

SUMMARY OF "A REPLY TO STEPHEN FARBER'S REPORT ON GULF OIL IN ANGOLA"

The following is an attempt to point out some of the major criticisms of the Farber Report in a very brief form. We tried not to editorialize in our selections, but we did have to be selective in the material that we used. Our objective, however, was merely to give information.

FARBER AS A DISINTERESTED THIRD PARTY He is the administrative assistant to the President of Harvard. On the day he went to Angola on his "fact-finding" mission, Harvard rejected a proposal to sell their 680,000 shares of Gulf stock. (Farber says this is a small amount but it is the largest institutional holding.) Later Harvard also decided against supporting the UCC shareholder resolution. His position was created in response to the pressure of various groups challenging the social responsibility of corporations (Harvard in particular). His fact-finding mission was to find out about Gulf's performance and problems (as opposed to whether or not Gulf is supporting continued Portuguese rule). He is not an expert on African affairs. His report was to the Harvard Corporation, including men who represent other American corporations. Harvard Crimson reporter Peter Schapiro, who accompanied him on his trip, denounced and repudiated the report.

REFERS TO LIBERATION MOVEMENTS AS "ANTI-PORTUGUESE INSURGENT GROUPS."  
Never calls Portugal "colonialists."

MISREPRESENTS CURRENT SITUATION IN PORTUGAL Does not discuss student unrest, frequent armed sabotage, long history of political trials and exiles, opposition within the church, or the desertion of young Portuguese workers to avoid the long draft.

MISREPRESENTS CURRENT MILITARY SITUATION IN ANGOLA Gerald Bender, a Ford Foundation funded researcher on Portuguese Africa states "Portugal and the nationalists are locked in a stalemate...and it appears that Portugal's position will worsen rather than improve." (p. 10) Bender says no significant level of "social services" is evident to "win the hearts and minds of the people." A lot of so-called social services has been calculated to aid the war effort. Seventy to 80% of the African population has been gathered into strategic hamlets in the eastern region.

GULF IS A SINGLE BUT IMPORTANT ASPECT IN THE ABILITY OF PORTUGAL TO CONTINUE TO MAINTAIN ITS COLONIALISM IN AFRICA Gulf payments in 1972 represented 11% of the total Angolan budget or 76% of the Angolan military budget.

BLACK TROOPS Farber states that there are many black troops in the Portuguese forces. He does not state, however, that the army officer corps is Portuguese and completely "white controlled."

U.N. The U.N. not only condemns Portugal but calls for support of the liberation movements. Calls on member countries to "discourage corporate bodies from arrangements that strengthen Portugal's domination over her territories." Farber calls the "territories" by the Portuguese term, "states."

NEUTRALITY Angola is not the same as Venezuela where Farber suggests that Gulf maintains contracts with whatever government is in force. He does not recognize the colonial context. Gulf's contract is with a foreign colonial government, not with the Angolan people.

ON THE LACK OF HEAVY DEFENSES AT CABINDA. Farber only speaks of present situation and uses criticism which was made at the time that the Cabinda enclave was under heavy defense. At one time Gulf had to suspend its operations and the liberation forces were pushed back with the aid of air cover and many Portuguese troops. Cabinda received the largest pacification allocation in 1967 which certainly could account for the apparent peaceful situation which Farber witnessed.

ON FARBER'S USE OF THE TERM "CRITICS". One is never sure who the critics are to which Farber is making his refutations. Contrary to the CIC reports there are no footnotes to document his material.

WITHDRAWAL OF GULF. Farber's view that Gulf's withdrawal would not be significant overlooks other actions in other countries, i.e. the Dutch Boycott of Coffee which proved a loss of \$21M to Angola, and the growing pressure on other oil companies and corporations in South Africa. This kind of pressure might at least preclude another American company coming in.

INDIVIDUALS SHOULD SUPPORT LIBERATION MOVEMENTS BY RAISING FUNDS. It seems illogical to suggest that interested people raise a few thousand dollars to support liberation movements while Gulf contributes \$45M to the Portuguese and the U.S. gives a \$400M loan to Portugal. "Mr. Farber is suggesting that one should aid the struggle of the liberation movements as well as supporting Gulf's position... Supporting such a position would be analogous to investing in say, a German Factory located in colonial Virginia which was paying taxes to the British, while sending a small personal contribution to aid George Washington's rag-tag revolutionary army. The concept is absurd!" p. 25.

CONCLUSION. The Farber Report does not provide much new information or a great amount of "first-hand" material nor does it prove itself to be objective in its analysis..."it is but another round contributed by an apologist for two corporations, one in Angola, the other at Harvard."