



photo: Gill de Vlieg

Some personal observations on the 'disinvestment' campaign

... Sheena Duncan

I visited the United States twice in 1985, for four weeks in July and then for three weeks in October.

Both visits were made at the invitation of American churches and most of my time was spent talking to church groups although there were also meetings at Universities and with secular groups of various kinds. I was not in the States on any kind of campaign of my own but to respond to requests for factual information about South Africa.

Inevitably at all meetings I was asked what I thought about disinvestment and economic sanctions because this is at the forefront of the campaigns against apartheid wherever these are centred.

I did not find these questions easy. It is a complicated subject and difficult to think through. There are no glib answers and there are most serious consequences to be weighed in the balance. It is also a question to which the answers may change according to the developments at different times.

It is necessary to clarify the different terms which are used.

Economic sanctions are those sanctions which may be legislated by governments, such as the oil and arms embargoes and embargoes on new bank loans to the South African Government. There are sanctions which may be imposed by private institutions such as the refusal of international banks to roll over South African loans following the State of Emergency and the disastrous Rubicon speech made by President Botha in August.

There are also economic sanctions which can be effected by ordinary people such as consumer boycotts of South African produce. Trade unions which refuse to unload South African goods in foreign ports are imposing a form of economic sanction. There are many different examples.

Divestment

The campaign for divestment is a call on American shareholders, particularly, the large investors such as pension funds. City and State governments, churches to divest themselves of their stock holdings in companies which do business in South Africa.

This campaign has a twofold purpose. It is designed to raise awareness about apartheid and the situation in South Africa and it puts considerable pressure on companies to exert political pressure towards the dismantling of apartheid.

Disinvestment

The campaign for disinvestment calls on companies

which have operations in South Africa to withdraw by selling off their South African interests and by cutting their ties with South Africa. Shareholder divestment is of course one of the pressures which might lead a particular company to disinvest.

Motivation

There is a whole variety of different motivations behind these campaigns. The most evident are, **firstly** a very strong feeling of moral revulsion about apartheid. This is deeply felt and is all the stronger because South Africa claims to be a civilised Christian member of the community of western democracies.

Terrible crimes are committed against human beings by governments all over the world but apartheid is seen as being a legislated, deliberate and evil racism defended with lies and hypocrisy by South African spokesmen and apologists.

Many Americans do not wish to profit from apartheid and see their financial involvement in the South African economy as strengthening and perpetuating the apartheid regime.

Secondly, there is a real concern for the people of South Africa which shows itself most clearly in the work American churches have done on South African issues. Many people are convinced that civil war is inevitable in this country unless sufficient non-violent pressure can be brought to bear on our government to face change before we enter into a long-drawn-out Lebanon-type conflict.

This concern for South Africans usually (but not always) extends to encompass concern for the white minority which is seen to be tragically bringing about its own destruction through its intransigence.

Thirdly, there is a certain amount of guilt for the racism which held sway in the States for so long and which still rears its ugly head too often and most painfully.

South Africans often use the phrase 'punitive sanctions'. I never heard Americans speaking about punishment or revenge.

White South Africans often accuse those pressing for economic sanctions in other countries of doing so because they seek violent revolution and believe that economic collapse will hasten the violent overthrow of the present government and its replacement by a revolutionary government.

There may be people who have this motivation but I certainly never came across them. These arguments were never used to me and are very far from the thinking of all those with whom I worked.

Strategies

It is in this area that I found myself embroiled in the most argument. In the churches there is a clearly thought out purpose behind the pressure they are seeking to exert. They want to put sufficient pressure on American companies doing business in South Africa to force businessmen to put pressure on the administrations in Washington and Pretoria for real change. This is why the churches have singled out certain important companies as primary targets for their divestment campaign.

The same cannot be said for all the different organisations involved. Too many people are calling for total divestment without thinking through their strategies. They have no answer to the question 'what then?'

Likewise, some of those working for economic sanctions have a carefully thought out strategy which focuses on a specific area in order to exert maximum pressure but others have no clear direction and no idea about what they aim to achieve.

The South African arguments

South African businessmen and lobbyists are doing themselves a disservice. They argue that black people will suffer most from economic sanctions and that change can only come about through economic growth. They claim that the benefits of economic prosperity will break down the walls of apartheid and will inevitably be distributed among the whole population. They claim that economic recession slows political change. This is demonstrably untrue. It is in times of economic growth and prosperity that apartheid has been entrenched. In periods when the profits are rolling in, white businessmen switch off their interest in political developments. It is only in times of recession that there is a sudden concern for human rights and political 'power sharing'.

The apartheid structures are built on the needs and the plans of big business interests, the pass laws, migratory labour, the reserves/homelands policy were all designed to satisfy the demands of profit-making and the need for cheap labour.

It is only the threat of economic sanctions which has led to a new concern about black unemployment. We did not hear those voices raised as South Africa's pattern of industrial development created a structural unemployment problem which is now estimated to be between 21% and 25% and which will be around 41% by the year 2000. Until recently we never heard them complain about the removals programme which exacerbated unemployment by taking people's land from them.

Those South African companies which are now investing their money in other countries have no right to talk

about black unemployment. Their concern for job creation falls short of actually creating new jobs with their own money in their own country.

It must also be noted that not all sanctions cause unemployment. The oil and arms embargoes created thousands of jobs in this country. Bans on the sales of some kinds of technology to South Africa might prevent the destruction of jobs which so often goes hand in hand with mechanisation.

The structures of apartheid ensure that unemployment and poverty are concentrated in the homeland areas — out of sight and out of mind. We had not noticed white anxiety about the plight of that 54% of the black population which was officially resident within homeland borders by the year 1980 until economic recession made unemployment, retrenchment and redundancy a possibility for everyone, including white people, in workplace and management.

In many ways all the arguments are now irrelevant. Our government has ensured that South Africa is no longer a profitable place in which to invest and it is on considerations of profitability that boardroom decisions are made. However it is worth noting that it was the threat of economic sanctions and the first steps taken to make them a real possibility — President Reagan's Executive Order, the Banks actions on SA loans, the Commonwealth decisions on SA, the European Economic Community's moves, various unilateral actions by individual governments — which finally brought about a total break between the interests of business and the interests of the South African government. This is of crucial importance.

The Black Sash has for years criticised businessmen for doing nothing whatsoever to resist apartheid policies and programmes. Businessmen have sometimes lifted up their heads to say that they do not approve of apartheid but they have not taken action to oppose it or to prevent its excesses.

It is most welcome that the unholy alliance between business and government has at last been broken and that the private sector is now doing its best to find ways of pressurising the government for real change. It is welcome that some businessmen are seeking to negotiate with those in whose hands future government will lie.

On past evidence I do not believe that this would have happened had pressure not been exerted on them. And will it last if that pressure is removed?

It is for these reasons that I am in favour of strategic, selective, economic pressures, carefully thought out, carefully monitored, and adjusted according to the observed effects.

It seems to me that these may be our last hope for avoiding a long-drawn-out civil war which would result in total economic collapse.



Have you made your peace ribbon?