APARTHEID UNDER SIEGE:

The U.S. and South Africa—1985

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The U.S. Debate on Opposing Apartheid

[AN] The scene in northwest Washington is by now well-rehearsed: Demonstrators gather in the late afternoon in front of the South African embassy to march, chant, and sing. A designated group appears before the microphones to make a statement, then heads for the entrance to trespass and submit to arrest. From windows overhead, Ambassador Brand Fourie and his deputy Herbert Beukes have a clear view of the proceedings (although they say they no longer pay any attention to the daily ritual).

There are variations—an April 4 demonstration to mark the anniversary of Martin Luther King, Jr.'s assassination that drew 4,000 city employees, and an unusual Sunday protest on Mother's Day — but the daily arrests on Massachusetts Avenue have become an established part of the capital's routine.

There is nothing routine, however, about the impact "Massachusetts Avenue" is having on American political life. Throughout the country, anti-apartheid actions of all types have become too numerous to count. From Congress to city halls, in colleges, churches and synagogues, the issue of South Africa's racial practices and America's foreign policy response have assumed new prominence.

In a nationwide *Business Week*/Harris Poll in February, 63% of those surveyed expressed sympathy with the embassy protests, and 68% said they supported pressure on Pretoria "to give blacks more freedom" and involvement in running the country.

Asked about the kinds of pressure that should be used to change apartheid, however, 70% wanted U.S. companies to push for change, but only 18% agreed to the punitive-sounding suggestion that we "force all U.S. business in South Africa to close their operations there." A majority opposed a ban on all loans to South Africa (51% against, 41% in favor) prohibiting new investment (54%/39%), and ending all trade (66%/29%). In a similar 1976 poll, support for the various forms of sanctions was slightly higher.

Interestingly, in response to a separate *Business Week* question on the impact of a withdrawal by U.S. firms, a majority of the respondents thought the action would be either "highly" (18%) or "somewhat" (37%) effective, while 39% said it would be "hardly effective at all."

It is on the efficacy argument that much of the disinvestment debate is focused. Writing in the *Wall Street Journal*, Chief Mangosuthu Gatsha Buthelezi, who heads the KwaZulu homeland in South Africa, termed withdrawal an American luxury "for the sake of purity of conscience" in "callous disregard for ordinary people, suffering terribly under circumstances they did not create."

Taking the opposite position, Clifton Wharton, Jr., chancellor of the State University of New York System and a former proponent of U.S. corporations as a positive force for change, told the House Africa subcommittee early this year that "there is no evidence that U.S. presence and practices are making substantial, permanent progress in breaking down the legally sanctioned and brutally enforced policies of apartheid."

Those arguing *for* continued investment see economic growth fueled by outside capital as eroding discrimination and accentuating a trend towards reform. Disinvestment supporters counter that the major changes undertaken by the government have come about in the 1980s at a time of heightened international pressure, not in the late 1960s and early 1970s, a period of far-greater economic expansion.

Outside capital creates jobs, its proponents say. But critics counter that foreign investment supports capital-intensive growth, often at the expense of labor.

As the debate is replayed around the country, it is usually the companies and the Reagan administration, along with the South African government, that are at the receiving end of the criticism. The administration holds fast to the view expressed by Secretary of State George Shultz that all forms of sanctions will irritate Pretoria and "strengthen resistance to change." Corporate officials, meanwhile, defend their investments as promoting reform.

A similar stance is taken by many liberal government critics in South Africa, but the reform

TABLE OF CONTENTS

argument has become a prime target of divestment advocates. In a debate at Brown University with an opposition parliamentarian from South Africa, Phelps-Stokes Fund President Franklin Williams delighted students with an analogy. If conditions for prostitutes could be substantially improved through a vigorous reform program, Williams asked, should prostitution be legalized?

Williams has argued that apartheid, in essence, is the denationalization of black South Africans. And he says that no American company has challenged the system at that fundamental level by hiring Africans looking for work outside their own prescribed areas.

To endorse calls for increased pressure on Pretoria, Oliver Tambo, who heads South Africa's outlawed African National Congress, travelled to Washington, New York, and Boston in May. "It's a different U.S. from the one we have visited before," he said at the conclusion of his trip.

Tambo's contacts during his 10 days in the country included meetings with editors of leading newspapers, the Free South Africa Movement steering committee, several sessions with business executives including most of the largest investors in South Africa, Democratic and Republican senators, representatives and their aides, and the Council on Foreign Relations.

"We had a real diverse group—from business, universities, banks, money managers—from throughout the northeast," said Jerry Dunfey of the Dunfey Hotel chain, who hosted a dinner discussion and morning reception for Tambo in Boston. "He made a very good impression."

For Mfanafuti Makatini, ANC's foreign affairs director who arranged Tambo's schedule, the tour was "most successful." He said Tambo had made an important "entree into a significant force within the establishment" in the U.S. and undermined South African government "attempts to isolate the ANC in the Western world." ■

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Reagan: No Change Despite Pressure

[AN] Four years after embarking on an effort to coax South Africa into modifying its racial policies, the Reagan administration is exhibiting no second thoughts about "constructive engagement," in spite of mounting criticism.

"We aren't going to change our policy—we think we are on the right course," Assistant Secretary of State Chester Crocker said in an interview with *Africa News*. Crocker, who designed and named the controversial policy, said the administration would not alter its approach because of public pressure. Both Crocker and Secretary of State George Shultz, in a major southern African policy address April 16, said the surge in interest *could* serve a useful role by stimulating interest in that region's problems, leading to what Shultz termed a "national consensus."

"We simply cannot afford to let southern Africa become a divisive domestic issue—tearing our country apart, rendering our actions haphazard and impotent, and contributing to the ugliest and most violent outcome," Shultz argued.

Since last November, over 2,000 persons have been arrested during daily demonstrations at the South African embassy in Washington, hundreds more at consulates and Krugerrand dealers around the country; and tens of thousands have joined in protests in numerous cities and on campuses. Congress is debating the strongest anti-apartheid sanctions ever considered in the Capitol, and the American news media have been giving unprecedented coverage—including five nights of live broadcasts on ABC's "Nightline"—to the South African story.

"We don't have any problem if there are ways to make it clearer Americans speak with one voice about apartheid," Crocker declared. "We thought we were, we think we are, but this adds more voices to the message."

He denied charges that the policy has proved ineffective either in pressing the white government towards significant power-sharing or in gaining Pretoria's agreement to independence for Namibia, which South Africa has governed since Germany lost the territory after World War I, arguing instead that the administration's efforts were "showing results."

In an April 1 interview with *The Washington Post*, President Reagan also defended his administration's approach. "We think that what we're doing is the best, has the best effect, the most effect of anything we could do."

Reagan was widely criticized after a March 21 news conference in which, asked about the 19 demonstrators who had been killed by South African police in Uitenhage that day, he disputed the view "that the violence was coming totally from the law-and-order side." Reagan later told the *Post* that he was not condoning the police actions. However, he said, "There is an element that wants to overthrow the government by violence [and] is fighting its own fellow citizens."

The chairman of the Congressional Black Caucus, Rep. Mickey Leland (D-TX), called the president's statement "racist" and said he had "acted as an apologist for apartheid."

Criticism has dogged administration policy almost from the day the president took office in 1981, pledged to improve bilateral ties. Reversing a 20-year trend towards increased restrictions on relations, Reagan has eased controls on exports of sensitive equipment (see p. 7), reduced public criticism of Pretoria's policies and actions, and given U.S. support to a billion dollar credit for South Africa from the International Monetary Fund in 1982.

Criticism has not been limited to those who see the administration as too friendly to Pretoria but has also come from those on the right who accuse Crocker and the State Department of undermining Reagan's conservative ideas. Some conservatives have been particularly outraged by the administration's offer of limited military aid to Mozambique. South Africa's Marxist neighbor requested the help to combat a rebel group that South Africa sponsored and armed until the two countries signed a non-agression pact in March 1984—the Nkomati Accord.

After the administration asked for $1 million in "nonlethal" assistance to Mozambique earlier this year, several Senate Republicans quietly put a hold on the request, effectively delaying action.

Construction under way at a Ford Motor Company plant in Port Elizabeth, in the strife-torn eastern Cape Province. */Africa News*

Meanwhile, other more strident voices have made their criticisms public.

"President Reagan's policy is being eaten away, undercut, weakened—yes sabotaged—by constant attack," Marion Smoak, a Washington attorney representing Americans for President Reagan's Foreign Policy, told a conservative forum on southern Africa in late March. Smoak, who is a paid lobbyist in the U.S. for the internal Namibian administration set up by South Africa, blamed the setbacks on the efforts of the "Soviet propaganda machine" and its impact on the American communications media and religious leaders.

But President Reagan is an active participant in the policy process vis-a-vis southern Africa, administration officials have been insisting, privately passing the word that all the recent steps undertaken by the State Department have had his personal imprimatur.

"He's on board on Mozambique," said one policymaker who has attended briefings with Reagan at the White House, "and we get full support from the NSC." Cooperation between the NSC (the National Security Council) and the Africa Bureau at State have improved, the official said, since Phil Ringdahl replaced Fred Wettering as Africa staff person on the Council last year. (Wettering has returned to the CIA, where he serves as the National Intelligence Officer for Africa.)

The president approved not only the military aid request for Mozambican President Samora Machel's government, the officials said, but also the proposed timetable for Cuban troop withdrawal from Angola that Crocker took with him to his talks with the Angolan and South African governments in March.

The Cuban troop issue, which the Reagan administration introduced into the Namibian negotiation process in 1981, has remained the main, and perhaps now the last stumbling block to implementation of the United Nations independence plan for the territory, which was adopted by the Security Council in 1978.

[That plan calls for a UN-monitored cease-fire and election that most observers believe would be won by SWAPO, the South West Africa People's Organization, which is engaged in a guerrilla campaign against South African troops.]

Crocker insists South Africa would never have agreed to hand over Namibia without resolving the issue of Cuban troops in a neighboring country, while his critics charge that Pretoria's intransigence, aimed at forestalling a SWAPO takeover, has resulted in large part from a lack of real American pressure.

However, SWAPO's Theo-Ben Gurirab, who represents the organization at the UN, argues that the administration's policy *has* achieved its principal aim: "I see constructive engagement as a revision, an update of the earlier U.S. 'Tar Baby' policy of the Kissinger era, by which South Africa has been emboldened to extend its influence throughout the region."

The policy has "created a gulf" between key southern African governments and the liberation movements, weakened the Frontline States' diplomatic initiatives, undermined the efforts of the Southern African Development Coordinating Conference (SADCC) to promote economic independence from South Africa, and generally strengthened Pretoria's hand in every way, he suggests.

The Angolan government apparently shares Gurirab's skepticism, complicating the American efforts to win agreement on a speedier timetable for Cuban troop withdrawal.

According to Crocker, the latest U.S. initiative was designed "to get the parties talking around a single set of ideas." Last fall, Angola said it would agree to a phased withdrawal of 20,000 Cuban

LEADING U.S. EXPORTS TO SOUTH AFRICA

YEAR	COMPUTERS	AIRCRAFT	TOTAL EXPORTS
1978	$ 52,753,000	$ 35,274,000	$1,079,600,000
1979	71,778,000	63,612,000	1,406,840,000
1980	111,883,000	264,119,000	2,452,543,000
1981	146,785,000	232,546,000	2,900,600,000
1982	170,738,000	266,709,000	2,359,891,000
1983	174,461,000	301,262,000	2,114,777,000
1984	184,662,000	145,223,000	2,463,215,000

Half of all U.S. exports to sub-Saharan Africa go to South Africa. In three of the past five years, the U.S. exports have exceeded imports from South Africa. The data is from official Department of Commerce statistics. Computers include Digital CPUs (Schedule B code 67628), ADP Machines (67627), and ADP Parts (67655); Aircraft include Airplanes (69440), Parts (69465), Engines (66049), and Engine Parts (66054).

troops over three years, while South Africa said the pullout had to take place in 12 weeks.

The agreement the two governments signed in February of 1984 requiring South Africa to pull *its* troops out of Angola, as a first step towards implementing the UN plan, took more than a year to implement, with South Africa only leaving Angolan territory in May. Pretoria then followed with an announcement of a new internal administration to govern the territory, spurring a new round of international condemnation, including criticism from the U.S.

The American case for dealing with Pretoria has been weakened for the Angolans by the apparent shortcomings of last year's Nkomati Accord between Mozambique and South Africa. Despite Pretoria's pledge to stop the flow of aid to the Mozambican Resistance Movement, in return for Mozambique's denial of its territory to the underground African National Congress of South Africa (ANC), the Mozambican dissidents have continued to obtain considerable backing.

According to South African Ambassador to the U.S. Brand Fourie, that support is coming "from four or five sources" *outside* South Africa, which he declined to name. But he said his "government is determined, determined to carry out the letter and spirit of the Nkomati agreement."

In an interview, Fourie denied that Pretoria is intent on making the Angolan opposition movement UNITA a party to the southern African negotiations. "We have never made [Angolan] national unity a condition for settlement in South West Africa, but as realists we say that if there can be a national reconciliation, the chances of Cuban withdrawal might be expedited."

Fourie said "as soon as agreement on the Cubans is arrived at" his government is ready to proceed with UN-supervised elections, no matter what the outcome. "If SWAPO is elected freely, without intimidation, without Cubans and the whole lot, by the people of South West Africa, then of course it's their decision."

"For us, Namibia is creating a very severe problem," he declared. "We're collecting flak from everywhere— internationally, from the people of South West Africa (Namibia), from people in South Africa who are getting tired of the amounts of money we spend." The annual outlay for Pretoria is more than one billion rand a year (currently about $400 million), he estimated.

But Gurirab expects a "long drawn-out process" before Namibia reaches independence. "I don't see the South Africans being eager to reach a resolution."

SWAPO is taking its toll, nevertheless, he says. "Look at South Africa's annual military outlay— almost all of it going to fight against the People's Liberation Army of Namibia," the movement's guerrilla wing. "Our's is an anti-colonial war that South Africa has not been able to defeat in 18 years of trying." ■

High-Tech Sales on the Increase

[AN] For the past several years, with sales of American high technology goods to South Africa rising steadily, there has been a rapid climb in one trade statistic that has particularly alarmed some critics of the Reagan administration's South Africa policy: export license approvals by the State Department's Office of Munition Control, which regulates sales of military-related items.

The explanation for the climb is to be found in an unlikely place. South Africa's banks, making a plunge into the computer age, are buying automatic teller machines (ATMs)—the kind now proliferating on American street corners—in record numbers. And they are buying them from U.S. manufacturers.

Although South Africa remains a small market as international ATM sales go, no manufacturer can scoff at growth figures like these, for machines that sell at $25,000 and up apiece: Barclays, South Africa's largest bank, which had less than 50 ATMs two years ago, now has some 600, and the *Financial Mail* business weekly last year projected a growth from 1000 to more than 3000 units nationwide by 1987.

Both Barclays and Standard Bank, the country's second largest and the early leader in ATM usage, have chosen to go with IBM and IBM-compatible machines—and this is where the munitions list licenses come in. To protect customers from fraud, each ATM contains a data encryption device, the export of which is carefully monitored to insure the devices do not get into unfriendly foreign hands.

Although the UN arms embargo, to which the U.S. subscribes, makes most munitions list sales to the white government in Pretoria illegal, the State Department has approved sales of these devices to South Africa, contributing to a rise in munitions list license authorizations from none in 1980 to over $88 million in 1984.

"We have not changed the administration of the arms embargo," Assistant Secretary of State Chester Crocker said in an interview. "There are accusations that we've sold arms or military-use items—well, those are inaccurate. The kind of things referred to are automatic teller machines."

He said while the U.S. continues to deny certain items to apartheid-enforcing government agencies and the military and police, the administration does not regard high technology exports as needing regulation. "We are not about to go down the road of economic sanctions so therefore we are not going to be drawn into discussion of whether or not a given civilian item is strengthening South African industry."

But critics of current U.S. policy believe this is a mistake. "This administration has taken the approach that if they can possibly rationalize selling something they do it," says former United Nations Ambassador Donald McHenry, a key Africa advisor to President Carter. He believes South Africa has been given a "blank check" and as a result has proved recalcitrant on domestic reform as well as on negotiating independence for neighboring South African-ruled Namibia.

Successive American presidents have restricted exports of sophisticated American goods such as computers and aircraft, which have sold well in South Africa for a decade and more. The strictest measures—barring all commercial sales to the military and police—were put into place by the Carter administration in 1977, following a crackdown by the South African government on its opponents.

Since 1981, however, the Reagan administration has relaxed many of the controls, including those on sales to the military and police and on items with potential nuclear application. Whereas sales of computers to all South African government agencies were previously regulated, only those to five departments directly involved in enforcing apartheid are now limited.

This is also the first administration since the arms embargo was adopted in 1963 to regularly license for sale items on the munitions control list. "Only commodities with inherent commercial applications have been approved," argues William Robinson, director of the State Department office responsible for the licensing process, who says the approvals have included navigational gear, commercial privacy devices, and communication equipment. But 90% or more of the licenses issued

EXPORT LICENSES FOR SOUTH AFRICA

Commercial Export Licensed by the Commerce Department

Year (Calendar)	Number of Approvals	Dollar Amount
1978	225	19,932,964
1979	1009	193,362,710
1980	1231	377,196,364
1978-80 inclusive		590,492,038
1981	1330	547,195,657
1982	1263	585,752,210
1983	1291	427,227,077
1984	1854	672,900,000
1981-84 inclusive average		2,233,074,944 558,268,360

Source: Office of Export Administration, Department of Commerce

Munition List Licenses Issued by the Department of State

Year (Fiscal)	Dollar Amount
1978	4,600,000
1979	25,000
1980	0
1981	521,990
1982	9,780,125
1983	12,214,490
1984	88,344,933
1985 first quarter	7,200
1950-1980 inclusive	18,630,000
1981-84 inclusive	110,861,538

Source: Office of Munitions Control, Department of State; and "Military Exports to South Africa," American Friends Service Committee, January 1984.

have been for the data encryption devices used in the ATMs.

The devices are on the munitions list because "the mathematics of encoding and decoding is a sensitive and controversial matter for the U.S. government," one State Department official said. According to Harry DeMaio, director of data security for IBM, the 4700-series ATMs South Africa is buying from IBM currently contain "third generation," encryption devices that have far more encoding capability than their predecessors.

This sophistication—which is also true of the other American machines South African banks are buying—has meant that the Pentagon has resisted pressure to take them off the list, DeMaio said, although company and government experts have been working on removal of other items that have been rendered less sensitive by technological progress.

More recent changes and proposed changes in overall export regulations would further reduce restrictions on high technology exports to South Africa. The administration has proposed lifting controls on high technology products that are being freely sold by other industrialized nations, and the licensing requirement for personal computers was removed in January.

"Since what's controlled for the South African military and police—and also for the five government agencies enforcing apartheid—are national security items," one Commerce Department official explained, "the removal of these computers from national security controls means they can be exported to South Africa without restriction. If they're General License items, they're general license items. Period."

The administration's relaxation of trade restraints is a prime target for Congressional critics.

A major provision of the Anti-Apartheid Act of 1985, sponsored by Rep. Gray and Senators Kennedy, Proxmire, and Weicker, is a ban on sales of computers and software to the South African government until apartheid is abolished.

HR 501, introduced by Rep. Howard Berman (D-CA) with 28 co-sponsors, restores controls on exports to the police and military and prohibits sales of items on the munitions list, in addition to the computer ban. HR 1133, by Rep. Charles Rangel (D-NY) bans transfers of nuclear equipment and technology.

The full picture of U.S. trade relations with South Africa is found in a myriad of official statistics, some not formally released. As shown in the chart (p. 6), the overall trend towards higher exports to South Africa began well before the Reagan administration took office in 1981. In that sense, the increased economic ties of recent years are a continuation, rather than a reversal of former policies. Nevertheless, the new Reagan approaches are evident in the following:

- The Commerce Department last year issued 1,864 licenses valued at $672.9 million – more than the Carter administration issued in three years (see chart). Even with all but the most sensitive items exempted from the licensing requirement by the Reagan administration's regulations rewrites, approvals are up by almost 80% over 1980, while for the rest of the world the increase has been only 5-10% per year.
- A substantial portion of the license approvals have been for commodities that can be used for nuclear weapons production or testing, although formal U.S. cooperation with South Africa in the nuclear field remains barred because of Pretoria's refusal to sign the Nuclear Non-Proliferation Treaty. South Africa was the second leading purchaser of American "dual-use, nuclear-related" equipment, a General Accounting Office study covering mid-1981 to mid-1982 found. Among those approved in the last four years were two large computers for the government-run Council for Scientific and Industrial Research (CSIR), as well as a variety of test equipment for the Koeberg nuclear power plant.
- Computers and aircraft are the consistent leaders in U.S. exports to South Africa, helping to make the American trade balance with that country a favorable one in three of the last five years. (Worldwide, the U.S. is running a record trade *deficit*.) Computer sales have continued to climb even as overall American exports to South Africa have dropped since 1980.
- Munition list license authorizations rose from $9.8 million in fiscal year 1982 to $88.3 million in 1984. The authorizations, however, dropped off in the first quarter of 1985, to only $7,200—all of it for data encryption devices.

Crocker said the trade regulation shifts are not a "carrot" extended to Pretoria to coax changes. "We don't have anything to offer them that would make much difference to them," he claimed. He and other administration officials assert that the shift in trade rules has not strengthened South Africa's military or nuclear capacity. And they insist that end-usage of sensitive materials is monitored to insure against diversion for unauthorized purposes.

But critics of the policy remain convinced that the net result of the changes has been to undergird white rule, increasing its ability to resist pressures for change from within and abroad.

In the 1984 report which brought the munitions list license increases to public attention, the American Friends Service Committee charged that the sales assisted South Africa's "embargo-busting" efforts. "Once military-related equipment or parts are shipped to South Africa it is axiomatic that they become available to the local arms industry," the report says.

The critics have been reconfirmed in their view that the high-tech gates have been opened too wide by the last year's "VAX case" when the attempted diversion of powerful Digital Equipment Corporation computers and software to the Soviet Union from South Africa was uncovered in Europe (see AN, Oct. 22, 1984).

During Senate hearings last year, Deputy Assistant Secretary of Defense Stephen Bryen said the "state-of-the-art computer hardware" had such a "heavy military value" that someone should have asked: "What are they doing with this technology in South Africa and where is it leading to?" The VAX 11/782 computer and software licenses "would have not been approved to South Africa if

the Department of Defense had been given the opportunity to review them," he added.

Although the Customs Service last year sent a letter of thanks to the South African agencies involved in the investigation, some American officials continue to believe South African complicity in the affair has yet to be investigated sufficiently. ■

CROCKER: 'SANCTIONS WILL NOT HELP'

[AN] *Excerpts from a March 29 interview with Assistant Secretary of State Chester A. Crocker.*

AN: *You have opposed all the anti-apartheid measures the House adopted last year, but are you also against the milder Republican proposals that are being debated now?*
Crocker: I don't think our position has changed on sanctions. We don't think there is any value in the road of punitive sanctions against South Africa. They are not going to help blacks gain bargaining power, in our view. They may wind up hurting blacks and they wind up hurting neighboring states, and they will certainly hurt American exporters. They produce unintended consequences.
AN: *What, for example?*
Crocker: We've had a partial oil embargo against South Africa. It's made South Africa far more self-sufficient than any other industrial economy I can think of—through synthetic fuels development.
AN: *Hasn't the arms embargo had an impact?*
Crocker: If you are talking about scenarios that would involve East German combat units or something with frontline Soviet hardware, that might become relevant. But basically the kind of situation we see in southern Africa is a much lower level of technology.
AN: *What has been the purpose of the changes you have made in export regulations?*
Crocker: The policy that we have on export controls has been to remove anomalies that we felt were inappropriate, or ambiguities. There were ludicrous things—you couldn't sell ketchup to the South African police. We have clarified the regulations that make it impossible to sell things to apartheid-enforcing agencies—these remain very clearly on the books—and to the South African military and police. We've tried to remove impediments that were just plain silly.

Chester Crocker/*B. Kaiser*

AN: *Ketchup aside, sales of computers and other high-tech goods have really been climbing.*
Crocker: The fact that we are selling more computers, I think, probably means that our computers are that much further ahead than other countries' computers.
AN: *You reject the view that this is a "carrot" you've given South Africa?*
Crocker: I certainly would. I'd go even further. The notion that we are going to seduce the South Africans into a Namibian settlement or domestic change or anything else through items around a Christmas tree is silly. Nor, would I argue, are our "sticks" credible in that sense.

We have not been holding out tangible "carrots" trying to bring people along. We've been trying to convey a psychological and political message. We are trying to reduce a seige mentality, and I think we've had some success.
AN: *The Namibia negotiations seem to have been stalled for a long time. But since your recent*

discussions with the Angolans and South Africans you have been talking about progress. Why?

Crocker: We sense that there is some potential for further movement toward a compromise package on Namibia and Angola. As you know, there are official positions on the table from both sides and we are trying to get beyond that.

It's one of those situations in which there's a great deal of diplomatic sentiment in which neither one wants to be seen as going first, or making the first concession or the first move. So we've tried to step up the pace ourselves.

AN: *Why was the U.S. liaison office in the Namibian capital closed recently after about a year of operation?*

Crocker: The whole reason for having people there was to support communications between the Angolans and South Africans, to pass messages back and forth, and it was very useful for a period when there was active business being done. But they've been sitting there at Ngiva, Angola, which is about 50 kilometers from the border, for the better part of seven months, so it's been kind of a static situation and there really wasn't much of a role for us to play. [*Editor's note:* The South Africans withdrew their troops from Ngiva to Namibia in early May.]

We have office space in effect to reopen when and if there is a role for us to play nearby, but we can cover the same functions in the meantime from Pretoria.

AN: *Turning to Mozambique, has South Africa done all it can to implement the Nkomati Agreement?*

Crocker: It's our view that the South African government has as an official matter adhered to the Nkomati agreement and believes itself to have adhered to it.

No doubt some *private* support has been coming from South Africa—some support that is not governmental action but which is clearly inconsistent with the agreement. There's also been a pattern of support flowing to RENAMO [Mozambique National Resistance] from other countries. And we and others have been trying to get a handle on that—it's kind of murky. ■

U.S. ASSISTANCE FOR SOUTH AFRICA

[AN] As part of "constructive engagement," the U.S. is for the first time dispensing sizeable aid funding inside South Africa. In addition, the U.S. Agency for International Development (USAID) last September stationed a program officer in the white-ruled country. The following is a description with fiscal year (FY) expenditures of USAID programs in South Africa. Under "Cost," the first figure is the projected expenditure; the parenthetic figure is the amount authorized to date by Congress.

1. Scholarship Program: Finances undergraduate and professional study in the U.S. for 80-100 black South Africans per year. The program is for students who are resident in South Africa and are able to return to South Africa upon completion of their studies. *Period:* 1982-89 *Cost:* $32m ($30m) *FY 82:* $4m *FY 83:* $4m *FY 84:* $4m *FY 85:* $5m *FY 86:* $7m.

2. Entrepreneurial Training: Provides basic through advanced entrepreneurial skills training to black owners and operators of small businesses in cooperation with the National African Federated Chamber of Commerce (NAFCOC). *Period:* 1983-86 *Cost:* $4.5m ($3m) *FY 83:* $3m *FY 85:* $750,000 *FY 86:* $1.5m.

3. University Preparation Program: A tutorial training program to prepare black high school students and teachers for their high school matriculation examinations. *Period:* 1983-86 *Cost:* $4.36m ($2m) *FY 80:* $470,000 *FY 82:* $300,000 *FY 83:* $1.862m (for two years) *FY 85:* $1m *FY 86:* $1.5m.

4. Labor Unionist Training: A grant to the AFL-CIO's African-American Labor Center (AALC) to assist its black South African trade unionists' training program for both existing and emerging unions. *Period:* 1983-86 *Cost:* $1.8m ($0.9m) *FY 83:* $675,000 *FY 84:* $225,000 *FY 85:* $1m *FY 86:* $1m.

5. South Africa Bursaries: Provides funds

continued on next page

USAID *continued from page 11*

Training for black trade unionists figures into the USAID Program for South Africa. */Africa News*

directly to financially disadvantaged students to cover their university training in South Africa. *Period:* 1985-88 *Cost:* $15m (0) *FY 85:* $500,000 *FY 86:* $3.5m.

6. Human Rights Fund: Provides small grants to pay legal fees for victims of apartheid, and to combat hunger and the effects of drought on the poor. *FY 84:* $1m *FY 85:* $1m *FY 86:* $1m.

7. Special Self-Help Fund: Administered by the U.S. Ambassador; provides grants of up to $25,000 to finance small, community-based efforts, primarily those concerned with education and human development. *FY 82:* $250,000 *FY 83:* $250,000 *FY 84:* $250,000 *FY 85:* $250,000 *FY 86:* $250,000.

Notes: *These figures are for funds obligated in a given year and do not necessarily indicate that the total amount was actually spent that year. Figures for FY 85 are estimates and for FY 86 are based on proposals.* ■

FOURIE SEES REAGAN POLICY AS A 'SANE APPROACH'

[AN] *Excerpts from a March 29 interview with the South African ambassador to the United States, Brand Fourie.*

AN: *Do you agree that the Reagan administration is about as friendly towards your government as any this country has ever had?*

Fourie: The perception that things have changed materially for us on the day to day level might be correct in part, insofar as there is an openness and a willingness to discuss problems, trying to resolve them. But the old restrictions—things like arms boycotts and restrictions in the field of nuclear energy—those things haven't changed at all. They're still going on in exactly the same fashion as before.

AN: *If conditions were such that you could sit down and have a conversation with the people who demonstrate outside your office here every day, what would you say to them?*

Fourie: What is the aim of it? If it is to bring about evolutionary constitutional development, we've got no quarrel with it, because we ourselves have embarked on that road. But my question is: What do these people have in mind?

AN: *What do you think they have in mind?*

Fourie: If, in fact, they reckon that they can destroy the economy of South Africa—I don't say they can, because boycotts in the past have not paid off (the arms boycott, for instance, brought a net result of making South Africa an arms exporter)—but if they were to succeed, what would the effect be? If you ruin the economy of a country like South Africa, you ruin the economy of the whole area. The South African infrastructure serves about eight or nine different countries of southern Africa.

AN: *You raise the issue of the arms embargo and the fact that South Africa is producing so many arms. But isn't it also true that South Africa has been weakened by the embargo? You haven't been able to buy the reconnaissance aircraft you want.*

Fourie: That is so. But the reconnaissance aircraft was needed for a purpose that is in the interest of the entire free world, because we, by ourselves,

cannot stop the Soviets' fleet from going past, but we can keep the rest of the world informed as to what's going on. In addition, South Africa had been the only country in that area which carried out air and sea rescue. Now that service is going to disappear. The irony of the whole thing is that poor seamen must drown for the sake of so-called humanitarian ideals.

AN: *What about the hypothetical situation of a confrontation, say, with Cuban troops? Isn't it true that you're not as well equipped because of the embargo, while the Cubans are, presumably, well-supplied by the Soviets?*

Fourie: When somebody is being supplied by the Soviets, there's no end to it, provided the Soviets want to pay the price. But we cannot engage a superpower, a world power. On the other hand, even that superpower knows that if it wants to start a confrontation with South Africa there is a minimum price sufficiently high to make it ponder that question very seriously.

AN: *In the area of trade, despite the recession in South Africa, there has been a booming business in some American goods. In 1984 the Reagan administration issued more export licenses for South Africa for high technology items than the Carter administration did in three years. Does it have policy implications for your government or is it merely a trade matter?*

Fourie: No, anything that is constructive, anything that is aimed at removing artificial and unfair and unnecessary restrictions must have an effect also in the policy field. It's indicative of a saneness of approach in these areas. But we must also bear in mind that we had to think hard about these computers, etc. We had to ponder the question of reliability, continuity.

AN: *But that issue of reliability was apparently resolved in favor of going ahead and buying American equipment?*

Fourie: Partially. Going ahead and buying, but being a little hesitant not to put all your eggs in one basket and find yourself in an embarrassing situation later.

AN: *What is your reaction to the media attention you're getting—how do you feel about South Africa's image in this country?*

Fourie: Well, I feel the media for years and years had been grossly unfair toward South Africa. Just during the last six to nine months there has been an inkling of a tendency to move away from that, to get to the point, to say, 'Look, everything is not bad.'

Ambassador Brand Fourie / *South African Ministry of Information*

AN: *Your government made a decision to allow the ABC Television "Nightline" broadcasts from South Africa. In retrospect, are you glad?*

Fourie: In South Africa people are very divided. Some say it was a debacle, some say it wasn't. But certain things have come out of it which I find helpful here. You know this suggestion that South Africa is a society where people can't express their views, where there's no free press, etc. Randall Robinson [of TransAfrica] makes this point every time [he speaks]. He says that Desmond Tutu, for example, can't express his views on disinvestment, because then he goes to jail. I say, "Mr. Robinson, you watch your own TV. You know what Bishop Tutu has been saying."

AN: *Turning to regional isues, the Nkomati Accord is a year old now. The Mozambicans seem to regard it as perhaps having been one-sided in South Africa's favor.*

Fourie: It's very strange for people to say that. The Western world seems to think that South

Valindaba, South Africa's nuclear enrichment facility, which is closed to international inspection. */Africa News*

Africa should just wave a magic wand and that then there would be perfect peace in Mozambique. That is not possible.

We have been playing our part, so much so that for RENAMO [Mozambique National Resistance] South Africa has become almost enemy number one.

AN: *Is Pretoria supporting government opponents in other countries that have not signed non-aggression pacts with South Africa?*

Fourie: We don't insist on non-aggression pacts. Take Botswana. We've got a very good workable arrangement with them. It's not a formal agreement. And with Lesotho.

AN: *Does your government give support to UNITA in Angola?*

Fourie: I cannot give you any affirmative statement on that. You better ask Savimbi himself. He knows where his aid comes from, and I'm sure he'll tell you that he gets aid from a variety of places. ■

The Congress:

[AN] Against the backdrop of continuing unrest in South Africa and ongoing protests against apartheid in the U.S., Congress has moved steadily towards passage of legislation aimed at increasing American pressure on Pretoria's white government. With Democracts in the lead, the Anti-Apartheid Act of 1985 was scheduled to come up for a vote of the full House in early June.

The Anti-Apartheid Act is one of more than 20 pieces of South Africa-related legislation that have been introduced since the 99th Congress convened in January. Although most have come from House Democrats, at least three major bills have been introduced in the Senate, all with Republican co-sponsors.

"People in Indiana are beginning to ask questions about South Africa," an aide to Senate Foreign Relations Committee Chairman Richard Lugar commented. "And it's not just coming from civil rights groups," he added.

"I simply do not think American national interests can afford any further accomodation with apartheid," Rep. Howard Wolpe, who chairs the House Africa subcommittee, declared as the Foreign Affairs Committee approved the measure by a vote of 29-6 on May 2. Politically, it has proven difficult for most members to oppose the anti-apartheid moves, although one influential senator who has held out against the tide is Kansas Republican Nancy Landon Kassebaum, who chairs the Senate Africa subcommittee. She is critical of the administration for not being forceful enough with South Africa, while she opposes the sanctions contained in the various bills.

But Sen. William Proxmire (D-MO), with an eye on the 22 Senate seats up in next year's election, said in an interview: "I can't understand why anybody would want to be on record as opposing these provisions." Proxmire, along with Edward Kennedy (D-MA) and Lowell Weicker (R-CT), is sponsoring the Anti-Apartheid Act in the Senate. "We'll make them vote on each of the individual parts of the bill," he declared, suggesting that South Africa's pariah position would make it hard for even conservatives to oppose all the ele-

Anti-Apartheid Bills Proliferate in 1985

ments the bill contains.

Nevertheless, three key Senate Republicans have fashioned their own bill (see below) which takes a milder approach. And lobbyists on both sides have intensified their efforts to influence the outcome on the floor and in the Senate/House conference committee which must resolve any differences the two versions may contain.

Sanctions are "counterproductive," and "precisely the wrong signal to send," Assistant Secretary of State Chester Crocker told the Senate Foreign Relations Committee in April. But on Capitol Hill, neither Crocker nor his policy have many defenders.

During a subsequent appearance before the committee in May, Crocker was asked why he continued to pursue an approach when so many Americans had concluded it had failed. The questioner was Maryland Democrat Paul Sarbanes, who accused Crocker of operating "in total isolation."

Here is a description of the key South Africa-related bills under consideration by Congress:

The broad-reaching **Act of 1985, HR 1460**, bars new American investment in South Africa and Namibia, prohibits loans and computer sales to the South African government, and outlaws importation of Krugerrands into the United States. Introduced in the House by Budget Committee Chairman William Gray (D-PA) and co-sponsored by 145 members, including seven Republicans, the bill reads in part:

"It is the policy of the United States to condemn and seek the eradication of the policy of apartheid in South Africa, a doctrine of racial separation under which rights and obligations of individuals are defined according to their racial or ethnic origin."

The centerpiece of the Gray bill is a package of economic sanctions against South Africa, the enforcement of which is linked to actions taken by the white-minority goverment to improve the lot of the black majority. Although two of the restrictions imposed by HR1460 would remain in force until the elimination of apartheid, special waivers could be granted periodically on other provisions if the South African government takes certain specified steps towards that end.

The act would prohibit Americans from making new investments of any sort in South Africa and would bar the importation of Krugerrands or any other gold coin originating in South Africa. However, the president may waive the enforcement of either prohibition, with the approval of both houses of Congress, *if* the South African government meets at least one of the following conditions:

- Eliminates the system which makes it impossible for black workers and their families to live near their jobs;
- Eliminates all policies restricting the right of blacks to work and live where they wish in the country;
- Eliminates policies conferring separate nationalities on blacks;
- Eliminates residence restrictions or forced removals based on race or ethnic origin;
- Enters into meaningful negotiations with truly representative leaders of the black population for a new political system providing for the full national participation of all the people of South

WHAT'S IN A WORD?

Although *divestment* and *disinvestment* often are used interchangeably, technically they refer to different weapons in the anti-apartheid arsenal. Some critics of South African policies reject using either, some support both, and some favor one but not the other.

Divestment means the act of purging investment holdings of all stocks in companies doing business with South Africa—thereby creating what investment managers are calling "South Africa-free portfolios." **Disinvestment** is what happens when a corporation withdraws from South Africa by selling or closing its interests there. However, advocates of disinvestment also call for a more general disengagement, as in demands for banks to stop making loans in South Africa or for companies to discontinue handling such South African products as the Krugerrand gold coin. ■

Africa in the social, political, and economic life of that country and for an end to racial discrimination;

- Achieves an internationally recognized settlement for Namibia;
- Frees all political prisoners.

Under the act, presidential waivers based on the fulfillment of any of the above conditions can be granted for as long as a year initially, and extended with the approval of Congress for six-month periods thereafter each time the South African government meets an additional condition.

The two provisions of the bill that remain in force until the complete abolition of apartheid has been achieved are (1) a ban on direct or indirect loans by U.S. citizens to the South African government or any corporation or organization owned or controlled by the government; and (2) a ban on the export of computers, software, goods or technology intended to service computers for use by the South African government or any corporation or organization controlled by the government.

The only new loans exempt from the ban would be those for housing, educational or health facilities available to all population groups on a non-discriminatory basis.

Although investments held prior to enactment of the law would not be affected by the sanctions, an amendment offered by Rep. Howard Berman (D-CA) would require U.S. computer companies to cancel current contracts with the South African government—a safeguard against eleventh hour attempts to negotiate long-term sales agreements that might otherwise be exempt from the proposed sanctions.

Penalties for violating the bans on new investment and loans to the government are fines of up to $1 million for companies, plus a fine of up to $10,000 and up to five years imprisonment for any responsible agent of a guilty company. An individual found in violation of the act could be fined up to $50,000 and imprisoned for up to five years. The penalty for breaking the prohibition on the importation of Krugerrands is a fine of five times the value of the coins seized.

A final provision of the Anti-Apartheid Act is a directive that the administration should through bilateral and unilateral negotiations attempt to persuade other governments to adopt similar restrictions.

The bill introduced in the Senate as **S 635** by Kennedy, Proxmire and Weicker is identical to the House act.

A stronger omnibus measure introduced in the House by Rep. Ronald Dellums (D-CA) would require complete corporate disinvestment and a trade embargo. **HR 997**, co-sponsored by 14 other House members, goes beyond the Anti-Apartheid Act by mandating total disinvestment by Americans and a complete embargo on trade with South Africa, with the exception of food, medicine and other humanitarian goods.

In addition, HR 997 would prohibit the holding of any *current* investment in South Africa, direct or indirect, in the public or private sectors of that country. The bill also imposes far stricter trade sanctions than the Anti-Apartheid Act by prohibiting the import of *any article* grown or produced in South Africa, and the export to South Africa of *any* goods, technology or information subject to the jurisdiction of the United States.

Further provisions of HR 997 deny U.S. landing rights to South African aircraft and disallow tax credits and deductions for U.S. firms operating in South Africa on any income paid to that government in taxes. Penalties for violations of the act are similar to those of HR 1460, but there are no waivers or exemptions for business deals concluded prior to the enactment of the law. The sanctions of HR 997 are completely retroactive, and would take effect 180 days following enactment of the law.

Another strong-sanctions measure was introduced early this year by Walter Fauntroy, the District of Columbia's delegate to the House, calling for the same trade curbs as Rep. Gray's legislation, plus additional restrictions to be phased in over several years if South Africa has not "made significant progress towards establishing majority rule." But Fauntroy has given his support to the Anti-Apartheid Act, and his own bill has not come before any committee for consideration.

In an effort to prevent Democrats and moderate Republicans from monopolizing the opposition to apartheid, Rep. Robert Walker (R-PA) and fellow Republicans Newt Gingrich (GA) and Vin Weber (MN) introduced conservative legislation combining an indictment of apartheid in South Africa

Rep. Ronald V. Dellums, author of a congressional bill calling for complete disinvestment and a trade embargo. */Africa News*

Rep. William Gray, sponsor of the Anti-Apartheid Act. */Africa News*

with a condemnation of several "countries which have at least equally abhorrent human rights practices and which actively oppose U.S. ideals and interests."

"This legislation is a comprehensive approach to the relationship between U.S. foreign policy and human rights," Walker said as he introduced **International Human Dignity and Opportunity Act of 1985, HR 1595**, in mid-March. "This bill will demonstrate U.S. resolve to promote civil rights in South Africa as well as civil rights in the Soviet Union, Libya, Angola, Nicaragua and many other countries."

In a December 1984 letter to the South African ambassador, Walker and 34 other conservative lawmakers warned that if reform was not forthcoming, they were prepared to support " international diplomatic and economic sanctions against South Africa."

But the only anti-apartheid action prescribed by the Walker bill is denial of federal contracts or economic assistance to any company, U.S. or foreign, which does not comply with the code of fair labor practices known as the Sullivan Principles (see page 35).

The Sullivan requirement in the conservatives' bill would not take effect until January 1987, and could be postponed even then if the president certified that the South African government had made significant steps toward the elimination of apartheid.

Regarding southern Africa, the bill repeals the Clark Amendment (which prohibits covert military assistance to all parties in Angola), and expresses sense of the Congress resolutions calling for recognition of UNITA as the legitimate government of Angola and the withdrawal of foreign troops from that country as a precondition to a settlement of Namibian independence. It also says free elections should be held in Namibia, but that they should not be predicated on the mandatory participation of any specific political organization, a reference to the refusal of the South West Africa People's Organization (SWAPO) to take part in South African-run polls in the territory.

General provisions of the Walker bill prohibit U.S. economic and military assistance to any nation which votes against the U.S. position in the United Nations more than 85% of the time, or to any nation certified as systematically denying free press access, or as cooperating in illegal drug trafficking or international terrorism. An amendment would also link most-favored-nation status and eligibility for trade credits to a country's emigration policies and press freedom.

Conformity to the above criteria would be determined by an "International Human Dignity and Opportunity Certification Board" composed

of five members appointed by the president and confirmed by the Senate to serve for five-year terms.

With the recent approval of the modified Anti-Apartheid Act in the House, Republicans on the Senate side are continuing their efforts to drum up support for an alternative bill that would increase U.S. support for human rights and educational assistance programs in South Africa, but delay sanctions against the Pretoria government for at least two years. Although growing impatience with "constructive engagement" resulted in broad, bipartisan support for the trade curbs of the House Anti-Apartheid Act, bicameral support may be a more elusive goal for those backing the swift imposition of economic sanctions.

The **Action Act of 1985, S 995**, submitted to the Senate April 24, is sponsored by Foreign Relations Committee Chairman Richard Lugar (R-IN), Majority Leader Robert Dole (R-KA) and Maryland Republican Charles Mathias. The bill, which is largely consistent with current administration policy, reads in part:

"The Congress finds and declares that the policy and practice of apartheid is repugnant to the moral and political values of democratic and free societies, and runs counter to United States policies to promote democratic governments throughout the world and respect for human rights.

"It is the policy of the United States to promote peaceful change in South Africa through diplomatic means, but also, where necessary and appropriate, through the adoption of other measures, in conjunction with our allies, in order to reinforce United States oppositon to apartheid."

The Lugar-Dole-Mathias measure incorporates an earlier bill sponsored by Mathias and approved unanimously by the Senate Foreign Relations Committee March 27. That proposal gives the president until March 1987 to judge whether the South African government has made "significant progress" toward dismantling apartheid—a provision that some Capitol Hill observers believe makes the adoption of restrictions highly unlikely.

If the administration *should* determine that Pretoria has not taken sufficient steps to end racial discrimination, the range of possible actions the president could recommend to Congress includes essentially the same restrictions on investment, loans, computer sales and Krugerrand importation mandated for immediate implementation in Rep. Gray's bill. Democrats supported the Mathias bill in committee only after extracting a promise from Chairman Lugar for hearings on all anti-apartheid proposals in late April and May.

Beyond the provisions of the Mathias bill, the Republican leaders' proposal would set up a $15 million scholarship fund for black South Africans; require all U.S. companies operating in South Africa to comply with the "Sullivan Principles" requiring fair and equal treatment of all employees; direct the Export-Import Bank and the Overseas Private Investment Corporation to extend credit and offer economic support to business enterprises controlled or owned by black South Africans; and increase to $1.5 million the amount of annual support for the Human Rights Fund, which Senator Kassebaum sponsored to fund aid by South African community groups to victims of apartheid.

A final Senate proposal of note is **S 1020**, the bill introduced by conservative Republicans William Roth of Delaware and Mitch McConnell of Kentucky, which contains some surprisingly strong provisions. "The rebel Republican bill," South Africa's *Financial Mail* commented, "has plenty of teeth for even the most militant anti-South Africans." Sanctions proposed by the bill include:

- a ban on loans to the South African government or any businesses controlled by it;
- a demand that the president enlist the seven-nation Western summit group to increase pressure on Pretoria;
- immediate cancellation of U.S. landing rights for South African Airways, severing direct air links between the countries;
- the closure of at least one South African consulate in the U.S.;
- an end to all government aid to U.S. firms operating in South Africa that do not adhere to the Sullivan Principles;
- the prohibition of the sale of nuclear-related goods and technology to South Africa until it has signed the nuclear non-proliferation treaty;
- and the increase to $20 million annually of U.S. support of scholarships for black South Africans. ■

Signs of the Times: U.S. Responses

[AN] From the junction of New York's 42nd Street and 2nd Avenue to the chapel lawn of Duke University, signs of a new national preoccupation with South Africa are evident. If South Africa proves to be the student "cause" of the 1980s, it seems likely to be one with broad popular support.

"I think this is one issue where there is great consensus," says Ellen Kirby, who has coordinated anti-apartheid actions for the Women's Division of the United Methodist Church.

American responses to events in South Africa are so numerous, so diverse and evolving so rapidly that our survey of them can be, at best, only illustrative. The following categories offer a framework for mentioning some of the major recent developments, but the examples given are far from comprehensive. In addition, a number of groups doing influential work, such as the Lawyer's Committee for Civil Rights Under Law and Artists and Athletes Against Apartheid, fall outside of the categories. Still, the listing indicates the lively ferment that South African issues are bringing to U.S. institutions.

U.S. COALITION VENTS PUBLIC'S FRUSTRATION

[AN] It has been derided by the Reagan administration as "the moral equivalent of a free lunch," and its tactics have been characterized as little more than a rehash of the 1960s civil rights movement. But few would dispute that the Free South Africa Movement (FSAM), the civil disobedience campaign that has resulted in the arrests of thousands of Americans opposed to South African racial policies, has captured the public imagination and emphatically inserted the South African issue into the American political agenda.

And all in six months.

The movement was launched last Nov. 21 when three prominent black Americans—District of Columbia Congressman Walter E. Fauntroy, U.S. Civil Rights Commissioner Mary Frances Berry, and TransAfrica director Randall Robinson—staged a sit-in at the offices of South African Ambassador Brand Fourie to protest the detention of 13 black South African trade unionists earlier that month.

The decision to shift from traditional lobbying and legislative tactics to nonviolent direct action reflected a growing frustration among civil and human rights organizations over the Reagan administration's South Africa policy, according to TransAfrica, the Washington, D.C.-based black lobby for African and Caribbean issues. That frustration was heightened by anticipation that the president's landslide reelection would make the lame duck administration even less willing to change.

Something dramatic was needed, activists felt. And the November sit-in "came at the right time," TransAfrica executive committee member Willard Johnson said in a recent interview.

"The demonstrations have ventilated a lot of frustrated concerns, given the reversals, disappointments, and disasters associated with Reagan's first term," said Johnson, a political scientist at the Massachusetts Institute of Technology. "Then came more frustrations, through an election campaign that failed to give sufficient consideration to the South Africa issue, despite Jesse Jackson's valiant efforts to raise it, and catalytic events in South Africa itself which called for response."

"I didn't know about the sit-in ahead of time," Johnson said. "But when I heard [the demonstrators] weren't coming out, my first impulse was

to take to the streets. And it's pretty obvious that a lot of other people felt the same way."

After a night in jail on unlawful entry charges, Robinson, Fauntroy and Berry called a press conference to announce the beginning of a national protest movement with two prime objectives: the release of all South African political prisoners, and the beginning of negotiations on a new constitution that would give political rights to all South Africans. But one intermediate goal, organizers felt, had to be the dismantling of the Reagan administration's policy of "constructive engagement."

Robinson and Fauntroy pledged to orchestrate daily demonstrations in front of the South African embassy in Washington until their demands were met. A steering committee made up of representatives from TransAfrica, the NAACP, the Urban League, and other civil rights, religious, and labor organizations was formed to direct the campaign.

The Free South Africa Movement was officially launched on Monday Nov. 26 when 400 marchers, chanting "Freedom Yes, Apartheid No," watched as Joseph Lowery, head of the Southern Christian Leadership Conference, and Illinois Rep. Charles Hayes were escorted from the South African embassy in handcuffs after refusing to leave the grounds. In the weeks and months that followed they would be joined by dozens of prominent labor and political leaders, clergy, entertainers and other celebrities, including Stevie Wonder, Republican Sen. Lowell Weicker, the Rev. Jesse Jackson, Amy Carter, AFL-CIO President Lane Kirkland, and Episcopal Bishop John E. Walker.

FSAM organizers were encouraged by the impact of the protests on American public opinion. "As a result of these demonstrations, South Africa is front-page news all over the country and is frequently on the evening television news," FSAM steering committee member Roger Wilkins said in May. "So the American people are beginning to learn about the evils of apartheid."

Another plus was the diversity of those taking part, according to Sylvia Hill, also a steering committee member, from the Southern Africa Support Project in Washington: "Not only is the movement multiracial and multidenominational, but there is also political and ideological diversity. Different sectors of the American people are becoming involved, at least at this physical level, to show some kind of viable opposition to apartheid."

Washington, D.C. Metro worker pickets the South African embassy. */Africa News/Erin Sweeney*

The Free South Africa Movement has anchored the anti-apartheid issue in the political center, and the organization itself has expanded rapidly, with FSAM chapters active in at least 23 cities across the country by the end of April 1985.

South Africa's five consulates in the United States are regular targets for pickets and civil disobedience outside Washington. In areas without a South African government office, activists have turned to other symbols of South Africa's presence. In Boston, for example, demonstrators focused on Deak-Perera, a dealer in foreign currency and precious metals that is one of the largest distributors nationwide of the Krugerrand, a South African gold coin.

Krugerrands were also the target of picketers at Best Products stores in Philadelphia and in Clayton, Missouri, where the local franchise won agreement in March from the Richmond, Virginia parent company that the 204-store chain would stop handling the coin when current stocks run out. Two months earlier, anti-apartheid activists staged an all-night vigil at the Philadelphia City Hall that attracted more than 1,500 people despite sub-freezing weather.

The decision to spotlight the arrests of prominent people, a move made early in the campaign,

has been crucial to the movement's success, according to organizers. While conceding that some longtime anti-apartheid activists were offended by the practice, the participation of civic and religious leaders and media personalities in acts of civil disobedience guaranteed wide media coverage and helped legitimize the protest in the eyes of millions of Americans, according to TransAfrica's David Scott.

"The purpose is never to *exclude* anyone," Scott said, "but to *include* people who never have been involved in anti-apartheid activities before and had never participated in an act of civil disobedience. The question is how do you bring those people in? And at least part of the answer is to get people like Sen. Weicker and Coretta Scott King and the Kennedys involved."

With the number of arrests nationwide running into the thousands, the picket line is now more likely to be crowded with plasterers than politicians. Nevertheless, FSAM organizers are confident that they can maintain the daily pickets and arrests indefinitely.

But despite the movement's remarkable initial success in attracting media attention, the regularity of five months of near daily pickets and arrests at the embassy eventually led to a slump in news coverage. But on May 8, five members of the FSAM steering committee recaptured headlines by staging a sit-in at Deak-Perera's Washington office.

Threatening to stay indefinitely, the protestors came equipped with portable toilets and enough food to last several days. Deak-Perera officials at first hesitated to file a complaint, but finally called in the police when Robinson, Berry, Fauntroy, Hill and Wilkins climbed over a counter demarcating a "high security" area.

Whatever its next move, the Free South Africa Movement has established itself as more than just a media vehicle. FSAM represents a qualitative expansion of the anti-apartheid movement into confrontation politics and direct action.

"It's really a social movement," Johnson said. "It encompasses the divestment campaign, the cultural boycott, the students. True, the movement has an organizational character, but it acts as a wedge into the public consciousness, giving the public events in which they can participate as demonstrators and giving the media news that they can cover."

The difficulty with FSAM's broad definitions, some observers have contended, is that the movement is now left with the task of forging partnerships among organizations and individuals which often hold conflicting views on fundamental issues. Some of those who have taken part in FSAM's embassy protests, for example, are outspoken foes of divestment, but find themselves on picket lines dotted with pro-divestment placards. "Some guy came up to our picket with a divest sign," the AFL-CIO's John Gould said, "and we chased him away."

The movement's various elements also have had difficulty agreeing on which South Africa legislation to support. The Anti-Apartheid Act of 1985, sponsored by Rep. William Gray (D-PA) and Senators Edward Kennedy (D-MA) and Lowell Weicker (R-CT), has the broadest backing, but many FSAM supporters favor the stronger sanctions that are contained in a bill offered by Rep. Ronald Dellums (D-CA). (See *AN*, April 8.) Still others place priority on a compromise that could win approval in the Senate.

"We have to convey to the Congress just what the mood of the country is," said Willard Johnson. "We need to say what we want, and what we want is the application of sanctions."

Despite the difficulties facing FSAM, many of which can be traced to its sudden burst of growth, the Reagan administration appears to be taking the movement seriously. Since the beginning of this year, U.S. officials have been more outspoken in their criticism of apartheid than ever before, and in mid-March the Reagan administration cast a rare vote against Pretoria on a U.N. Security Council resolution condemning the killing of protestors at Capetown's Crossroads squatter camp, and treason charges brought against 16 leading government opponents.

In an interview with *The Washington Post* on March 20, Assistant Secretary of State for Human Rights Elliot Abrams admitted, "We have had to change our public strategy at home when it was clearly not getting through to a lot of people."

Secretary of State George Schultz also acknowledged the impact of the demonstrations when he called for an "American consensus" on southern

Africa policy on April 16. "We simply cannot afford to let southern Africa become a divisive issue tearing our country apart, rendering our actions haphazard and impotent and contributing to the ugliest and most violent outcome."

But Willard Johnson thinks that a new American consensus is already taking shape, one in favor of sanctions. "We as a movement need to go beyond our [anti-apartheid] base into an effective domestic political coalition. We have brought along labor, the churches, the students, the Jewish community, the black community. They are all together on this one." South Africa, he continued, "has given us common ground to discuss our style of political organizing. Through this coalition we are working out an approach to other agenda items as well."

But Johnson denied charges by South African and domestic critics that the Free South Africa Movement is more a response to domestic political issues than an expression of genuine concern for those living under apartheid. He said that opponents of change would naturally hope that FSAM is only worried about a domestic agenda.

"Unfortunately for them, we are not," he explained. "It is true, however, that our motivations are rooted in our experience here, and that makes our position serious. South Africa ceases to be an 'over-there' or faraway issue. Instead it becomes part of the position we take out of self-interest and survival.

"What the [South African government] *should* be worrying about is that Randall Robinson was arrested at Harvard in 1971. What I mean is that we have all been in this a long time. That, at least, ought to convey the notion that we are not about to stop."

—*Mike Fleshman* ■

STUDENTS ON THE PROTEST LINE

"Northwestern's Anti-Apartheid Alliance sends greetings to fellow students working to expose the situation in South Africa. Dennis Brutus, an English professor here is a political refugee from SA. A good speaker—I highly recommend him if you are looking for one. Just let me know. A Luta Continua..."
—Erik at Northwestern University

"This is David from U of CA in Santa Cruz. Today I was in Berkeley...a mad house...four people dragged from the steps and beaten...38 faculty from around the state took part in the disobedience this morning...wore gowns while they were arrested! Please get the word out that we are on line here."

[AN] The California college student and foe of apartheid was indeed "on line." No ordinary picket line, however, but a long-distance phone line linking his computer terminal to those of other demonstrators from coast to coast.

The slogans, testimonials, and words of mutual encouragement are all familiar ingredients of student protests from years past. But the medium—electronic "bulletin boards" accessible by personal computer—is a high-tech twist in the recipe being followed by today's campus activists protesting American involvement in South Africa. Computer hackers call it "networking," but longtime practitioners of grassroots politicking have another word for the practice: "organizing." And judging from the results of recent anti-apartheid actions that involved thousands of students at more than 100 colleges and universities in the first half of 1985, the campus coalition against apartheid is nothing if not well-organized.

"I think we've won so much here," said Bess Ellinger, a Columbia University senior who participated in a three-week administration building blockade to protest the school's $32.5 million of indirect investment in South Africa. Members of the Coalition for a Free South Africa "adjourned" their sit-in, under pressure from a court injunction, but pledged to renew their call for divestment using more efficient tactics.

"They've gotten us off the steps," Ellinger said on the final day of the blockade, "but they aren't going to get us out of the minds of the people. We're building a movement." The next day some 60 Columbia students were arrested at the New York offices of Rolls Royce Inc., which is headed by Columbia Board of Trustees Chairman Samuel Higginbottom.

The events at Columbia were mirrored in a spate of sit-ins and other acts of civil disobedience across the country, and in the month that followed over 2,000 people were arrested on campuses from Cornell in New York to Berkeley in California. Students at the University of California-Berkeley camped on the steps of Sproul Hall to protest the UC system's $1.7 billion of South Africa-related investments. When police officers in riot gear arrested 158 of the chanting protestors on April 16, local community leaders staged a support rally that drew over 5,000 people.

The next day, students at UC-Santa Cruz initiated discussions that led to a nationwide day of action on April 24. Half a dozen schools were designated as regional operations centers, as phone links and the computer network were established to aid in coordinating local efforts across the country.

On the day of the protest 15,000 Berkeley students—more than half the total enrollment—boycotted classes, while about 7,000 took part in divestment hearings and teach-ins. Actions elsewhere included:

- UC-Santa Cruz, where more than 2,000 attend an afternoon rally, and later, joined by Santa Cruz City Council members and the mayor, sleep-in at the unofficially renamed "Nelson Mandela Library";
- UC-San Diego, where 1,000 attend a rally and 100 sleep in at the "Winnie Mandela Library";
- University of Michigan-Ann Arbor, where students occupy the president's office as 600 others rally outside;
- the brief takeover in Ohio of Oberlin College's administration building, which is renamed "John Dube Hall," in honor of a college alumnus who was a founder and first president of the African National Congress;
- Madison, Wisconsin, where 1,500 to 2,0000 students from the state university (already divested of South Africa-related holdings in compliance with Wisconsin law) march on the state capitol demanding divestment by all government agencies; and
- Ithaca, New York, where 355 more Cornell University students are taken into custody, raising the total number of arrests on that campus to more than a thousand.

Baccalaureate speaker the Rev. William Sloane Coffin (at center with white shirt, dark tie) lends his support to Duke University protesters before service. *Africa News*

The reaction of school officials to the demonstrations this spring has ranged from harshly critical to somewhat sympathetic. In a letter to members of the Columbia community on April 7, three days after the start of the sit-in at the university's Hamilton Hall, President Michael Sovern said, "No university can allow some of its members to force a position on it by disrupting its activities. ... Perhaps some day those who believe that closing doors at Columbia is the way to open them in South Africa will see how mistaken they are." Others have called the protests "misguided" and characterized the actions as "nostalgia for the 60s."

But if Sovern and other critics believe that the student actions have placed style over substance, many faculty and administrators have been supportive of the movement. Santa Cruz Chancellor Robert Sinsheimer has allowed protestors limited use of the library, telephones and bathrooms, and his office has contributed $350 toward demonstration expenses. At Oberlin the faculty approved a resolution calling on the school's trustees to begin a phased divestment of stocks in corporations operating in South Africa. Both Dartmouth College in New Hampshire and Iowa's Grinnell College have recently announced that they will sell holdings in some firms dealing with the racially segregated nation.

A more common institutional response, however, has been to promise a re-evaluation of endowment portfolios, the appointment of a com-

mittee to study the impact of South African investment, or consideration of the issue at trustee meetings scheduled for June, when most students have gone home for summer vacation. But however gradual the progress, organizers seem undeterred in their drive to change university policies.

"Our target remains stock disinvestment," says Joshua Nessen, student coordinator at the New York-based American Committee on Africa (ACOA), which has served as a clearinghouse for student actions. "But if the trustees won't act, we by *our* acts can and have been directly affecting the investment climate." And that, he said, is the real goal of the student movement.

In support of his analysis Nessen cited remarks by John Chettle, director of the South Africa Foundation and an ardent foe of divestment, who in February told the influential business weekly *Financial Mail*: "In one respect, at least, the divestment forces have already won. They have prevented—discouraged, dissuaded, whatever you call it—billions of dollars of new U.S. investment in South Africa."

According to ACOA, over 40 schools wholly or partially divested a total of $175 million in South Africa-related holdings between 1978 and 1985. Yale, Brown and Harvard universities have partially divested, while City University of New York, Washington State and Evergreen State College have all adopted total divestment policies in the past nine months.

On May 7 the United Nations Special Committee Against Apartheid held hearings with student activists from around the country. Following the session, in a meeting organized by ACOA, students agreed on a number of protest targets for the second half of 1985.

October 11, declared by the United Nations as "Southern Africa Political Prisoner Day," was chosen by the students as "National Anti-Apartheid Protest Day" to focus on the twin themes of divestment and freedom for political prisoners.

As the days grow longer and students began to leave campuses for the summer, many university administrators expressed hope that the vacation would be a cooling-off period. Columbia anti-apartheid activists, however, addressed a pointed reminder to school officials. "Trustees, remember," they chanted, "we'll be back in September." ■

LABOR GROUPS SEEK 'DIRECT TIES' WITH SOUTH AFRICANS

[AN] When Ford Motor Company announced earlier this year it was shutting down one of its plants near Port Elizabeth, the local black trade union—concerned about the likely loss of jobs—requested an urgent meeting with management.

Eight thousand miles away in Detroit, the United Auto Workers (UAW) also sat down with Ford officials. "We wanted to make sure that the company understood the UAW's deep concern for the future rights of the Ford workers in South Africa," a UAW spokesman later explained.

In mid-April a representative of the Federation of South African Trade Unions (FOSATU) spent a week in Alabama with local officials of the Amalgamated Clothing and Textile Workers' Union (ACTWU) to discuss a possible joint organizing campaign at plants of Tidwell Industries, a U.S. mobile home manufacturer that opened a factory in KwaZulu, one of South Africa's ethnic reserves, in 1984. Since then, FOSATU has accused Tidwell of "gross injustices" and blatantly unfair labor practices.

"We didn't simply want to do support work," said ACTWU'S John Hudson, "but ideally wanted to do the kind of work where there were tangible, direct connections and a direct stake for American workers as well."

These actions were just two of many recent signs that, particularly with the growth of the black labor movement in South Africa, American trade unionists have become increasingly concerned about apartheid, and especially about the plight of black workers. What is perhaps most significant about this development is that, in addition to more involvement in divestment campaigns and other protests at the national, state and local levels, trade unions have begun to establish direct contacts with their South African counterparts.

One concrete manifestation of this trend is the New York Area Labor Committee Against Apartheid, established by a group of 20 unions in June 1983. According to ACTWU's John Hudson, who is co-coordinator of the committee, the group formed after black South African unions specifically requested bilateral, union-to-union contacts.

"There was really no activity being generated

officially in the labor movement from any other sources," says Hudson. "There were spontaneous things, occasional participation by individual unions, but there was a perceived need for an ongoing means for people to be active."

In its first two years the committee made considerable headway on a long agenda. Among other efforts, it helped to push through legislation banning New York City from purchasing goods made in South Africa and organized a campaign that stopped several local department stores from carrying headwear made in South Africa. ACTWU also sent its health and safety director to South Africa to advise textile workers there on these issues, and subsequently the union began discussing the joint campaign against Tidwell.

It was on the basis of this work, and its good relations with South African unions, that the committee convened a conference in early March on "Labor and South Africa." Its aims were to consolidate the New York committee and advertise its resources to other local unions, to give the South Africans an opportunity to make bilateral contacts that might be useful in the long run, and to encourage unions in other cities to take similar action.

Organizers say the conference, held at the District Council 37 headquarters of the American Federation of State, County and Municipal Employees (AFSCME) in New York, was an enormous success. Over 400 people registered for the two-day event, which included talks by American labor leaders and anti-apartheid activists as well as keynote presentations by black South Africans representing FOSATU, the Council of Unions of South Africa, and the Commercial Catering and Allied Workers Union.

The conference concluded with a call for American unions to provide technical and financial assistance to South African unions; to weigh heavily the concerns of South African labor groups in conducting bilateral relations; to educate other unions and the American public about apartheid; and to bring pressure on the South African government to abolish it.

Afterwards the South Africans went to Boston, Atlanta, Chicago, Detroit, Minneapolis, Los Angeles and San Francisco on speaking trips that have spurred new activities in several of these locales.

While the New York Labor Committee is one of the most broad-based labor coalitions organizing on South Africa, it is by no means alone. On the west coast, Local 10 of the International Longshore Workers' Union (ILWU) has been active on South African issues for over seven years, first in organizing an anti-apartheid labor conference in 1978 and later in refusing to unload ships carrying South African cargoes.

In November 1984 the ILWU for the third time refused to offload a vessel bearing South African goods, holding out for 10 days before the shipping companies obtained a court injunction forcing workers back to the job. Since then the union has been working with the local Free South Africa Movement to try to get the port authorities in the San Francisco area to ban entry of South African cargo.

Most recently Local 10 hosted a talk by one of the South Africans who came for the New York conference and, according to Leo Robinson, a member of the Local 10 executive board, the union is launching a fundraising drive to underwrite a strike fund for the South African Congress of Trade Unions (SACTU), which is affiliated with the underground African National Congress (ANC).

Robinson, who recalls that the ILWU received over 1200 telegrams and letters of support when it refused to unload South African cargo last November, sees a potential for a more vigorous response from labor. "Until recently most of this action was at the rank and file level," says Robinson, "but now the heads of the Central Labor Council in the East Bay area have come together with a general consensus on this issue."

One union that is no newcomer to this South African solidarity movement is the UAW. "Historically we've had a positive relationship with the automobile workers' union in South Africa," says the UAW's director of government and international affairs, Don Stillman. "We've sent people over there and they've had their folks come here."

In addition to supporting workers at Ford earlier this year, the UAW has intervened at GM and Ford numerous other times to help their counterparts with a range of collective bargaining

Labor unions have played a significant role in recent anti-apartheid demonstrations. */Africa News/Erin Sweeney*

problems, according to Stillman.

In 1979 the auto workers became the first American union to win—in contract negotiations with Chrysler—a clause allowing the unions to veto South Africa related investments by company-administered pension funds. In 1984 the union negotiated similar positions with Ford and GM. Stillman believes these agreements are enormously important "because they reinforce at the highest level of the corporation that this is an issue we're serious enough about to use up chips in the collective bargaining process."

Last December the union's executive board also endorsed six specific economic sanctions against South Africa.

The AFL-CIO's official Africa arm, the African American Labor Center, also has beefed up its South Africa-related activities over the last few years. The AALC program, established in 1981 "to coordinate all U.S. labor activities in support of trade union development in South Africa," provides funds for leadership training and other projects both directly and through the International Confederation of Free Trade Unions (ICFTU).

Officials at the AALC will not reveal the size of the South Africa program's budget, but State Department officials report that the "bulk" of it comes from U.S. Agency for International Development (USAID) funding, which will total about $1 million in fiscal year 1985.

In the U.S., administrators of the AALC's South Africa program publish an occasional newsletter, and the Center itself recently produced a 15-minute film on South African trade unions in coordination with the American Federation of Teachers. Other U.S. labor actions include AFL-CIO statements on the detention of trade union leaders in South Africa, recent congressional testimony in favor of the Anti-Apartheid Act now before Congress, and the federation's involvement in demonstrations at the South African embassy.

The AALC's South Africa program, however, has been controversial. Although South African unions work with the U.S. project, some have accused the AFL-CIO of an unwillingness to respect the wishes of black South African unionists (see *AN*, Jan. 28). When a delegation from the AALC visited South Africa in late 1982 they were confronted with charges of being linked to the CIA and with complaints that receiving USAID funding makes AALC an arm of "constructive engagement."

Asked about the charges, AALC officials strongly deny any links to the CIA and steadfastly maintain their independence from any branch of the U.S. government. They do acknowledge, however, that USAID has veto power on questions of which individual projects or unions receive its funding.

Probably because of these difficulties, some American unions steer clear of the AALC, saying they prefer to work bilaterally on a union-to-union basis with their counterparts in South Africa.

Nonetheless, American unions believe that the AFL-CIO may soon take a more active role, especially since in April the ICFTU adopted a program calling for economic sanctions against South Africa, including selective divestment. The AFL-CIO is a key member of the ICFTU, and President Lane Kirkland has pledged the federation's "wholehearted" support for the ICFTU campaign.

Labor movement observers also see signs that some of the more traditional, conservative unions may be beginning to get involved in relations with South African unions. Last December, when representatives of the FOSATU-affiliated Chemical Workers Industrial Union came to the U.S. to rally support for workers who were fired by a subsidiary of the American Fluor Corporation, they met with the United Mine Workers, the Teamsters, and the Oil, Chemical and Atomic Workers Union, among others. All of those unions subsequently pledged to raise the issue of the firings with Fluor.

Whatever the outcome of these individual union efforts, the broader picture is one of a significant escalation in labor union actions around South Africa, a trend that ACTWU's John Hudson credits in part to impressive black labor gains in South Africa, and also to continuing pressure on U.S. trade unions, particularly from black members and leaders, to take up the issue of apartheid.

Activists in the broader anti-apartheid movement tend to agree with this assessment. "There has been a qualitative shift," says Ken Zinn, deputy director of the Washington Office on Africa. "There is much more interest among the rank and file in coming on the record and actually committing unions to concrete action."

And at the American Committee on Africa, the oldest U.S. anti-apartheid organization, which helped unions to start the New York labor committee, trade union liaison Sandy Boyer sees "a marked upturn in labor concern with South Africa over the last several years."

"It would have been totally impossible to achieve the results that we have had in the state and local divestment movement without the participation of labor, especially the public employee unions," he said.

—Jim Cason, Mike Fleshman ■

CHURCHES TURN ON THE HEAT

[AN] April was unseasonably warm in Charlotte, North Carolina, this year. And at the downtown hotel where NCNB Corp. (a bank holding company) held its annual meeting, the debate was as hot as the weather. Although the company had—a few weeks earlier—announced its decision to stop lending to the South African government, the issue dominated the session.

Company management got 88.1% of the shareholder votes on its refusal to release information about its South African lending practices. But some 50 demonstrators outside the meeting, and shareholders speaking for the American Baptist Home Mission Society, focused public attention on NCNB's $114 million South African loan portfolio.

The Baptists' shareholder action was one of more than a dozen South Africa-related resolutions filed in 1985 by various church bodies.

The religious organizations leading the campaign are members of the Interfaith Center for Corporate Responsibility (ICCR), an affiliate of the National Council of Churches that coordinates the corporate responsibility work of 19 Protestant agencies and 210 Roman Catholic orders, with about $10 billion in combined investments.

On May 20 the ICCR announced "a new strategic approach" by publishing a list of 12 corporations selected for "special concentrated attention." The companies—all with sizeable South African investments—are being asked to "cease immediately all sales and service relationships with the South African government" and to make clear that the dismantling of apartheid is a "precondition" for their remaining in the country. They are: Burroughs, Chevron, Citicorp, Control Data, Fluor, Ford, General Electric, General Motors, IBM, Mobil, Newmont Mining, and Texaco.

This "intensive ecumenical focus on selected corporations," as it was called in a resolution adopted in April by the Board of Global Ministries of the United Methodist Church, has been under discussion within ICCR member agencies for several months. The Presbyterian Church's position paper on apartheid prepared for the General Assembly in June also endorses this approach. Roman Catholic bishops are expected to approve a similar stance in a document on South Africa they are planning to release at the end of the summer.

On May 19, the United Church of Christ's

Board for World Ministries voted to sell its stock in companies investing in or making loans to South Africa and to recommend the denomination do the same. Previously, two Lutheran denominations had decided to divest, although neither the American Lutheran Church nor the Lutheran Church in America have completed the process.

But church involvement with South African issues has not been limited to shareholder resolutions, as evidenced by actions such as these:

- The Lutheran World Ministries set up a Southern Africa Advocacy Program in 1983, aimed in part at the 1984 presidential election campaign. Through speaking tours, media presentations, targeted mailings, and a brochure on southern Africa policy, the program has promoted interest and action relating to South Africa and Namibia.
- Presbyterians are currently hosting 15 South African church leaders throughout the United States in an educational effort directed at a broad American audience.
- In their April resolution, the United Methodist Board endorsed both passage of the Anti-Apartheid Act of 1985 by Congress and a campaign against sales of the Krugerrand gold coin.

Religious leaders have also been key participants in many of the anti-apartheid protests that have occurred this year around the country. In January, for example, the National Council of Churches coordinated four days of demonstrations at the South African embassy in Washington. Among the dozens arrested were the president and general secretary of the Council, a half-dozen Methodist bishops including three from black Methodist denominations, leaders of the United Church of Christ, the American Baptists, the Presbyterians, the Orthodox Church in American, and a number of Jewish rabbis.

In Washington, the church-sponsored Washington Office on Africa has taken a leading role in anti-apartheid lobbying using religious, labor and other networks to generate grassroots support and pressure on key members of Congress.

Religious leaders often see themselves as reconcilers in the midst of controversy. But a growing body of opinion within churches asserts that sometimes—as on South Africa issues—reconciliation can come only after a period of strife.

The Rev. Robert Seymour, a Baptist minister in Chapel Hill, North Carolina, recalls that NCNB said it would stop lending to the South African government "to avoid divisiveness" among its constituency. So if the bank is to disengage totally, Seymour says, "those of us who want to see that occur need to contribute to furthering the divisiveness." ■

FOUNDATIONS LAUNCH PROGRAMS

[AN] Last summer the New York-based New World Foundation decided to sell all its stock in companies doing business in South Africa. But in trying to predict the legal and financial consequences of their decision, Foundation officials found few resources. So they commissioned several studies and called a meeting to share their findings with colleagues.

In sharp contrast to a New World attempt a few years ago to convene a foundation discussion of social responsibility in investments—which "didn't get a single answer," according to New World's president, David Ramage—this invitation-only conference grew, as more and more people heard about it and asked to come. Finally, with over 150 representatives of foundations, churches, educational institutions and municipal funds coming from across the U.S., New World began turning people away so that the meeting could fit within the confines of a large hotel ballroom.

Ramage said the national movement that sprang up in the time between New World's decision to divest and its hosting of the conference profoundly shaped the character of the gathering. "By the time we got our sleeves rolled up," he said, "the Free South Africa Movement had come along, and instead of 15 foundations sitting down over lunch, why we ended up with this army of people!"

The focus of the meeting was pragmatic. All day long, legal and financial experts soberly addressed questions about the hows and what-thens of divestment. Leaving the conference with their information packets (available from the Founda-

tion) many participants seemed persuaded that divestment might be a more viable option than they had first supposed.

While they had heard the Investor Responsibility Research Center's David Hauck detail the potential risks and costs, they had also listened to the experience of such investment managers as Robert Zevin of Boston's U.S. Trust Company, who for nearly two decades has handled South Africa-free portfolios "that have in fact outperformed our unconstrained portfolios," and "have substantially outperformed stock market averages." Zevin joked afterwards that "it's kind of a disappointment, in a way, because the moral act of divestment turns out to be a free ride!"

The most ambitious foundation analysis of U.S. policy issues did *not* support divestment as a strategy. But the 1981 report of a $2 million Rockefeller Foundation-sponsored study — *Time Running Out*, which has sold nearly 15,000 copies — *did* suggest an interacting set of policies designed to pressure the South African government.

Four years later, the director of that study, Ford Foundation President Franklin A. Thomas, initiated a series of meetings and consultations. The talks led Ford to prepare a recommendation for its June board meeting that a new, high-level working group conduct a full-scale reevaluation of the Rockefeller Commission's findings. The results could be one of the most visible efforts by the foundation community to shape U.S. policy towards South Africa.

Of more subtle policy import is a Carnegie Corporation study into black poverty in South Africa. Primarily designed for use in South Africa itself, the inquiry's findings will be shared with U.S. audiences in a variety of ways, including a traveling photo exhibit and a set of books.

But besides large-scale, publicized foundation projects, there are scores of innovative programs being developed locally or regionally, such as a Chicago-based effort to raise both financial and human support for the community development and educational efforts of South Africa's SACHED Trust. Over the next decade, some 20 Chicago-area community leaders will spend two years each in South Africa, having pledged to use their experiences to expand public awareness in the U.S. when they return. ■

CITY, STATE ACTIONS FORCE COMPANIES TO TAKE NOTICE

[AN] While the U.S. Congress ponders the complexities of federal anti-apartheid legislation and the Reagan administration continues to defend its "constructive engagement" policy, dozens of cities and states around the country have forged ahead with some form of sanctions against selected banks and companies operating in South Africa.

By September of last year, 14 cities had passed resolutions stipulating the possible penalty of a withdrawal of municipal funds from corporations involved in South Africa. By May of this year the figure was 25. Six state governments, meanwhile, have approved similar measures, and 28 more are considering South Africa-related legislation. Given the pace of events in recent months, the tally has become difficult to keep.

The bills differ greatly in their approaches, presenting dozens of slight variations. Many simply bar city or state funds from banks that loan to the South African government and its agencies. Another fairly common measure is to call on corporations in which these local governments have invested—often through pension funds—to ensure that their South African subsidiaries abide by the Sullivan Principles, a fair labor practice code.

Very little of the anti-apartheid legislation currently on the books or under consideration requires immediate divestiture.

Typical of the pension fund approach is New York City's decision, in August 1984, to engage in a phased plan, the chief aim of which is to pressure companies to sign the Sullivan Principles, subsequently obtain Sullivan's "Category I" rating, and finally become "of assistance in efforts to eliminate apartheid."

The penalty for non-compliance in each of the four phases is divestiture by New York's $20 billion retirement system, which has some $8.5 billion of its assets in stocks. Roughly a third of these stocks potentially fall under the anti-apartheid provisions recently enacted.

Investment analysts point out that most of the state and local laws in question, even where they

mandate sale of certain stocks, permit authorities to do the divesting over a period of years, thereby minimizing the disruption for pension trustees. Prices of stock in the targeted companies, as a result, generally will not be affected.

State and local actions to date have forced the withdrawal of $1.3 billion in public funds from various banks and corporations.

Some cities and states have been taking a more direct route to pressure their business partners. New York City and Newark both have adopted laws prohibiting them from doing business with companies trading in South African goods or supplying the South African government. Washington, Pittsburgh, Philadelphia, Florida, Maryland and Oregon have this sort of regulation under debate. Additionally, in Washington officials of the Metro are considering a rule that would exclude companies involved in South Africa from submitting bids for construction work on the new subway system in the nation's capital, or at least forcing such contractors to sign the Sullivan Principles.

Commenting on this type of regulation, David Hauck of the Investor Responsibility Resource Center (IRRC) said, "It is something that makes the companies sit up and take notice. It could represent a direct loss of sales. Divesting a stock is symbolic, but when New York City refuses a bid, that's money out of your pocket."

Los Angeles may soon be adding yet another variation to the divestiture campaign. Mayor Tom Bradley has asked the City Council for a tax on the sale of Krugerrands in addition to the severance of financial ties with companies and banks operating in South Africa. Proceeds from the tax, under the proposal, would finance a local anti-apartheid campaign. "While we do not have the legal authority to ban Krugerrand sales outright," said Bradley, the tax assessment would "turn a share of the money against apartheid policies."

While the number of states with anti-apartheid legislation on the books is shorter than the list of participating cities, state governments are hardly latecomers. As early as 1980 Michigan passed a law prohibiting the deposit of state funds in banks loaning money to the South African government. Connecticut passed a similar law in 1982, and Massachusetts put one on the books in 1983. Among the 28 states now considering South Africa-related bills are Alabama, North Carolina, Arizona, Kansas and Montana. ■

ROOTS OF THE PROTESTS

[AN] Although anti-apartheid actions in the U.S. have risen to unprecedented levels in 1985, protests against South Africa's racial policies have been regular occurrences for years.

Two decades ago, for example, students initiated a campaign against a $10 million line of credit for South Africa funded by ten major banks. The loan was intended to restore international financial confidence in the government after South African police killed 69 unarmed demonstrators in Sharpeville on March 21, 1960.

The 1970s brought church-sponsored shareholder campaigns targeting companies operating in South Africa. Some firms responded by signing the Sullivan Principles, promising reforms; Polaroid, bowing to intense pressure from its American work force and from a nationwide boycott, cancelled its distribution agreement with a South African firm.

During the same period, efforts to isolate South Africa culturally have also intensified.

A 1981 rugby tour of the U.S. was met by demonstrations at every stop. By 1984 a coalition of activists succeeded in further distancing South Africa from the Olympic movement—South African athletes have been barred since 1960—by, for example, blocking plans for a South African information center at the Los Angeles games.

Since 1980, tennis star John McEnroe has turned down several lucrative invitations to play in South Africa, and increasing numbers of artists and atheletes are making similar refusals. Those who do perform in South Africa find their names on a boycott list maintained by the United Nations Center Against Apartheid—prompting several to apologize and promise not to accept future South African offers.

In addition to the larger anti-apartheid organizations, dozens of other groups work with specialized constituencies. The names of a few of the more established suggest their scope: Episcopal Churchpeople for Southern Africa, Southern Africa Support Project, International Defense and Aid Fund, South African Non-Racial Organizing Committee, and the American Co-ordinating Committee for Equality in Sport and Society.

Religious organizations, such as the American Friends Service Committee, and civil rights groups, such as the NAACP and Amnesty International, have also taken a major interest in South Africa-related issues. ■

The U.S. Corporate Stake

[AN] *U.S. companies with investments in South Africa have been feeling the heat of public scrutiny in 1985, as more and more investors want to know if and how their money is tied to Pretoria.*

The list of firms doing business there reads like a catalogue of "blue chip" stocks. It includes 31 of Fortune *magazine's 1984 list of the 50 largest U.S. corporations, and 57 of the* Fortune *top 100. Many are household names: Colgate-Palmolive, Gillette, Kellogg, Kentucky Fried Chicken, Motorola, Nabisco, Pepsi Cola, Pizza Inn, Union Carbide, United Technologies, and Wang.*

Some 350 American companies are currently doing business in South Africa, according to the latest tally from the U.S. Consulate General in Johannesburg. A new compilation prepared by the American Committee on Africa lists more than 400 companies and banks with business ties to South Africa.

The Washington-based Investor Responsibility Research Center (IRRC), in a study published in January and an update in March, identified and verified more than 280 U.S. firms with direct investments in South Africa or Namibia, through a total of 380 subsidiaries.

Reporter **Anne Newman**, *who co-authored the IRRC study* Foreign Investment in South Africa, *reports here on key features of the controversial American corporate presence.*

The total value of direct investments by U.S. companies in South Africa stood at just over $2 billion at the end of 1984, a slight drop from the high-water mark of $2.6 billion in 1981. Total lending by American banks, meanwhile, reached $4.7 billion in 1984—double the 1978 level—and American ownership of South African mining shares has been estimated at $6.5 billion (see *AN*, Oct. 20).

The slight decline over the past three years has been the result of a strong U.S. dollar, a severe South African recession, and a 1983 change in Pretoria's currency regulations—one that made it easier for foreign investors to withdraw funds from the country. Returns on investments have also declined from a 31% after-tax rate in 1980 to 7% in 1982 and 1983.

During this period, according to the IRRC survey, 45 companies either pulled out of South Africa or sold their interests to buyers in the country, while another 11 American firms began new investments.

Altogether the 247 American companies who responded to the IRRC survey in detail have a South African work force of more than 114,000, about 37% of which is black.

While many of these U.S. firms have to be considered important cogs in the South African economy, perhaps none have a more vital, even strategic, role than the U.S. oil companies there: Chevron (formerly Standard Oil Co. of California), Exxon, Mobil, Phillips, Standard Oil Co. of Ohio (Sohio) and Texaco.

A Johnson & Johnson plant located on the border of one of South Africa's ethnic reserves. */Africa News*

Given the aggravation caused by the oil embargo by OPEC producers beginning in the 1970s, and the loss of Iran as a major supplier after the Shah's fall, South Africa has accelerated efforts to increase energy self-sufficiency, largely through development of synthetic fuels made from its own coal. The country still relies on foreign-owned oil companies, however, for refining and processing of essential petroleum by-products.

South Africa has four major crude oil refineries. Through a jointly-owned subsidiary—Caltex Petroleum—Chevron and Texaco own one large refinery near Cape Town. Mobil operates another near Durban. The two U.S.-owned refineries together have the capacity to process 40% of all

crude oil in the country, according to 1984 year-end statistics compiled by *Oil and Gas Journal*. (The rest is produced by British Petroleum and Royal Dutch Shell, and by a state refinery.)

Mobil and Caltex service stations dot the South African landscape. Their combined assets in the country are worth over half a billion dollars.

These two oil giants also appear likely to play roles in Pretoria's dogged search for energy independence. As the government decides to move ahead with plans to develop offshore natural gas reserves in the Indian Ocean near Mossel Bay, it may find itself in need of technology that is owned and controlled by U.S. firms. *Platt's Oilgram News*, a trade publication, reported late last year that South African "government and industry sources are looking at two Mobil processes for [Mossel Bay's] onshore fuels plant," both of which are used to convert natural gas to liquid fuels.

Pretoria is also moving ahead with a feasibility study on the potential for developing the Kudu Field off the coast of Namibia, an area containing natural gas reserves discovered by Chevron in 1974. According to *Platt's*, "Some sources believe planning for the Kudu Field no longer includes the possibility of building a gas-fired power station on Namibia's hostile coast. Rather, gas is to be transported to Cape Town for conversion into liquid fuels, particularly diesel."

Such a development has major implications for Chevron and Texaco, since they operate the only refinery in Cape Town.

The quest for energy self-sufficiency is creating new opportunities for other U.S. companies as well, especially construction and engineering firms. *Platt's* has reported that Fluor and Bechtel are among 30 companies that have tendered offers for parts of a feasibility study initiated by the government to explore the Mossel Bay fields.

Fluor appears to be doing a particularly brisk business in South Africa. According to documents the company has filed with the U.S. Securities and Exchange Commission, Fluor has been awarded a contract for maintenance at a South African nuclear facility, has subsidiaries managing construction of an oil pipeline, and remains involved as well at the synthetic fuel facilities of the state-owned South African Coal, Oil and Gas Corp. Ltd. (SASOL).

During the 1970s Fluor was managing contractor for construction of the $6 billion SASOL II and III oil-from-coal facilities in the eastern Transvaal.

Beyond the ranks of heavy industry, it is the U.S. computer manufacturers, in particular IBM, which are enjoying expanded sales at the moment. IBM, Burroughs and Control Data Corp. are the three largest American firms in competition there.

IBM leads the field with an estimated 40% or more of the installed computer base. The company already dominates the business market and is gaining in personal computer sales as well. About 17% of IBM's South African revenues come from central and provincial governments, with an additional percentage from municipal governments and state-owned corporations.

Among IBM's business customers are AECI, South Africa's largest explosives and chemicals company, and the two largest banks—Barclays and Standard. Critics point to its role as a supplier for the Atomic Energy Board, the Industrial Development Corp. and the government department that provides the "Book of Life" documents which all so-called "coloured" and Asian South Africans must carry with them. IBM also provides equipment to the government's Council for Scientific and Industrial Research (CSIR), the nerve center of military, nuclear, electronic and industrial research and development, as does Control Data.

Vying for the number-two spot behind IBM is Burroughs, in competition with the British firm ICL. About 30% of Burroughs' revenues come from the South African public sector, and its customers also include Barlow Rand, a huge South African industrial conglomerate.

Fourth or fifth in the South African computer market is Control Data, which receives about 50% of its revenues from the government sector. Control Data computers and equipment are used by the Atomic Energy Board and government-owned corporations such as the electric utility system and iron and steel corporation. Its disk storage devices are used on police computers supplied by ICL. And two Control Data mainframes, with IBM computers, provide the computer center for CSIR.

U.S. auto makers in South Africa, which have had a central role in the government's 20-year-

long drive to boost industrial strength, are currently experiencing hard times in a more and more competitive market. Under the "local content" program launched in the 1960s, the companies have increased usage of locally-made steel, glass, machinery, rubber, and petroleum products, but now they are having trouble selling enough cars.

Ford, the second largest auto manufacturer in the country and the largest U.S. employer there with more than 5,000 workers at three plants near Port Elizabeth, announced plans in January to merge its operations with South Africa's third largest producer of cars, a subsidiary of the huge Anglo American Corp. Ford will have a 40% interest in the new company, South Africa Motor Corp. (SAMANCOR), which is expected to grab about 25% of the total car market.

Eleven motor manufacturers and 17 truck producers compete in a small market that also includes GM, Toyota, Nissan and Mercedes. Chrysler sold its 25% share of a South African auto company in 1983.

The emergence of SAMANCOR is expected to cost some 2,000 workers their jobs in the already-troubled Port Elizabeth area, South Africa's Detroit, where an estimated 11,000 workers have been laid off in the last three years. GM has laid off more than 400 workers since last summer and sent all employees on a seven-week vacation this year. Both Ford and GM went to four-day work weeks late last year.

Despite the recession, loans by American and other international banks to South Africa have risen to new heights. But loans by U.S. banks to the *government* are way down, reflecting at least in part shareholder and public pressure on the institutions.

There has not been any lack of demand for credits from Pretoria and its state-owned corporations. A depressed gold price, the deepening recession and rising costs of maintaining apartheid have inflated the government's financial needs.

Energy and defense are two of the biggest drains on the treasury. Industry sources estimate, for instance, that development of the Mossel Bay fields will cost $900 million in foreign lending and $600 million from domestic sources.

According to the Bank for International Settle-

Top U.S. Companies

(In South Africa and Namibia, ranked by Assets and Number of Employees)

ASSETS	*EMPLOYEES*
1. Philbro-Salomon Inc.	1. Newmont Mining *
2. Mobil	2. Ford
3. Ford	3. U.S. Steel
4. Chevron *	4. General Motors
Texaco *	5. Coca Cola
6. U.S. Steel *	6. Mobil
7. Burroughs	7. U.S. Gypsum
8. Sohio[1]	8. Goodyear
9. General Motors	9. Allegheny International
10. General Electric	10. General Electric
11. Goodyear	11. R.J. Reynolds
12. IBM	12. IBM
13. Coca Cola	13. Johnson & Johnson
14. Deere & Co.	14. 3-M
15. Union Carbide *	15. Union Carbide *
16. CPC International	16. Norton
17. Dresser Industries	17. United Technologies
18. Control Data	18. Colgate-Palmolive
19. International Harvester *	19. Emhart
20. Newmont Mining *	20. Owens-Illinois *
21. Johnson & Johnson	21. Chevron *
22. Xerox	22 Texaco *
23. NCR	23. Carnation[2]
24. Phelps-Dodge *	24. American Cynamid
25. Sperry	25. Nabisco Brands
26. Dow Chemicals	26. Dun & Bradstreet
27. Ingersoll-Rand	27. Borg-Warner
28. Borg-Warner	28. CPC International
29. CIGNA	29. ITT *
30. Baker International	30. Joy Manufacturing
31. FMC	31. Phelps-Dodge *
32. Joy Manufacturing	32. Xerox
33. 3-M	33. Dresser Industries
34. Norton	34. Tenneco
35. Revlon	35. Baker International

* Company data prorated by ownership percentage. Companies owning 50% or more of the South African subsidiaries are attributed all assets and employees of the subsidiaries.

[1] owned by British Petroleum [2] owned by Nestle of Switzerland [3] owned by Swiss Aluminium

Sources: All rankings are based on available information. Data for rankings is only approximate and varies in detail and accuracy from company to company. Information is taken from *Foreign Investment in South Africa and Namibia*, a directory published by the Investor Responsibility Research Center in Washington; the U.S. Consulate General's list of American firms in South Africa (last issued in 1982); and Dun and Bradstreet's annual *Principal International Businesses*.

The table was taken from the *Unified List of U.S. Companies with Investment or Loans in South Africa*, compiled by Roger Waike, et. al., published by the American Committee on Africa and the Pacific Northwest Research Center.

ments, South Africa's total borrowings from foreign banks had reached $15 billion at the end of 1984, up from $11.5 billion two years earlier. About $2.5 billion of the total is reported to be owed by the government, and another $6 billion by state-owned corporations.

U.S. banks had over $4.7 billion in loans to South Africa outstanding at the end of 1984. But public sector lending had fallen to only $353 million—less than half the 1978 level, according to U.S. Federal Reserve Board figures.

Over the past several months, a succession of major banks have announced a ban on lending to the government. In January, for example, Citibank, America's largest, informed the City of New York that all its public sector lending to South Africa would be eliminated by March 31.

In February NCNB of North Carolina, one of the larger American lenders to the public sector and the only regional bank with an office in South Africa, reversed policy and adopted a government lending ban. And in April, J. P. Morgan told church shareholders "the bank has decided it will make no new loans to the government."

These have joined a list that already included Chase Manhattan, BankAmerica, First Chicago, Manufacturers Hanover, Bankers Trust, Security Pacific, and about 20 other firms, according to the IRRC.

In March, Bank of Boston, which in 1978 had been one of the first to stop lending to the public sector, announced its would also stop making loans to banks and private businesses in South Africa. Chemical Bank and Wells Fargo have similar policies.

Three other banks included in the IRRC survey—Fieldcor Inc. of Philadelphia, National City Corp. of Cleveland, and NBD Bancorp Inc. of Detroit—said their policies bar them from lending to South African banks, private borrowers, and the government and its corporations.

However, *private* sector lending has risen markedly over the past several years and is now triple what it was at its previous peak in 1978. Loans by U.S. banks to the South African private sector totalled $4.35 billion at the end of 1984, including $3.22 billion to banks.

—*Anne Newman* ■

INVESTORS ON THE OFFENSIVE

[AN] Amidst the whirl of politicking and protest surrounding U.S. policy toward South Africa, the code of corporate conduct known as the "Sullivan Principles" has taken on new significance.

Authored by the Rev. Leon Sullivan, a black minister from Philadelphia, Pa., the code outlines a set of fair-employment guidelines for American companies operating in South Africa. Sullivan came up with the idea after visiting southern Africa in 1975, and in 1977 announced the endorsement of the six principles (see box) by 12 American corporations.

The number of signators has grown to 128, and the scope of the guidelines has been amplified four times—most recently on Nov. 8, 1984. This "fourth amplification" pledges firms endorsing the code to fight for the "ending of all apartheid laws," including curbs on movements of black workers, and also requires signatories to lobby for "unrestricted" rights of black businesses to operate wherever they wish.

The most far-reaching Sullivan statement yet, the "fourth amplification" was resisted, at least initially, by many Sullivan signators who regarded it as an intrusion into the political arena. But in January six South African business organizations representing an estimated 80% of the employed work force issued a joint manifesto calling for the

Service station owned by Mobil, one of the largest U.S. investors in South Africa. "Blankes" is Afrikaans for "whites." */Africa News*

THE PRINCIPLES

[AN] *The* Sullivan Principles *to which 128 American companies are now pledged, contain the same six elements that were in the statement when it was first issued in 1977, with 12 corporate signators. The six are:*

- Non-segregation of the races in all eating, comfort and work facilities.
- Equal and fair employment practices for all employees.
- Equal pay for all employees doing equal or comparable work for the same period of time.
- Initiation of and development of training programs that will prepare, in substantial numbers, Blacks and other non-whites for supervisory, administrative, clerical and technical jobs.
- Increasing the number of Blacks and other non-whites in management and supervisory positions.
- Improving the quality of employees' lives outside the work environment in such areas as housing, transportation, schooling, recreation and health facilities. ■

involvement of the black majority in the political process and an end to forced removals in the country. The groups included the Federated Chamber of Industries and the Afrikaans business association, and the Chamber of Mines, who presented the document to Sen. Edward Kennedy to undergird their case against disinvestment and sanctions.

On March 7, American Chamber of Commerce in South Africa presented its prescription for economic and social reform. The 10-page memorandum to a special Cabinet committee chaired by Constitutional Development and Planning Minister Chris Heunis in Cape Town calls on Pretoria to end racial discrimination and grant the black majority full political rights.

The statement by Amcham, representing more than 300 U.S. firms in South Africa, advocates abolition of restrictions on free movement by blacks and demands the halting of forced removals of non-whites under the Group Areas Act. "The transfers, often carried out by coercion, result in deprivation and stress for those affected," the document states.

Among the memorandum's other prescriptions:

- Business persons of all races should enjoy equal rights to work in the country's major business districts to promote the free enterprise system.
- Urban blacks should have the right to own property.
- The homeland policy, one of the pillars of apartheid, should be abandoned. Black South Africans should not be denied citizenship on the grounds that they are already citizens of various tribal homelands. "The government should not proceed any further with plans for a confederation [of the ethnic homelands], as it is evident that this particular formula is rejected by a great many black people."

"Confederation is, we believe, unacceptable because it is based upon the removal of citizenship from blacks."

- Pretoria should also declare its intention to grant the black majority full political rights: "Government should rest upon the consent of the governed. No matter what form a constitutional settlement takes, the future government of South Africa should evolve out of negotiations among representatives of all the races and political parties."

Amcham says such a process should begin as soon as possible and should include "leaders or organizations now proscribed or operating in exile." In order to facilitate this, banned groups "should be legalized" and a general amnesty be declared for all imprisoned and exiled leaders. "All persons in detention without trial should at the same time be charged or released," the statement says. ■

COVER PHOTO CREDITS: (Clockwise from top left) Embassy demonstration by TransAfrica; Khayelitsha resettlement site by Jimi Matthews; protest at Duke University in Durham, NC by Africa News; Alexander township by Peter Magubane

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