I.B.M. in SOUTH AFRICA

Big Brother 360/50

An IBM computer is the key U.S. contribution to the South African police state system of classification of people by race in order to control and exploit them. Africans have long been required to carry and produce on demand a reference (pass) book which now records jobs, tax payments, permission to be in a particular area, and other details; between two and three thousand people are arrested every day for technical violations of such apartheid regulations. As of August 1, 1966, every individual 16 or older in South Africa was required to possess an identification card stating his racial group.

Extending its degree of control over all the people of South Africa, the state, in 1970, produced a "Population Registration Act" under which a central register is being compiled which will contain detailed information about every woman, man and child in South Africa. This will include every person's identity number, name, sex, date and place of birth, race classification, citizenship, marital status and a photograph. It will also store information about every individual's residential and postal address, health information, particulars concerning passports and permits to leave the country and dates of departure and return; particulars concerning driver's licenses, gun licenses, etc.; educational qualifications and occupation; the official language each individual chooses to use; and finally, particulars of death or final departure from the Republic.

So far as Africans are concerned, the register will contain all the above information and, as well:

- district in which he ordinarily resides;
- ethnic group or nation and tribe to which he belongs;
- if his date and place of birth are unknown, estimated year of birth, and district in which he was born;
- if he is not a South African citizen, his fingerprints.

When introducing the legislation in Parliament, the Minister announced that the whole records system would be computerized (over a five year period) thus making it far more efficient. In March, 1971 the South African Government announced that an IBM 360/50 computer was to be rented at a monthly cost of $43,978.73 to operate the system. Thus all the information used to register, regulate and control African labor under the myriad tax and so-called pass laws will be processed into easily accessible form through the IBM computer.

In addition to being listed at the central register from February 1, 1972, every white, Coloured and Asian person will have to carry a 50-page blue identification document full
of personal information similar to that listed above. All those under 16 will have 12-page light green books instead of the longer documents; the green book will be issued to an infant instead of a birth certificate. Africans will continue to carry their 96-page reference books for the present.

To keep the population register and all identity documents up to date, fresh copies of two photographs must be submitted whenever the current ones are no longer recognizable. The Secretary of the Interior must be notified of any change in permanent or residential address within 14 days (or such time as he may set); the proprietor of any premise is responsible for all its residents and must notify the Secretary within 45 days of arrivals and departures if the people concerned have not done so themselves. Thus the whole of the population comes under complete state control, and people are turned into informers against one another.

The ruling National Party Congress in Windhoek (Namibia) has demanded that the "Book of Life" identification system be extended at once to include Africans in that territory. One delegate revealed white expectations for the new computerized control by protesting that thousands of Ovamboes (Namibia's most numerous African group) "defect" from their jobs and take other jobs, and remain in "South West Africa," i.e. outside their assigned homeland, illegally. Whites, Coloureds, and Namas in Namibia are already scheduled for registration, thus solidifying South African control and integration of the territory in defiance of both the United Nations and the International Court of Justice.

The Pass System

South Africa's system of apartheid rests firmly on rigorous and detailed police controls, and the computer which can streamline and speed up enforcement of the controls will be a boon to the white regime. Apartheid's core is the preservation of the cheap labor supply that makes South Africa so profitable for foreign investors. Africans, the majority of the workers, have no political or economic rights; their unions are not recognized and strikes are illegal; they are allowed into 87 per cent of the country (called the white areas) only as workers, while the aged, the children, the unemployed, the disabled, all termed "superfluous appendages," are subject to deportation to the 13 per cent of the land reserved for Africans. Once workers are in these reserves they can get out only by taking jobs through the local labor bureau. The passes show their permission to be in the white areas. These areas are likewise divided into places and even buildings where Whites or Coloureds or Asians or Africans (those temporarily permitted) may live or work or eat or see a movie or play tennis. Everything depends on race. Race depends on classification. And identification will depend on IBM. As a corollary, political opposition to the system must be ruthlessly suppressed, for the ruling whites are outnumbered more than four to one. This is easier when the whole population is chained by an internal passport system, and Big Brother 360/50 knows all about them, with a 50-page compulsory document for a start.

Brains for Apartheid

Number One Policeman is not IBM's only job in South Africa. Two years ago the National Research Institute for Mathematical Sciences of the Government Council for Scientific and Industrial Research in Pretoria installed an IBM system valued at $2.8 million and further additions are planned to cope with the ever increasing needs of the Institute. IBM is thus aiding the industrial and scientific (and as a corollary, military) expansion of the apartheid state in a very fundamental way.¹ The Council works with NASA (the U.S. Space

¹. "Defense" is a misnomer for South Africa's military activities. It controls Namibia illegally by force and one of its greatest violations of the League of Nations (now UN) mandate was the fortification of the Caprivi strip, where air bases are aimed against the north, the airport it is building for Malawi is reported to have similar significance.
Agency) and it sold to the U.S. Army a military electronic device "tellurometer" which it developed in cooperation with Plessey (armaments company). Viet Nam has revolutionized war in many ways, the most far-reaching of which (though not yet fully efficient) is the electronic battlefield, and South Africa is so far advanced in the technique that it has been able to aid the U.S. Army. Gen. William Westmoreland, in the Congressional Record for October 16, 1969 revealed:

On the battlefield of the future, enemy forces will be located, tracked, and targeted almost instantaneously through use of data links, computer assisted intelligence evaluation, and automated fire control. With first round kill probabilities approaching certainty, and with surveillance devices that can continually track the enemy, the need for large forces to fix the opposition physically will be less important.

IBM thinks for South African Airways, too. As part of the government's $50-70 million expansion of facilities at Jan Smuts international airport, SAA has spent $8.4 million to put in a "new fully automated, integrated passenger reservations and message-switching system." Its nerve center is IBM duplex system 360. The computer system, known as SAAFOR, for South African Airways Fully Automated Reservations Installation, links all major cities in South Africa with the central computer in Johannesburg to give instant information. It became operational in 1971. South African Airways is a government agency whose operations are controlled by apartheid law, and plays a key role in its outreach tactics. The airline's expansion to major world centers (i.e. New York and Rio in 1969) is part of the drive for tourists which is bolstering foreign exchange and also sending home foreign sympathizers who have seen only the privileged white society and shared its pleasures.

Another duplexed IBM system 360 is in use by Volkskas, a large banking system with branches throughout the country whose data will be linked through the IBM network. IBM has a special team devoted to businesses dealing with stocks and shares. The Volkskas innovation set off speculation about other fields, especially in higher education, where centralized data banks would improve efficiency and information. Volkskas-IBM is using the wire services of the Post Office telecommunications system, as, presumably, similar computer ventures would. Thus the South African government and IBM cooperate to improve financial facilities and strengthen the apartheid economy. South Africa's largest retail chain, O.K. Bazaars, is among the businesses that have installed IBM systems.

IBM and the Labor "Shortage"

IBM deals in small business as well as large. In June, 1971, the first IBM copier commercially installed in South Africa was acquired by the Manufacturers Life Insurance Company in Johannesburg; that means an almost infinite field for expansion has opened. One of the most dangerous aspects of IBM's operations in South Africa is the extent to which apartheid supporters may find automated solutions (consistent with white control) to the artificial scarcity of skilled labor created by job discrimination laws. If IBM continues its growth in South Africa it will become an indispensable pillar of apartheid.

The government's determination to keep nonwhite workers from skilled jobs serves as a brake on the growth rate of the expanding economy and industrialists are protesting,

(cont. footnote 1)

South African troops have been in Rhodesia (Zimbabwe) supporting the illegal Smith regime since the first guerrilla attacks after UDI. There are South African helicopter bases, and reportedly troops, in Angola aiding Portuguese forces against the liberation movements, and in the Tete province of Mozambique for the same reason.
trying to import skilled white workers instead of employing South Africa's nonwhites (IBM is said to import many of its ranking employees), searching for alternative ways to meet the artificial shortage. A paper presented at a National Development and Management Foundation conference dealing with the labor shortage argued that the computer could "significantly reduce the demand for labor." A Sunday Times (Johannesburg) section on computers (August 1, 1971) under the heading "Labour Scarcity Propels Us Into Computer Age" opened: "South Africa's continuous shortage of skilled labour is making it an ideal market for computer and data-processing equipment."

U.S.-owned computer firms in South Africa may insist that they oppose apartheid and are helping their workers in spite of it. But the fact is that their computers can do more than any other technique to enable apartheid to survive: computer methods allow the economy to run with a minimum number of skilled workers, methodically reducing the economic pressure that was beginning to force training and upgrading on the job for black workers.

100 Per Cent American

IBM does business in South Africa through a wholly owned subsidiary, International Business Machines, (S.A. Pty.). Because of its favorable growth rate, IBM has this year invested an additional $3.42 million by buying shares in the local company, nearly doubling its capitalization, now $8.4 million. The new U.S. funds were to enable the company to obtain more computers from the United States to lease in South Africa. The market, which five other companies share with IBM, is now worth around $50.4 million annually, but IBM's South African managing director believes the potential is $252 million and will more than double that in a decade. In 1970 more than half the parent IBM's net income came from overseas and it controls more than half the market in every country except Britain.

The IBM Operation

IBM has been in South Africa since 1952, primarily as a marketing operation. As of December, 1970 it employed about a thousand people, some 75 of whom were nonwhites, including 50 Africans. 125 employees received training overseas last year but no racial breakdown of this, or how many and who went to the United States, is available. Almost certainly all this training was for whites. IBM claims every other employee is a university graduate.

IBM reports that black employees hold positions in accounting, planning, and service areas, warehousing, and maintenance, and that their numbers will be increased as the "growth and nature" of the business permit. The word "nature" assumes that some type of job reservation is in effect. Since blacks comprise the great majority of all South African workers, the percentage employed by IBM is small (5 per cent). As all U.S. companies in South Africa, IBM discriminates openly.

Advertisements placed by IBM in the South African (white) press to attract employees do not mention color but they could not meet U.S. Civil Rights Acts standards on either sex or age criteria: "A matriculated young lady under 30", "go-ahead young man under 35" and the like.

IBM also reports identical pay scales for black and white, but this gives no clue as to how many identical jobs and how many identical pay checks there are (one of the ways South Africa meets its labor "shortage" is by retitling, and sometimes breaking down, white jobs to be done by nonwhites at lower job rates). Blacks employed by IBM are reported to earn twice as much as blacks similarly employed by other companies, but even

2. IBM has small marketing and service operations in Angola, Mozambique, and South West Africa (Namibia). Shipments to Rhodesia were stopped in 1968.
these wages may still come out below the poverty datum line. IBM is proud of many benefits provided for all employees (insurance, pensions, medical and educational aid) and estimated the cost at $700 per employee per year; but there is no indication of employee participation in the determination or direction of these.

**IBM Principles and Apartheid**

In the general statement which prefaces its seven principles of business practice, IBM gives away the basis of its support for apartheid.

> It is the policy of IBM to hire people strictly on their qualifications to perform a given job, regardless of race, colour, creed, national origin, age or sex, insofar as laws and local practices within the country permit. (emphasis added)

Against this background, IBM's anti-apartheid statements are irrelevant. Not only law constrains IBM, but local practice takes precedence over qualifications to perform the job.

By South African standards, IBM may be a better than average employer as it claims; but by U.S. standards it is in violation of labor and civil rights legislation. As far as apartheid is concerned, IBM - like all other U.S. employers in South Africa - cannot protect its workers from the worst ravages of the system: breakup of families; subjection to segregated facilities; the indignity of having every aspect of political and economic life determined by others. There is no indication that IBM has registered any protest against such "local practices." And it directly strengthens the police state tyranny of the apartheid government far more than most U.S. concerns which primarily aid the economy.

Among its principles, ironically, IBM lists:

> to play our part in furthering the progress of the communities in which our facilities are located, and to recognize our responsibilities as a corporate citizen of the nation and the world.

In the South African community, it aids the police apparatus to suppress dissent and so prevent change and progress. In the world it defies the efforts of the United Nations to isolate and remove support from apartheid. (For instance, General Assembly Resolution 2506 (XXIV), November 21, 1969, asks member states "to desist from collaborating with the Government of South Africa by taking steps to prohibit financial and economic interests under their national jurisdiction from cooperating with the South African Government and companies registered in South Africa.")

**Who Is IBM?**

IBM is a corporate entity, but many identifiable people share responsibility for its partnership in apartheid.

First are its officers and directors who profit themselves, and who represent those who profit most. Those whose other interests are particularly relevant are listed. Protests should be directed to them. IBM's general offices are at Armonk, New York, 10504.

Thomas J. Watson, chairman of the Executive Committee.

Mr. Watson is also an official or trustee of Bankers Trust Company, Rockefeller Foundation, Brown University and the California Institute of Technology.
T. Vincent Learson, newly appointed chairman and chief executive. He came up from the ranks in IBM and is a member of the Board of Overseers of Harvard University.

Bruce Bromley whose legal firm, Cravath, Swaine, and Moore, handles IBM's business.

Paul L. Davies of Lehman Brothers, a firm that has arranged loans and investments for southern Africa status quo interests.

John M. Fox, President of United Fruit Company.


Amory Houghton Jr. is chairman of the Board of Corning Glass Works, is a director of U.S. Steel, New York Life Insurance, serves on the boards of Harvard University and Episcopal Theological Seminary, and is a Trustee of the Rockefeller Foundation.

Grayson Kirk, president emeritus of Columbia University, serves on the boards of Socony-Mobil, Con Edison, the Council on Foreign Relations, the Asia Foundation, the Greenwich Savings Bank, Nationwide Securities, and is a trustee of the Institute of International Education.

Louis H. LaMotte, of New College and Bennett College.

Patricia Harris of Fried, Frank, Harris, Shriver, and Kampelman, named in April, 1971 as a woman and black token representative following an annual meeting in which opposition to IBM management and policies was voiced.

Second are the stockholders, few of whom have questioned IBM policies. Among them are:

American Baptist Convention; Christian Church, Disciples of Christ; Lutheran Church in America; United Presbyterian Church, U.S.A.; United Church of Christ; Protestant Episcopal Church; United Methodist Church.

It is likely that many universities are also represented among the stockholders. People who are concerned should find out whether they are related to stockholders in any way: church, university, union, pension investment, other agencies and groups.

Third are the customers, who buy or rent typewriters, copiers, and computers, or who support agencies, organizations, and businesses that do. Check your own home and office.

Fourth are the workers of IBM, among them the IBM Black Workers Alliance which calls upon IBM to end its business in South Africa, as well as demanding an end to racial discrimination in IBM employment policies in the United States. (Other similar organizations of IBM workers include the Black United Front and the Concerned Workers Alliance.) BWA reports the firing of three employees and forced resignation of a fourth, all in the Washington, D.C. area because of their campaign against business with South Africa. Complaints about discrimination have been filed with the Human Relations Commission in Washington.
Action Against Apartheid

Directors can demand that IBM withdraw from southern Africa. That means leased computers will stop implementing apartheid.

Stockholders can vote for directors who will withdraw; can demand withdrawal themselves; can sell their stock if IBM won’t.

Customers can stop buying and leasing. Everybody can boycott.

Workers can organize and educate to build the Alliance and join with other forces against apartheid.

Everybody can raise the issue in some way. Write to IBM, especially if you have contact with an officer or director. Write to the press the next time a story on wonderful IBM (they are frequent) appears. Bring it up in meetings, organize delegations to see those responsible if you are part of any agency involved with IBM. Learn more about southern Africa so you can effectively tell others why IBM - and all U.S. enterprise - should stop support for apartheid rule and get out of South Africa now.

References: Sources of information used in preparing this Fact Sheet include the Argus; Financial Mail; Forbes (September 1, 1971); Hansard Q&A; IBM material: correspondence, notices and reports of annual meetings, official releases such as Personnel Policies and IBM Principles; Natal Mercury; New York Times; Office of Church Resource Studies material; Rand Daily Mail; South African Digest; South Africa Property Gazette; The Star; The Sunday Times; Survey of Race Relations 1971; The Technological Warlords (Computer People for Peace); Wall Street Journal.

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