Closing the Loopholes in NYC Sanctions

On November 3, 1988, a new bill was introduced in the City Council to toughen existing sanctions barring New York City from doing business in South Africa and occupied Namibia. The new amendments build on Local Laws 19 and 81, passed in 1985 and 1986 with a major push from the labor movement. Those laws prohibit the City from contracting with or purchasing from companies with operations or investments in South Africa and Namibia.

The new bill seeks to close loopholes that companies have used to circumvent the spirit and intent of sanctions. It also toughens the enforcement process. There are three key provisions:

1. the new bill bars the City from contracting with companies that continue operations in South Africa and Namibia through licensing and franchise agreements;
2. it prevents the City from purchasing from companies operating in South Africa and Namibia via third-party vendors or subcontractors;
3. it provides for a designated City agency to keep records of corporate compliance with the law and to make an annual report monitoring the law.

Adding Labor Rights

The NY LCAA and its sponsors immediately endorsed the bill, but called for a further amendment to protect the labor rights of South African and Namibian workers as companies pull out of the two countries to meet sanctions requirements. In a statement of support to the City Council, union leaders pointed out:

"Our brothers and sisters in South African and occupied Namibia, working under a racist forced labor system, have borne the main burdens of apartheid.

Continued on back page

S.A. Labor Law Aims at Crushing Unions

On September 1, the South African government imposed a sweeping new Labor Relations Act aimed at stripping away most of the legal rights black workers have gained in the past ten years. The new law poses a serious hurdle for the South African labor movement by drastically raising the potential penalties for worker militancy.

The Labor Relations Act virtually outlaws the right to strike legally and removes protections against unfair dismissals. It bans public picketing, sympathy strikes, wildcats, and secondary boycotts. It holds unions involved in a strike or job action financially liable for any losses incurred by the company.

The law also allows employers to violate seniority rights in lay-offs. It allows employers to recognize multiple unions at a workplace, even where one union has majority membership, a move intended to smash the union shop and re-entrench racially segregated unions.

Union Protests

Labor opposition to the measures has been fierce. In June, prior to the Act's passage, more than two million black workers staged a three-day national strike to protest the bill. It was the

Continued on page 2
One Person, One Vote

On September 22, the South African government arrested over 100 trade unionists and community activists to block the convening of a national strategy session in Cape Town opposing sham municipal elections. The meeting, itself banned by the government, had been called by COSATU for September 24. It was to bring together 72 anti-apartheid organizations to form a broad united front around the principle, “one person, one vote.”

The municipal elections were set up to ratify the installation of government-appointed town councils in the black townships. They have been a focus of protest by the United Democratic Front (UDF) since its formation. When the UDF and 16 other opposition groups were banned from all activity last February, COSATU took a leadership role in the protest, as one of the few organizations still able to function openly.

Despite the banning of the September meeting, opposition groups were overwhelmingly successful in boycotting the municipal elections this October. Only 10% of the eligible black voters showed up at the polls, under conditions of significant intimidation by the police, employers and the government. Obviously, the latest town councils have no mandate from the people.

Labor Law Crackdown

Continued from front page

The largest industrial action in South African history, conducted in the face of threats and violence from employers and the government. Participation in the stay-away was especially surprising strong in the Natal, where workers had often been divided by provocateurs. Both major labor federations, COSATU and NACTU, joined in calling for the action.

Employers were shocked by the effectiveness of the stay-away and over the summer entered talks with COSATU about revising the bill. Clearly, they saw the risk of increased industrial strife if the bill passed. But in the end, the employers associations capitulated to the government, accepted the new Act and refused to negotiate with the unions to counteract its worst aspects.

Mayekiso Update

The treason trial of South African labor leader Moses Mayekiso entered its tenth month this November with Brother Mayekiso taking the stand. He is accused of undermining the state for his leadership role in building community organizations in the black township of Alexandria. Charged with Mayekiso are his brother Mzwanele, Paul Thabatala, Richard Mdakane, and Obed Bapela.

In early cross-examination, the prosecution has been focusing chiefly on Mayekiso's labor activities as General Secretary of the National Union of Metalworkers (NUMSA). The government's "evidence" includes Mayekiso's participation in international solidarity campaigns calling for disinvestment and the release of detainees. Mayekiso affirmed his support for these positions.

An observer noted that the courtroom has been packed with NUMSA members from the Haggie-Rand Co. who are currently in a "dispute" with their employer. Cross-examination of Mayekiso will continue through November and the trial may go on for many more weeks. The trial, which has gained international attention, tests the rights of union activists to join the political struggle, and the rights of black township residents to organize for their own welfare.

Letters to demand the release of Moses Mayekiso and all other political prisoners should be directed to South African Ambassador Dr. Pieter Koorhof, Embassy of South Africa, 3051 Massachusetts Ave., Washington, D.C. 2008.

Metalworkers Win

The National Union of Metalworkers (NUMSA) proved this August that black South African workers are not ready to give in to the rising tide of employer intimidation. On August 4, NUMSA led 31,000 workers at over 180 metal and employer federations operating in South Africa in a strike against the metal industry and its employer federation, SEIFSA.

Although SEIFSA itself did not agree to union wage demands, 120 of its employer affiliates broke ranks and settled above SEIFSA's offer. SEIFSA did recognize NUMSA as the principal union in the industrial council, recognized May Day and Soweto Day as holidays, agreed to wage restructuring, and conceded to the arbitration of race discrimination cases.

Since passage of the Act, COSATU has continued protest actions, including a march in downtown Johannesburg, factory demonstrations and shop steward rallies.

Essentially, the Act means that labor relations in South Africa are back to the level of raw confrontation. The main weapon left to the unions is their power to affect production at the plant level, forcing employers to negotiate contracts that override the restrictions of the new law or face intense disruption. If the unions can continue their high rate of organizing and can keep their ranks united, employers will find it too costly to seek remedies under the law.

The labor movement has no illusions, however—the Act is a major setback. It throws up a new web of legal barriers to action. It also inhibits the labor movement's capability to raise struggles beyond the plant level through industry-wide and inter-union actions. And the Act appears to have launched a new employer offensive against the labor movement.

COSATU leader Jai Naidoo commented that while strikes have increased sharply this Fall, the issues have shifted from wage demands to defending union recognition and basic rights. In September, 4,000 union workers were locked out, including 1,500 CAWUSA members at 15 Checkers stores, 1,800 steelworkers in NUMSA, and 60 miners in NUM.

International pressure on multinationals operating in South Africa may be crucial to curbing employer attacks and muting the impact of the law. In early November, word came via the British press that Pepsi-Cola S.A. and the Food and Commercial Workers Union had "agreed that the provisions of the new Labor Relations Act will not be used between them."
UNION TO UNION:
ACTWUSA TOURS AMERICA

Amon Ntuli is a South African textile worker, a shop steward at the Frametex mill in Durban. Most mornings he gets up at 3:30 a.m., catches a bus and then a train, in order to reach his plant for the day shift at 6:30 a.m. He usually winds up his work around 4:30 p.m., unless there’s an evening union meeting.

Then it’s another three hour trek back to his apartment in Umlaza, the black township outside of Durban. His wife and three children live another two hours away, in the KwaZulu reservation. He sees them on weekends, twice a month. Because he is black, he cannot get housing with his family near the plant. That is only one injustice among the many experienced by black textile workers under apartheid.

Amon Ntuli joined a union to fight this system. Today, he is president of the Amalgamated Clothing and Textile Workers Union of South Africa (ACTWUSA). In ACTWUSA, even national officers must be elected shop stewards and work in their plant.

This October, however, Brother Ntuli’s work took him far from Durban. Leaving South Africa for the first time, he attended a labor conference in Japan before making a tour across the U.S. with his American counterparts in the Amalgamated Clothing and Textile Workers (ACTW).

The American tour by Ntuli, accompanied by ACTWUSA General Secretary John Copelyn, included plant visits and union forums in Los Angeles, Chicago, Georgia, North Carolina, Washington, D.C. and New York.

One highlight of the trip was a visit with cemetery workers for the Catholic Archdiocese of Los Angeles, who for many months have been seeking union recognition through ACTW. The cemetery workers are Mexican, Chicano, and Salvadoran, receiving minimal pay without basic benefits. The Archdiocese has claimed they are not real employees, but religious workers, exempt from labor law protection.

Joining the cemetery workers at a graveside ceremony, Ntuli commented to the press his surprise American workers faced so much employer resistance to unionization. He said he was particularly amazed the hostile attitude of the Archdiocese, since the Catholic church in Durban was a strong ally of ACTWUSA. In fact, he was writing a letter to his own bishop on the situation. Following news coverage of the situation, and an ACTWU campaign that prompted hundreds of letters of support, the Archbishop of Los Angeles has agreed to set a union election.

At their stop in New York, Ntuli and Copelyn spoke more about the similarities in labor conditions here and in South Africa, addressing an LCAA forum of 50 unionists. The two noted that apartheid’s repressive new labor relations act (see front page) closely models the pattern of “legalistic, scientific management” now used in the U.S. and Britain. The common idea is to tie unions up in legal procedures and disputes at every turn, inhibiting direct action and shop floor organization.

For example, the new South African bill outlaws wildcat strikes, sympathy strikes and secondary boycotts, rights which American workers largely lost under Taft-Hartley legislation in 1948. These types of job action have been powerful tools in building South African unions in this decade as they were for the CIO in the 1930’s and 40’s.

Ntuli noted that at his Frametex plant of 6,500 workers, there have been an average of five work stoppages a week to settle basic grievances, wage disputes or unfair dismissals. In addition, ACTWUSA and other unions have used sympathy strikes and mass stay-aways over major issues like union recognition, the right to vote, and the police detention of union activists.

When asked how ACTWUSA planned to respond to the new act’s sweeping restrictions, Secretary Copelyn replied that they would have a three-part strategy. First, they will exert direct pressure on employers to re-negotiate contracts at the local plant level which override the worst features of the law. The act includes an attack on seniority rights during lay-offs and an attack on the union shop and majority representation, along with the anti-strike provisions.

Second, since the new law also holds unions liable for damages or profit losses incurred by the employer during an unlawful strike, unions don’t intend to accumulate assets. They will put their resources into organizing instead of big treasuries.

Third, ACTWUSA and COSATU will continue to promote national and international protests against the labor relations act, which violates basic tenets of the United Nations ILO charter. Both Ntuli and Copelyn emphasized how important worldwide labor support has been in keeping up pressure on employers and raising the costs of repression.

The ACTWUSA tour broke the ground for concrete acts of solidarity as well. While in the States, Ntuli and Copelyn met with labor experts on how to establish worker-owned cooperatives. They are interested in negotiating special funds with major employers to help laid-off workers begin their own cottage industries. They also met with United Farm Workers to discuss strategies for agricultural organizing. ACTWUSA would like to sign up the 100,000 cotton workers who now supply South Africa’s textile industry.

ACTWU and ACTWUSA plan further joint activity, in what is becoming a model for international labor cooperation. Next year the two unions hope to launch an annual program of exchange visits by worker delegations. ACTWUSA also hopes to send two organizers to participate in an upcoming ACTWU organizing campaign in the U.S. Employers beware: these folks know how to build a union.
S.A. Chemical Workers Visit

American unions had a chance to learn more about the impacts of disinvestment and sanctions on workers in South Africa during the visit this September of a delegation from the South African Chemical Workers Industrial Union (CWIU). The delegation included CWIU President Calvin Makgaleleng, Secretary-Treasurer Ronald Mofokeng, and lead organizer Mzi Buthelezi.

The three leaders made a week-long visit to New York and Washington, following a stopover with trade unionists in Germany.

In the course of their visit, the delegation seemed impressed by the knowledge American unionists had of conditions in South Africa and by their willingness to offer support and concrete assistance. In turn, the CWIU impressed their American labor contacts with the complexities of disinvestment issues, particularly the problem that "the more companies go, the more they stay."

Sham Disinvestment: Sterling Drug

The Chemical Workers cited the case of Sterling Drug, an American multinational that has maintained a subsidiary in South Africa, Sterling Drug S.A., located in Durban and represented by CWIU. Sterling Drug Inc. was bought out by Eastman Kodak Corporation last year and sold its shares in Sterling Drug S.A. to a South African company, Adcock-Ingram. Sterling Drug Inc. was then removed from the list of U.S. companies still doing business in South Africa, as is Kodak, to much acclaim.

However, Sterling Drug had granted Sterling Drug S.A./Adcock the right to produce and market Sterling's brand-name medications, including Panado, Compral and Sterns Pine Tar. Under this arrangement, the American-based company is assured a steady profit from South Africa, while technically complying with existing sanctions laws.

In July 1987, prior to the Sterling Drug pull-out, the CWIU had sent a letter requesting the company disclose its disinvestment plans and negotiate with the union over standards for possible disinvestment. Similar requests were sent to 40 other multinationals, which employed CWIU members and which were the object of disinvestment campaigns.

The union demands included joint negotiations with all multi-nationals organized by CWIU, one year's notice of disinvestment, full disclosure of assets and plans, good faith negotiations over such plans, a guarantee of no new conditions of employment by new employers, and worker-controlled trust funds created from the profits made through disinvestment. None of the companies agreed. Two subsequently disinvested without informing the union. New management then refused to recognize existing union contracts.

Sterling Drug's response was to deny any plans to pull out of South Africa. The union only learned of the sale to Adcock-Ingram after the fact. The new Sterling Drug S.A./Adcock then refused to meet with the CWIU to discuss workers' rights, such as severance pay, the integrity of benefit and pension funds, and the stability of collective bargaining agreements under the new ownership.

CWIU appealed to the Industrial Court to intervene. At the hearing, Sterling Drug S.A./Adcock claimed that no disinvestment had occurred, only that the company had changed sole shareholders. They argued that the union should seek relief from the U.S. parent Sterling Drug Inc., which on its part claimed to be disinvested and no longer involved. The union was trapped in an obvious Catch-22, on top of which the government turned down its appeal. Sterling Drug, U.S.A. and S.A., have had their cake and eaten it, too.

Better Sanctions

The Chemical Workers are asking American unionists to apply pressure on Sterling Drug here. The LCA is developing a two-part campaign around the issue. We are involving union members in City hospitals to monitor Sterling Drug Inc. purchases, while at the same time pressing the City Council to pass comprehensive sanctions which bar the City from doing business with companies that hold licensing and franchise agreements in South Africa (see front page).

The Chemical Workers are also asking American unionists to heed the lessons of Sterling Drug and not allow U.S. companies to use disinvestment as a camouflage for reneging on union rights and benefits. The CWIU strongly supports the inclusion of labor rights clauses in all sanctions or disinvestment actions, as does its parent federation, COSATU.

The CWIU leaders pointed out the need for direct communication between U.S. anti-apartheid campaigns seeking disinvestment and South African unions representing the affected workers. By sharing information and developing common strategy, both South African and American unionists can more effectively expose sham disinvestment, sanctions violations, labor rights abuses, and instances where disinvestment is a cover for union-busting.
Small struggles enter labor history because they capture the essence of the movement, telling us about the personal courage and sacrifice it takes to fight for justice against oppression. In South Africa today, one such historic struggle is the Sarmcol workers strike.

The struggle began in April 1985, when 950 workers at BTR-Dunlop's Sarmcol plant in Natal went out on a legal strike for union recognition, led by the metalworkers union, now NUMSA. They were all fired after two days and replaced by scabs. The strikers' average length of service in the plant was 18 years.

More than three years later, the Sarmcol workers are still fighting for their rights in the face of enormous hardship. Unity has been maintained despite vicious violence in the workers' township, where vigilantes have abducted, tortured and murdered key strike leaders.

The lead worker-actor in the Sarmcol strikers' play, "The Long March," was among those slain. This September, a busload of Sarmcol workers on their way to a COSATU meeting was firebombed. The workers were sleeping in the bus, since they could not get hotel accommodations at the nearby Holiday Inn.

The coop has also started a woman's chorus. The Sarmcol strikers have outlasted legal repression as well. Even though BTR admitted in court that it has used the strike to crush the union and had cooperated with the Security Branch in targeting workers, the Industrial Court rejected the union's appeal for intervention.

Perhaps most moving, however, has been the workers' collective battle against starvation. Since they are blacklisted and there are no other jobs in the area, SARMCO workers have had to develop their own resources for survival.

With the aid of their union, workers and their families have started SAWCO, a five-part cooperative: a vegetable coop to grow food, a printing coop to produce labor T-shirts, a health coop to monitor malnutrition, a buying coop to distribute NUMSA food parcels, and a cultural coop to spread the message. Their play has toured South Africa and Britain. The coop has also started a woman's chorus.

NUMSA has organized an international campaign against Sarmcol's owners, the British multinational BTR-Dunlop. BTR is one of the ten largest corporations in Britain. It is based in London, with hundreds of subsidiaries around the world, including Dunlop sporting goods. It has pursued its anti-union, anti-worker policies globally as well. There have recently been protracted strikes against BTR not only in South Africa, but also in Britain, the U.S. and Trinidad.

A campaign to expose and curb BTR's practices is now underway in Britain. American workers can help too, by documenting the use of BTR-Dunlop products in their workplace and notifying the NY LCAA c/o CWA Local 1180, 6 Harrison St., NY NY 10013 (718-768-1756). Workers and unions can also send support donations to the Sarmcol strikers c/o SAWCO, P.O. Box 156, Howick, 3290, Natal, South Africa.

BTR: Blood, Tears, Repression

On Soweto Day, June 16, hundreds of New York labor, church and community activists rallied outside Shell Headquarters at Rockefeller Center, demanding that Shell and Mobil Oil get out of South Africa. The day's events included a march through Manhattan, Congressional delegations to support comprehensive sanctions legislation, and a call to tighten up New York City sanctions. Nomande Ngubo, above, spoke for the national Shell Boycott.

Current activities in the Shell/Mobil campaigns include a demonstration observing Human Rights Day, on December 9, at noon outside the Mobil Headquarters, 150, East 42nd St., Manhattan.

New York groups also sent a delegation on November 10 to Bankers' Trust, calling on the bank to join the Shell Boycott Shareholders Campaign to force a Shell shareholders meeting on the issue of disinvestment.
City Sanctions
Closing the Loopholes

Continued from front page

heid. They should not have to bear the main burdens of its undoing.

"Companies that are withdrawing from South Africa and occupied Namibia should be held accountable for observing the basic labor rights of their employees as they terminate business there. Companies should not be allowed to use disinvestment, in any form, as cause to abrogate or erode union contracts, employee benefits, or other hard-won job protections."

The LCAA and its sponsors have called for specific provisions in the new bill ensuring that the South African and Namibian employees of divesting companies have the right to advance notice of the termination of business and the right to good faith negotiations over the terms of such termination. Both conditions have been put forward by the Congress of South African Trade Unions (COSATU) and by the U.S. Comprehensive Sanctions Bill of 1988, the Dellums-Cranston bill.

The need to close the loopholes in existing City law, including labor rights protections, has gained attention through the work of the LCAA, church groups, and several City officials over the past year.

For example, workers at Bellevue Hospital discovered the HHC was purchasing Hewlett-Packard equipment, while the company maintains a plant in South Africa. Leaders of the Chemical Worker Industrial Union in South Africa, visiting New York, documented the case of Sterling Drug maintaining its South African profits through licensing agreements (see story page 3).

Manhattan Borough President David Dinkins challenged proposed City purchases of GM and Ford vehicles at the City Board of Estimate, since those companies maintain subsidiaries in South Africa. Comptroller Harrison Goldin, at the request of anti-apartheid groups, and several City officials over the past year.

For example, workers at Bellevue Hospital discovered the HHC was purchasing Hewlett-Packard equipment, while the company maintains a plant in South Africa. Leaders of the Chemical Worker Industrial Union in South Africa, visiting New York, documented the case of Sterling Drug maintaining its South African profits through licensing agreements (see story page 3).

Manhattan Borough President David Dinkins challenged proposed City purchases of GM and Ford vehicles at the City Board of Estimate, since those companies maintain subsidiaries in South Africa. Comptroller Harrison Goldin, at the request of anti-apartheid groups, discovered that the City was purchasing at least $3 million in oil products from Shell, presumably through third-party vendors and employee reimbursements.

The new bill itself was introduced by City Council Peter Vallone and is co-sponsored by Council members Katzman, Castenella Colon, Clark, Foster, Pinkett, Rivera, Robles, Sigler, Williams and Wooten. The framework for the bill was developed with strong support from Borough President Dinkins' office and City Council member Ruth Messinger's office.

Hearings on the amendments to Local Laws 19 and 81 will be held in early December. It is not yet clear if the bill will have smooth passage or face a major challenge by affected corporations. New York City is a large, lucrative market for many companies who have not responsibly disinvested and they have already expressed alarm at tougher City sanctions.

The LCAA and the New York labor movement will mobilize in the coming weeks for passage of the bill, with strong labor rights amendments. We will also be developing a Workers Monitoring Campaign for 1989, enlisting the help of union locals and members on the job to monitor City purchases and to report to the new enforcement agency.

LCAA Sponsors

Co-chairs: Stanley Hill, Exec. Dir., D.C. 37, AFSCME; Georgianna Johnson, Pres., District 1199
Steering Committee: Lou Albano, Pres., Local 365, D.C. 37, AFSCME; Ed Allen, Assoc. Dir., Corporate Campaign, Inc.; Beverly Gans, Dir., Region 9A, United Auto Workers;
Jim Bell, Pres., NY Coalition of Black Trade Unions; George Boncoriglio, Pres., CSEA Metro Region 2; Jim Butler, Pres., Local 420, D.C. 37, AFSCME; Arthur Cheliotis, Pres., Local 1180, Communications Workers of America; Charles Emsley, Pres., Local 371, D.C. 37, AFSCME; Barry Feinstein, Pres., Local 237, Intl. Brotherhood of Teamsters; Janet Friedman, Pres., Committee of Interns and Residents; Harry Fonner, Pres., Furriers Council, United Food & Commercial Workers; John Glassel, Pres., Local 802, American Federation of Musicians;
Bill Henning, Vice Pres., Local 1180, Communication Workers of America; John Hudson, Manager, Headwear Joint Board, ACTWU; Dan Kane, Pres., Local 111, Intl. Brotherhood of Teamsters;
Josephine Lebeau, Vice Pres., NY Coalition of Labor Union Women; Barry Liebowitz, Pres., Doctors Council; William Lucas, Pres., Coalition of Black Trade Unions;
Josie McLellan, Pres., Metro Area Postal Workers Union, APWU; Sam Meyers, Pres., United Auto Workers; Henry Nichols, Pres., Natl. Union of Hospital & Health Care Employees; William Nuchow, Sec.-Treas., Local 50, Intl. Brotherhood of Teamsters; Jan Pierce, Vice Pres., for District 1, Communication Workers of America; Marlon Porro, Pres., Local 1930, AFSCME; Bettye Roberts, Pres., Local Council 1707, AFSCME; Cleveland Robinson, Sec.-Treas., Local 65, United Auto Workers; Edgar Rommey, Manager; Local 23-25, Intl. Ladies Garment Workers Union; Charles Salee, Exec. Vice-Pres., ACTWU; Jack Sheinkman, Pres., ACTWU; Cecil Toppin, Manager, Service & Allied Industry Joint Board, ACTWU; Ada Torres, Vice Pres., Local 3, Strikers Union, RSDU.