Japan for being an "unfair" trader. The crybaby view of Japan now popular with some Americans—that America's economic problems are the fault of Japan's closed markets—is nonsense. But Japan does need to deregulate and stop protecting itself if it is to take its rightful place in the world. Pushing ahead on opening



Nelson Mandela

First sketches

HIGHER THAN HOPE: THE AUTHORISED BIOGRAPHY OF NELSON MANDELA. By Fatima Meer. Hamish Hamilton; 428 pages; £15.99

FATIMA MEER'S book, first on the scene, is perhaps successful as an image-building exercise. As biography, it falls short. Not only has her subject been incarcerated for the past 27 years, but his life before that is full of lacunae. Little is known about who influenced him at law school, what writers and leaders moulded his thinking; and precious little too about his years as a lawyer in downtown Johannesburg in the 1940s and 1950s.

The Meers were close to the Mandelas; the friendship with Nelson stretched back to the early 1950s, when he master-minded the Defiance Campaign against the early apartheid legislation. Ismail Meer, the author's husband, was accused with Mr Mandela in the famous 1956 Treason Trial, while she herself was detained with Winnie Mandela for five months in 1981. This closeness imposes costs as well as benefits: the growth of Winnie's unpopularity with some liberation groups and within the ANC itself, and the scandal surrounding the murder of a young boy in 1988 in Soweto, are both glossed over.

This is not a new book; it was first published in South Africa in 1988, but has been updated to coincide with Mr Mandela's release. Time will determine whether the decision was wise. Saturation coverage in the media and, much more important, Mr Mandela's own statements and speeches are already overtaking Mrs Meer's assessments of the man.

In the book's sketchy account of Mr Mandela's life, however, some incidents and statements may yet turn out to have been prophetic. Although his relations with his political rivals in the Pan Africanist Congress (PAC) on Robben Island were friendly, the gulf separating them politically is always evident. The Pan-Africanists are "small-minded and reactionary", and Mr Mandela shudders at their "crude, racist statements". White South Africans hoping that Mr Mandela will agree to minority guarantees will be cheered by Mrs Meer's assertion that his greatest problem with the PAC was "its denial of the rights of minorities".

Mrs Meer is best at describing Mr Mandela's personal life—the breakdown of his first marriage, his courting of Winnie, 17 months on the run as the Black Pimpernel, the odd glimpse of his life as a prisoner on Robben Island and his continuing struggle, while in jail, to cope with his family's schooling and finances. The extracts from his let-

ters home are particularly poignant: in one, written in May 1979, he complains to Winnie that the children—not, in this case his own, but two nieces—expect him to help them find places and money for study overseas.

Mr Mandela's 1962 African safari, described here, is a reminder of how much Africa has changed since he was last able to travel. His impressions of Africa then, im-

mediately after independence, were overwhelmingly positive. Kwame Nkrumah, overthrown in a coup four years later, was "immensely popular", while Ghana's Volta Dam would, he thought, industrialise Ghana and the surrounding countries. When Mr Mandela resumes his African travels shortly, he will see a very different world: one that will undoubtedly influence his strategy in the negotiations ahead.

A Jeffersonian malgré lui Vidal's rebellion

NEW YORK

THE interview got off to a sticky start. Gore Vidal was in New York to promote "Hollywood"*, his latest historical novel, which is really about Washington; and he was in a stew. He had mislaid the key to the minibar in his suite at the Plaza Hotel and took umbrage when he was asked about parallels between his Washington and Robert Graves's Rome. "I think I am more reflective than Robert Graves", he said crossly.

It was easy to see how a conversation with Mr Vidal could turn ratty, like his celebrated public spat with William Buckley, an American high Tory. Mr Vidal called Mr Buckley a "crypto-Nazi". Mr Buckley retorted: "Now, listen, you queer. Stop calling me a crypto-Nazi or I'll sock you in your goddamn face and you'll stay plastered." Mr Vidal has abused other writers too, calling John Updike: "perfectly boring" and Truman Capote "ruthlessly unoriginal".

It is a pity. Mr Vidal's public polemics obscure what he has achieved in his vastly entertaining and enlightening attempt to answer the question: "What does the United States mean?" This 25-year endeavour has produced six novels so far: "Burr", "Lincoln", "1876", "Empire", "Hollywood" and "Washington, DC". They were not, however, written in this chronological order, and the final semi-autobiographical summing-up, focusing on what Mr Vidal calls America's Golden Age (1945-50) is still to come. "I began at the end", he says, "and then got curious about the beginning. I have never read them in their historical order... I have got to do it before writing the final volume."

Mr Vidal has concluded that just as every Briton is born "either a little Liberal, or else a little Conservative", so every American is either a Hamiltonian or a Jeffersonian. Mr Vidal says he hates Jefferson, with all his high-mindedness. But he confesses to being a Jeffersonian all the same. Like him, he believes that a little rebellion now and then is a good thing, and that in foreign affairs the United States should mind its own business. All six of his historical novels produce copious evidence for Jefferson's assertion that



whenever a man has cast a longing eye on public office, "a rottenness begins in his conduct." And Mr Vidal takes a line on personal liberty even more fundamentalist than Jefferson's, believing that governments should have no control over what people put in their bodies, with whom they have sex, or whether or not they have an abortion. He has campaigned for the legalisation of drugs since the early 1960s, and in his interview welcomed *The Economist's* recent conversion to the same cause.

Unfortunately, as Mr Vidal sees it, the Hamiltonians have won not only on drugs but on almost everything else. He admits that America's most famous secretary of the treasury was a brilliant man; but he has no time for his elitism, nor for his eagerness to discipline his fellow countrymen. Mr Vidal points to the horrors of Detroit and of Harlem (where the life expectancy of men has now fallen below that in Bangladesh) as con-

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