

Apartheid Defined

South Africa is a country of contrasts: of white and black, of wealth and poverty, of master and slave, and of power and powerlessness. Today, a government elected by 4.2 million whites controls the lives of 20.7 million blacks. The stated aim of the government is to create ethnically and politically separate commonwealths which are economically interdependent. This policy is called **apartheid**.

To this end, the government of South Africa intends to assign all Africans into nine "homelands" or Bantustans, comprised of 250 non-contiguous areas. While blacks account for 80% of the South African population, the Bantustans comprise only 13% of the land, with the remaining 87% of the land reserved for whites. The homelands are now only able to produce two percent of total agricultural production and hold few of South Africa's vast mineral reserves. They have a population density of 235 persons per square mile, the highest on the African continent.

To facilitate the policy of apartheid and insure the total economic, political, and social dominance of white South Africans, the Government has passed numerous acts, some of which include:

1. Industrial Conciliation Act defines the term "employee" to exclude Africans. It prohibits Africans from joining registered trade unions. It prohibits Africans from participating in industrial councils which determine wages, jobs to be reserved for union members, working hours, etc., although Africans are bound by these councils' decisions. The act includes a "job reservation clause" which reserves certain jobs for certain races.

2. Bantu Labor Regulations Amendment Act of

1973 defines the rights of African workers in disputes with employers. Almost all grievances are settled by liaison committees, half of whose membership is appointed by management including the chairperson and secretary. The act puts such stringent prerequisites on the right to strike that for all practical purposes it is illegal to strike.

3. Apprenticeship Act delineates how a person can become a skilled artisan through apprenticeship programs which are so restrictive that there are no African artisans or apprentices in the entire country.

4. Environmental Planning Act (1976) continues restrictions on expansion of operations that would require increased numbers of African workers.

5. Master and Servants Laws cover the agricultural and domestic sphere, specifying criminal charges for a vast array of offenses. Each year about 22,000 Africans are prosecuted under these laws.

6. Bantu Labor Amendment Act of 1964 removes all rights of Africans living outside the Bantustans.

7. Bantu Consolidation Act (Pass Laws) is an extremely restrictive act on the movement of Africans outside the Bantustans. It requires all Africans over the age of 16 to carry passbooks at all times. An average of 250,000 Africans are arrested each year for pass law violations. Another 900,000 have been permanently "endorsed out" of the white areas because they were considered idle or redundant.

To sum up, the African laborer in South Africa is barred by law from organizing for improved wages and working conditions, collectively bargaining, or being trained for the job of his/her

choice. He or she has restricted freedom of movement. Any breach of the laws makes him/her subject to arrest, fines, and imprisonments.

Apartheid is manifested not only in the legal structure, but in other institutions as well. For instance, education for whites is compulsory and free. For blacks it is neither. Government expenditures for whites range from 387 to 557 rand (one rand = \$1.10) per child, depending on geographic area, compared to 40 rand per African child. The student-teacher ratio for Africans is 56:1 (the ratio for whites is 21:1) and the great majority of African teachers are very poorly qualified. No black may attend white schools. As a result 60% of Africans are illiterate. (Note: Within the last year Catholic schools have acted illegally to make integration efforts.)

In the medical sphere the statistics are even more shocking. There is one doctor for every 44,000 Africans compared to one white doctor for every 455 whites. Three out of every five children die in the Bantustans (mostly of starvation) before they reach the age of five.

Such discrimination has resulted in vast economic differences. The unemployment rate for whites is 0.2%, and for blacks it is 23%. White per capita income is 13 times greater than blacks' and the gap is increasing.

In compiling these statistics we found ourselves occasionally becoming lost in numerical abstractions. We urge the reader to resist this tendency and instead attempt to picture these facts in terms of the human suffering and hardship they represent.

[Reprinted from "Position Paper on Stanford University's Investments in Corporations Operating in South Africa," SWOPSI 193.]

Stanford's South African Investments

Stanford University has investments in thirty-two corporations or institutions which do business in South Africa. The total value of these holdings is over \$118 million and constitutes 37% of all university investments. Stanford's income from these stocks and bonds totalled more than \$6 million in 1976.

Stanford owns stock in eight of the fifteen largest U.S. corporations in South Africa. These corporations are active in nearly every strategic sector of the apartheid economy: oil (Stanford Oil, Texaco, Shell*), advanced technology (IBM, G.E., Hewlett-Packard), transportation (G.M., Ford, Boeing), and steel (Bethlehem, Armco), as well as other important manufacturing, mining, and financial institutions.

As the centerfold chart shows, at least eight Stanford trustees are executives or directors of corporations and banks with direct connections to South Africa.

*Shell Oil's parent company, Royal Dutch Shell, is the legal entity involved in South Africa.

SOURCES

Stanford University **Securities Portfolio**, Jan. 31, 1977.

National Council of Churches, **Church Investments, Corporations and South Africa**.

Directory of American Firms Operating in Foreign Countries

Corporation	Market Value	Estimated Annual Income
American Express	\$2,101,676	\$ 59,622
Armco Steel	3,693,400	225,360
Bethlehem Steel	3,536,250	204,636
Boeing Corp.	573,750	15,000
Bristol Myers	2,118,860	62,015
Caterpillar Tractor	5,532,032	160,737
Celanese	4,238,625	249,200
Cities Service	4,600,527	236,957
E. I. Dupont	1,822,188	146,047
Eastman Kodak	1,508,555	32,022
Firestone Tire & Rubber	3,522,750	169,400
Ford Motor Co.	5,140,383	271,888
Ford Motor Credit	2,430,000	216,312
General Electric	6,084,908	207,145
General Motors	4,397,025	200,335
Goodyear Tire & Rubber	3,579,580	176,969
Hewlett-Packard	3,672,284	28,615
IBM	10,170,387	369,460
Ingersoll Rand	1,462,000	123,931
World Bank	4,180,625	350,250
NCR	2,160,000	195,000
Phelps-Dodge	2,783,250	199,176
Rohm & Haas	795,000	67,500
Shell Oil*	5,674,500	270,500
Sperry Rand	3,018,192	87,536
Standard Oil of California	7,809,661	451,423
Stauffer Chemical	2,420,697	74,964
Texaco	7,046,735	502,068
Tenneco	4,976,324	280,392
Union Carbide	4,956,700	293,260
Westinghouse	1,015,000	86,250
Xerox	1,112,022	24,712
Total	\$118,133,886	\$6,038,867