

SOUTH AFRICAN SANCTIONS: A PLEA FOR OPEN DEBATE AND THE RIGHT TO DISSENT

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Recently a copy of my paper, *The Challenge of Sanctions*, was sent to you. Publication of this paper was delayed by a dispute over its contents with my former employers, the IRRC, in Washington DC. After attempts, unsuccessfully, to pressure me to make certain amendments to the paper, IRRC refused to publish it as part of the research project for which it had been commissioned. IRRC also opposed my attempt to appeal against this decision to its governing board and to the University Consortium which had commissioned the project. [This] appears to be related to the political pressures that have hampered serious analysis of South African sanctions, leading to attacks on researchers who refuse to toe the 'politically correct' line.

A consortium of American universities and colleges provided financing of a project I designed on 'The impact of economic sanctions on South Africa' and approved my role as the project's editor and as author of the lead paper. The initial version of my paper...was warmly approved by IRRC's Director and by the head of its South Africa (SA) section. With IRRC's approval, the paper was presented as invited testimony at the September 1989 hearing of the UN Commission on Multinational Corporations.

At the UN hearings, the paper attracted attention from the media, including the *Financial Times*, and elicited varying reactions from the UN's Panel of Experts. Some panel members argued that I had underestimated the contribution that economic sanctions were making to SA's economic problems and to changing white political attitudes. But other panellists praised the paper for situating SA's economic problems in a broader international context (for example, highlighting the fact that SA's debt crisis was hardly unique and that, despite sanctions, SA was coping better with the problem than many other indebted countries) and for placing current political development in an historical context which emphasised the role played by long term internal forces in eroding apartheid and changing white attitudes. The panel's chairman, Dame Judith Hart, described the paper as an important contribution to the sanctions debate.

Some leading advocates of sanctions reacted angrily to my UN testimony. In particular, the interfaith Centre for Corporate Responsibility (ICCR) in New York circulated to Congressmen and others a damaging attack on my scholarship and personal integrity, bracketing me with the 'racist South African government'. In private discussions and correspondence with me and with the ICCR, IRRC's directorate rejected these allegations as outrageous and groundless. However, the ICCR's hostility to my paper was shared by one of my colleagues within IRRC, who lobbied against publication of the paper by IRRC. Soon after, IRRC reneged on its undertaking to me to respond publicly to the ICCR's 'groundless' allegations on the grounds that they do not wish to stir up controversy but preferred 'to let sleeping dogs lie'. This was followed by IRRC's unexpected refusal to publish the revised and expanded version of the paper, which they had recently praised, and

which continued to elicit support from some within IRRC, as well as from the three outside authors commissioned to write papers for the sanctions project.

IRRC denies that its conduct was influenced by political considerations, claiming that my paper 'does not meet IRRC's high standards of objectivity, rigour and completeness'. But...their criticisms raises questions about their own objectivity and rigour on this...issue. A central criticism was that my paper underestimated the costs which sanctions had inflicted on the SA economy. IRRC therefore pressed me to give more weight to these costs. However, IRRC also, inconsistently, wanted to remove evidence which included examples of costs that fell mainly on blacks. They did not question the accuracy of these examples, but maintained they were 'redundant'. This was puzzling, in view of the scarcity of evidence about the specific effects of sanctions...due to the fact that the main impact has been general and direct, via financial sanctions that slowed overall growth, rather than specific and direct, as trade sanctions and disinvestment led to localised closures and job losses. However, during my fieldwork, I came across some specific cases of closure of factories and mines due to sanctions, particularly in Natal.

Unemployment in Natal...has aggravated the struggle for resources, such as jobs and housing [and] fuelled the terrible violence there, particularly between Inkatha and the ANC. This...in turn, has delayed — [even] endangered — agreement on a post-apartheid settlement. Advocates and opponents of sanctions will, no doubt, offer conflicting interpretations of any connection between any additional unemployment caused by sanctions and this violence. But there can be no question about the need for researchers to record this information. Moreover, it is difficult to see how one can argue that sanctions are having a major impact, while treating as 'redundant' evidence of their consequences for production and employment.

Another disconcerting example of IRRC's approach was their objection to my critique of the argument (by some leading advocates of sanctions, such as the Hanlon and the Ovenden & Cole reports produced for the Commonwealth Secretariat) that sanctions were stimulating labour-intensive industries in SA and thus *creating jobs*. IRRC first [said] this was a 'straw man' argument, [because] 'most advocates of sanctions' had not adopted this position. But IRRC also, inconsistently, argued that it was quite conceivable that sanctions could have this labour-intensive effect and urged me to pay more attention to this possibility.

Now some of us had argued that sanctions might push the SA economy towards greater *capital*-intensity...as the SA regime strove to become more self-sufficient in products such as synthetic fuels, chemicals and armaments. This argument received reinforcement from the research conducted by IRRC's sanctions project by Charles Becker of the Institute of Economics at Boulder, Colorado. Indeed, in their press release on the sanctions project, IRRC gave pride of place to Becker's argument that sanctions had been very costly to the SA economy. But Becker's argument was that these costs were due to the capital-intensive and inefficient policy of import substitution which SA had adopted since the 1960s to counter the threat of sanctions — a policy which had slowed the growth rate. This argument, if correct, means that the cost of sanctions fell mainly on black workers, who comprise the majority of the workforce and who also (due to the effects of apartheid) lack the skills required by capital-intensive industries.

There is room for debate, and for a range of views, on this question ...What is difficult to accept is the inconsistent, indeed contradictory, position adopted by

IRRC, which pressed me, apparently as the condition for finding my work publishable, to (a) give more weight to the costs of sanctions, as illustrated by Becker's finding of their role in leading to capital-intensive import substitution, but (b) refrain from citing examples of the specific impact of sanctions — at least in cases where they added to black unemployment; and (c) refrain from criticising claims that sanctions were stimulating labour-intensive growth, thus creating new jobs.

The result would have been a logically inconsistent and incoherent analysis which magnified the overall impact of sanctions, while ignoring the practical implications of this impact whenever it adversely affected blacks. This is incompatible with the requirements of logic and of respect for the evidence — let alone of such lofty aims as 'objectivity, rigour, and completeness'.

[O]n a complex issue such as [the] assessment of the effects of sanctions, there is no single 'objective and complete' analysis to which everyone can...subscribe. What one can expect is scholarship: respect for, and certainly no suppression of, the evidence, a striving for logical consistency, and avoidance of that arrogance and delusion which leads some people to believe they have a monopoly of truth and morality. Instead, researchers need to recognise that the only way to approach the truth is via the partial truths that many people will contribute from their differing perspectives...the willingness to accommodate differing interpretations and to respect the right to dissent. At this crucial moment in SA's history, it is particularly important that academics and researchers set an example of the political tolerance that they have (rightly) long urged on this violent and intolerant society.

IRRC was established in 1972 to promote the concept of 'corporate responsibility', including greater accountability and openness by the managements of leading business firms to their shareholders, workers and consumers. Indeed, IRRC's own monitoring of the conduct of these companies has depended on the willingness of leading American (and other) companies to engage in debate and to operate in a more democratic, open and accountable manner.

It is ironic, therefore, that IRRC's management not only failed to publish my findings and circulate them to subscribers, but also prevented me from putting my case to IRRC's Board and to the university consortium which financed the sanctions study. They did so on the ground that this would infringe their management prerogatives. They even threatened to take legal action...if I did not 'bring to an immediate halt...the slanders against IRRC', i.e. if I dared to voice publicly my criticisms of their conduct. Meanwhile, in response to enquiries about my expected paper, IRRC repeats its damaging and baseless allegations about my work.

My paper has now been published by the Centre for the Study of the South African Economy at the LSE. This too is not without its irony, because the LSE Centre was established by a group of Commonwealth countries strongly committed to sanctions. However, both the LSE and the Centre are committed to open academic enquiry and free speech. This has ensured that the Centre publishes that wide range of analyses and interpretations which is the only route to the 'objectivity' and 'impartiality' to which IRRC lays such insistent claim.

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