The struggle against apartheid and for a democratic South Africa has reached a critical point - poised on the edge of democracy - but not quite there yet. Continuing solidarity will be vital in the difficult transition period. Two tasks lie ahead - maintaining the pressure of state and municipal sanctions until De Klerk abandons his white monopoly on power and then moving swiftly to help Nelson Mandela consolidate a democratic society.

ANC President Nelson Mandela has expressed his confidence that an agreement will soon be reached between the ANC, the South African government and other parties for the establishment of an interim government and non-racial elections for a transitional parliament. At some point in this process the ANC will call for the lifting of sanctions.

The ANC now faces a daunting new task - ensuring all South Africans benefit from the fruits of democracy. Overcoming the legacy of apartheid, in housing, health, education and creating a more just economy which benefits all South Africans will be the major challenge facing the new government. The problems are so great that it will not be possible for the new democratic government to do everything. All sections of society, including the business community, will be called upon to play a role.

When democracy is achieved sanctions will have secured their purpose. The ANC and its allies in the democratic movement will want South Africa to be part of the world community and will welcome new investment. But they will want those companies which invest in South Africa to do so in a socially responsible manner which helps build a new South Africa. At that point state and municipal governments can take the lead by adopting investment guidelines that support this goal as they move to lift their sanctions.

Using their power as investors, states and cities can ensure that U.S. companies adhere to socially responsible investment principles. Supporting socially responsible investment in a new South Africa will be supporting principles developed inside South Africa by ANC, COSATU and the South African Council of Churches.
In November 1992 the ANC and COSATU brought to New York a Platform of Guiding Principles for Foreign Investors. "What we are saying is that any new investment in a post-apartheid period... must give meaning to black empowerment," explained Don Mkhwanazi, spokesperson of the ANC when introducing the Platform. "New investment should not reproduce old patterns consistent and harmonious with apartheid."

The principles enumerated in the Platform include workers rights, equality of opportunity, environmental protection, training and education, working and living conditions, security of employment and empowerment of black business. The Platform also states that these principles will apply to "all investors, domestic and foreign."

"What we are saying is that any new investment in a post-apartheid period must give meaning to black empowerment. New investment should not reproduce old patterns consistent and harmonious with apartheid."

This Platform grew out of previous initiatives including a 1992 consultation on ethical investment sponsored by the South African Council of Churches and the Southern African Catholic Bishops Conference.

There is already significant support in the U.S. for socially responsible investment in South Africa once the ANC calls for sanctions to be lifted. In May 1992, the major national anti-apartheid organizations, The Africa Fund, TransAfrica, the Interfaith Center on Corporate Responsibility and the Washington Office on Africa, in a joint statement, "pledged to join in building the apartheid free South Africa by supporting a code of conduct based on the COSATU code as we move to lift sanctions in our communities."

In June 1992 a resolution adopted by the U.S. Conference of Mayors endorsed "the principle that when the continuing negotiations under CODESA result in an interim government, companies will make a positive commitment to help overcome the legacy of apartheid and promote equality of opportunity among all South Africans."

The establishment of an interim government and the holding of democratic elections will be a great victory for the people of South Africa. It is a victory to which many U.S. states and municipal governments made an important contribution by imposing sanctions against apartheid. By supporting socially responsible investment and a code of corporate conduct, states and cities can help ensure that U.S. corporations doing business in the new South Africa will contribute to economic justice for all South Africans.

February 1993
PLATFORM OF GUIDING PRINCIPLES
FOR FOREIGN INVESTORS

ANC/COSATU position presented to the National Conference in Support of the African National Congress and Other Democratic Forces for a New South Africa.
November 13-15, 1992
Riverside Church, New York City

1. Introduction

1.1 The apartheid legislative process that governs investment at present is a major obstacle to growth and development. In this context the process of foreign investment needs to be assessed with care.

1.2 At present the basic ILO Conventions do not apply across South Africa. Discriminatory practices are widespread, and the lack of transparency in government is hiding corruption and inefficiency, and promoting political violence and destabilization. Measures to protect the environment are weak, weakly implemented or non-existent. Investment in such a context will, therefore, not automatically contribute to growth, development or the eradication of apartheid.

2. GUIDING PRINCIPLES

We therefore propose that any investment after the lifting of the policy of economic sanctions should be guided by the following principles:

2.1 Workers' Rights

Companies should uphold workers' rights including the recognition of representative unions and their rights to bargain collectively, to strike, to picket peacefully, and strike breakers will not be hired.

2.2 Investment should enhance employment creation.

2.3 Equality of Opportunity

Companies will eliminate all discrimination on the basis of race, religion, sex, political opinion or physical handicap and will implement affirmative action programs.

2.4 Environmental Protection

Investment must incorporate environmentally sound and clean practices and technology.

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2.5 **Training and Education**

Investment should enhance the productive capacities of South Africans, and should, in particular, institute training and adult education programs for workers in consultation with the trade union movement.

2.6 **Conditions of Work and Life**

Conditions of work and life offered by companies shall compare favorably with the best conditions in the relevant sector domestically.

2.7 **Security of Employment**

Investment should contribute to the security of employment of South Africans.

2.8 **Empower Black Business**

Companies should, where possible, adopt business practices which enhance the development of Black business in South Africa.

2.9 **Implementation**

Mechanisms should be put in place to evaluate the implementation of the above principles, including the disclosure of relevant information by companies.

3. **FUTURE POLICIES OF A DEMOCRATIC GOVERNMENT**

3.1 It is our intention to have the above principles incorporated in the future policies and laws of a democratic government, and these will apply to all investors, domestic or foreign.

3.2 In the interim phase, we will campaign for these principles, and will support the further development of codes of conduct along with other democratic formations.

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