
EG SPECIAL REPORT

legitimization for apartheid—supporting corporations and what they condone and perpetuate in South Africa.

We do not presume to present here all the information and answers for this extremely complex issue. We do, however, feel, after extensive research on the varied ramifications, that the bulk of the information not presented herein is merely supportive to the major points we have made.

Your task as students is to decide whether you place a higher value on the convenience of on-campus recruitment than you do on the opportunity, however small the effect and great your sacrifice, to take a definite stand against the conditions this EL GAUCHO Special Report briefly describes.

By RICHARD UNDERWOOD
and MARTIN LEGASSICK

on recruiters and apartheid

FRIDAY, OCTOBER 24, 1969--EL GAUCHO--

IT CAN BE DONE.....

This is the case study of a struggle in progress: the efforts of students at the University of California at Santa Barbara to bar corporations profiting from South African racism from using university facilities. By pinpointing and combatting specific corporations with South African entanglements, campus groups can: (1) link the issues of racism and imperialism; (2) unite a student struggle against university complicity; (3) educate students about the nature of corporate imperialism and (4) actively support the revolutionary African movements engaged in armed struggle against a U.S. supported system of brutal oppression. Read about it. Apply the knowledge. Do it.

1. The Placement Center: a brief description

The UCSB Placement Center employs a staff of 14 and is entirely financed by student incidental fees. Under a 1967-68 budget of \$150,000, the center processed 1,202 applicants in educational placement, 1,025 in business and industry, and 7,770 in part-time placement.

Estimated student income from part-time jobs obtained through the center was \$1,535,000. Educational and part-time placement are not affected by the South Africa issue.

The only requirement for recruiters using the center is their word that they are an equal opportunity employer. A Placement Center brochure states that an eligible employer also includes "any organization acting for a third party, such as government employment services, employment agencies or

executive search firms which, on a confidential basis, provides to the Placement Center the name of the organization represented." Beyond "Dick and Jane" brochures, little employer information is available to students.

In an EG interview, at the end of last year, E. L. Chalberg, the Placement Center manager, stated that the business and industry section of the center evolved sometime before World War II.

When asked for his opinion on student demonstrations against Dow, Chalberg stated, "Now the fact that they're making napalm, I mean, people disagree with that. Well, I may disagree because I drive a Chevrolet, I don't like Fords, but nonetheless, to me, Ford has every right to come in here and interview too."

Does your school have a placement center?

What companies or company affiliates

active in South Africa recruit there?

Leading investors

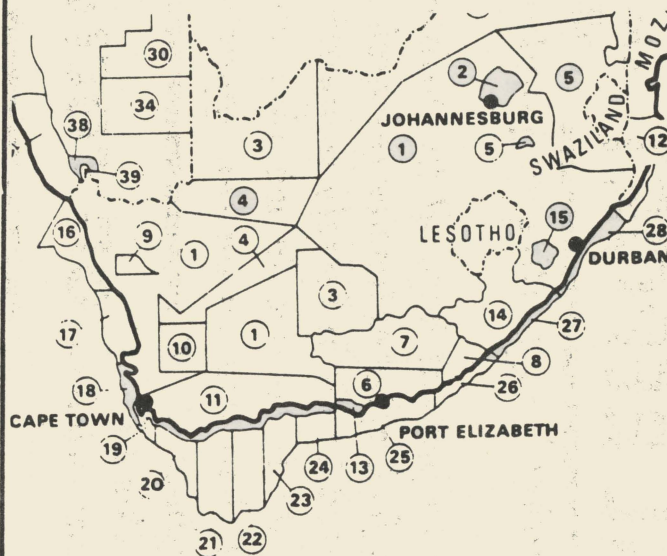
Over 250 United States corporations have investments in South Africa, but some of these have a more central role than others in perpetuating South African racism.

Student groups in the United States have selected 10 of these corporations for special attention. Because of the length and amount or the strategic nature of their involvement, these are the companies which should be concentrated on: Ford Motor

Company, General Motors, Goodyear Tire and Rubber Company, American Metal Climax, Standard Oil of California (Caltex), Esso Oil, Chase Manhattan Bank, First National Bank of New York, Corning Ware, and Engelhard Hanovia/American-South African Investment Company (companies controlled by Charles Engelhard, largest American investor in South Africa).

Dow Chemical, which also has holdings in South Africa, will be recruiting on campus through the Placement Office on Nov. 11-12.

The map below shows you exactly where each company has staked its claim to apartheid.



"This land is your land. . . ."

INVESTMENT LEASEHOLDERS

SOUTH AFRICA: ONSHORE

- 1 SOEKOR
- SOEKOR Sub-leaseholders
- 2 Argus Exploration
- 3 Karroo Basin
- 4 MAH Hilson
- 5 Royden Development
- 6 HM Mining
- 7 Karroo Petroleum
- 8 CF and DF Slabbert
- 9 JJ Van den Heever
- 10 GT Raydon
- 11 Midlands Oil
- 12 Zululand Oil
- 13 Zitzikamma Oil
- 14 (Transkei)
- 15 (Game Reserve)

SOUTH AFRICA: OFFSHORE

- SOEKOR Sub-leaseholders
- 16 Esso Exploration and Production
- 17 Karroo Basin
- 18 Capricorn
- 19 Karroo Petroleum (West)
- 20 Amoco
- 21 Atlantic Richfield
- 22 Caltex
- 23 Placid International
- 24 Superior Highland Tenneco
- Cities Service
- 25 Total (CFP)
- 26 Mobil Total Shell BP
- 27 Karroo Petroleum (East)
- 28 American Pacific

2 The controversy at UCSB:

2.a brief chronology

In January of 1967 the A.S. Legislative Council passed the following resolution:

WHEREAS, Section IV, Policy on Non-discrimination of the University of California Policies Relating to Students and Student Organizations, Use of University Facilities and Non-discrimination (p. 10), July 1, 1966, states an explicit policy of non-discrimination which applies even to companies or interests utilizing University facilities;

WHEREAS, Federal legislation prohibits discriminatory hiring and employment practices;

WHEREAS, United Nations Resolution A/1761 of November 1962 and United Nations Resolution A/1889 of November 1963 ask all member countries to discontinue all arms shipments to South Africa; and refrain from trade and investment in the Apartheid government of that country;

WHEREAS, any and all business concerns operating in South Africa must conform to the discriminatory hiring and employment laws of the South African government, which laws include:

a. Native Laws Amendment Act, 1949: provides for the forced movement of African (black) labor to areas short of labor supply (corresponding, in type, to the forced labor camps and labor channeling techniques used by Himmler's SS during World War II);

b. Unemployment Insurance Amendment Act No. 28, 1948 (amended 1949): provides unemployment insurance benefits for workers earning more than \$764 a year. The great majority of African and non-white workers earn less than \$600 a year.

c. Native Labor Act No. 48, 1953: forbids strikes and lockouts.

This act, along with the Industrial Conciliation Act of 1956, underlies the government's refusal to allow non-white labor any voice as regards their working conditions or place of employment;

d. Bantu Laws Amendment Act No. 42 of 1964: provides that any African, regardless of his duration of residence or length of employment with a single employer, may be forcibly enclosed in areas outside or urban populations by labor officials of the apartheid government;

WHEREAS, a minimum of one-third of the private firms which actively recruit graduates at the UCSB Placement Center have branches and/or subsidiaries in South Africa, in active support of a discriminatory government, and in direct opposition to the University of California's policies on non-discrimination;

BE IT RESOLVED, that the ASUCSB Legislative Council hereby prohibits from use of any and all University facilities, specifically including the Placement Center, any company or business interest which practices discriminatory hiring and/or employment policies whether domestically or abroad.

The administration responded that it interpreted the Kerr directive on non-discrimination to apply only to conduct "while on campus."

Upon passage of the same Leg Council resolution in 1968, the administration responded, via General Counsel at Berkeley, that the University policy on non-discrimination applies only to the domestic conduct of agencies using its facilities. The reasoning behind the decision was that all students hired by agencies using the Placement Office are initially placed within the United States.

On April 15 of this year, Leg Council submitted to the Chancellor a report which urged that the Placement Office "require from each prospective employer a detailed breakdown of his research and product categories, and corresponding income and sales, including military and non-military, foreign and domestic major items and sources of research funds."

The report also stated that "the tendency of the present organization of the Placement Center is to emphasize permanent placement in large, standardized, educational, business and governmental complexes.... We are concerned that the Placement Center is serving these interests and not the real interests of the students.

"We feel that the center should provide and explore the possible ways of assisting students to make more creative life choices. We urge that every effort be made to broaden the range of placement services available to students."

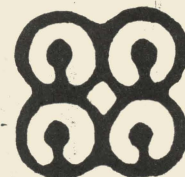
Thus far, no substantive action has resulted from these student proposals on Placement Center policy.

■ What is happening at your school?

■ ■ Does your university have any policies with regard to companies that practise racial discrimination?

■ ■ ■ Why don't those policies apply to companies and company affiliates involved in South Africa?

3. South Africa and the U.S.: an overview of relations



WHAT'S SO WRONG ABOUT SOUTH AFRICA?

THIS IS APARTHEID:	WHITE	BLACK
Population (millions)	3	11
Average wage in mining (1962)	\$3,587	\$213
Infant Mortality per 1,000 births	27	200+
Percentage of land reserved	87	13
Education expenditure per pupil (1962)	\$182	\$18
Ages subject to tax	21-60 yrs.	18-65 yrs.
Income exempt from tax	\$840	none
Persons in registered trade unions	340,000	none
Persons convicted of pass offenses (1962) ...	none	384,000

The South African Parliament is entirely white. The political and guerilla arm of the blacks, the African National Congress, is banned by amendments to the 1950 Suppression of Communism Act.

A peaceful anti-pass demonstration in March of 1960 resulted in the machine-gun deaths of 150 blacks. The only recourses they have are complete subjugation or armed revolution.

WHAT IS THE EXTENT OF UNITED STATES INVESTMENT IN SOUTH AFRICA?

In 1962, United States corporations had invested over one-third of a billion dollars. The ratio of average net profit to net worth for the same year was 25 per cent ("Business International, March 6, 1964).

The return on "raw" investment is 13 per cent, compared with a world average of 7.7 per cent. In 1964, the last year for which figures are available, U.S. direct investments generated earnings of nearly \$100 million, equal to 21 per cent on net worth.

HOW HAS PRIVATE U.S. CORPORATE INVESTMENT AFFECTED AMERICAN FOREIGN POLICY IN SOUTH AFRICA?

James F. Byrnes, U.S. secretary of state during the first session of the United Nations in 1946, resigned the following year and became a director of Mr. Banghart's Newmont Mining, the American company with the largest investment in South and South West Africa.

It was a painful coincidence for the U.S. when, the very month that Byrnes became a director of this company, headlines reported: "U.S. Blocks Move for Sterner Action Against South Africa" (The New York Times, Dec. 13, 1947).

John Foster Dulles, later to become secretary of state, represented the United States as the U.N. delegate who announced this policy toward South Africa.

At the same time he was a partner in the law firm of Sullivan and Cromwell, which represented the American Metal Company, with huge investments in South West Africa.

His law partner, Arthur Dean, who himself became a top foreign policy advisor, was and still is a director of this company, now called American Metal Climax.

DOESN'T AMERICAN INVESTMENT IN SOUTH AFRICA RAISE THE STANDARD OF LIVING FOR BOTH WHITES AND BLACKS?

In 1935, the average annual income of a white newworker was \$2,264. By 1962 this had increased to \$3,587. The average black miner made \$203 in 1935, \$216 in 1962. Mining profits were close to \$400 million.

"In real terms (i.e.: in terms of what wages really buy)," writes F. Wilson, Ph.D., in the "Financial Mail" (10-5-68), "the cash wages which Africans earn on the gold mines are, on the evidence, no higher, and possibly even lower than in 1911." (The Financial Mail).

In 1953, 47.3 per cent of blacks taking the college entrance examination passed it. In that year, the hypersegregationist Bantu Education Act went in effect. In 1960, the figure having steadily declined over the intervening years, the test was passed by only 17.9 per cent.

The Africa Research Group is in the process of publishing a more comprehensive guide to United States corporate involvement in Southern Africa. The guide will specifically deal with ways in which students can challenge that involvement. Copies may be obtained in mid-December from the Africa Research Group, P.O.Box 213, Cambridge, MA 02138.

