

VOLUME XI NUMBER 3

# SOUTHERN AFRICA

APRIL 1978

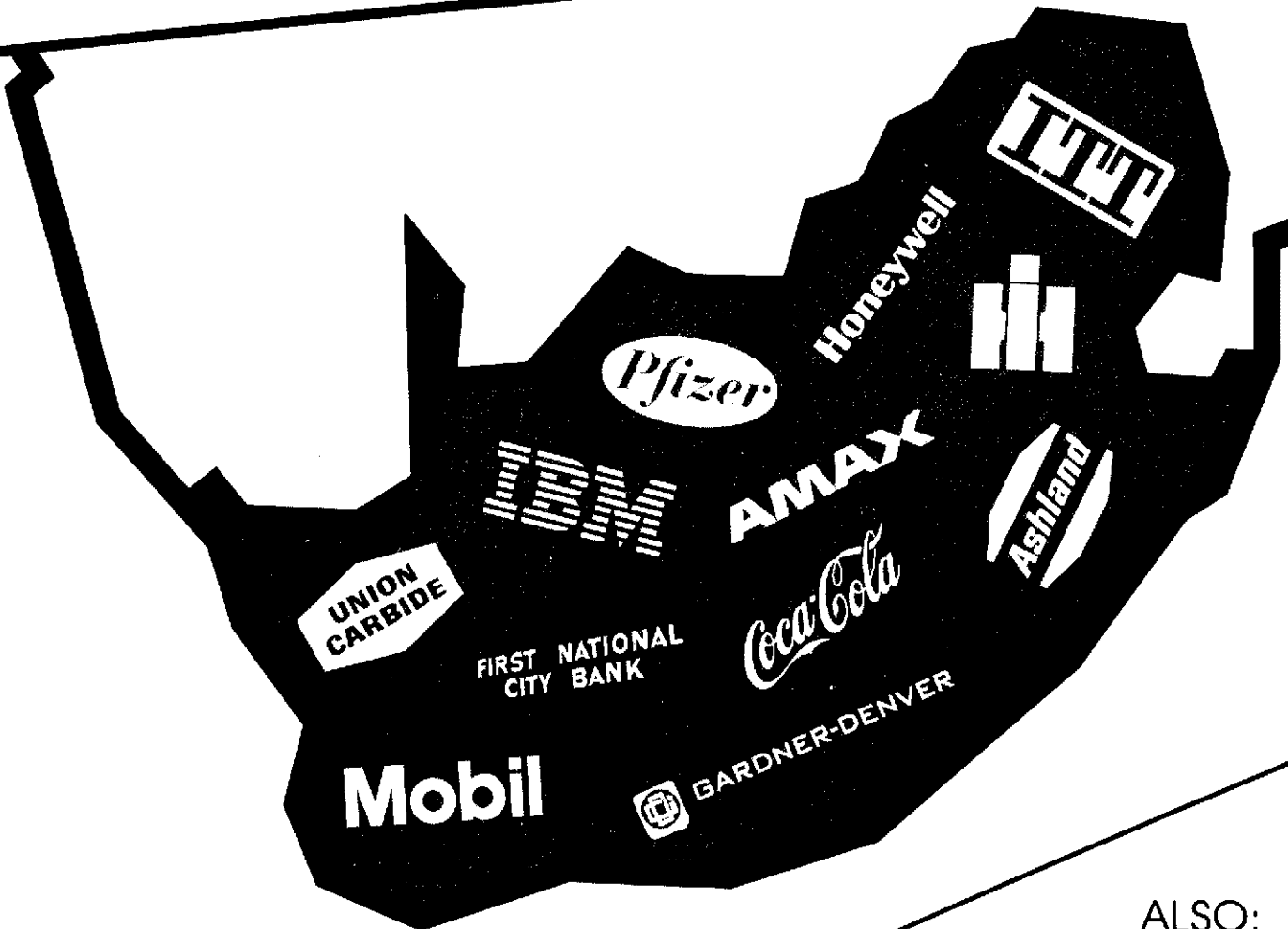
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**EXCLUSIVE:** State Department Memo  
Reveals What Young Denies:  
South African Blacks Want U.S. Out



ALSO:  
Edging Closer —  
Israel and South Africa



# SOUTHERN AFRICA

APRIL 1978

VOLUME XI NUMBER 3

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Department of State

TELEGRAM

# Confidential Diplomatic Cable Reveals Black Hostility to US Investment in South Africa

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RECEIVED 3 OF 4 PRETORIA 1993

16. RADICALIZED BLACKS, MOST OFTEN OF YOUNG URBAN VENTURE, SEE FOREIGN INVESTORS AS DELIBERATELY BLIND TO EMERGING OF THE SOUTH AFRICAN SOCIAL SYSTEM AND INDEED PREPARED TO PERPETUATE IT THROUGH LOW WAGES AND SUBMISSIVE LABOR FORCE BY OFFERS. THIS ANTI-CAPITALIST REASONING CONTENDS THAT EVEN IF FOREIGN FIRMS OFFER MINOR REFORMS, IT IS ONLY TO CREATE A COMFORTABLE BLACK MIDDLE CLASS WHICH WOULD PERPETUATE EXPLOITATION OF AFRICAN MASSES.

LIMITED OFFICIAL USE

The past year has seen an intensifying campaign to end all foreign investment in South Africa. To protest continuing foreign investment, many black South Africans have risked prosecution under laws like the Terrorism Act. Their message has been ignored by the US media.

It is an inconvenient message, challenging both corporate interests and the current "wisdom" of the US administration typified in Andrew Young's thesis that "change can come through the market place."

With such a policy in effect it is not in the Administration's interests to publicize African opposition to US investment. Yet for over a year even its own Ambassador in South Africa, scarcely a man swayed easily by a handful of "hot-heads," has been forced to admit that "among black youth and more militant groups as well as some businessmen, any foreign investment is viewed as propping up the South African economy and its social system."

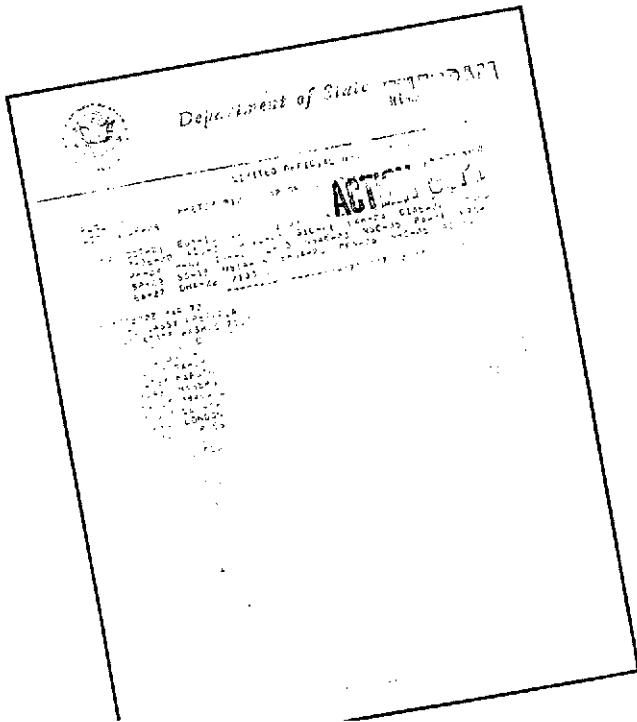
In March 1977, Ambassador Bowdler sent the State Department a long report analyzing in considerable depth

black attitudes to US investment in South Africa. The report is cautious, and meticulously quotes all points of view. Yet in the final analysis the Ambassador is forced to conclude: "[It] must be expected that the role of American firms here will become increasingly controversial and rationale for continued presence will seem less and less persuasive to growing numbers of blacks."

The report, which was dispatched as a telegram, acknowledges growing African opposition to US investment. It has never been publicly released.

Southern Africa has received a copy of this important document from an undisclosed source. We believe it to be genuine and are therefore publishing it in full. It contains information crucial to the many Americans now struggling with the problem of what should be done about US investment in South Africa, information deliberately concealed by the Administration in order to protect a policy of continuing economic links with South Africa.

## Subject: Black Attitudes Towards Foreign Investment



Feeling of blacks that other countries pay only lip service to their plight, are bending their actions to serve underlying economic and strategic interests.

1. Summary. Foreign investment is not as urgent an issue for South African blacks as housing, influx control, the police, education and homeland politics, and it is a more complex and abstruse one to deal with. However, among more politically-oriented blacks, question is increasingly being weighed of whether foreign investment should be seen as an ally or obstacle in pursuing goal of a more democratic and non-racial society.

2. Some blacks, mostly older wage-earners, some businessmen and labor officials and most homeland leaders, regard foreign investment in any form as bound to have some beneficial spin-off for blacks in form of jobs and higher status. However, a greater number of blacks support foreign investment only on a qualified basis, to be evaluated primarily as to whether it will bring about specific and immediate change. They would reject projects in homelands and investments which tend to reinforce apartheid structure.

3. Among Black youth and more militant groups, as well as some businessmen, any foreign investment is viewed as propping up the South African economy and its social system. They argue that jobs provided are marginal compared to numbers suffering from apartheid.

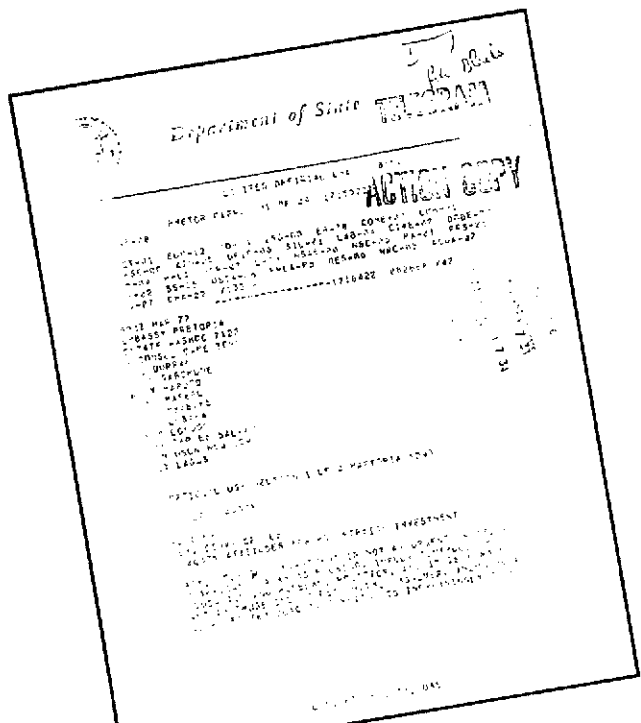
4. US investment of \$1.58 billion in SA is only 16 percent of total foreign investment but because of our free-world economic leadership, our influence on South Africa is presumed to be predominant, major US affiliates in SA are seen by their employees as acting basically like SA creations despite good intentions of US managers. With heightened expectations from new US administration, call for disinvestment can be expected to grow stronger and role of US firms increasingly questioned.

End Summary.

### PRO-INVESTMENT ATTITUDES:

5. Advocates of a higher level of foreign investment can be found among older working blacks often supporting a

number of people on a thin economic margin with a healthy awareness of the difference between a weekly paypacket and the consequences of unemployment. Some black businessmen, mindful of their own interest in an expanding economy see foreign capital as helping to generate sales revenue. Some prominent figures in black trade unions like Lucy Mvebelo, General Secretary of National Union of Clothing Workers, and most homeland leaders are strong investment proponents. Well-publicized efforts of Chief Sebe to attract prominent US firms to the Ciskei reveal his idea of what constitutes good politics in his homeland.



**Black businessmen and well-situated blue-collar employees of US auto producers say they would be prepared to see foreign firms bow out.**

6. Advocates of virtually unlimited infusions of foreign capital usually advance one of these factors:

- Job creation, an argument strengthened by the current recession accompanied by severe black unemployment. They also point out that black opportunities to move up into more skilled positions and secure better wages and benefits expand in periods of economic growth.
- Trickle-down effect, i.e. any improvement in SA economy betters the lot even of black workers at the bottom; moreover with prosperity government may feel secure enough to relax apartheid system and permit black-white income gap to narrow.
- Opening the system to outside influences which may set strong economic forces against incompatible political policies such as job reservation and influx control. Foreign firms are also supposed to take lead in bringing enlightened labor and wage practices, carrying both moral and economic weight.

**QUALIFIED SUPPORT OF FOREIGN INVESTMENT**

7. Those blacks who justify foreign investment per se probably form a much smaller group than those, usually the better educated and politically more sophisticated, who accept fact that foreign investment is needed, but who say it must come up to certain standards or else it is unwelcome. Supporters of this position feel that it contributes to goal of orderly change. It appears to be a less disruptive solution than a call for withdrawal of investment which would result not only in direct loss of jobs and income to blacks but ripple effect through whole economy bearing hardest on blacks.

8. Prime test of acceptability by this segment of black opinion is that foreign investment should bring about clear, specific and immediate change in the status of blacks. As opposed to more gradual, evolutionary benefits expected from unconditional supporters of investment. They believe foreign firms have more leverage with [SA government] over black working conditions than workers themselves. Foreign investors are expected to use their extra influence and economic power to step up promotion and training, to upgrade wage scales, to foster union activity and to desegregate facilities.

9. Qualified supporters of foreign capital would reject products or processes which seem to perpetuate or strengthen

**Total disinvestment is very popular among students and other young urban blacks.**

elements of state apparatus associated with their own subjugation, such as equipment for police, bantu administration officials and armed forces, plus activities in nuclear area. French sale of Koeberg nuclear power reactors is viewed negatively. SASOL II coal gasification plant which has a strategic rationale fits this category but leading role of Fluor in construction has been overlooked. Fact that SASOL will enable thousands of blacks to be trained and employed in skills hitherto closed to them underscores complexity of judging these matters.

10. Blacks advocating conditional acceptance of investment generally would rule out investment in homelands. A prominent black in newspaper industry recently called homeland investment "morally indefensible." Five or six US affiliates that have set up small operations in homeland growth areas have largely escaped attention.

11. A few blacks who would accept continued foreign investment in qualified form would also assert there should be a cutoff or strict limitation on new investment in SA. Although US loan capital is in fact more important at present time to SA economy, only most sophisticated critics seem conscious of this.

12. Position of Chief Minister Buthelezi of Kwazulu illustrates a duality of outlook on this subject. Whereas in earlier years he was an unabashed proponent of investment in SA including homelands. He has recently expressed doubt whether capitalism and free enterprise as practiced in Africa contributed towards relief of the black man's situation. Meanwhile, however, he actively supports investment in Kwazulu on a tri-partite basis with private white businessmen and government as partners explaining, "my people are unemployed . . . I cannot be calculating in spending the lives and meager well being of my people in strategies which are careless of human needs."

## THE CASE FOR DISINVESTMENT

13. A stand for total disinvestment has been taken by the South African students organization (SASO) and the Black People's Convention. It is also very popular among students and other young urban blacks. It has some support among black businessmen. One black businessman in Soweto said that as many as 50 percent of his colleagues share this attitude. While this claim can't be confirmed, embassy has noted several black businessmen and others, including some fairly well situated blue-collar employees of US auto producers, who say they would be prepared to see foreign firms bow out.

14. Disinvestment proponents are aware of South Africa's economic vulnerability. They share outlook of Prime Minister Vorster who in his 1977 new year's message declared that events in Angola, South West Africa, Rhodesia and the township violence within South Africa "combined to create uncertainty in the minds of investors and loan banks . . . These events harmed South Africa in no uncertain manner. If it were not for the basic soundness of our economy, it is difficult to foresee how we would have survived at all."

15. The disinvestment rationale sees foreign investment as propping up South African economy and thus its social system, perpetuating apartheid in all its aspects. Foreign capital is viewed as an insurance policy for South Africa's

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**Just pull out and let us deal with the Japanese.**

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survival, protecting against meaningful international sanctions, despite repeated censure by international bodies. When white SA leaders boast over the West's dependence on South Africa's minerals, this confirms feeling of blacks that other countries pay only lip service to their plight and are in reality bending their actions to serve underlying economic and strategic interests.

16. Radicalized blacks, most often of young, urban sector, see foreign investors as deliberately blind to inequities of the South African social system and indeed prepared to profit by it through low wages and submissive labor force it offers. This anti-capitalist reasoning contends that even if foreign firms offer minor reforms, it is only to create comfortable black middle class which will perpetuate exploitation of African masses.

17. Disinvestment advocates have a ready answer to arguments that blacks would be first to suffer if foreign firms withdrew. They maintain that black man in South Africa is already suffering and number who might lose their jobs is insignificant in terms of total black work force. They assert that acceptance of foreign capital on a conditional basis simply means that, once established in SA, management will be unprepared to violate law or custom and will accommodate itself to apartheid.

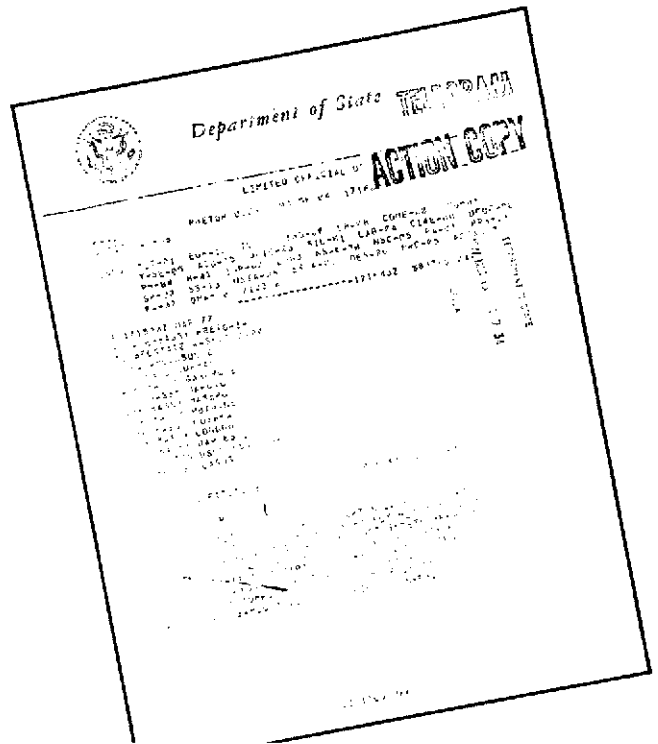
18. Those black businessmen who are opposed to foreign investment resent restrictions that confine them to a small retail outlet in Soweto and forbid move to downtown Johannesburg where black incomes are spent. Although foreign capital is concentrated in industry and not in retail trade, black businessman is bitter at realization that any white entrepreneur, whether domestic or foreign, has freedom to compete that he does not enjoy.

## ROLE OF AMERICAN INVESTMENT

19. American direct investment of \$1.58 billion accounts for only 16 percent of direct foreign investment in South Africa

and 2 percent of employment in this country. US investment is about the same as [Federal Republic of Germany] investment but much below that of Great Britain which is estimated at 50 percent of total. Japan prohibits direct investment in SA but licensing, assembly and component agreements make Japanese-branded products common.

20. Despite modest total, American direct investment is differentiated because of US leadership in the West, our predominant economic strength and influence and our professed belief in democracy and racial equality. Sense of expectation from US is reinforced by election of President Carter, whose inaugural statement declared that "We will not behave in foreign places as to violate our rules and standards at home."



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**Workers complained of inadequate training, job job reservation, lack of union status, arbitrary promotions, abuse and job insecurity.**

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## BLACK ATTITUDES TOWARD AMERICAN FIRMS

21. An embassy officer recently visited Port Elizabeth, a center of SA motor industry, where GM, Ford, Volkswagen and US tire firms are among most important employers. While conspicuous presence of foreign subsidiaries naturally tends to sharpen black attitudes, US affiliates feel they are doing a good job and are well respected in black community. However, confidential meetings with members of one workers' liaison committee suggest otherwise.

22. Most of these workers complained of inadequate training, job reservation, lack of union status, arbitrary promotions, abuse by SA foremen and job insecurity (car production is currently about half of peak level and layoffs and short

time are common). Although a number of these elected representatives praised specific company policies such as an equal-pay-equal-work plan, free textbooks for their children and other benefits, most liaison committee members agreed that company acted basically like a South African creation despite best intentions of American management.

23. President and secretary of Port Elizabeth branch of National African Chamber of Commerce, both shopkeepers in New Brighton Township, said large US presence was almost irrelevant to them because 85 percent of wages earned by blacks were spent in white areas. Both thought US companies had and were not using abundant leverage to immediately desegregate and institute fundamental reforms in their plants without fear of [government] reprisal. Likewise most members of neighboring colored township also felt that US firms were not doing enough. When one worker defended US firms, a heated argument ensued with her colored and black friends. Other community figures not employed by motor companies, also leaned toward withdrawal. Conceding that immediate consequence would be loss of US market share to foreign or local competitors, main point, they claimed, was one of morality. In words of a student activist, "just pull out and let us deal with the Japanese."

## CONCLUSIONS

In recent past, foreign capital, in particular American capital, could defend its presence in SA by claiming it followed progressive employment practices that set a standard for others. In pre-Soweto period when most SA blacks could visualize only a gradual process of improvement in their status, this argument carried weight. Advent of black consciousness, especially among urbanized young and dissatisfaction with pace of events has brought a shift in attitudes. Measures which only relieve hardships like marginal raises, subsidized meals, school fee allowances, and personal loans are seen as panaceas which evade question of basic rights of workers. Moreover benevolence toward workers which may impress stockholders at home fails to get at issue of whether presence of foreign firms represents collusion with and effort to profit from apartheid.

Even if foreign firms once enjoyed image as more forward-looking employers, today domestic SA private sector, wor-

ried over instability and unrest and impatient with government inaction, has made start with black housing schemes, advanced training, union recognition and even electrification of Soweto. Foreign firms, especially auto industry, are suffering from recession and not disposed to assume leadership with respect to labor practices.

Fact that employees of US firms in Port Elizabeth seem disaffected raises question of whether, as polarization of SA society advances, even progressive-minded US executives can hope to achieve support among employees and in community, especially when separated from workers by a layer of white SA middle managers.

Our impression is that blacks who reflect on foreign investment as an issue are now roughly divided between

**In pre-Soweto period when most South African blacks could visualize only a gradual process of improvement, American capital could defend its presence. Advent of black consciousness and dissatisfaction with pace of events, has brought a shift in attitudes.**

those favoring disinvestment and those who would like to see it remain in instances where it contributes to black aspirations directly and in the near term. A smaller segment of black opinion continues to favor investment on any basis for the needed income it represents and because it is seen as contributing in an evolutionary way to improving status of blacks. Should be re-emphasized that number of blacks holding well-defined opinions on this subject is still small.

28. With radicalization of black attitudes, tendency to call for disinvestment grows stronger. Added to heightened expectations from new US administration on South African issues, must be expected that role of American firms here will become increasingly controversial and rationale for continued presence will seem less and less persuasive to growing number of blacks.

Bowdler [US Ambassador to South Africa]

# Edging Closer — Israel and South Africa

By Patrick Lawrence

When Rhodesian security forces staged an airborne attack on a Zimbabwean guerrilla camp at Chimoio in Mozambique late last year, *Tempo*, the Mozambican weekly, reported the following: "The type of attack in Chimoio seems to confirm information obtained

from diplomatic sources that in November and the beginning of December, the Rhodesian army received support from Israel. The type of attack recalls Israel's attacks against Arab countries—a surprise attack using strong aggressive air strikes and helicopter transport, with the aim of completely destroying everything and killing everyone.

A year earlier, there had been unconfirmed rumours of Israeli merce-

naires fighting alongside South African troops in Namibia.

At present, there is no way either to confirm or negate claims of such direct Israeli military involvement in southern Africa. But the Israeli supply of weaponry and other military-related equipment to South Africa appears to have risen sharply in the past three or four years, although available trade figures do not include military deals, so that specifics are difficult to find.

*Patrick Lawrence is a member of the Southern Africa collective.*





Finance Ministers sign agreement recently in Cape Town. Senator Horwood (left) with Israel's Simcha Erlich.

It is possible, however, to deduce something of the long-term expansion plans for commercial ties between Israel and South Africa. These now include broad private and public finance projects, increased trade in raw materials and manufactured goods, and a growing exchange of both information and intelligence and the technology related to it. Most recently, Pretoria's decision to accelerate plans to produce enriched uranium raises the specter of trade in a commodity and its related technology that Israel has long sought from its international trading partners without success.

Trade relations between the two countries amounted to some \$100 million last year. Israel prides itself on its above-board approach to trade with the apartheid regime, but aspects of it, such as the potential for uranium sales and the extent of arms agreements, remain hidden from public view.

#### State Visits

There can be little question, though, that such relations are growing steadily and that they are increasingly significant in the economic, political, diplomatic, and, quite possibly, the military strategies of the two countries. No where has this been better symbolized, perhaps, than in recent state visits between Pretoria and Tel Aviv. In 1976, South African Prime Minister John Vorster paid an "unofficial" visit to Israel, the first by a South African head of state since 1950. Significantly, the Vorster entourage was dominated by officials of the South African defense ministry. Just last month, in a visit that was first arranged at the time of Vor-

ster's trip, an Israeli cabinet minister visited South Africa for the first time. It is again noteworthy that the official chosen for the eight-day tour was Israel's finance minister, Simcha Erlich.

#### Common Interests

The *Tempo* correspondent's observations at Chimoio suggest an important insight into the nature of Israeli relations with South Africa and, by extension, Rhodesia. In 1967, after the outbreak of the October war in the Mideast, South Africa sent a defense mission to Israel, according to a later report in the *New York Times*, "to study tactics and the use of weapons." The mission demonstrated one common problem that the two governments have long shared: How to deal with an exploited majority that outnumbers the colonizing population.

But beyond the examples of recent military history, there are also the shared foundations of each state. When General Jan Smuts first met Chaim Weizmann in London in 1917, the future South African prime minister was an important figure in the policy-making apparatus of the British dominion. And he was immediately attracted to the Zionist leader's cause. Weizmann, later Israel's first president, had taken great pains to relate the formation of a Jewish state to the imperial interests of the West in general and Britain in particular. He pointed out, for instance, that a British-supported Palestine in its current location would greatly advance Britain's position in safeguarding the Suez and serve as a regional stabilizer.

Smuts was sympathetic to Weizmann's predicament. The South African leader had been trying to consolidate an Anglo-Boer political bloc among South African whites as part of the British empire. He recognized this and other similarities between Weizmann's pursuits and his own.

Chief among these was the view of each state as an outpost of civilization in an uncivilized world, and the function of each country as a strategic presence for Western global interests. The acceptance of Israel as such is now an accomplished fact. But such arguments remain highly visible in the apartheid regime's ongoing appeals for Western support.

Today, the broadly stated ideological attraction first manifest between Smuts and Weizmann has developed into complex material and political ties.

This development has ironic overtones, as many of South Africa's current leaders, including Prime Minister Vorster were interned by Smuts for their pro-Nazi activities during World War II. The anti-semitism of the Nationalist Party was vicious and unconcealed. Presumably Vorster and his cohorts have decided to curb this aspect of their racism in the interests of an alliance against what they regard as a greater threat, "die swart gevaar," the black danger.

#### Growth of Trade

Trade between the two countries amounted to \$3 million in 1961; in 1965, \$7 million; by 1974, after Israel had lost most other African trading partners and as the economic isolation of South Africa began to intensify, trade had reached its current level of \$90 million to \$100 million, excluding sales of diamonds and military hardware. [Value of SA trade with the world in 1976 excluding gold and defense items was \$8.54 billion imports, \$5.57 billion exports.]

For each country, the increased level of trade has particular strategic importance which probably outweighs its actual size. For Pretoria, the Israeli connection represents a "bridgehead," in the language of Israeli officials, to the Common Market and the West in general, where South African goods have encountered some measure of resistance to importation. Israel has also imported South African goods only to export them to African states that have severed ties with the apartheid system.

#### Steel Export and Re-export

One very important sector of expanding cooperation is in the iron and steel industry. Last year Dr. Thamir

Agmom, a member of an Israeli trade mission visiting South Africa, told the *Financial Times* that semi-processed iron and steel was being exported to Israel by ISCOR (the state-owned South African Iron and Steel Corporation). It was further processed at the ISKOOR plant near Tel Aviv, which is a joint venture of Israel's Koor Metal Industries and of ISCOR, before being sold to Israeli companies which use it to produce products ranging from electronic equipment to household goods. Much of this output is then exported to Europe or the United States.

According to a recent *Washington Post* story, 60% of South Africa's exports to Israel are ISCOR products, much of the balance being accounted for by uncut diamonds and coal.

Collaborations between the two countries' steel industries has greater ramifications than simple access to markets. Israel has long sought a regular source of supply of certain highly specialized hard steels necessary for the sheathing of its Chariot tanks. It appears that during his 1976 visit Vorster offered to exchange both the special steel, and South Africa's well-developed steel technology for the upgrading of Israel's old-fashioned steel industry, in return for an Israeli commitment to modernize 150 South African Centurion tanks.

#### Other Military Collaboration

There are other examples of a flow of military equipment from Israel to South Africa. Perhaps the most well-known involves the supply of six Reshef war ships, equipped with Gabriel surface to surface missiles. Three of these have already been delivered, three more are scheduled to arrive in 1978; under the agreement the crews are



Links forged: South Africa's Foreign Minister, C. P. Mulder (left) talks with Premier Yitzhak Rabin in Israel, June 1975.

trained in Israel. It has also been reported that the South Africans are collaborating with the Israelis in the development of a larger variant of this craft, and 40 South African engineers and technicians are reputed to be working on the project in the Haifa ship yards.

Electronic surveillance equipment is another South African import from Israel. At least three firms, Tadirau, Elvit and Israel Aviation Industries have sold items including, according to the *Economist*, complete radar stations, electric fences, anti-guerrilla infiltration alarm systems and night vision devices.

#### Israeli Benefits

The South African connection carries benefits for Israel, too. As already

described, it will help the developing steel industry; South Africa also represents a practical export market for the sale of finished products. Perhaps most important, South Africa is a source of crucial raw energy supplies—coal now, enriched uranium later. Israel is already reported importing some 40,000 tons of South African coal monthly for a large power station.

It is also worth noting that Israel earns considerable foreign exchange by exporting polished diamonds. Between 50% to 80% of the uncut diamonds finished in Israel's cutting industry are of South African origin.

#### Western Strategy

As a trade relationship, the requirements of the Zionist and apartheid economies dovetail nicely. But it would be hard to underestimate the strategic importance of the relationship between the two countries. Both are crucial regional allies of the Western powers, and yet both suffer degrees of economic and political isolation.

For Israel, the development of heavy industry through the importation of raw materials is one key to survival; for South Africa, the development of bilateral trade and investment partnerships, wherever they can be found, is crucial to growth without overt Western support—a possibility that is clearly being considered. But boycotts loom large for both countries, and the West is showing signs of losing control of them in such bodies as the UN and in the face of Arab oil embargoes. There can be little doubt, then, that the West is encouraging the development of bilateral ties between its allies on the northern and southern flanks of Africa, and that such ties will increase as the West tries to lower its profile. □

## ZIMBABWE

# Running Out of Guns and Butter

## Military Situation

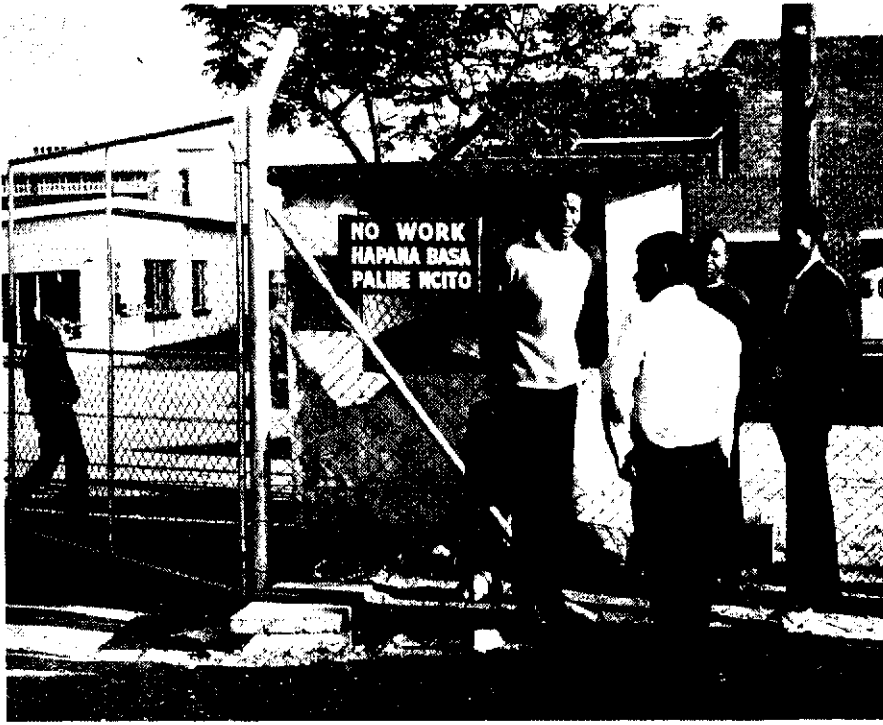
All things considered this rainy season has been a good one for the Zimbabwe liberation forces. With more guerrilla activity than ever and attacks reaching to Salisbury itself, the liberation fighters have shown themselves a credible military threat to the Smith regime. Despite the punishing raids the Rhodesians have made on those Zimbabweans living in  
(continued on page 10)

## Economic Troubles

*Militarily we are holding our own and could continue for some time but in economic terms things are almost desperate.*

—Rhodesian businessman

The most telling blows registered by Patriotic Front guerrillas may have been not directly against tanks but against



UN/Ciric

Undeterred by 'No Work' sign, Africans line up in the hope of getting employment at Salisbury factory.

the Rhodesian economy. Last year the effect of the war, combined with economic sanctions and a world economic slump, resulted in a 7 percent drop in the country's Gross Domestic Product, making 1977 economic performance the worst since 1945.

The cost to the Smith regime of fighting the war increased 25 percent over the previous year. Economists for the Standard Bank Group estimate that the Smith regime is spending \$700,000 per day on the war, others put the cost at \$1 million per day.

Furthermore, the regime is facing a shortage of white labor. Military call ups are frequent and have greatly disrupted business. Until the age of 38, white males are liable for an annual 190 days, over six months, duty in the reserve army. And they are liable for up to 70 days a year until the age of fifty. Given the army's shortage of white manpower, the 1,500 non-Rhodesian white "volunteers" or mercenaries take on important significance.

Emigration has also caused problems as official statistics show that 11,000 whites out of a population of 260,000 left Rhodesia last year. The actual figure is thought to be much higher since it does not include those who have left on tourist or business visas.

#### Sanctions Cost

The cost of keeping the economy going in the face of economic sanctions has been an added burden. It is estimated that the Rhodesian regime is paying 10 percent of the Gross Domestic Product in transport subsidies and agricultural and export incentives. Further, South Africa has slapped a 15 percent import charge on Rhodesian goods which cost the country \$20 million in 1977. The South African market, which once took over 30 percent of Rhodesia's manufactured exports has contracted sharply, as South Africa itself is gripped by a severe recession.

The world economic slump has also had a serious effect on Rhodesian exports. The world decline in steel output has reduced the demand for chrome. As one banker observed, "The Japanese who a few years ago were quite willing in an expanding economy to turn a blind eye to sanctions now can be moral in obeying them." And the repeal of the Byrd Amendment, which allowed imports of Rhodesian chrome into the US, has closed another market. There has also been reduced demand for other Rhodesian minerals such as copper and nickel.

Symptomatic of the economy's problems are reported deficits of more than \$60 million incurred by Rhodesian Railways and \$10 million by the steel

industry. There have been layoffs and mine closings.

Rhodesia has not had the recourse that most countries have in hard times of borrowing on the international capital markets. Belgian, Swiss and Luxembourg banks have lent money to Rhodesia, but the interest rates have become extremely high. As a result capital investments have dropped sharply, by 19 percent in 1976.

Divestment has also taken place in agriculture as farmers have left their land due to the war. This has meant a decreasing tax base for the Rhodesian regime at a time when expenses are increasing. Many Rhodesian businessmen think that Rhodesia is surviving on secret South African financial assistance.

With a shrinking economy, black unemployment has increased dramatically. Every year 60,000 Africans enter the job market. "If it were not for the war and both the government and the guerrillas recruiting wildly, I do not know what half these guys would be doing," commented one industrialist.

#### Smooth Transition

Smith hopes that the internal settlement, even if it does not win full international recognition, will pave the way for more international trade and investment. Certainly South Africa is likely to bolster any "moderate" new government, especially if it goes ahead with its own internal settlement in Namibia. Spurred on by hard times, the Rhodesian business and manufacturing communities have been putting increasing pressure on Smith to stave off defeat and insure them some kind of economic future by including respectable blacks in a majority rule government. Estimating the chances for the future, Ian Hume, former World Bank economist, now working for the Whitson Foundation, which represents perhaps the most sophisticated of the business community, recently pointed out that if transition could be handled smoothly there would be minimum white flight, major foreign investment and foreign aid, an investment boom capable of sustaining even some land reform and better wages for blacks, and the creation of 70,000 new jobs annually. If, on the other hand, the situation was allowed to deteriorate until the "socialist" wing of the guerrillas took over, he foresaw no future for the whites.

There are important sectors among the white community hostile to even the most cautious of settlements with the black majority. Powerful among these are the white planters, with their

profitable cash crops, grown on the big plantations protected for their use by the Land Tenure Act, which reserves over 50 percent of the country's land area for white occupation and use. Any black government, however tame, is

likely to have to respond to the land hunger of the African people, thus threatening white domination of the wide open spaces.

Nevertheless, despite the intransigence of this fight to the last man

group, the combination of military and economic defeats has finally pushed Smith into seeking a solution in Rhodesia which will preserve white economic dominance, if not political supremacy. □

## Military Situation

(continued from page 8)

refugee and transit camps in Mozambique and, to a more limited extent in Zambia, the military initiative remains firmly with the Zimbabwe guerrillas.

Both movements represented in the Patriotic Front have active units inside Zimbabwe, although progress towards forming a unified command has been slow. ZANU's forces (ZIPA) have been trained in Tanzania and cross through Mozambique into the eastern areas of Rhodesia, spreading out from there. ZAPU's forces (ZIPRA) have recently been reported training in Agola. They enter Rhodesia from Zambia, having to cross the Zambezi River. While ZIPA forces have apparently dominated the fighting in the last two years there are also indications of increasing ZIPRA activity.

## Widespread Attacks

Liberation forces have attacked targets in almost every part of the country. Salisbury's administrative control is virtually non-existent throughout large areas adjacent to Rhodesia's borders with neighboring African states. Government services, such as they were, are no longer provided and the people no longer pay their taxes. Many white farmers have abandoned farms and the land is being utilized by their former employees. This situation is the basis for ZIPA's claim to have semi-liberated 40% of the country.

While the Rhodesian army still controls the cities, the major economic areas, and the most important transportation routes, it has been the case for sometime now that even major roads are safe only when traveled in police convoy. Handlettered signs warning against bombs reportedly abound in Salisbury, and security guards check purses and packages at entrances of big stores in the cities.

ZIPA's attacks on white civilians on farms, roads and recreation areas appear to be part of an attempt to further erode badly sagging white morale. While ten white civilians were killed in various incidents in the capital area during January, by February only one liberation fighter had been caught and



Zimbabwe Guerrilla

charged with involvement in an attack. Attacks on "collaborators"—usually black members of the Rhodesian regime's police and military forces—have the purpose both of making collaboration with the illegal regime more costly than support for the liberation forces, and of bringing the war to the urban areas.

## Bulawayo Action

Attacks on economic targets have also put pressure on the regime. Besides actions to disrupt trade and warn off potential tourists, an attack on a Bulawayo computer manufacturer in December contained a lesson for Rhodesian and foreign business. On December 29 two armed men entered the offices of the Bulawayo firm, ordered the African night staff to leave, and planted explosives which caused severe damage. The men slipped off into the nearby township and were not caught.

Concern about the effect news of military defeats might have on Rhodesia's image has led the government to impose press censorship on routine dispatches by foreign correspondents in addition to the long-established internal censorship.

## Military Base Attacked

In its boldest military action to date, ZIPA made a very successful attack on the Grand Reef military air base west of Umtali on December 17. Many of Smith's terrorist attacks on Zimbabweans and Mozambicans living on both sides of the border originate from this base.

A ZIPA unit armed with artillery and light weapons attacked the large base, and as the ZIPA communique phrased it, "an estimated 400 enemy soldiers were immobilized and will play no further part in the military oppression of our people or in the criminal aggression against neighboring states." Twenty planes, eighteen trucks, and additional equipment were destroyed, and the power line from Salisbury to Umtali was cut, according to the communique.

## 'Protected' Villages

The Rhodesian regime has tried to stop the liberation forces' successes by cutting them off from their rural support. One such measure has been the unpopular and not too effective "protective villages" into which the army has herded half a million Zimbabweans. This measure has proven costly in political as well as economic terms. Guerrilla fighters have been able to get inside many of these guarded barbed-wire keeps where they hold political meetings and then help the villagers escape, thus being seen by the people literally and immediately as liberators.

Salisbury imposed an even harsher rural policy in January. In the Maranek and Makoni regions of Zimbabwe along the Mozambique border—a major center of guerrilla activity—leaflets were dropped by plane to inform the (largely illiterate) population of a dusk to noon curfew which had been imposed on them as punishment for their support for ZIPA forces.

Youth under sixteen and domestic animals (cattle, sheep and goat) were not allowed outside the family compounds (kraals) at all. All vehicles (bicycles and buses) were banned from the tribal area and all schools and stores were closed down. Curfew violators were to be shot, and those who assisted guerrillas hanged. By limiting African civilian movement about their own land, the racist police and army

intend to consider anyone out during curfew as a guerrilla and therefore a military target.

### The Struggle Continues

Yet despite its brutal actions the Rhodesian regime no longer expects to

win in the field, as overall commander of the Rhodesian forces Peter Wall recently had to admit in a public statement. The direct and indirect effect of guerrilla victories have forced Smith to seek a deal. To date the concessions he has made in negotiations with moder-

ate black politicians have been superficial and incapable of affecting Rhodesian political and economic structures in a significant way. The military activity continues, and is likely to grow, as the population rejects the new fraud. □

# Settlement for the Settlers

The announcement in Salisbury on February 15 of an 'internal settlement' by Rhodesian Prime Minister Ian Smith and three black Zimbabweans came after two months of sporadic meetings at Smith's residence, and a series of carefully worded hints by various parties to the negotiations.

The settlement grants majority rule without effective majority power. It calls for one man, one vote elections for a 100-seat legislature in which the whites will be guaranteed 28 seats on a separate voters roll for 10 years, enough seats, under the proposed constitution, to block constitutional change.

All white candidates would have to be cleared by Smith's Rhodesian Front Party. The initial agreement is also reported to have contained a variety of guarantees for the white minority, including compensation for expropriated property, payment of pensions and the right to maintain foreign citizenship.

The interim administration that will preside in the period preceding elections—scheduled for later this year—will be formed through legislation passed by the current parliament. In effect, this will make the new government the child of the settler regime; it was the need to have the accord acceptable to Rhodesia's 260,000 whites, and passed by the white-minority legislature that Smith used to persuade the negotiating blacks to bend as far as they did.

### Military Stay in Place

No sooner had the initial settlement been announced, than the negotiating parties disappeared once more behind closed doors to deal with substantive issues such as the future composition of the military forces and the actual form of the interim government.

The first obstacle—the future of the country's armed forces—was soon surmounted. The present composition of the white-controlled security forces will be continued, although Muzorewa managed to get Smith to concede that



Signing of Settlement in Salisbury, March 3. Left to right: Bishop Muzorewa, Ian Smith, Jeremiah Chirau, Ndabaningi Sithole. Settlement still faces major obstacles despite signing. International acceptance is unlikely and the Patriotic Front has rejected it out of hand.

any of the Patriotic Front guerrillas who wish to, might return home, be retrained and join the nascent army of Zimbabwe. This is a meaningless concession, as returning guerrillas would have to lay down their arms 'on trust.'

### Transitional Government

A more serious impasse developed over the composition of the transitional government. The announced settlement plan calls for a two-tier structure composed of an Executive Council made up of the four negotiators, which would set policy and a Council of Ministers or Cabinet. Smith proposed that whites and blacks have an equal number of posts in each body, and that he remain in overall authority. Under his plan, he would also appoint a chairman of the ministerial council, with black and white ministers appointed in tandem to each government post.

Smith stressed that this offer to have whites and blacks share ministerial power went beyond the demands of his

white colleagues, who want the blacks limited to deputy ministerial posts. The blacks are insisting on having a majority in the councils. In Smith's eyes, this removes the gradual change element in the proposals, the only basis on which the Rhodesian Front Party would accept the settlement.

An early March report stated that the negotiators had agreed that December 31, 1978, be the date for a changeover to the transitional government. While there was agreement that the chairmanship of the transitional administration would rotate, there were no signs that the general impasse had been broken.

### Patriotic Front Condemns Settlement

Reaction to the announcement outside the country varied from total denunciation on the part of the Patriotic Front, to caution moving towards acceptance on the part of the US and Britain.

"That these black men in Salisbury should have been parties to such an agreement," Patriotic Front co-leader, Joshua Nkomo said in his swift response in Lusaka, "must rank as the greatest sellout in the history of Africa."

He stated unequivocally that the armed struggle will continue. "We shall intensify it . . . because we believe it is the only way to bring about the required change."

"What Smith has conceded," he continued, "is not majority rule, but one-man, one-vote for the election of 72 powerless seats in parliament, and 72 dummies with no power. . . . We are not giving our lives for a constitution that is going to entrench the position of the black man and the position of the white man. We are fighting for a non-racial state. This alone disqualifies the whole thing. We cannot be party to a document that entrenches discrimination."

The response from ZANU, the other member of the Patriotic Front was equally condemnatory. The agreement, Robert Mugabe stated, "guarantees that white settlers will remain in possession of our people's stolen land. The judiciary presently comprised of racist and genocidal judges will be preserved [and] the public service will remain all white for the foreseeable future."

The Patriotic Front has stated that it would not allow elections under such a settlement to take place in Rhodesia, saying the war would continue and the polling booths would be considered "military targets" of the guerrillas.

### Britain Moves Towards Acceptance

Meanwhile, British Foreign Secretary David Owen wasted little time in demonstrating that Britain is moving towards support of the settlement, calling it "a significant step towards majority rule." Indicating that he felt that acceptance of the settlement by the black population was likely, he said that the British government would in such an event—find it acceptable as well. At the same time, he spoke favorably of Bishop Muzorewa. Owen may hope that by threatening to accept the Smith settlement he will put pressure on the Patriotic Front to lower its own bargaining terms and accept something less than its present demands.

Response from the US has been equivocal. Andrew Young's initial off-the-cuff response emphasized that any Rhodesian settlement that did not include the Patriotic Front opened the way to "black on black civil war." The agreement does not, he said, "address

the issues that have some 40,000 people fighting."

Young's remarks were tempered by a subsequent statement issued by the State Department, which announced that they had adopted a wait-and-see attitude in light of the still incomplete negotiations, other home-front political factors, and Britain's role in the settlement. Echoing Owen's words, the State Department said that to the extent that the agreement would hasten the end of white minority domination of the political process, "it is a significant step."

At the same time most Administration specialists admitted they doubted the endurance of any solution that did not include the Patriotic Front.

### Support for Muzorewa Overestimated

Whether or not the settlement will work has much to do with internal support for the three black negotiators, Muzorewa, Chirau and Sithole.

Bishop Abel Muzorewa has been touted in the western press as having wide support inside the country. Smith, Owen and others who harbor this view may well be deluding themselves.

The assessment of Janice McLaughlin, the American nun who spent three months in Salisbury until her arrest and deportation in September last year, is that the following of Muzorewa has been overstated. She recalls that the rallies and meetings held by Muzorewa were not as well attended as had been suggested in the western press.

Disenchantment in Muzorewa's leadership has recently been reported in the *Washington Post*. Jonathan Randal, writing from Salisbury says that "already there are visible signs that the country cousins (who have come to call the political tune rather than the westernized townspeople as was true in the past) are losing faith in Bishop Abel Muzorewa. . . . Put simply, they do not understand why the bishop suddenly gave into Smith this week when grassroot support only days before had gathered in Salisbury to urge him to dig in his heels."

It was not only grass roots support that Muzorewa disregarded when he concluded the agreement with Smith. At a meeting on February 12, only days before the settlement announcement, Muzorewa's United African National Council party leadership had passed a vote of confidence in the Bishop's stand that 20, not 28 of the proposed parliamentary seats be reserved for whites.

Once back behind closed doors, Muzorewa bowed to pressure from Smith, and from Sithole and Chirau who demanded that he sign or withdraw. He signed. This rift in the UANC leadership might contribute further to the lessening of his already overrated popularity.

### Minimal Following

As for Chirau and Sithole, they appear to command minimal following. Chief Jeremiah Chirau has obviously been assigned responsibility for delivering to Smith the support of conservative traditional elements through the extensive network of Rhodesian appointed 'tribal chiefs,' who enjoy virtually no genuine support by the people of Zimbabwe.

He served in the Rhodesian military and as a prison warden, and was one of Smith's first black cabinet ministers (without portfolio). He resigned eighteen months ago to head the Zimbabwe United People's Organization (ZUPO), which was clearly backed by the Smith regime as a front for winning African support, support that failed to materialize.

Chirau's lack of standing even in the eyes of moderate blacks was summed up by one influential African in Rhodesia: "Just forget him. He was a messenger in a government office and was made a chief by the present government." A white observer commented, "Chirau is Smith's creation. When Smith wants to say something, he uses Chirau as a mouthpiece. That's generally known."

Rev. Ndabaningi Sithole, first president of ZANU, has a history as a militant supporter of armed struggle, for which he spent nine years in prison. But while he was still in jail his organization removed him as president, reportedly because he was displaying an increasing willingness to compromise with the regime, and his inclusion as a 'leader' in the current Smith negotiations represents an insult to the thousands of militant fighters for Zimbabwe's independence.

Smith himself seems to have serious doubts that his "settlement" can be made to stick. While assembling his slate of politicians to help him win the hearts and minds of the Zimbabweans, and possibly still hoping that he may manage to split the ranks of the Patriotic Front, Smith has maintained his 50,000 man army to lend necessary force should the neo-colonial solution collapse or the Front continue to fight for a truly free Zimbabwe. □



# Regrouping Forces in Soweto

With all its bannings, arrests and police attacks on demonstrations, the South African government has not succeeded in "pacifying" the black population of Soweto. But it has made it very difficult to unravel what is going on there, particularly from a distance.

Sporadic reports in the western press are fragmentary and contradictory. A *Washington Post* report on February 2 headlined "Most Blacks Continue Boycott as Soweto Schools Reopen" was followed within a week by another report—"Boycott by

Soweto Students Appears Over." Same newspaper, same reporter. Both stories may have been accurate although recent South African press reports indicate that many students have stayed out of school. The banning of the Soweto Students' Representative Council last October and the jailing of many of its leaders makes it hard to find out.

Even an informed observer like Siphso Buthelezi, one of the founders of SASO (the South African Students Organization) and now the official external representative of the Black Peoples Convention, admits that he has trouble talking about recent events in much detail. But Buthelezi takes a certain satisfaction in that fact.

"At the present moment, there is a lot of reorganization going on," he explains. And it is hard to find out much about the reorganization process, all the better. A good deal of it is intentionally secret. Many people took the wave of bannings in October as a message that the time had come to organize clandestinely.

## Moving Underground

"There are two main streams," Buthelezi explained in a late February conversation with *Southern Africa* in New York. "There are people who still believe open organization can be effective and important. But a majority realize that underground work is less vulnerable."

Less vulnerable, but more difficult. "It is a very difficult thing to establish an underground movement," Buthelezi conceded. "Especially so when you have had open organization and have developed a mass movement. It is very difficult to maintain underground activity during the period of mass movement and it is equally difficult to channel the mass movement into underground activity."

Despite the difficulties, Buthelezi is confident that the process of underground organization is advancing. News reports offer hints that his confidence is justified.

For instance, both the *Washington Post* article announcing that the school boycott was continuing and the subsequent article stating that it had come to an end cited the influence of an underground successor to the Soweto Stu-

## Robert Mangaliso Sobukwe

Robert Mangaliso Sobukwe, banned leader of the Pan Africanist Congress, died in South Africa on February 26.

Born to a poor family in Graaff-Reient in the Cape Province, he displayed exceptional ability at school and with the help of loans and grants was able to obtain a BA degree at Fort Hare University. As a student activist he was elected President of the Students' Representative Council.

He continued his political work as a member of the African National Congress, was arrested in the "Defiance Campaign" and was dismissed from his job as a teacher. He played a primary role in the founding of the Pan Africanist Congress which broke away from the African National Congress, because of differences over both ideology and organization. The PAC adopted a more overtly nationalist stance, adopting the name Azania for South Africa. He was elected the first president in 1959 and led the anti-pass law protest in 1960 which won world attention when police opened fire on thousands of protesters demonstrating at Sharpeville and killed 69.

The PAC and ANC were banned, Sobukwe was arrested, convicted of incitement and sentenced to three years imprisonment on Robben Island. Fearing that Sobukwe's release would strengthen resistance, the government continued to imprison Sobukwe at the expiration of his sentence, adding a special clause to the General Law Amendment



Robert Mangaliso Sobukwe

Act, which provided for his continued detention for six years on the island.

Eventually released in 1969, he was immediately restricted to the Kimberly area, placed under both a ban and house arrest.

Even in these very difficult circumstances Sobukwe's spirit was not crushed. He had studied law while in jail, and began to work as an attorney.

Officially totally silenced for the past 16 years, his name continues to live, as one of the symbols of the continuing struggle for liberation of the people of South Africa.

The struggle continues.

dents Representative Council. Reporting on February 2 that only "a few hundred black students trickled back to Soweto's segregated schools," Caryle Murphy attributed this largely to "pressure to continue their boycott from the newly formed militant Soweto Students' League."

"According to one report," the story continued, "members of this clandestine group burned hundreds of application forms at one school."

Reporting three days later that the boycott had been called off, Murphy noted that the Soweto Students League had urged students to return to classes while emphasizing that it opposed the "newly christened Department of Black Education just as vehemently as its predecessor, the Department of Bantu Education."

A change in name hardly removed the causes of the struggle, as *The Star* conceded in a full page "Spotlight on Black Education" on February 4. The latest statistics show that South Africa still spends about 13 times as much on educating each white child as it does on each black. The 27,000 Soweto students who refused to write exams last year and the more than 400 teachers (half the teachers in Soweto) who resigned to support them didn't like the term Bantu Education. They liked even less the education itself and the social function prescribed for it under apartheid. Different name, same problem.

Different strategies, same struggle. The *Post* pointed out that "sources close to the students also say that student leaders are hoping that the daily contact at school will help reorganize and revitalize the student movement." As Buthelezi maintained, "there is a lot of reorganization going on."

### Community Actions

Many other layers in the community are also actively seeking ways of continuing organization. Out in the open, the Soweto Action Committee has emerged to replace groups which were banned in October. So have a number of other ad hoc organizations. They have held meetings, issued statements, and, according to Buthelezi, provided a vehicle for underground organizations and activists to participate in community struggles. "They use open organizations as a cover to mobilize the people," he said.

Whoever is doing the mobilizing had an impact, as evidenced by the recent Soweto elections. Despite the government's promise to make Soweto "the most beautiful black city in



**Dodging publicity: Soweto Community Council candidate exits from meeting.**

Africa," government-sponsored elections for a Soweto Community Council ran into virtually unanimous resistance. All told, less than 500 people voted in a city of over 1.5 million.

### Election Boycott

In fact, the government had a hard time finding candidates to stand for most of the 30 seats. At a nominating meeting two weeks before the election, only 26 candidates showed up. And on their way out of the meeting, several of them made it clear that they recognized how they would be regarded by their supposed constituency. Rushing out of the hall, they hid their faces behind hats and coat collars, looking more like criminals being ushered out of a police station than politicians facing their public.

The election returns indicated that most of the public viewed them as traitors rather than leaders. By the time the polls opened, no candidates at all remained for 19 of the 30 wards. In only two wards were there contested

elections. "The people were able to resist," Buthelezi said with satisfaction. "It just shows the strength of the underground movement."

Of course organizing the boycott of an election demands far less than organizing active resistance and revolution. Buthelezi makes no bones about the difficulties of the long road ahead.

"From the very formation of the BPC in December 1972, we realized that we had to have parallel structures, underground and aboveground. But it was very difficult. The leadership that we have is an elite leadership, which resists underground work because there is no limelight in it for them. That is why we must strengthen our efforts to build worker leadership."

### Chief Gatsha Buthelezi

He reads the same message in the large crowd that turned out in Soweto recently to hear Chief Gatsha Buthelezi. While insisting that "people like Gatsha Buthelezi have very little significance because people know they are servants of the Vorster regime," Siphon Buthelezi does not deny the importance of the crowd at the chief's appearance. However, he interprets it somewhat differently from western commentators, who seemed prepared to anoint Gatsha Buthelezi as the leader of African resistance to apartheid.

"People are fascinated by what the elite have to say," Siphon Buthelezi acknowledged. "But not necessarily because they agree with the politics being expressed. It's simply because at the present moment workers do not have their own articulate spokesmen. Some people who go oppose Buthelezi totally. But it is a chance for people to get together and hear and express some of their feelings. People go in thousands even to funerals because it is the only place they can voice their feelings."

Developing leaders and organizations through which those feelings can be expressed and "the viciousness of elite leadership" can be combatted is now the priority, Buthelezi believes. The process has only begun.

"We have a long hard struggle. We must counter the lies that bring false hopes. Because we are really just starting. Hence Steve Biko was really a serious leader because he would always say we have a long struggle. That is why we put his words on the back of the pamphlet we printed recently—'A struggle without casualties is no struggle.' □



# Overview

Pressure is building on US banks and corporations to cease operations in South Africa. Students across the country are organizing against continuing university complicity with such investments. The NAACP, the AFL-CIO, and several major unions have added their weight to the withdrawal effort.

Among the universities which have already divested themselves of stock in companies doing business in South Africa as a result of student protests are the University of Wisconsin (about \$8 million), eight Oregon state universities and colleges (about \$6 million), and the University of Massachusetts (\$620,000).

The corporations and their apologists have naturally responded to the growing campaign with a vigorous defense of investment in South Africa. Most of the arguments are not new, although as pressure mounts corporations have shifted from the more honest old statement that "we are there because it is profitable," to include an increasing element of "do-goodism," arguing that making profits is justified because they are also contributing to black social welfare and some ill-defined "change."

Stressing the virtue of their job creation and training programs, the corporations deliberately obscure and camouflage the impact of their operations on the social, political and economic structure of South African society, using micro-economics to obscure macro-truths.

Firstly, they ignore the fact that the whole structure of the society is carefully designed to prevent generalized equal opportunities for black and white, and never admit that they benefit from the effects of that deliberate design by way of a cheap, intimidate labor force. They refuse to acknowledge that the complex web of apartheid makes a mockery of individual attempts at "equal opportunity employment," by preventing blacks from acquiring education, denying them political rights and citizenship, prohibiting them from organizing effective trade unions, preventing any freedom of movement or job choice, and even prohibiting them from organizing effective trade unions, preventing any freedom of movement or job choice, and even prohibiting any black from supervising any white.

Secondly, the corporations deliberately ignore history. The argument that economic growth automatically creates pressures that inevitably force the whites

to allow greater black participation in society has been disproved in South Africa in the last ten years. The police state was built at the same time as the new automated refineries, and the great factories, in the years of maximum economic growth and US corporate investment.

Even the corporate micro-economics is wrong. Black wages have grown in South Africa, but so have white wages and inflation, the wage gap between white and black in absolute terms is still growing.

Thirdly, the corporations conceal the significance of their particular roles in South Africa. These are not small, peripheral corporations, manufacturing insignificant consumer products on simple machines in back alleys. Significant US corporations in South Africa are the heavyweights, and they frequently dominate the sector of the South African economy in which they operate. General Motors, Ford and Chrysler, for instance, control 60% of the auto market. They provide advanced modern technology which isolated domestic companies could not afford, and have access to the capital needed for the continuing expansion of a white-owned, white-controlled, white benefit-oriented economy.

Fourthly, the corporations veil their cooperative relationships with the South African government and the direct role that they play in the maintenance of the South African state by the provision of strategic materials, technology, and technical services to the government.

Fifthly, the corporations pretend to be unaware of the reality that their continuing profitable operation in South Africa requires a constant level of stability and that the links between the corporations and the United States government will inevitably involve the United States government in a similar quest for the maintenance of peace and stability while the black population of South Africa seeks the total destruction of the system as it now exists.

There is no way that the US corporate presence in South Africa can help in the struggle for liberation. For this reason we fully support the current campaign urging divestiture from all corporations doing business in South Africa as a direct and effective way of building pressure to move the corporations out of South Africa and help cut US economic support for apartheid.

# news briefs



**SOUTH AFRICA** is the subject of a recent Amnesty International report. In its first major report on repression in that country, Amnesty accused the government in Pretoria of condoning systematic torture and murder of political detainees by the security police.

Coinciding with the UN Anti-Apartheid Year, the report marks the launching of an international campaign for the release of an estimated 450 political prisoners, the repeal of discriminatory and repressive legislation and an end to torture. Amnesty concludes that this can only be achieved when the whole apartheid system is dismantled.

The report includes several accounts from prisoners who have been tortured, pictures of wounded limbs and battered faces, and profiles of seven prisoners of conscience.

Donald Woods, former editor of the *Daily Dispatch*, who fled to Britain earlier this month said that those people who allegedly hanged themselves while in police custody may well have been strangled by security police using the "wet towel" torture technique. Other torture methods described in the report include beatings, electric shock, murder threats, deprivation of sleep and food, and being made to sit in the "invisible chair" for several hours at a time.

Winnie Mandela, leading ANC figure, was sentenced after a lengthy trial. She was found guilty of breaking her banning order by unauthorized visits from friends and relatives, and holding conversations with two neighbors in Brandfort, the small town in the Orange Free State to which she has been banished from Johannesburg. The two six-month sentences, which were suspended for four years, are being appealed.

Evidence that detainees, who continue to be held without trial, are being tortured and beaten up surfaces

every so often. The mother of a 17-year-old detainee found three broken teeth in his blood stained trousers. His parents said they did not know why he was under arrest. The Supreme Court placed a temporary injunction on the police, forbidding them to injure him. Further investigations are being made, but such investigations seldom bear fruit in South Africa.

More restrictions have been placed on the rights of political prisoners, who already suffer under extremely harsh conditions in South African jails, being allowed few of the privileges granted non-political prisoners.

Permission to study past high school has been withdrawn. Those in the middle of university courses will be allowed to complete them, but no new ones can be started. This means prisoners will no longer be allowed to keep their lights on until 11 p.m., but like all political prisoners will be restricted to the 8 p.m. lights out. They will be limited to the prison library reading matter and to sufficient writing materials only for the three 500-word letters they are permitted to write each month.

**Censorship . . .** The government has curtailed for three months all reporting of matters concerned with arms and defense. Although publication on these subjects was not actually forbidden, the notice made it clear that the Defense Act and the Official Secrets Act would be invoked against editors who did not comply.

In a different form, censorship is being applied by the police stations throughout the country, which have been instructed not to give information to reporters from the *Johannesburg Star*, the biggest circulation daily. This coincided with a complaint by Police Commissioner General Prinsloo to the Press Council about an editorial published by the *Star*. The newspaper is increasingly at loggerheads with the government.

African attorneys practicing in Durban have been given 12 months to leave the city and establish their practices in KwaZulu. The ostensible reason for this virtual banishment is the shortage of lawyers in the bantustan. It comes at a time when the increased arrests make their availability in Dur-

ban even more essential. As two townships of Durban are considered part of fragmented KwaZulu, they could practice there. However, neither township has a supreme court, the commuting magistrate hears criminal cases only, and potential clients leave the township for work each day.

Practicing in the rural areas would require the lawyers to leave their homes in the city and establish practices in areas where most have never been before.

The government-appointed liquidator of the assets of the 18 organizations banned last October 19 has already appropriated \$345,000 from their bank accounts.

**Change in South Africa?** The regime announced a new phrase to replace "bantú," a word despised by Blacks, in the title of the Department of Bantu Administration and Development. The agency will be henceforth known as the Department of Plural Relations and Development.

According to the *New York Times*, after nearly four decades of growth, South Africa is mired in a slump that threatens to become permanent unless the regime agrees to abandon apartheid. And there is little prospect of that.

Vorster's adamant stand flies in the face of mounting pressures from the country's own business community for racial reforms that would unplug the flow of foreign capital and start the economy on the road to recovery.

Many of those seeking change recognize that the need for reform goes beyond rescuing profits and dividends and involves the nation's stability. For while white living standards have been affected only marginally by the recession, blacks have born the brunt in the form of unemployment. With more than a million jobless out of a labor force of perhaps six million, the country is faced with what one liberal Member of Parliament, Harry Schwarz, called "an economic time bomb."

It was the worst year in memory for manufacturing, construction, and retail trade. The auto industry, once a prime performer, reported passenger-car output off 16 percent, the lowest in a decade. Bankruptcies, pushing over the 2,000 mark, reached record levels. Profits almost everywhere were reduced.

To the distress of the business community government ministers insisted

that the nation must learn to live without the foreign money that had long underpinned the whites' rise to one of the world's highest living standards. Economic Affairs Minister J. C. Heunis told an audience that the country would have to fill the gap by increased savings or by accepting a lower standard of living.


Escom is paying almost double the usual interest rate for a Swiss loan. The high rate—seven percent—and the short duration—three years—reflect foreign investors' lack of interest in loans to South Africa because of the political climate there.

South African technicians are being sent to France to study nuclear power plants. They are to train on a mock-up of the kind of nuclear plant France has agreed to sell to South Africa.

South Africa's regime is expanding a pilot uranium-enrichment plant to meet domestic needs.

In a deal which will net South Africa about \$23 million in foreign exchange over the next two to three years, Insulation Products is to supply an American company with insulating rockwool to augment a booming market as Americans become more conservation minded.

Milton Weinbren of Johannesburg, major shareholder and a director of the New Jersey company which has signed with Insulation Products, has won control of Scotco Data Com. Inc., a television production company on the East Coast which will be used for stimulating trade with South Africa.

 **IN NAMIBIA**, the 'health minister' of Owambo, Toivo Shiyagaya was assassinated at a meeting attended by three leaders of the Democratic Turnhalle Alliance. The police reported that the gunman was killed after being pursued by black guardsmen.

At the end of last year, security police detained Peter Manning, the first white member of SWAPO to be held under the Terrorism Act. No reason was given for his arrest.

A spokesperson for SWAPO said Manning is one of about 1,000 white members of SWAPO in Namibia and South Africa.



**THE RHODESIAN ARMY** has been poisoning food regularly as a method of killing and intimidation. At the end of December, 57 African civilians, most of them children, died, and 17 were hospitalized after eating poisoned canned food set up by the troops. In September, 12 children died after eating wild fruit that had been poisoned by the army. Shortly afterwards, four school children died from eating poisoned canned food they had picked up on their way home from school.

The poisonings are not confined to Zimbabwe. Food supplies being stored in Tete province in Mozambique were poisoned by Rhodesian paratroopers.

Rhodesian sanctions-busting continues. A Zaire DC-4 plane that was transporting a cargo of 300 tons of meat from Salisbury to Lubumbashi, Zaire, was shot down over Mozambique after it had illegally entered the airspace over Tete province in November. Its captured Belgian pilot recently disclosed that he had made 35 similar trips last year. The deal was set up by a Gabonese firm known as African Transport Airways with an office in Rhodesia. The company made financial arrangements with Balgolaise (Banque Belgo-Zairoise SA), owned by the Belgian Bank Societe Generale de Banque.



**THE MOZAMBIKAN GOVERNMENT** has initiated a series of efforts to restructure the nation.

All private banks in the country have been transferred to the Bank of Mozambique and a newly-created People's Development Bank.

All the assets and liabilities of the private banks have been transferred, and anyone wishing to claim compensation has been given 30 days to do so.

Private bank staff have been promised new jobs within the state banking system and in other sectors of the country's economy.

More than six million Mozambicans have so far been vaccinated against infectious diseases. All Mozambicans will have been vaccinated against

smallpox, all children between six and 15-years-old vaccinated against tuberculosis, and those between six months and three years vaccinated against measles.

Literacy and adult education classes are being organized in prisons. The majority of these courses are being conducted by prisoners who are already literate. The aim is to turn prisons into centers for re-education.

The government has taken over four cinema companies in the country after discovering that the 71-year-old owner was involved in acts of economic sabotage and hostile propaganda against Mozambique.

Canada has signed an agreement to supply 12,000 tons of wheat to Mozambique. The contract represents Canada's response to the UN Security Council's appeal for economic aid to Mozambique to compensate for the effects of sanctions against Rhodesia.



**US VISITORS TO SA . . .** New Hampshire Governor Meldrim Thomson spent two weeks in South Africa as an all-expenses paid guest of the conservative South African Freedom Foundation. On his return he praised the Vorster government and said that South Africa has a free press and free elections, that the black ghetto of Soweto was "just wonderful," that Soweto's houses were finer than those of some of his neighbors, and that the US policy towards the apartheid regime was "meddlesome and un-American."

While Rep. Robert K. Dornan (R-Calif.), was on a ten-day trip to South Africa and Rhodesia in January, he promised to "raise holy hell" over the "disgusting hypocrisy" in American policy toward Rhodesia when he returned to Washington.

International Metalworkers Federation secretary Hermann Rebhan, who spent two weeks in South Africa, said on his return that he told South African leaders "that if they want the world to get off South Africa's back, they have to give all South Africans, whatever their color, freedom to meet their aspirations."

# update

## Winchester Hit For SA Arms Deal

A grand jury in New Haven, Conn. last month returned the strongest indictment to date against a US firm for violating the arms embargo against South Africa.

The Olin Corporation is charged on 21 criminal counts for conspiring illegally to ship rifles and ammunition, and faces possible fines of \$500 and \$10,000 on charges that its subsidiary, Winchester Int., falsified export documents on 3,200 firearms and 20 million rounds of ammunition worth about \$1.2 million.

The material was allegedly shipped via arms dealers in the Canary Islands, Austria, Greece and Mozambique to a South African wholesaler, Jones Taylor.

In February, the US government tightened the arms embargo by publishing regulations prohibiting the export of any US-origin products for the South African military or police. Even so, charges of continued violations are still being heard.

## Bombings Hit Port Elizabeth

Johannesburg radio reported several incidents of violence in and around the city of Port Elizabeth last month.

A black woman was killed and three persons were injured on March 10 when a bomb exploded in the black township of New Brighton. The bomb, which had been placed in a garbage can, was similar to a bomb that exploded two days earlier while a black man was carrying the container that housed it in downtown Port Elizabeth.

In addition, fires broke out at two schools in the Queenstown township. Police said they suspected arsonists.

## Namibian War Heats Up

The Namibian independence movement, SWAPO, has charged that South Africa is beefing up its forces in Namibia—contrary to Pretoria's public pronouncements. And a BBC correspondent just returned from northern Namibia confirms the allegation, reporting that local residents say they have not seen so large a South African

military presence since the invasion of Angola in 1975.

Countering with increased activity, SWAPO guerrillas recently destroyed a bridge near the Ruacana Dam and mined access roads to the project.

The death toll mounts in the townships of the Namibian capital, Windhoek, meanwhile, as SWAPO supporters clash with backers of the Turnhalle Democratic Alliance. At least eleven persons were killed in the clashes in March, and Ovambo workers from Katutura township at one point mounted a protest strike.

## Protests Scuttle Ali Fight In South Africa

Strong pressure from civil rights and anti-apartheid groups in the US has forced promoters of the Ali-Spinks rematch to call off the fight slated for Bophuthatswana, a black reserve or "homeland" in South Africa, cancelling an agreement with the Southern Sun Corporation, a South African hotel chain.

Critics argued that holding the fight in Bophuthatswana could lead to a major public relations victory for Pretoria and the Bophuthatswana government, which is so far recognized only by South Africa.

## Rhodesian Settlement on Trial

Rhodesian Prime Minister Smith's internal settlement hangs in the balance as military and diplomatic maneuvers continue on both sides.

The Patriotic Front has rejected the accord signed by Smith and African politicians Muzorewa, Sithole and Chirau on the grounds that it perpetuates white privilege. The settlement package leaves the army, police and civil service in white hands, with whites also exercising a veto over constitutional changes through their parliamentary representatives for ten years or the life of two parliaments.

The Smith regime suffered its first major setback in the campaign to sell the internal accord to the Western world when the UN Security Council passed a resolution condemning any settlement negotiated under the auspices of the Smith regime as "illegal and unacceptable." Both Britain and

the US, however, abstained from voting on the resolution, partly because of domestic political pressure on both governments to recognize Rhodesia's forthcoming black-white government.

Smith and his African negotiating partners are also hoping that their agreement will produce an end to the guerrilla war in spite of the threats of Patriotic Front leaders Joshua Nkomo and Robert Mugabe. So far, however, the fighting has continued, and all indications are that the war will proceed unabated.

Rhodesian security forces launched an attack on Zambia in early March, shortly after the signing of the internal accord. Sources in Salisbury say upwards of thirty guerrillas were killed in the raid; the Zambians said casualties were mostly civilian.

## 2,000 Protest Apartheid At Davis Cup

Two days of demonstrations against South Africa's apartheid policies accompanied the playing of the Davis Cup tennis competition's North American zone finals at Vanderbilt University in Nashville, Tennessee.

More than a thousand protesters rallied on the Vanderbilt campus on Friday, March 17, the first day of the US-South Africa matches. Some 2,000 demonstrators turned out the next day for a protest march organized by the NAACP and other groups.

The demonstrations, which were largely peaceful, attracted wide press coverage.

South Africa's tennis team was defeated in the matches.

## South Africa Revamps 'P.R.' Effort

Faced with increased criticism of its racial policies across the U.S., the South African government is focusing an ongoing public relations effort on what it considers key and influential leadership sectors.

In early March South African economics minister J.C. Heunis spent five days in Washington and New York on just such a mission. In New York he told 140 Jewish leaders that South Africa and Israel were both "minority peoples adhering very strongly to the principles of the Western world." He also said the two countries continue to experience "the application of double standards" at the UN and other international agencies.

In Washington Heunis met with 100 representatives of US corporations which do business in South Africa. He also met with Ambassador Alan Wolff, deputy to the President's Special Trade Representative, Robert Strauss.

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# Black Prisoners and the Question of Identity

by Kamara Mtengenezaji

*Do African-American prisoners identify with South Africa's black prisoners?*

This question is not a simple one to answer. Identification rests largely on knowledge of the situation and being in prison makes it difficult to get information that accurately depicts the factual conditions under which African prisoners exist.

Depending on which prison you find yourself in, state or federal, East or West coast, levels of identification vary. If we acknowledge that some areas of the United States are more politicized than others, this is easier to understand. If there happens to be a

ways simmers just below the surface of a seemingly uninterested black prison population.

In most prisons there is what you might refer to as a politicized core of African-Americans who identify with struggle in general. Yet it is extremely difficult for them to organize and put their beliefs into more than minimal action without the kind of support the prison movement enjoyed in the late sixties and early seventies. Since then, the FBI has been training prison guards and officials in counter-revolutionary tactics to enable them to ferret out, isolate and eliminate revolutionary organizers, or those with potential, leaving only the unpolarized blacks who are kept under control by racism and murder. Their existence is one of constant struggle for survival against the tools used by officials to suppress them, which is usually other prisoners. *Sna* Quentin is a prime example of this, where Chicano and Aryan gangs are treated somewhat sympathetically because they unwittingly or consciously help keep African-Americans too busy struggling against them to be effective in much else.

The tools used by prison administrators to control the revolutionary potential vary with the prison, but whether it is McNeil Island, Walla Walla, Folsom, San Quentin, VacaVille, Soledad, CMC, Tracy, Lompoc, Chino or Terminal Island, the same oppressor lurks behind the mask regardless if its smile is benevolent or demonic.

Those Brothers who are daily faced with this intense pressure often grow frustrated with outsiders who once supported their struggle by exposing the prison system, but are now spending a lot of time and money trying to identify with or form relations with countries or people outside the United States, at the neglect of the most potential source for change in this country who are locked up in prisons. Yet the attention focused on prisons during the height of the struggle has not significantly changed the conditions brothers and other prisoners exist under. If anything, exposure served only to make the system more sophisticated, therefore, more dangerous.

What happened to sever public support from the prison movement? Some of us may remember that during the

period of the movement law enforcement agencies were recognized as the army that protected wealth and power, and their image came under heavy public attack. No one wanted to be a cop. Those who had the most interest in maintaining the status quo launched a vast psychological campaign to change that image. The floodlight of media attention was shifted from center stage to far right, and with it, the gullible consciousness of the American public. It was a brief struggle, which the public lost because it is not usually aware of the subtle psychological laws at work in media programming, manipulating its consciousness.

This shift came in conjunction with thousands of cop movies and books that

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**... what is relevant is whether the public identifies with oppressed people everywhere, and if not why not, and how can we peak their interest?**

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flooded television and movies. The revolutionary, the anti-hero was out and the cop was in. The *Police Stories*, the *SWAT's*, and a host of others crowd every channel, invading your homes, your minds and pushing American consciousness back into the nostalgia of the past when African-Americans, Aryans, Mexicans and others knew their place and anyone talking of change was a "Pinko-Commie." Everyone has gone back to sucking the poisoned teat with Big Brother holding the bottle.

In conclusion, the consciousness and the level of identification of the average African-American prisoner is not much different from that of the average so-called 'Free' citizen. The availability of accurate information makes them parallel each other. Therefore, we declare it is really irrelevant whether an African-American prisoner here identifies with a black African prisoner over there. In a larger sense, what is relevant is whether the public identifies with oppressed people everywhere, and if not, why not, and how can we peak their interest? That to me seems to be the question that needs answering.

*A Luta Continua!*



prison in such areas, the inmate population's political consciousness will most often be on a par with the availability of radical information. I say radical information because most of us are still remembering the exposure in recent years of Intelligence infiltration and liaison with establishment media, which indicates the truth will not be presented raw, but will first be 'processed' before being nipple-fed to the American public. This mutual cooperation reflects joint effort to protect the status quo by distorting the information the public needs to make accurate assessments of the situation, because action is based upon information and if it is inaccurate, conclusions and decisions to act may be incorrect. So, identification appears to be low on the surface.

However, when viewing a political movie, like *A Luta Continua!* or watching news films of Soweto, the Brothers are galvanized on the spot, which indicates support in meaningful ways al-

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*Kamara Mtengenezaji is a prisoner in a West Coast penitentiary and a long-time supporter of the southern African liberation struggle.*



 NAMIBIA

## South Africa Walks Out of Talks

*United Nations*

Walvis Bay: "Inviolable and non-negotiable part of Namibia."

Representatives of the five Western governments meeting with SWAPO and South Africa over the future of Namibia had little to say after South African Foreign Minister Roelof Botha walked out of the February New York talks before they had been more than briefly underway. US Ambassador Andrew Young muttered something about nobody liking the Western positions which meant they must be good. The State Department would only go as far as saying, through spokesman Hodding Carter, that as far as the US was concerned, "the ball is in South Africa's court. It is up to them; there is nothing the West has to do."

But, as is usually the case with US government statements, the truth is far more complex. The aftermath of the sixth round of "contact talks" on Namibia in less than a year has left SWAPO in a position of relative diplomatic strength, South Africa intransigent and on the road to instituting an internal settlement, and most probably the ball in the West's court, with no outlet passes available.

### The Walkout

Botha's walkout February 12 was angry and dramatic. On a nationally-

televised interview on CBS's "Face the Nation," he said the West did not appreciate "the situation on the ground in Namibia." The Western proposals would lead to an armed takeover by SWAPO and "a total and complete collapse," he said, resulting in Namibia's "being governed by a Marxist terrorist organization."

But many observers of the talks remained puzzled by Botha's comments. Sources at the United Nations say South Africa knew of the Western positions before the talks began. The proposals advanced by the Foreign Ministers of the five Western members of the UN Security Council—the US, West Germany, Great Britain, France, and Canada—are so favorable to South African interests in Namibia that many believe Botha has failed to admit the real reason for his abrupt walkout.

### Western Proposals

The current Western proposals in fact reflect a considerable retreat from the position adopted unanimously by the Security Council at the time of the passage of Resolution 385 in January 1976. That resolution called for free elections, leading to an independent Namibia, under the supervision and

control of the United Nations; it demanded that South Africa withdraw completely from the territory and accept UN authority in the transitional period. The five Western nations are now proposing that the elections for the assembly that will write an independent Namibia's constitution be monitored by the UN—but there is no clear statement about the UN controlling the process. The South Africans are also left in effective administrative control of Namibia during the transitional period—a UN Special Representative would oversee the transition, but would remain second in power to a South African appointed Administrator-General.

South Africa would also be allowed to retain 1500 of its troops in the area; these would be confined to the northern bases of Grootfontein, Oshivello or both. A military section of the UN Transitional Assistance Group would replace South Africa's troops, but primary responsibility for maintaining law and order during the transitional period would still rest with the existing police force.

It is generally believed that, although South Africa has been por-

trayed by the press as contentious over the number of its troops to remain—reports have it that South Africa wanted a minimum 3000—it was really the SWAPO counter-proposals that prompted the walkout. Ironically, SWAPO proved both tougher and more flexible than had been expected, and many observers speculate that the liberation movement caught South Africa and the Western powers off-guard with its shrewd bargaining.

### SWAPO Position

Despite its insistence all along that the negotiations adhere strictly to the conditions set out in Resolution 385 on UN supervised elections and complete South African withdrawal, SWAPO showed itself willing to compromise at the most propitious time. It agreed to allow a token force of 1500 South African troops to remain until after the elections but stipulated that they must be quartered not in the north, as the West had proposed, but close to the South African border at Karasburg, far from the movement's own troop concentrations near the Angolan border.

SWAPO modified its demand that the UN Special Representative take over all administrative power from South Africa in the interim period but refused to accept the Western proposal that administrative control continue to be exercised by the South Africans. SWAPO proposed that the Special Representative be given veto powers over the actions of the Administrator General, and restricted the South African's role "to answering questions relating to handing over of Namibia's files, treasury and other public property."

SWAPO has also demanded the disarming of the South African police force and the dismantling of the Bantustan tribal authorities, security forces,

tribal armies, commandos and shooting clubs.

### Walvis Bay

Finally, SWAPO added an item to the agenda that was deliberately omitted from the Western proposal: Walvis Bay. Calling South Africa's recently announced "annexation" of the territory's only deep water port "a calculated aggressive act to hold an independent Namibia at ransom," SWAPO said the annexation "would render Namibia an unnaturally landlocked country."

"As far as SWAPO is concerned," Sam Nujoma, the movement's president, told reporters a few days later, "Walvis Bay is an inviolable and non-negotiable part of Namibia."

According to Nujoma, the Western powers were unwilling to include Walvis Bay in the parleys. Sources say that during the talks the US negotiator Donald McHenry compared Walvis Bay with the US base at Guantanamo in Cuba. Nujoma told *Southern Africa* that the "Gang of Five" thought the question of Walvis Bay should be reserved for discussions between South Africa and the future independent Namibian government. It is unlikely that the two sides will reach any agreement on this major point of contention.

After the South African Foreign Minister left the talks, Nujoma called Botha a "coward," and later described him as having acted like "a badly brought up child."

### Why the Walkout?

So what really accounts for South Africa's unexpected intransigence? Diplomatic sources believe it had more to do with the West's inability to deliver a compliant SWAPO than with the specific points of either proposal. According to many observers, SWAPO has been under considerable pressure to ease its negotiating positions. Even

SWAPO supporters feared that the pressures, the fanfare and publicity surrounding the meeting with the five Western foreign ministers, pressures emanating not only from the West but also reportedly from several African frontline states including Tanzania and Mozambique, might cause SWAPO to make significant concessions at the talks.

Far from having collapsed, however, SWAPO proved itself adept at diplomatic footwork. Expecting a bludgeoned SWAPO, the South African Foreign Minister left the talks when they proved, in fact, to be real talks.

### The Next Step

Now the Western powers must make a move. South Africa is likely to go ahead with plans for an internal settlement.

South Africa's major trading partners, the Western powers now have two options. They can either move to apply real pressure, in the form of economic measures, to force South Africa into a genuine transfer of power, or they can remain inactive, thus tacitly accepting the phony settlement. The second is the more likely scenario, but SWAPO's stand has stripped the veils off the diplomatic dancers, who have all along been most concerned with seeking a settlement palatable to South Africa. If they go along with the internal settlement they will be forced to do so without the respectable cover of international endorsement they had hoped to achieve via their negotiated settlement.

SWAPO in the meantime is pledged to continue fighting; diplomatically it may benefit from the respect it has earned in the international community for its adherence to vital principles without what might be regarded in some circles as undue obstinacy. □



South Africa's Foreign Minister Botha (left) seen with foreign ministers of five Western countries during talks. Louis De Guiringaud (France), Donald Jamieson (Canada), Hans-Dietrich Genscher (West Germany), Cyrus Vance (US), David Owen (Britain).



# Things Stay the Same Says Bishop

*James Kauluma, who was elected as Namibia's first Anglican Bishop of African descent last October has been completing work on a master's degree at Union Theological Seminary in New York. He plans to return home permanently in the spring. He recently paid a two and a half week visit to Namibia, and Karen Rothmyer of Southern Africa talked to him about conditions inside that country on his return.*

While some of the more obvious signs of apartheid have disappeared in Namibia, the government shows few signs of being ready to give up real power, according to Bishop Kauluma. At the same time, he says, the protracted struggle being waged by the government against SWAPO is increasing feelings of black unity throughout the country.

The removal of certain signs of apartheid is most obvious in Windhoek according to Bishop Kauluma. "In stores people say, 'Come in, yes, what can I do for you sir,' he recalls. "The post office is no longer segregated. Blacks are moving aggressively and there is a feeling among some whites that something is happening that they can't prevent.

At the same time, however, he noted, apartheid housing laws are still in force and only two hotels are desegregated.

"You see this mixture of things changing but things staying the same," Bishop Kauluma said. Steyn (the South African-appointed Administrator, General Martinus Steyn) abolishes one law and replaces it with new restrictions."

## Harassment in North

At the military level, harassment and arrests of black Namibians appear at least temporarily to have decreased in the mid-section of the country, but continue unchecked in the northern region.

"People are afraid of the South African army, not the freedom fighters," said Bishop Kauluma, who spent one week in the northern part of the country where military activity is most intense. "The staff at one of our missions there told me that army people come every few days in search of freedom fighters. They told me that in one case they interrogated an elderly priest on the grounds that he had a shirt that they said looked like some kind of army shirt." In fact, the priest had been



Bishop James Kauluma

given the shirt by a relative who served in World War II.

## Tribal Armies

Not all the repression comes from white troops, Bishop Kauluma noted. A large number of black Namibians who [have been recruited into "tribal" armies—working for the government appointed chiefs, *ed.*] have been given weapons and a few months training by South Africa. They frequently terrorize local populations, raising the ques-

tion of what will become of this group after independence.

"There are places where people express more fear of black soldiers than of white ones," the Bishop said. "They are armed with machine guns and they have no discipline."

Bishop Kauluma himself is from the northern region but he was unable to visit his home village because of the dangers posed by mines and military maneuvers. He said that Namibians arriving from the border area told him, among other things, of seeing white military men serving with UNITA forces.

## Political Maneuvers

What the white minority governments of Namibia and South Africa cannot achieve in Namibia by force, the Bishop said, they are attempting—not very successfully—to win by favor. SWAPO meetings continue to be broken up despite the fact that they are now legal, but considerable encouragement is given to people to attend rallies for government candidates running in upcoming South African-orchestrated elections.

In one case, Bishop Kauluma said, he talked with people who were going to attend a government meeting in a black area of Windhoek where free food was being given out. "People came up to me and they said, 'We're going to eat but we are not going to vote for them.'" □

## THE FINANCIERS SAY GRACE

At the Chase table toasts with

gelatin over  
red black for wine,

For bankersamerikan a plate

Dripping with cheeks of

proud Soweto children  
hors d'oeuvre plate

Smashed femurs and fibulas fresh, Sharpeville fresh,

side dish  
12yearoldgirls  
yet hiccupping from  
Selous Scout rapes

All garnished with sunken eyes of

old women of Nyazonia  
who defiantly remember all.

— Prexy Nesbitt



# Corporate Giants Who Aid South Africa

by Neva Seidman

Fluor and the Badger Company, two US companies contracted to construct SASOL II, the South African regime's new multibillion-dollar oil-from-coal plant, typify several increasingly important trends of transnational corporate involvement in apartheid. Two aspects are especially noteworthy. First, the project represents a transfer of technology to the South African regime, with the companies maintaining little or no direct ownership. Second, these two corporations, like many other major US investors in South Africa, have strong ties to the US government.

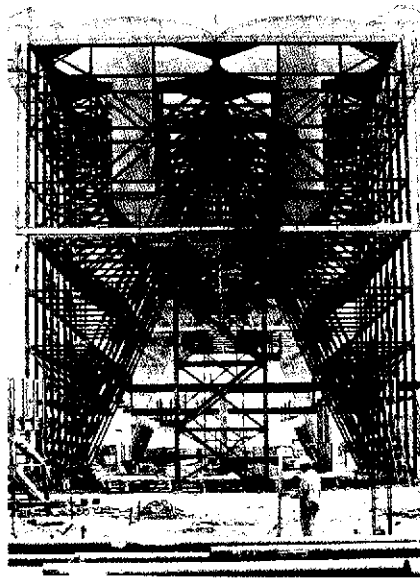
Fluor and Badger are international construction firms, primarily concerned with energy-related projects. Fluor is based in Los Angeles. Its subsidiary, Fluor Utah, is contracted to the South African parastatal, SASOL, to provide "engineering, procurement and construction of ash-handling and catalyst-preparation facilities, as well as management of wet-screening and coal-handling operations." Fluor will be paid \$2.2 billion, and finish the job, which it calls a "megaproject," in 1981. The project apparently represents the second largest contract ever obtained by Fluor.

The South African contracts are also important to the Badger company, a wholly-owned subsidiary of Raytheon. When Badger's role in the project was "substantially increased to include engineering and procurement of facilities to recover and purify by-product chemicals produced in the new complex" in 1976, Raytheon referred to the new contract as one of Badger's three most important in that year.

## Expanding Overseas

Fluor has grown spectacularly since the late 1960s. Its revenues grew by

*Neva Seidman is the co-author of the recent study on US investment in southern Africa, South Africa and US Multinational Corporations, published by Lawrence Hill & Co.*



No time wasted—With US aid SASOL grows apace.

over 400 percent between 1972 and 1976, rising from \$412 mn. to \$1801 mn. Its after-tax profits rose from \$8 mn. to \$65 mn. in the same period. Much of Fluor's business is overseas. Over nine-tenths of its 1976 orders were outside the US, compared to four-fifths in 1975 and about half in the early '70s. In 1973, Fluor was estimated to "have about a 15 percent share in the worldwide business of engineering and building major processing facilities. Fluor is active in Brazil, the Federal Republic of Germany (FRG), Indonesia, Iran, the Netherlands, Saudi Arabia, South Korea and the UK, and also has significant interests in domestic and foreign oil and gas production. The company emphasizes that, largely "by virtue of the type of customer involved," its overseas investments are as safe as those within the US—an interesting belief in view of its involvement in South Africa.

Raytheon—one of the largest US arms contractors—acquired the Badger Company in 1968. Badger is now a major subsidiary in construction and energy services. Raytheon refers to the SASOL contract as a "key contract . . . [which] is especially significant because it gives Badger entree into an important new area of the energy field: coal conversion technology. Badger has grown rapidly in the last decade. Raytheon's net sales of energy services grew from \$1.3 billion to \$2.2 billion between 1971 and '75. Like Fluor, Raytheon is increasingly involved overseas. Its sales outside the US in 1976 totalled \$806 mn., an increase of \$55 mn. over the previous year. Furthermore, this market has grown more rapidly than most, accounting in 1974 for 27 percent of Raytheon's total sales, and 33 percent in 1976.

The growing size and overseas involvement of firms like Badger and Fluor largely reflects changing technologies, which have led to growing economies of scale. The average contract for such firms grew from \$13 mn. in the mid-'60s, to about \$100 mn. in 1974. At the same time, the companies apparently need to find new markets outside the capitalist developed countries—a need which has grown with the recent recession.

## Easy Credit

Governments have been eager to help companies based in their countries win the new, huge contracts. As a result, customers like the South African, Iranian and Brazilian regimes—which form much of the new market the companies look toward—have been able to get easy credit for their projects from governmental export financial agencies in the capitalist developed countries. SASOL, for example, expected western governments to provide credit for all but \$250 mn. of the cost of SASOL II. However, under public pressure, the US Ex-Im Bank backed out of providing credit; but the West German government

## **Congress Aims Disengagement Debate**

A House Banking Subcommittee hearing at the beginning of February on whether the Export-Import Bank should continue to finance trade to South Africa provided a rare Washington forum for a debate about the broad issue of corporate disengagement.

The witnesses represented the groups usually pitted against each other on this issue. The church-based Washington Office on Africa, the Oil, Chemical and Atomic Workers International Union and Congressmen Andrew Maguire and Charles Diggs urged an immediate end to all official financing of trade with South Africa. On the other side were the voices of corporate liberalism, represented by Control Data Corporation, and global free trade, represented by an association of capital goods producers called the Machinery and Allied Products Institute. Even the South African embassy had selected a witness, an afrikaner banker from the Finansbank in Johannesburg.

Congressional advocates for even partial economic disengagement from South Africa are a small group, but their number is growing. White liberals on the House Ad Hoc Monitoring Group on South Africa, including Reps. Maguire and Paul Tsongas, have been influenced by the growing opposition to corporate involvement in South Africa, and particularly by the few prominent whites who now take this position.

Briefings by banned editor Donald Woods before the Ad Hoc Monitoring Group and the Africa Subcommittee the week before the Ex-Im Bank hearings were well attended. Some of the

liberals hoped that Woods' advocacy of international ostracism of South Africa would even convince Control Data to change its long-held position that it and other American companies play a progressive role by staying in South Africa.

But some liberal Democrats appeared convinced that American corporate and government involvement in South Africa should continue. Rep. Bruce Vento, the Congressman from St. Paul where Control Data is based, had nothing but glowing praise for its operations in South Africa and its endorsement of Leon Sullivan's equal employment code. Rep. Les AuCoin said apartheid was wrong, but politics shouldn't be mixed in with Ex-Im Bank's function to promote American exports and jobs. The right-wing was represented by Rep. Henry Hyde from outside Chicago, who accused Maguire of applying a double standard to South Africa and Communist countries.

The South African government and its Washington lobbyists are pulling out all the stops in their attack on advocates of disengagement. The Washington law firm of Collier, Shannon, Rill and Edwards set up a press conference outside the hearing room after Donald Woods appeared before the House Africa Subcommittee. Retief Van Rooyen, counsel to the South African police in the inquest into the killing of Steve Biko, claimed that he just happened to be in Washington as a tourist, and just happened to have personal friends at the law firm who helped him set up the press conference. Van Rooyen told chuckling reporters that Woods was telling them "the big lie"—that Africans want American companies out. The press conference turned into a shouting match when Van Rooyen finally started to answer questions about how Biko died.

The lobbyists also took on anti-apartheid groups directly for the first time. Donald deKieffer, the lawyer handling the South African account, accused sponsors of a leaflet opposing Ex-Im

Bank aid to South Africa of disseminating "malicious nonsense," in a letter to all members of the House and Senate Banking Committees that arrived just before the House hearings. He implied that the Washington Office on Africa and other endorsers of the leaflet were lying to members of Congress, and were "orchestrating attempts to influence your decision on this matter." He insisted that South Africa was prepared to "abide by any standard of democratic institutions" applied on a "non-discriminatory basis" to the Export-Import Bank, and demanded full hearings at which South Africa could present its case.

A preliminary measure of the strength of the pro- and anti-South African forces will come in the second half of March when the House Banking Subcommittee votes on an amendment to be offered by Rep. Tsongas to the Ex-Im Bank authorization bill that would end all financing for South Africa. Consideration of the issue will begin in the Senate soon thereafter. Senator Clark's recent recommendation to cut off Ex-Im Bank funds for South Africa will probably be a major influence on how his colleagues react.

*For organizing materials on the Ex-Im Bank campaign, contact the Washington Office on Africa, 110 Maryland Ave., N.E., Washington, D.C. 20002.*

## **Carter Rejects South Africa Tariff**

President Carter has rejected a recommendation from the International Trade Commission to impose a 30-percent tariff on ferrochrome imports from South Africa. The tariff was being sought by hard-pressed domestic ferrochrome producers who claimed they couldn't compete with cheap labor and economic subsidies available in South Africa. In 1977, one-half of American ferrochrome imports came from South Africa, mostly from a Union Carbide subsidiary.

Heeding the advice of chief trade negotiator Robert Strauss, Carter

continues to guarantee about \$200 mn. for Deutsche Babcock to provide a steam pressure system for SASOL II.

## **Technology, Management and Capital**

For the companies, South Africa's white minority regime is an important large, new customer. From the re-

gime's point of view, the companies provide technology key to its energy program, which it hopes will counteract an oil boycott. In addition, the companies provide overall management, which the size of the project makes crucial, and which is available in the main only from the United States.

Fluor and Badger, like other transnational corporations, are able to organize foreign credits—another quality valued by the South African regime. Corporate access to western governments' export credit agencies have been mentioned. Fluor also has "lines of credit" with 13 banks, extend-

decided that the issue of restricting barriers to trade was more important than opposing South Africa's repression. Senator Clark and Black Caucus Chairman Parren Mitchell strongly disagreed. Clark said he regretted that Carter hadn't taken the opportunity to signal US disapproval of South Africa's policies.

The Congress has ninety days to overturn the President's decision. Rep. Andrew Maguire has introduced a resolution opposing the President's decision, but no vote is expected to be taken on it.

Ferrochrome producers had unsuccessfully sought a similar tariff in 1975, citing purely economic reasons. This year they also stressed the horrors of apartheid, hoping to benefit from Carter's human rights policies and the growing attention being given to southern Africa policy.

## Second Try on AID Study

A one million dollar AID study on development in southern Africa begun last August still hasn't gotten off the ground.

The project was beset with difficulties from the start, partly in the form of internal differences between AID Assistant Administrator for Africa Goler Butcher and project director Roger Ernst on how the study should be run. Ernst submitted a research plan last year which Ms. Butcher rejected. In January, he left the project.

Ernst's replacement is Roy Stacey, who has worked for AID in the Ivory Coast and Botswana. Most recently Stacey worked on the Sahel aid program of the Organization for Economic Co-operation and Development (OECD) in Paris. The Club des Amies de Sahel, encompassing both donor and recipient nations, has frequently been held up by people working on the AID study as a possible model for southern Africa.

The study has also faced problems with the Congress. The Foreign Op-

erations Subcommittee of the Senate Appropriations Committee holds a virtual veto power over the research plan, and has so far refused to release the funds that were appropriated last summer. The group is therefore working with a minimal five-person staff using money from other internal AID sources.

The project has approached at least three groups of American and African academics in the last few months to subcontract part of the research, but has not met with any success. AID appears anxious to make the study appear independent of State Department policies on southern Africa, and particularly to involve Africans from the region in its work.

## Agents Eavesdrop For South Africa

Jack Anderson has reported that South African agents slipped into closed congressional briefings and obtained unauthorized information twice in January.

On January 18, an uninvited official of the South African embassy attended a State Department briefing restricted to members of Congress and their staffs.

Again on January 31, an employee of a law firm representing South Africa posed as a congressional aide to get into another off-the-record briefing.

The first incident may have been inadvertent; the second was deliberate, and one Justice Department source told Anderson the second eavesdropping "could be a potential violation" of US espionage laws.

The first briefing was arranged by Reps. Thomas Downey (D-N.Y.), Andrew Maguire (D-N.J.) and Edward Markey (D-Mass.). After they learned about the uninvited guest, they joined in writing a sharp, private letter of protest to South African Ambassador Donald Sole.

Two weeks later, according to Anderson, newspaper editor Donald Woods appeared behind closed doors on Capitol Hill to testify about abuses by the South African government.

Because of the earlier security breach, extra precautions were taken. Access to the hearing room was restricted to one door, and sign was posted at the door that the briefing was closed.

Inside, an aide to Downey noticed a young woman tape recording Woods' confidential remarks. The aide asked the woman to identify herself. She produced a congressional ID card, identifying herself as Eva Neterowicz from the office of Rep. Dan Rostenkowski (D-Ill.).

It was later determined that she left Rostenkowski's office in October, 1977, and joined the law firm of deKieffer and Associates. The firm is registered as an agent for South Africa and is paid approximately \$150,000 annually for legal and lobbying work. Neterowicz is assigned to the South African account.

One result of the ruckus caused by these two incidents is the recall of the Johannesburg *Star's* Washington correspondent. Apparently the South African Department of Information didn't like the way he reported on the affair.

## Commerce Issues Limited Arms Embargo Regulations

Validated export licenses for all commodities and technical data intended for the South African military or police will no longer be granted, according to new guidelines published by the Commerce Department on February 16. The new guidelines implement the decision taken by the Administration to deny all exports to the military and police following the United Nations Security Council decision in November.

The Administration still has not decided whether or how it will restrict sales of the larger "gray area" category of commodities with military use sold to other South African government agencies or private purchasers. State Department sources indicate that some additional restrictions might be placed on such sales, but that a prohibition of future sales is very unlikely.

ing to a maximum of about \$50 mn. at rates of up to 1 percent over LIBOR and one of Fluor's banks is Chase Manhattan, which has a long record of making big loans to South Africa. There is also some evidence that Manufacturers Hanover, another bank which has provided major credits to South Africa,

was involved in arranging the Fluor-SASOL contract. The Ohio Attorney General filed suit against Fluor and Manufacturers Hanover in 1976 for conspiring to conceal the deal, so that Manufacturers Hanover could buy Fluor stock before the price went up after the contract was announced.

## Government Ties

Both Fluor and Raytheon have close ties to the US government. Raytheon is one of the 25 largest military contractors in this country. In 1976, its sales to the US government totalled \$857 mn., or 35 percent of all Raytheon

sales, and were \$27 mn. higher than the year before. Raytheon's chairman and chief executive is a member of the industrial advisory council to the office of the Secretary of Defense. Among Raytheon officers previously em-

ployed by the US government is a director who was deputy associate administrator of manned space flight for NASA in 1961-'63. Fluor has also had several major contracts from the US government, including a 1974 oil-

from-coal test plant, a design and feasibility study of a coal-to-methanol project for the Energy Research and Development Administration, and the 1976 construction contract for the first large-scale oil-from-coal demonstration plant.

### The Energy Network

Fluor, Raytheon and Badger all have broad interests relating to energy; Fluor has been involved in the design and construction of various nuclear related plants—both power plants and uranium enrichment projects; Raytheon has a subsidiary "engaged principally in providing conventional and nuclear power plants." The corporations have undertaken major projects for most of the oil giants, both in the US and abroad. Fluor is also linked to another major investor in South Africa and Namibia, Newmont Mines, through the joint ownership of Peabody Coal, the largest coal producer in the US.

### University Ties

Finally, like most powerful corporations, Fluor and Raytheon have close links to the universities, the nurseries for their next generation of standard-bearers. J. Robert Fluor, the company's president (the Fluor family still owns 9 percent of its shares) is chairman of the board of trustees of Southern California University. Raytheon's directors include a Dartmouth trustee, two Harvard overseers, and a Harvard professor.

## Gold Rush In Progress

Despite nation-wide anti-apartheid group activities in the US, and some considerable victories, sales of Krugerrands have been climbing again. This is true in Europe, too, and seems to reflect an international middle-class nervousness about the falling value of money. (Poor people worry too—but they can't go out and buy gold coins.)

Sales have probably been boosted by the clever advertizing of the SA Chamber of Mines and its US agent, Intergold. Last year \$4 million was spent promoting the so-called "ounce of love."

Nevertheless opponents of South Africa's repressive racism might have expected that the exposure in late 1977 of the Pretoria regime's desperate brutality, as evidence by the police killing of Steve Biko and the banning of the last major black organizations, would make people a little queasy about buying the coins. But, as one foreign journalist commented, "the American pocket has proved more

sensitive than the American conscience."

Precise figures for Krugerrand sales in the US are hard to come by; Intergold does not advertize such potentially harmful data. But total world sales in 1977 were a high 3,300,000 coins, and experts estimate that more than a third of the sales were in the US. In January 1978 worldwide sales were 669,000 coins (as against 203,000 one year earlier). With the price of gold running at over \$180 an ounce that makes a handy income for South Africa.

It is especially valuable income because it comes in the form of foreign exchange, which Vorster's government needs to buy such things as oil and airplanes overseas.

If one third of the 669,000 coins were sold in the US in January, as they had been on average over the whole of 1977, then US citizens gave South Africa \$40 million in just one month. Not a bad prize for the world's most racist state.

Seems like it's time for some folks to hit the streets again. □



The Germans and Swiss are buying some 45,000 Krugerrands a week. Maybe they know something you don't.



The Krugerrand  
The world's best way to own gold.

Advertising the lucrative Krugerrand

## ANGOLA

# Renewed Hostilities Provoke Protest

Early in February the Angolan Ambassador to the UN officially registered a protest with the Secretary General against continued South African and Zairean violations of Angola's territory.

In a letter distributed to all member states of the UN, Ambassador Elisio de Figueiredo detailed 22 incidents initiated from Zaire along the northern and eastern borders and 14 incidents along the southern border with Namibia. The violations occurred between early October and late January.

Most of the incidents in the south involved South African troop movements and violations of Angolan air space by South African reconnaissance planes. Several times South African forces shelled Angolan border towns in the provinces of Cunene and Cuando Cubango, and in late December, South African troops attacked an Angolan army unit. There were no casualties.

South Africa has admitted none of these actions, but it did officially

announce that its troops had crossed the Angolan border late this February in "hot pursuit" of SWAPO guerrillas. The announcement came just as SWAPO and the South African Foreign Minister were sitting down for talks in New York with the Foreign Ministers of the five Western members of the Security Council over future independence for Namibia. South Africa said it had killed 18 guerrillas.

### Captured UNITA Soldier

Angola provided more evidence of South African-supported counter-insurgency in February when it presented a captured UNITA soldier to the press.

Inocente Parente Vieira was captured by the Angolan armed forces in September in southeastern Angola. The 27-year-old Vieira is a native of Bie in south central Angola. After fighting in Lobito, he crossed the Namibian border with other defeated UNITA troops in February 1976. Several days later South African personnel carriers brought him back to Angola.

Vieira said he was then chosen for further training and returned to Namibia. "Once inside the frontier wire fence on the Namibia side," he told reporters in Luanda, "we were picked up by a Puma military helicopter and taken to a local South African military base," which he added, was "recently built and had South African troops."

He received training for eight weeks, and in July re-entered Angola with other UNITA troops. South African troops entered Angola last July and August at the border town of Cuangar, and the operations, Vieira said, were to culminate in the proclamation of a UNITA-led republic. But Angolan armed forces repulsed the South Africans.

It was at this time that extensive reports appeared in the Western press, most notably in the *Washington Post*, claiming that UNITA held one-half of Angola's territory and that it was ready to proclaim an "independent republic."

"We had constant field radio contact with our central base," Vieira said, "and with the South African command."

### Incursions From North

In the north, many of the violations of Angolan territory have been just as serious. In January 1978 an armed group from Zaire set fire to the village of Nhamutenga in Alto Zambeze leaving several dead. On the following day, they repeated the attack on the settlement of Sabassaba. The attacks from Zaire had intensified in December



when the Angolan government says it confirmed that Zaire amassed 3000 troops on its border including 40 mercenaries of undetermined nationality.

Earlier, Angolan armed forces captured a sergeant in the Zairean armed forces, and according to another captured UNITA soldier, a group made up of Zaireans, eight Moroccans and six Frenchmen crossed into Angola in Moxico province.

Ironically, at the same time Zaire President Mobutu Sese Seko was making renewed overtures to the Angolan government to normalize relations. The two countries have had no official diplomatic relations since the Angolan war in 1975-76 when Zaire supported the FNLA against MPLA. Mobutu has previously given indications that he would favor normalized relations but during MPLA's Congress in early December, he made special efforts to contact Angolan president Agostinho Neto.

Angola has always made it clear what obstacles block the way to normalized relations. "If Zaire wants to transform its relations with Angola so that they no longer send the puppets of FNLA (who find sanctuary in Zaire and near

Cabinda) we will be satisfied," Neto said in mid-January. "When the President of Zaire contacted us to try to normalize our relations, we responded: very well, but on the condition that Kinshasa stop the infiltration of these elements and the pursuit of their ill-fated activities."

The Angolan president however demonstrated no inclination to hurry normalization along. Acknowledging that Zaire was looking toward the reopening of its access to the Angolan portion of the Benguela railway, closed since the war, Neto suggested that another rail line could be built that could directly benefit Zambia with which Angola has more cordial relations. Zambian copper must now be transported through Zaire if it is to reach the Atlantic port of Lobito, at the Western end of the Benguela railway.

Neto also noted that if Angola wanted to retaliate against Zaire for its continued provocations it could close Matadi, Zaire's only port at the mouth of the Congo river. Angola could "prevent the transport of any product into or out of the country," Neto warned, adding "but we don't intend to suffocate anyone." □

# Mozambique and Tanzania Build Cooperation

Mozambique and Tanzania, two front-line states who have cooperated closely in providing ongoing support to the liberation struggles being fought in southern Africa have recently entered into a new phase of relations with the formal establishment of the Permanent Commission for Cooperation between Mozambique and Tanzania. Although the Commission was set up three months after Mozambique's independence from Portugal in 1975, its efforts have only recently begun to institutionalize significant areas of cooperation, most particularly in trade and agriculture.

While Tanzania provided major material and political support to FRELIMO during the war of independence, the two countries in fact stood back to back until two years ago, Tanzania's Ambassador to Mozambique, Obeid Katikaza, told the *Tanzania Daily News* in a recent interview. Now, he added, the good will and common goals between their peoples, parties, and governments have made them face to face.

Despite the history of mutual support and sympathy, the achievement of closer relations was not an easy one, Katikaza pointed out. Differences in language, history, and colonial experiences posed definite problems in the beginning. In addition, Tanzania's membership in the East African Common Market subjected it to certain binding trade agreements and preferential treatment of other neighbors, and Mozambique's 500-year subjugation to colonial rule and underdevelopment followed by a 10-year war exacerbated these differences.

Nevertheless, increased cooperation has characterized their relationship since independence. The most successful areas of cooperation have been in the trade and agricultural sectors. The value of trade had gone from zero in 1975 to one million shillings by 1977, with Tanzania buying more from Mozambique in the first half of 1977 and Mozambique offsetting that imbalance with increased Tanzanian imports during the second half of 1977.



Years of Solidarity: President Nyerere (left) with President Machel

Joint cooperative projects in tea and sisal growing, aided by Tanzanian advisors, have rejuvenated Mozambique's cashew, tea, and cotton plantations abandoned by the Portuguese after independence.

## Unity Bridge

In transportation, plans are being developed for the construction of the appropriately named Unity Bridge to be built across the Rovuma River, the natural boundary between the two countries. The bridge will also facilitate the development of the Rovuma Basin where a joint survey is planned to tap the rich agricultural potential of the area.

In addition to the Unity Bridge, the two countries have agreed to launch political education programs for people living along the border aimed at teaching respect for territorial integrity and national independence. This project hopes to stem the illegal border trade, and the practice of crossing the border without valid documents, allowing the infiltration of "disguised agents."

The industrial sector has been the one showing the least development in both countries. However, the most recent Commission meeting called for 'complementary and rationalized' industrial cooperation to develop

industry for the region as a whole. For example, Mozambique's production of (high) quality cloth for export will be complemented by Tanzania's production of cloth for domestic consumption, in particular the popular kanga and kitenge materials. Cement production provides another example of planned cooperation; Mozambique's established output of nine million tons annually will be supplemented by Tanzania's production of a more specialized variety, white cement. In conjunction, the two countries will be able to establish a viable cement industry.

An area of new cooperation generating great enthusiasm among the youth is that of school sports. Primary schools, secondary schools, and colleges in both countries have begun a series of exchange sports visits and joint participation in games.

## Diplomats Training Center

Finally, on the initiative of Presidents Machel and Nyerere, the Permanent Mission for Cooperation has proposed a joint center to train career diplomats and students in related public institutions. It is expected to open this year in the former Mozambique Institute at Kurasini in Dar es Salaam—the center which FRELIMO used to train many of its cadres during the war

of liberation. The agreement was signed in January by foreign ministers Ndugu Benjamin Mkapa of Tanzania and Joaquim Chissano of Mozambique.

While the majority of courses will be offered in Dar, Mozambique will also host some of the training, such as in Portuguese language. It is hoped that the joint center will go a long way towards training cadres fully conversant with the socialist aspirations of the two nations.

In fact this center institutionalizes the already established practice of reciprocal representation between the

two countries. Tanzanian missions abroad have often facilitated Mozambique's diplomatic needs in capitols where Mozambique has no mission, and in capitols such as Lisbon, Mozambique acts as a representative of Tanzania.

The increasing closeness of Mozambique and Tanzania extends to the ground level of popular understanding and support. Tanzania's Ambassador Katikaza stressed that the basis for this understanding stems from the unique relationship the two countries have shared for more than a decade. During the war many Mozambicans crossed

the border and took refuge in southern Tanzania while many others came to work on Tanzanian plantations. While this grass roots level of internationalism has been most pronounced in the border area, it has significantly influenced the growing closeness and cooperation between Mozambique and Tanzania.

Now both countries hope that the collaboration and cooperation built during the anti-colonial struggles will grow yet stronger, forming a sound foundation for the construction of new exploitation-free societies in the future. □



By Terisa Turner

**THE LONRHO CONNECTIONS: A MULTINATIONAL AND ITS POLITICS IN AFRICA**, by Suzanne Cronje, Margaret Ling and Gillian Cronje. Los Angeles: Bellwether Books, 6399 Wilshire Blvd., California 09948. 1977, 320 pp., hardcover, \$15. First published in Britain simultaneously by Julian Friedmann Books (London), 1976, 316 pp., £6.95, hardcover and Penguin Books, paperback.

For years Suzanne Cronje has been in the forefront of political journalists writing on Africa. Now she is joined by her daughter Gillian Cronje and Margaret Ling in authoring an exhaustive and highly readable study of a corporation's penetration of Africa. In terms of information the book is a tour de force. It stands on a solid foundation of committed and scholarly research extending to European, American and African media reports, company documents, interviews and attendance at Lonrho stockholders' meetings. Meticulously footnoted, the study concludes with four valuable appendices (on Lonrho's Rhodesian profits, the OAU oil consultancy job, the text of an OAU-Lonrho agreement and the terms of UN sanctions), and a postscript which brings the story up to the July 1976 publication by the British government of an investigation into Lonrho's sanction-busting activities.

The book is light on theory, though heavy on facts. This is probably a virtue since it can be readily absorbed by

## A Multinational's Politics in Africa: Lessons for Revolution

readers of various political shades. We get a well-rounded picture of a corporation operating in complex milieux: West, East and Southern Africa, The Sudan and Europe, within the OAU and in the private and public sectors. The study also demonstrates the limited use of sanctions.

The strong points of the book are its presentation of the completely worldwide character of today's economy, its description of a corporation's role in creating a (largely commercial or comprador) African bourgeoisie and its demystification of "revolutionary capitalism." The authors conclude by stating that

The real challenge to Lonrho's future lies in the possibility of an African and Arab challenge to capitalism itself and to its major agencies in their multinational companies. . . . The issue is not whether Lonrho is the unacceptable face of capitalism, but whether capitalism is going to have an acceptable face in Africa at all. (p. 248)

Lonrho today is a vast conglomerate of mining, agricultural, sales, service, newspaper, transport and other types of companies based mainly in Africa (especially South Africa and Rhodesia), but also in the Middle East, South America, South East Asia and in Britain where it is incorporated. In 1961 when Tiny Rowland became owner-director, Lonrho (which stands for London-Rhodesia) was a faltering Rho-

desian mining firm with a profit before tax of only \$395,000. By 1965 pre-tax profit had reached \$5,460,000 and after a decade of really tremendous growth, it was \$138,648,900 for 1975. While this impressive expansion coincides with a boom in the world economy, especially in certain areas like sugar and copper where Lonrho is strong, the company's rapid growth throughout Africa and beyond has more to do with the style of its chairman, Tiny Rowland, an expert at wheeling and dealing, sanctions busting, bribing, playing benefactor in white and black-ruled Africa at the same time.

Lonrho achieved considerable notoriety in 1973 when a boardroom brawl hit the headlines in Britain. Prime Minister Heath announced that the multinational's maneuvers showed "the unacceptable face of capitalism." Angus Ogilvy, husband of Princess Alexandra, the Queen's cousin, resigned from the board of Lonrho as the scandal surfaced. Lonrho was paying huge amounts of money to Duncan Sandys, ex-Conservative government minister, to 'fix' a fraud case being brought in South Africa.

### Sanctions Busting

In 1970 Yeoman Investments, in which Ogilvy had a 10% stake, negotiated a \$2 million loan from the Canadian Imperial Bank of Commerce, of which Ogilvy was a director. While this money was supposed to be for expansion of HCC Investments, a Lonrho-owned South African mining



company, only 19 days after the loan was made HCC bought out a Rhodesian copper mine. In this way Rhodesian copper could find its way to the world market through South Africa and around sanctions.

In 1969 Lonrho's Rowland bought Edmundian Investments which owned a defunct copper mine in Mozambique. False certificates of origin could be issued on the Mozambican mine for exports of Rhodesian copper, so long as the countries' common border remained open. These "unacceptable" capitalist operations lead the British Department of Trade to undertake an investigation, but no legal action was taken against Lonrho on the basis of the official investigation, despite massive evidence of sanctions busting.

One reason why the British government did not enforce its sanctions law in the case of Lonrho was highlighted by Rowland himself. Company statements accused a number of British firms of avoiding sanctions. Lonrho claimed its position was "far less open to criticism than that of many British companies who have continued through South Africa or elsewhere to supply oil, vehicles and banking and insurance services." In short, to prosecute Lonrho would open a can of worms.

Rhodesian sanctions have not worked. This is not new information. After all, the ban on trade is almost ten years old and Smith remains in power. What the excellent study of Lonrho shows is how, step by step, sanctions were avoided. The very structure of multinationals, with endless subsidiaries, "briefcase companies," paper chases and legal fictions, makes completely international trade easily possible, despite sanctions forbidding it. Underlying this is the inherently global character of modern economic activity.

This is not to say that Lonrho and other companies would not like an end to sanctions. In fact, the main attraction of the late 1977 British-US plan for a Rhodesian settlement is that it would put an end to sanctions if Smith agrees to a referendum and handover to a "responsible" majority regime.

### Making Friends in Zimbabwe

Lonrho has moved aggressively to establish links with moderate, potentially neo-colonial elements in Zimbabwe. For instance, the company provided legal advisors to Nkomo during the 1976 Geneva conference. An economist connected with Lonrho, Mr. Tim Curtin, went to Zimbabwe in 1976 to act as an adviser to Nkomo and his faction of the African National Council, in its constitutional talks with

Ian Smith. In May 1976 it was reported that a new company financed by Lonrho had been formed to start a newspaper for African readers. An African in Lonrho's employ was slated to be the new editor-in-chief while the chairman was a member of the ANC executive. It is clear that Lonrho, with its very large holdings in Zimbabwe (39 companies, 11 of which were acquired after the 1972-73 financial year) has planned for business as usual under black rule. But for it and a host of other firms, it is vitally important that the new Zimbabwean and South African governments be 'moderate.'

### Making Friends in Africa

Lonrho has been adept at creating an elite of partners in African countries, and in establishing a broad orientation which favors capitalist enterprise, often through newspapers owned by the company. Rowland is proud of his brand of "constructive" and "revolutionary" capitalism. In 1973 he boasted that "When I'm abroad, I am entertained, and do business with Rulers, Presidents and Prime Ministers, who entertain me and look after me." Lonrho is innovative and its "revolutionary capitalism" is adaptable to new political situations. It may help new governments emerge.

Rowland has said "We like to approach a country and give them ideas and suggest a feasibility study and a partnership deal so they can get in right from the start. . . ." Lonrho's efforts to become the oil consultant to the OAU in 1973 illustrate this tactic. The company suggests a scheme to a well-placed African who then makes

the proposal public, gets it accepted through the appropriate agency, and then hires Lonrho to carry it out. What might appear 'radical' or 'progressive' to naive observers—joint ownership of projects, the creation of an Arab dinar based on oil to replace dollars, the use of Arab oil money for African 'development,' and a host of other projects, many of them involving several countries and governments—are in fact the far-reaching plans of Lonrho, a firm which makes no bones about what matters: "and that's the cash we can expect to receive in London."

For years Rowland favored 'detente' between white and black-ruled Africa. But he also assured black governments that his interests in southern Africa were minimal and indirect when in fact they were rapidly expanding. With the rise of liberation movements in the south, Rowland stepped up his support for black rule which he was convinced could be made to work to Lonrho's advantage. In their study (p. 262), Ling and Cronje quote a Lonrho director, Sir Basil Smallpiece's record of a conversation with Rowland in 1972:

[Rowland mentioned] his personal interests in helping free Africa, whether black or Arab, to develop, and how he had only this morning been to see the political adviser at the American Embassy in London, when he said it had been agreed that a special message would be sent to President Nixon outlining his ideas for the solution of the problem of Africa. He went on to add that he thought that as a result of securing a political solution to the problem of Africa, Lonrho could develop into a company earning profits of £50 to £100 million a year!

### Testing Rhetoric With Reality

The ease with which Lonrho and other multinationals adjust to 'independent' governments in Africa should provoke questions about exactly *what* is *new* in the economic relations which are established by governments calling themselves socialist. Lonrho's "revolutionary capitalism" may be even more profitable than the staid pre-independence sort. But it has a new and more acceptable face: black government agencies in 'socialist' countries or indigenous black businessmen on the boards of directors. The countries' raw materials are exported just as before with little benefit going to the citizenry. If the change has been little more than cosmetic, of what benefit are the 'revolutionary' governments and 'revolutionary capitalism' to the people?

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## Multi-National Capitalism

The study also demonstrates in concrete detail the international character of modern capitalism. One of the lessons of the failure of sanctions against Rhodesia is that trade, and almost all economic activity today, is by definition multinational. In March 1975 Rowland announced the purchase of a subsidiary of Lloyd's Bank and said "I

would like Balfour Williamson to be the first British company in Hanoi and Peking."

The practical strategy which follows from recognizing the worldwide character of today's political economy, is the union of all peoples, regardless of nationality, against the international network of capitalists and bureaucrats who coordinate exploitation. It is in this light that C. L. R. James wrote 27

years ago of a "Socialist United States of Africa [linked] to the European and world economy. The Lonrho study provides an analysis of present-day capitalist operations which makes this internationalist policy even more obviously the only one with revolutionary potential, if we mean by revolution a radical change in the relations among all people (children and women too) engaged in production. □

## 🌍 SPECIAL ACTION REPORT

# Bank Campaign Builds Strength

On January 22, twenty organizers met in New York city to formulate goals and strategies for the ongoing US campaign to stop all bank loans to South Africa.

It was agreed that:

- The campaign should force US banks to stop making new loans and to stop renewing old loans to South Africa.
- It should force banks to issue explicit public announcements stating they will make no new loans and they will not renew old loans until the apartheid system is dismantled and majority rule is realized in South Africa.
- The campaigns should force US banks to stop financing US corporate investment in South Africa and to stop facilitating trade with South Africa.
- Pressure should be exerted to insure that the US government's Export Import Bank stops guaranteeing, insuring, and discounting loans from US banks to South African corporations seeking to buy US products.

These goals should be accomplished in relation to ongoing campaigns to stop all US corporate investment in South Africa—campaigns to isolate the South African state from the capital investment and vital cash flow necessary to intensify its subjugation of the African population.

Key dates picked for actions to build the bank campaign were March 21—the commemoration of the Sharpeville massacre, and June 16, the day on which the Soweto uprising in 1976 began.

March 21 demonstrations were planned to take place at the headquarters of branches of banks making loans to South Africa in several major cities. People were urged to close their accounts at these banks. Large institutions already in the process of closing out their accounts were asked to complete the process and make a formal announcement on that day.

Lending is dominated by key giant commercial banks like Bank of America, Chase Manhattan, and Citibank. But many smaller regional and local banks have also been involved, often through transactions linked to the US government Export Import Bank.

In New York, Chemical Bank was chosen as a major organizing focus. The recent Senate report on US involvement in SA has referred to Chemical as one of the major lenders to South Africa.

### Size of US Bank Loans

According to the Committee to Oppose Banks Loans to South Africa, US banks have lent more than \$3 billion to South Africa since 1974. Much of this money has gone directly to the government, or to government controlled corporations, which play a crucial role in the economy, and include ESCOM (Electricity Supply Commission), ISCOR (Iron and Steel Corporation) and SASOL (South African Coal, Oil and Gas Corporation).

Maintaining a constant flow of capital into the country is vital for the Pretoria regime, which desperately needs the foreign currency to buy oil, defense equipment, and a wide range of other equipment which will help build self-sufficiency now, so that the economy will shake off its vulnerability to foreign sanctions.

### Building the Committee

There are now active local groups working on the bank campaign in at least 11 centers in the US, in Boston, Chicago, Cleveland, Charlotte, Milwaukee, Minneapolis, New York, Philadelphia, Pittsburgh, Rochester and San Francisco. Many other groups, like trade unions, church and community organizations, and students have also begun to organize around the issue.

Work has been co-ordinated by a small staff in New York; Gene Jones, of Clergy and Laity Concerned and Prexy Nesbitt of the American Committee on Africa. These two have carried primary responsibility for the mobilization which has built the wide coalition of many groups working together as the Committee to Oppose Bank Loans to South Africa.

When *Southern Africa* talked to Prexy Nesbitt in New York he was being given what he termed "invaluable assistance" by Beata Klein, a Bennington student working with him as an intern. From the piles of queries stacked up on her desk to be answered, and the constant ringing of the telephone it was obvious that a major problem was the need for help. But, unlike the banks with their infinite funds for apartheid, the bank campaign is operating in a very finite, almost non-existent budget.

### Actions — National and International

Nevertheless the achievements have been significant. When the twenty organizers met in January they came from all over the United States—the campaign has really spread. Equally important was the presence of active representatives from the Canadian and British campaigns. The banks operate multi-nationally, ignoring national boundaries; in addition, they operate in groups—a British, a West German, an American bank will all participate in one loan. Ending the flow of capital to South Africa means turning the taps off in all the major western lending countries; it also means being able to check the flow of so-called offshore money from the uncontrolled American branch banks in the Caribbean.

This challenge is being met by the widening involvement of groups internationally around bank actions in their

own countries. Thus in Britain 200 branches of Barclays Bank were picketed March 1 as a first step in a campaign which aims to get 10,000 accounts withdrawn from that bank.

Members of an Irish teachers' union are calling on their congress to resolve not to hold money in banks lending to South Africa; Caribbean groups are seeking out the networks which channel funds to South Africa; Canadian banks are being confronted; each week brings news of new areas of activity.

### US Victories

The US Committee has used a two-pronged strategy, designed both to reach individuals, who often then become new organizers while at the same time seeking action from major institutions and organizations, such as trade unions, churches, universities.

There have been notable results, including some sizable withdrawals of funds.

Several labor unions have voted to withdraw funds. They include: the Furriers Joint Council, the United Electrical, Radio and Machine Workers of America, and the Fur, Leather and Machinist Workers Union. The executive board of the United Automobile Workers has endorsed the campaign voting "to withdraw UAW deposits in American banks that are loaning money to South Africa." District Council 31 of the Steel Workers—the largest local in the United States—voted to endorse the campaign, as did the pension fund trustees of the National Union of Hospital and Health Care Employees (District 1199). In a resolution the fund decided to ban investments that aid South Africa; announcing the decision, union president Leon Davis described US loans and investments that prop up South Africa's repressive regime as "an insult to all Americans."

Some religious bodies including the National Council of Churches, the New York Conference of the United Methodist Church, and the National Conference of Christians and Jews have also decided to take action in support of the campaign. But in general this sector of the community, particularly at the higher institutional levels, seems to have responded slowly to a challenge that basically calls for an examination of the morality of the use of large sums of money. Local churches have taken up the issue with greater enthusiasm. In early December, five church organizations—the Association of Chicago Priests, Church Women United in Greater Chicago, the Chicago Disciples Union, the Northern Illinois Conference of the United

Methodist Church, and the National Council of Churches—announced the withdrawal of funds from Continental Illinois and First National Chicago.

Important national organizations have also begun to respond to the campaign. In January the National Association for the Advancement of Colored People (NAACP) called for a total withdrawal of US business from South Africa, and specifically called on individuals and organizations to withdraw funds from banks making loans to South Africa.

Other developments are characterized by the actions of the Davis Coalition on South Africa in California; citizens are being asked to vote in an official referendum which aims at establishing a task force to begin the divestment of city funds from banks and corporations doing business in South Africa; this would also raise the question at the State legislature level.

### Corporate Campaigns

An important element in the growth of the bank campaign has been the close liaison with groups working on the question of US corporate investment in South Africa. The fundamental issues raised are the same, and in many places the decision not to have money in banks that lend is being coupled with a decision not to have money in corporations that invest in South Africa.

The organizing done around the issue of US aid for apartheid has also succeeded in raising a wider set of issues for many groups. Thus union members have begun to consider the contradictions frequently involved in the way in which, for instance, their pension fund money is invested in maximum profit ventures, without any consideration of social responsibility. Questions of who controls funds, and how, are beginning to be examined.

### Problems to be Faced

As outlined, the campaign, barely a year old, has had many successes. The meeting of organizers also examined what they felt to be failures or weaknesses in their work. It was agreed that not enough effort had been put into taking the campaign "onto the street." Ultimate success for the campaign depended on being able to get the message to community groups throughout the country. This can only be achieved if people come to understand the living connections between issues like the banks' redlining and discriminatory anti-minority, anti-black, anti-women hiring practices in the US and their role in relation to South Africa. □

## Organizing Resources

"The ABC's of Bank Loans to South Africa: A Primer." A 20-page pamphlet put together by CALC, the American Committee on Africa, with help from economists at the University of Massachusetts. This pamphlet is available from CALC or ACOA.

"Bank Profiles: The Specifics of Known Loans to South Africa." A 30-40-page mimeo listing of all known loans bank-by-bank throughout the United States. This is available from CALC or ACOA.

On January 25, 1978, Senator Dick Clark held a press conference at which he released a study of US banking as it relates to South Africa. This report was prepared by William Raiford of the Congressional Research Service. It is available from the Subcommittee on African Affairs of the Committee on Foreign Relations, Dirksen Senate Office Building, Room 4229, Washington, D.C. 20510.

The Interfaith Center on Corporate Responsibility will compile the shareholders resolutions filed with banks and other corporations doing business with South Africa. This is available from ICCR, 475 Riverside Drive, New York, NY 10027. Also available from ICCR will be a compilation called "What Banks Say," excerpts from letters which are banks' responses to questions and criticisms of bank loans to South Africa.

*South Africa and US Multinational Corporations* by Ann and neva Seidman provides an excellent overview. It was published in January, 1978. Available from Lawrence Hill and Company, 24 Burr Franks Road, Westport, Conn. 06880. \$4.95. Also available from ACOA.

Addresses for Committee to Oppose Bank Loans to South Africa:

Prexy Nesbitt  
ACOA  
305 E. 46th St.  
New York, NY 10017  
Gene Jones  
CALC  
198 Broadway  
New York, NY 10038

# action news notes

## STOP DAVIS CUP EFFORTS NOT INTIMIDATED . . .

Despite the brutal physical attack on an activist working on protest demonstrations against the US/South African Davis Cup Tennis match, scheduled for mid-March in Nashville, mobilization for the event continued, and gained momentum.

Richard Lapchick, political science professor and a leader of the American coordinating Committee for Equality in Sports and Society (ACCESS), was badly beaten with a metal statue and filing cabinet drawers in his office at Virginia Wesleyan College in Norfolk on February 14. After beating him unconscious, they carved the word "niger" (mispelled) onto his stomach with a pair of office scissors.

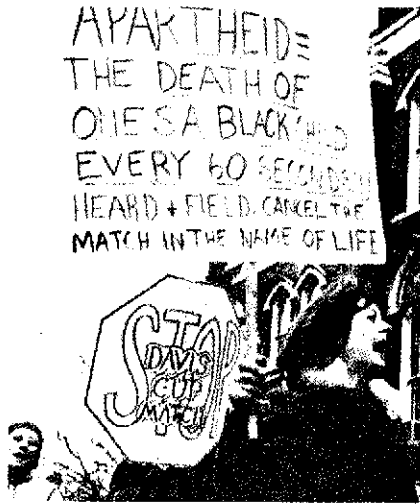
He had just returned from four days in Nashville, the venue of the match at Vanderbilt University—where he had been helping to lay the groundwork for the planned demonstrations.

"They picked me up and put me in a chair, tied my hands and feet, stuck a glove in my mouth and tied that too," Lapchick told reporters from his hospital bed. "One of them said, 'Are you going to continue what you're doing? You know you have no business in South Africa.'" The other man kept repeating "nigger lover, nigger lover." After leaving the hospital he returned to Nashville to continue his campaigning.

The NAACP has been playing a very active role, along with other organizations, in building towards massive demonstrations planned for March 17, 18, 19, the days of the match. Two major church groups in Nashville organized a March 1 demonstration; the Tennessee Coalition Against Apartheid demonstrated in protest in conjunction with student groups March 7, the date of the VU Board of Trustees meeting.

## UNIVERSITY ACTIONS . . .

The University of Wisconsin Board of Regents voted in February to sell the university's holdings in corporations doing business in South Africa, becoming the second public university system in the US to take this step. The Oregon system was the first.



February 14 Apartheid protest in Nashville.

The UW Regents' action followed Attorney General Bronson La Follette's finding that the university's South Africa-related investments—amounting to more than \$8 million—violates a state law prohibiting the university from investing in any corporations that practice or condone discrimination.

The University of Minnesota is sponsoring resolutions requesting corporations to adopt the Sullivan code of conduct regarding their South African subsidiaries. Over 50 US companies have already approved the principles.

Bryn Mawr will co-file a resolution with six church agencies asking Kodak to stop certain sales to the South African government.

Haverford College is asking Motorola to withdraw from South Africa.

In the middle of February, Harvard University sold its stock in Citicorp and Manufacturers Hanovers worth \$600,000. The university insists that it was not motivated by student protests, but the action came soon after a petition was signed by 3,000 students asking for the sale of all stocks and bonds in banks that extend credit to the South African government. The South African Solidarity Committee on the campus says that Harvard owns stock in 12 of the 13 companies that make up three quarters of all US corporate involvement in South Africa.

Yale, Brandeis and Wellesley investment committees and boards of trustees are investigating the South African activities of corporations in which they hold stocks.

College students throughout New England are advocating disinvestment through teach-ins, marches, and student publication editorials.

At the University of Chicago more than 1,800 students and 40 faculty members have signed a petition calling for disinvestment.

Antioch College alumnus Prexy Nesbitt spoke on campus in February, expressing surprise that the issue of divestment had not been settled in the 10 years since he was a student. Guidelines laid out earlier had been dropped, he reported.

The University of Michigan held a Forum on Corporate Investment in South Africa in early '78. The University Committee on Communications will recommend action.

Northwestern University, which reportedly holds at least \$65 million worth of stocks and bonds in US companies operating in South Africa, has been asked to divest, but its president reports that it will not.

The South Africa Catalyst Project in California reports contact with groups at the midwestern colleges of Dayton, Luther, and Manchester; Syracuse, SUNY/Binghamton, the University of Chicago, Chico State, Humboldt State, San Luis Obispo-Cal Poly, Santa Clara University, Cal State Dominquez Hills, and Fresno State. In California 9 of the 17 state college campuses have beginning groups. Grassroots organizing is being done at Stanford, and the UC Regents will be petitioned in March.

Miami University (Oxford, Ohio) students voted on a referendum asking trustees to divest of stocks in companies doing business with South Africa. The pro-divestiture motion was overwhelmingly supported by the students. South African-linked stocks in Miami's endowment fund are valued at other \$400,000.

## BUTHELEZI AND ZEMBA TOURS

The American Friends Service Committee sponsored a nationwide tour in early '78 by Siphon Buthelezi, a founder of SASO and Secretary General of the first Black Peoples Congress. A representative of the South African Congress of Trade Unions, Zola Zemba, met US trade unionists while touring the US in the fall of '77.

## CLOTHING DRIVE . . .

California's Southern Africa Support Committee is collecting clothes for African refugees from Zimbabwe, many of whom are children. The organization hopes to ship 50 tons of clothing to Africa by November '78.

# SOUTHERN AFRICA

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