

REPORT ON CONFERENCE ON PUBLIC INVESTMENT AND SOUTH AFRICA

A unique national conference attended by 200 state and municipal legislators, investment experts, trade unionists, church leaders, academics and grassroot activists was held in New York City on June 12-13. The topic was Public Investment and South Africa. Forty legislators from Massachusetts, Connecticut, New York, New Jersey, Maryland, Georgia, Indiana, Michigan, Wisconsin, Minnesota, Texas, Nebraska, Oregon and Nevada attended. Others in states like Pennsylvania, Ohio, California and Illinois either sent aides, wrote or telephoned their support.

Among prominent trade unionists present was Bill Lucy, Secretary-Treasurer of AFSCME, and President of Coalition of Black Trade Unionists Dr. Robert Schwartz, Vice-President of Shearson Loeb Rhoades Inc. came from Wall Street. Specialists on Socially Responsible Investment included John Harrington, who is also chairperson of the California Governor's Task Force on Public Investment, Randy Barber, Director, Pension and Investment Control Issues in Washington DC, and William Schweke of the Washington DC based Conference on Alternative State and Local Policies.

Local Activists came from organizations such as the NAACP, the Lutheran Coalition on South Africa, Mass Community Action and local bank campaign groups in major cities throughout the US.

The conference was sponsored by ACOA, American Friends Service Committee, Clergy and Laity Concerned, Connecticut AntiApartheid Committee, Interfaith Center on Corporate Responsibility, TransAfrica, United Methodist Office for the UN and the Washington Office on Africa.

The conference started with a press conference held in the United Nations and hosted by Ambassador B. Akporode Clark, Nigeria, who is also Chairman of the UN Special Committee Against Apartheid.

Workshops focused first on the relationship between South Africa and the United States with discussion of the current situation in South Africa, the role of banks and corporations there, an analysis of the Sullivan Principles, and the case for economic withdrawal. Discussion then moved to organizing legislative alternatives to investment in South Africa. The topics dealt with were socially responsible investment, organizing support for alternative investment and the preparation and introduction of legislation to achieve such ends.

In his keynote address, Senator Julian Bond, Georgia said: "There certainly could be no greater good than the cause for which we gather --- the advancement of the struggle for the independence of southern Africa."

He added that this conference was adding in the process of halting American complicity "in the most hideous government on the face of the planet; the one system where racial superiority is constitutionally enshrined."

The policies of the Reagan administration towards Africa, observed Senator Bond, had changed. "They have changed from benign neglect to a kind of malignant aggression. In Mozambique starvation is added to the American arsenal. On the high seas, the American oil companies, Mobil, Exxon and Texaco have joined European interests in breaking the OPEC embargo to South Africa. On Capitol Hill there is the intensity of Soviet competition in Africa, not humanitarian concerns, which conditions American aid to the continent. Mineral rights are exchanged for human rights."

He ended by appealing to delegates to resist the financing of the domination of one set of human beings by another. "Forty years ago, Adolf Hitler demonstrated that genocide is yet possible even in democracy, even among people who look alike. It is evil supreme and we cannot allow it to continue; to be neutral on this issue is to join the other side ... "

William Lucy, Secretary-Treasurer of AFSCME and National President, Coalition of Black Trade Unionists, spoke on "Labor Public Investment and South Africa." He traced the oppression of blacks and trade unions in South Africa. Lucy also charged that American dollars helped maintain the apartheid regime. This was becoming even more of a serious problem with the coming of the Reagan administration.

"In recent years, official US policy towards South Africa has been one of economic neutrality with the exception of minor and ineffective trade sanctions. Now that corporations have won control of our government, we appear to be heading to even warmer relationships with the guardians of apartheid," said Lucy.

In answer to those who believe that codes of conduct, like the so-called Sullivan Principles, should be the criteria for foreign corporations in South Africa, Lucy said: "Many of the 350 US firms now active in South Africa have subscribed to the so-called Sullivan Principles. Although these sound splendid on paper, that is what they essentially remain. Paper principles. Another case of someone's good intentions dashed against the rocks of reality...."

Several legislators reported on actions in their states. Senator Ernest Chambers, Nebraska, was the first legislator to introduce a bill aimed at curtailing the investment of public funds in South Africa. On March 31, 1980 the legislature passed a resolution calling on the Nebraska Investment Council to remove the state's Trust Funds from banks and corporations dealing with South Africa.

Assemblyman Al Vann, New York, a veteran of legislative action against South Africa said: " I started by introducing a bill that would deny state contracts to companies involved in South Africa."

This year, Assemblyman Herman "Denny" Farrell, Chairman of the New York Banks Committee has introduced three bills -- one was passed on May 5 -- that would amend the Banking Law and State Finance Laws. " New York is regarded as one of the leading financial centers in the world. Policies and practices implemented in New York are often duplicated in other financial centers, " observed Assemblyman Farrell.

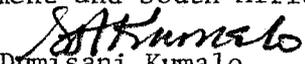
Representative Bill Dyson, Connecticut, said that in 1979 he introduced a bill that limited investment of public funds to companies that had endorsed the Sullivan Principles. "But we heard that the Sullivan Principles did not work and we reintroduced the same bill this year (1981) without them," he said. The new bill was passed by an overwhelming majority by the Connecticut legislature but Governor William O'Neil vetoed it on July 1. Legislators put up a tremendous fight to override the veto in face of intense corporate lobbying. The veto was 81-62 in favor to override -- still 20 votes short of the required two thirds majority. The bill will be introduced next year.

Michigan representatives Virgil Smith and Perry Bullard described a bill to forbid investment of public funds in banks dealing with South Africa which Governor William J. Miliken signed into law this Spring.

Representative Marcia Coggs, Wisconsin, reported: "I have introduced a bill recently that is co-signed by 50 colleagues in both Houses. This is one-third of the State legislature," she said. Voting on this bill will be this summer.

Senator Allan Spear, Minnesota, said that action started when regents of the University of Minnesota were urged to withdraw \$4.5 million invested in banks and corporations supporting apartheid. After holding public hearings on this issue, Senator Spear and Representative Karen Clark, introduced a bill in the legislature. Representative Clark who went from door to door canvassing support for this bill, said: "We want to establish a policy whereby these funds will be invested in a manner that will benefit the people of Minnesota whether it be in health or housing programs."

In the final plenary session, the delegates made a strong commitment to build a national campaign against public investment and South Africa.


Dumisani Kumalo
Conference Co-ordinator