



STUDENT ANTI-APARTHEID NEWSLETTER

Africa Fund (Associated with The American Committee on Africa)

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SPECIAL REPORT ON UNIVERSITY OF CALIFORNIA DIVESTMENT ACTION

On Nelson Mandela's birthday, July 18, the University of California Regents voted 13-9 for full divestment of the system's \$3.1 billion linked to South Africa through U.S. corporations and banks. The policy specifically mandates: 1) Divestment during the next 12 months from any company that increases its investment in South Africa and 2) Beginning in 1987 divestment from all companies still involved in South Africa or Namibia to be completed within three years (by 1990)--with at least one-third being divested per year.

This decision represents a stunning victory for the student anti-apartheid movement, and is by far the largest campus divestment action--between 1977-1986 110 schools had divested a total of \$558 million in stock.

The triumph was fundamentally due to nine years of student pressure, and particularly the escalation in tactics since December 1984. This past spring, UC/Berkeley was the site of shantytown construction and militant protest that dramatically raised the political cost of continued University of California investment tied to South Africa. In the course of these protests hundreds of off-campus police were called in to quell protests, resulting in nearly 200 arrests, many injuries, and national press coverage. UCLA students also constructed shanties this spring and police brutally removed protesters who sat-in and then blocked police vans. The movement has also been strong at University of California campuses in **Long Beach, Santa Cruz, and San Diego.**

The University of California divestment success will doubtless inspire students nationwide to further escalate tactics--with shantytown construction, blockades, and occupations particularly expected during the October 10 National Divestment Protest Day. If the conservative California Regents could be pressured to divest \$3.1 billion, many activists feel that raising the political costs at other campuses will be the key to further breakthroughs.

The terms of the debate have now been altered from "why totally divest?" to "how is any South Africa linked investment justifiable?" Suddenly, the schools with the heaviest investments linked to South Africa--University of Texas (\$770 million), Harvard University (\$500 million), Yale University (\$400 million), Princeton (\$200 million), Northwestern (\$120 million)--appear vulnerable to student pressure for total divestment.

To explain the stunning divestment vote on July 18, account must also be taken of **Republican Governor Deukmejian's interests** within the political climate created by grass-roots action in this country and South Africa. Last year the Governor had vetoed state legislation mandating divestment. However, this year he was the main mover of the four-year university divestment plan. How can one account for this change?

This November Deukmejian is facing a reelection campaign against Los Angeles Mayor Tom Bradley, who was targeting Deukmejian's previous anti-divestment stand. While comfortably ahead in the polls, the Governor had to be concerned about the dynamizing potential of the South African issue--particularly with the prospect of militant student protest and mass arrests during the heart of his campaign.

SHANTYTOWN PROTESTS

AT UNIVERSITY OF CALIFORNIA/BERKELEY

March 31-April 3, 1986



According to California observers, Deukmeijan also took a pro-divestment position to build his national political reputation--hardly a new pastime among California Governors. **Breaking with Reagan on this issue carries few political risks given the acknowledged bankruptcy of "constructive engagement"**--as New Jersey's Republican Governor Kean has found since resisting White House lobbying and signing a \$3.5 billion pension divestment bill last year.

Deukmeijan's divestment proposal prevailed in a strongly divided meeting in which University President Gardner and Treasurer Gordon were opposed along with arch-conservative Campbell of the Hoover Institute, who unsuccessfully sought to introduce delaying amendments and provisions related to the Soviet Union. While defending the financial prudence of the measure, the Governor promised legislation to indemnify the regents against any possible loss. At the meeting Mayor Bradley--while noting the political motivation behind Deukmeijan's "flip-flop"--spoke forcefully in favor of the proposal but was unsuccessful in securing an amendment barring university contracts with companies involved in South Africa.

Even without this provision, the Regents' action was celebrated by the one hundred activists outside as a triumph for student organizing. **As Carolyn Ferstman of the UCLA Alumni for Divestment put it: "I don't think Deukmeijan would have come up with his own divestment plan without student protest".**

The victory in California did not simply stem from the militant actions this spring, but rather the **long-term campus organizing since the 1976 Soweto Uprising that had steadily built the climate against complicity with apartheid.** The 1977-78 path-breaking work of the South Africa Catalyst Project in forming the initial statewide UC divestment coalition, the steady years of building the campus divestment movement's base, and the 1985 through 1986 national upsurge were all factors in the success. Most fundamentally, of course, it has been the shaking of apartheid rule by the South African and Namibian people that has inspired the grass-roots action that is forcing widespread divestment and actual corporate withdrawal (53 firms in a year).

The UC divestment action will give added momentum to current Congressional sanctions measures, and help to further politically isolate the Reagan Administration's explicitly anti-liberation movement policy. Within a week after the UC divestment a tough provision was passed by the Houston City Council barring city contracts with South Africa linked firms. **As Thabo Moeti, a Black South African exile and student activist at UC/Santa Cruz said:**

"It (the Board's divestment vote) is another nail in the coffin of apartheid, but it is not the main nail, or the last one."

With our support the people of South Africa and Namibia will soon be administering the final rites to one of history's monstrous wrongs.

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SATURDAY, JULY 19, 1986

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California Regents Vote To Divest \$3.1 Billion In South Africa Holdings

By Jay Mathews
Washington Post Staff Writer

LOS ANGELES, July 18—In a major victory for the national anti-apartheid movement, the Board of Regents of the University of California, the largest university system in the country, agreed today to begin divestiture of \$3.1 billion in South Africa-related investments.

The announcement of the 13-to-9 vote, piped through loudspeakers, sparked cheers and applause from anti-apartheid students and faculty waiting outside the Santa Cruz, Calif., meeting room. With by far the largest block of South Africa-connected holdings of any American university, the decision by the nine-campus complex increased the amount of educational divestments by more than 500 percent.

"This answers the argument we are hearing that it is too difficult to divest large sums of money," said Joshua Nessen, national student coordinator for the American Committee on Africa. He said the California decision should inspire further efforts to force divestiture by large universities, such as Georgetown and Maryland, where demonstrators have called for selling all South Africa-connected holdings to pressure Pretoria to grant majority rule to blacks.

The California university vote, following a three-hour discussion, appeared strongly influenced by the decision of Gov. George Deukmejian (R) to abandon his opposition to full divestiture. The regents agreed to give companies that had not recently increased their South African activities a one-year grace period to cut off ties to the minority white-ruled nation. University pension fund and endowment investments in companies that maintained South African ties after that would be sold within three years.

Deukmejian told the regents that their decision last year to divest only stock in companies that failed to meet certain civil rights standards in South Africa had given Pretoria a "strong, clear signal." To cheers from the crowd outside, Deukmejian concluded that "since conditions have changed in South Africa, it is appropriate to change our policies."

Deukmejian, a Republican who is seeking reelection, announced his change in position in a letter to the regents. It was made public two days before Los Angeles Mayor Tom Bradley, the Democratic gubernatorial nominee, was to appear before the regents. Bradley is a strong supporter of divestiture.

Some regents said they fear being sued if the divestment loses money for the university. Deukmejian promised to introduce legislation to protect them from such suits, and the regents voted to divest only if the legislation is enacted. Some regents argued that investments in a country in such turmoil is not good business practice.

According to anti-apartheid movement organizations, 109 other schools have voted to divest \$558 million. After California, the largest holder of South Africa-related investments is the University of Texas, with \$700 million. A California official estimated divestment would cost about \$118 million.



American Committee On Africa

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