An Open Letter to Ulric Haynes, Jr. from George Houser in response to his article entitled "Church Action Ill-Conceived", New York Times, 3/28/71

Dear Mr. Haynes:

I read your brief article in the Financial Section of the New York Times of March the 28th with some amazement. The fundamental argument you are making in this article is that foreign investment, specifically American, should be encouraged and increased in South Africa because this tends to strengthen the South African economy. A strengthened economy, you say, will reflect the contradictions of apartheid and "ultimately destroy it." You brought in a number of other points in passing in this article, but what I have paraphrased above is the real strategy you are espousing for eliminating the abhorrent policy of apartheid from South African life. Because I think this is a fundamentally erroneous analysis which is being made by many people in the United States, and is a rationale which business uses in order to justify its staying and expanding in South Africa, I want to comment on it. But before doing that, I would like, also in passing, to briefly deal with some of the minor arguments which you present in calling the decision of the Episcopal Church in urging General Motors to wind up its affairs in South Africa an ill-conceived action.

1. You blame the Episcopal Church for being so foolishly brash as to try to bring pressure upon G.M. when they have only 12,000 shares of stock. Although I certainly don't think that stockholders as a group have much relevance to fundamental decisions made by big corporations, isn't a stockholder really trying to act responsibly when he takes a position on corporation policy and attempts to influence others to share this position? The Episcopal Church does not accept your apparent cynicism. Presumably you would not level criticism at the Episcopal Church if it exercised its limited vote by backing G.M. in its business expansion in South Africa.

2. You use the phrase "white liberal establishment" in a demeaning way applied to the Episcopal Church. I have no objection to this term being used even applied to the Episcopalians, but you logically cannot stop there. The Polaroid Corporation, whose proposals you espouse, are also white liberal establishment. In fact most of the white liberal establishment backs your position as do the conservatives and reactionaries. The essence of your argument, that change will come about simply by virtue of an expanding economy in South Africa, is the essence of classical liberalism. Whether it is white or black or anything else makes little difference.

3. You imply that the Episcopal Church has taken its position only to be "fashionable." It should be pointed out that those who share your position are much more fashionable in that this is the position that is taken by close to 400 U.S. corporations who are responsible for an investment of something like $800 million in South Africa. I would say it would be much less "fashionable" to oppose the position urging increased investments in South Africa.

4. Your mention of the Japanese as now having the status of Europeans (whites) in South Africa is very interesting. Your implication is that if the Africans only increase their role in the economy of South Africa, they too will be looked upon as "white" some day. Then you imply, the problem will all disappear. As social and political analysis, this belongs in the dark ages.
5. You say that the proper way for anyone to make a decision on what to do in South Africa is to consult the oppressed. You make it sound as if the Polaroid Corporation had already done this. Just how do visitors, on a few days' visit to South Africa, whether they are white or black, really get an opinion of an oppressed people especially when it is realized that they are in a police state atmosphere? You know presumably from your own visits to South Africa that we are talking about a police state riddled with informers even in the black community. Just how honest an opinion could strangers expect to get in such a social and political situation when any expression contrary to the interest of the state is punishable by long terms of imprisonment under a myriad of laws? In fact, you should realize that to advocate a policy of economic withdrawal from South Africa is illegal in South Africa and is punishable by death. (See Act No. 44 of 1950 Section 11 (b) bis; Act No. 76 of 1962, Section 21 (2) (g); and Act No. 83 of 1967 Section 2 (1) (a), (2) (f), (h), (l).) The banned African political organizations, such as the African National Congress and the Pan Africanist Congress, have backed the strategy of economic boycott. And the late Chief Luthuli, Nobel Prize winner, strongly called for international boycotts of South Africa.

6. You say that for American corporations, especially G.M., to pull out of South Africa will injure the very people whom such a move is intended to help. This is a much more fundamental question which is tied up with the next major point I wish to make. However, it should be pointed out that the great mass of people, non-whites, in South Africa are already suffering greatly. Is it necessary for American corporations to be part of this process of exploitation?

The basic argument you are making, as I pointed out above, is the liberal one -- apartheid will break down as the South African economy expands, as more skilled jobs are opened to Africans, and as there is an increase, no matter how slight, in the wages paid to African workers. What you are pointing to is a very dangerous set of half-truths. It is quite true that more skilled jobs are now open to Africans simply because there aren't enough Europeans to fill them, but in general the job classification is changed and the African worker is paid a fraction of the wage the white who formerly held the job received. Thus a saving for the white employer. The South African Government has increasingly approved requests from various businesses to break down job reservation, but such classifications affect only a small percentage of businesses and such maneuvers have not changed any of the laws as to the economic rights of non-whites. I will not try to cite statistics here, because the point is granted. What is not granted is that this development is making any fundamental change in the role of the African within the economic and political life of South Africa, that is in the system of white supremacy based on the utilization of a vast, cheap, non-white labor force.

Africans still constitute 68 per cent of the population and receive less than 20 per cent of all income. Whites who are 19 per cent of the population have 74 per cent of the income. In Soweto where approximately 600,000 Africans live in a black ghetto of Johannesburg, 68 per cent of the families live below the poverty datum line. Only about 6 per cent of the Africans are still in the skilled worker category in industry. Although there has been an increase in average monthly wages for Africans, the increase for whites has been even greater and the cost of living has wiped out this increase. (In a ten year period from 1957 to 1967 African wages increased by 59 per cent and whites by 61 per cent.) While the real earnings of whites in the gold mining sector of the economy have risen in the past sixty years, that of the African miners has remained the same. In the field of education less than one thousand
African children complete high school annually. Approximately $15 per capita is spent for each African child and $180 for each European child in school. The great industrialization which is taking place in South Africa doesn't apply at all to about 40 per cent of the population who are still living in the reserve areas far away from the cities.

The point of all this is that the gap existing economically between the African and the European is so great that the minor remedial changes possible within the law and within the structure of the economy are so slight that it is dreaming to think equalization could come about in this fashion.

However, this all ignores the really fundamental point I want to make. This is that apartheid is not essentially related to what is called separation or "separate development." It is not really dealing with the standard of living of the non-white people of South Africa except in a secondary sense. Apartheid is fundamentally a system to keep the African people in a permanent state of subservience and of a mobile labor force to be used by the white minority in power. This is what the laws and regulations in South Africa are all about. The Group Areas Act, the Suppression of Communism Act, the 180 and 90 day detention laws, the Industrial Conciliation Act, all of the Pass Laws exist for one purpose only and that is to completely control the movements of the African people. As the process of industrialization has taken place in South Africa, a massive police state apparatus has been created precisely to keep this African mobile labor force under control. The anti-strike and anti-labor legislation against African workers is a rather concrete example of this. Whenever there is a strike, which happens almost spontaneously every now and then, it is ruthlessly put down and the workers fired and usually endorsed out of the urban area.

It has been during the period when American and British investment also has risen so tremendously in South Africa, over the last 20 years or so since the Nationalist Party of the Afrikaners came to power, that all of this police state legislation has been extended. The African political parties and leadership have been banned, torture has been developed as a refined method of seeking confessions, etc. You are certainly familiar with all of this.

The American business as it increases its economic involvement in South Africa becomes a partner of the South African state as it maintains its control over the great mass of non-white people living within its boundaries. This economic aid has helped South Africa on its way to a self-sufficient economy, has and continues to provide important political and psychological support to the racist system, and now helps the South African economy in its process of economic, military and political expansion into the rest of Africa. To think that a few remedial changes made by U.S. corporations allowing a few more Africans to get skilled positions and to allow some increase in wages (even as the cost of living goes up) will challenge the pattern of apartheid and minority control is naivete of the worst order. It is the sort of attitude which actually clarifies to the African people of South Africa that the United States is a partner in apartheid. It is the kind of attitude which the South African Government banks upon as it continues to ring the changes on the fear that it is faced witha "communist menace."
will be the same kind of attitude which some day will lead the United States to ally itself with white South Africa in order to stop the "threat" of the African liberation forces which are working for justice and equality.

Some of us oppose this. We do not want to see the American people and the U.S. Government backing this kind of policy; nor do we want the continuation of present support to the apartheid system. Thus we take the view that all sorts of pressure must be brought to bear on U.S. companies to get out of South Africa, and urge truly concerned people to look toward the struggle of the liberation movements and mass of oppressed peoples for fundamental change in South Africa.

Sincerely,

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American Committee on Africa
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