

# CHRISTIANITY and CRISIS

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*American Investments Support and Profit from Human Degradation*

## The United States and South Africa

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ON DECEMBER 9, a New York City campaign protesting the depth of United States economic involvement in South Africa will come to a climax. On that date depositors in the First National City and Chase Manhattan Banks will be asked to withdraw their accounts in protest of the fact that these banks, in addition to having branches there (Chase Manhattan through the Standard Bank), are principals in a \$40 million loan to the South African Government. The campaign, spearheaded by the Committee of Conscience Against Apartheid, A. Philip Randolph, Chairman, is jointly sponsored by the University Christian Movement and the American Committee on Africa. It is an outgrowth of a protest that originated with students of Union Theological Seminary.

This action springs from a growing uneasiness about the growth of investments by US corporations in South Africa. It is an expression of the necessity to find means to disengage the US from economic support of the world's most racist nation.

American business has already demonstrated its commitment to the survival of the apartheid government. In 1961 and 1962, following the Sharpeville massacre and other less violent signs of racial tension, a crisis of confidence developed. At that point 11 American banks announced the renewal of their

\$40 million revolving credit to the South African Government.

That decision, as part of a general move by foreign capital to demonstrate continued confidence in South Africa, restored momentum to the economy and ended the threat to the stability of the apartheid regime. "So long as United States' banks and business back us, we can go ahead," a South African statesman said in 1963 to Dr. Henry P. Van Dusen.

If US backing is what they need to go ahead, they will have no problem. Direct American investment has grown from \$140 million in 1950 to \$528 million at the end of 1965, making US investments second only to those of Great Britain. Average profits of the US companies exceed 19 per cent of the amount invested, compared with an average of 11 per cent elsewhere in the world. Therefore, the American business community has a substantial stake in the status quo.

Most Americans are aware of the totalitarian nature of the South African Government, but it would be a mistake to regard it as just another totalitarian regime. It is the most flagrant example of an official policy of oppressing persons merely for the accident of birth. This is not a nation in flux where the evil of today may well be gone tomorrow. The trend is increasing oppression. Racism is entrenched. The whites have dug in. Exploitation is not just a fact; it is the central policy.

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Those opposed to economic disengagement claim that any action aimed at harming the economy would hurt the nonwhites first and most, and consequently would be self-defeating. But it is not the Africans, the Asians or the Coloureds (mixed blood) who are profiting from South Africa's economic boom. The fact is that the boom is built in large measure upon their exploitation. It is for this reason that the nonwhite leaders have repeatedly affirmed the willingness of their people to face the consequences of disengagement that may help hasten the end of their oppression. People will accept some short-term loss of economic security in the hope of winning their freedom. After all, the situation would at worst result in a very slight increase in their economic insecurity.

### **Economic Growth and Liberalization**

A further claim—the one that is most often used to justify the continuance of US investment—is that the economic growth thus made possible will lead to liberalization of rigid racial policies. Such an assertion, however, does not bear scrutiny.

Economic advancement has often contributed to political liberalization. But it does not always do so; and making the trains run on time is not the only test. The Nazis, the Italian Fascists and the Imperial regime in Japan became more aggressive and totalitarian as their economies grew. The economic growth of the American South from Reconstruction until the 1960's took place despite a decline in the Negro's political and social position.

### **South Africa Speaks**

"We want to keep South Africa white . . . keeping it white can only mean one thing, namely, white domination, not leadership, not 'guidance,' but 'control,' 'supremacy.'"  
The late PRIME MINISTER HENDRIK VERWOERD, in an address to the House of Assembly, Jan. 25, 1963.

"The true patriots of South Africa, for whom I speak, will be satisfied with nothing less than the full democratic rights. . . . We do not demand these things for people of African descent alone. We demand them for all South Africans, white and black."

CHIEF ALBERT LUTHULI, leader of the "banned" African National Congress, in an acceptance address when he was awarded the Nobel Peace Prize in December, 1961. It is a crime in South Africa to print anything said by Chief Luthuli.

South Africa's racial policies have in fact become increasingly repressive as the economy has expanded. Even from an economic point of view the African (black) worker is worse off today, particularly in comparison with white workers, than he was years ago.

The apartheid regime, the Nationalist Party, came to power in 1948 on a platform criticizing the former policies of segregation and white domination as too soft. Since then, during a period of enormous economic growth, the nation has been steadily made more racist and oppressive. The very purpose of apartheid has been to prevent the African from advancing with the economy.

Take wages. Whereas the average wage of Africans in manufacturing compared to that of whites was 1 to 4.6 in 1946, it was 1 to 5.6 by 1961. Between 1947 and 1961 white wages throughout the economy rose by 35 per cent, while African wages increased only 11 per cent, less than the percentage increase in the cost of food. African mine workers earned less in real wages in 1960 than they did in 1935.

In Johannesburg the minimum monthly income to assure good health is approximately \$112; the so-called poverty datum line is approximately \$74 per month; the average African worker earns approximately \$54. Health statistics relating to poverty show the consequences; for blacks the tuberculosis rate per 100,000 is 492.8, for whites it is 37.3.

The nonwhite's freedom to live and work where he wishes has been diminished increasingly. The urban African in South Africa is the most technologically advanced and detribalized African on the continent. Yet apartheid seeks to push him out of the "white" areas (i.e., the 87 per cent of the land controlled by 19 per cent of the population) and back into tribal reserves (i.e., the 13 per cent of the least valuable land reserved for 68 per cent of the population). Outside the tribal reserves the black has become, as the late Prime Minister Hendrik Verwoerd urged he should be, a "temporary sojourner," without rights, insecure and exploitable.

No newcomer, if an African, may remain in an urban area for longer than 72 hours without obtaining permission. Once there, he may be expelled if said to be "idle or undesirable." Courts are forbidden to stay the execution of such expulsion orders. Unless an African has resided in a particular area since birth, or worked there continuously for one employer for at least 10 years, or lived there lawfully and continuously for 15 years, he can be expelled without even the necessity of saying that he is "idle or undesirable."



Between 1956 and 1963 over 460,000 Africans were "endorsed out" of major urban centers. Since 1964 dependents have been required to obtain permission to live with their husband or father unless they themselves qualified under the birth, residence and employment standards set forth above.

The nation's labor program also seeks to leave the African segregated and exploitable. The Nationalists have continuously extended the "civilized labor" policy, which already made it a crime for blacks to breach employment contracts, in order to weaken the urban African further. In 1953 they were forbidden to join recognized trade unions—"employee" was defined to exclude all "natives," most of whom had been excluded in any event by earlier legislation. The Government began reserving particular jobs for particular racial groups in 1956. Since then it has ordered Africans replaced by whites in jobs ranging from removing garbage and night soil to skilled building work.

The policy toward African business is similar. In 1963 the Government ruled that blacks trading in urban areas could not trade outside their segregated townships. Even within them they were permitted to carry on only one business limited to the sale of "daily essential domestic necessities." They were thereby prevented from operating, for example, dry cleaning establishments or gas stations.

Similarly the Government, rather than increasing efforts to meet the needs of an expanding economy, has reduced its support for African education. As Dr. Verwoerd said in introducing the Bantu Education Act (he was Education Minister at that time), the Government's aim is to teach the African that "there is no place for him in the European community above certain forms of labor."

When the Bantu Education Act was passed in 1953, the Government was spending approximately \$21 for each black in primary school as opposed to \$143 per white. Ten years later, it was spending less for the black child (approximately \$15) and substantially more for the white (at least \$182). The percentage of net national income spent on African education dropped from .57 in 1953-54 to .39 in 1963-64.

In 1957 support for African adult education in urban areas was cut off and the Government forbade white teachers to volunteer for such programs. It began in 1959 to exclude nonwhites from then existing colleges and universities. Future higher education for nonwhites was designed to separate Asians, Coloureds and Africans, the latter along tribal lines.

Political rights have also been eroded during the economic boom. Upon taking power the Nationalist

Party sought to remove Coloured and Asian voters from the common roll in Cape Province. They succeeded in 1956—after packing the highest court and emasculating all courts by taking away their power to rule upon the constitutionality of most legislation, including anything related to race relations. In 1959, this time without any difficulty, all African voting rights were eliminated.

Throughout the period of economic growth, white voters have become steadily more racist. The Nationalists and apartheid won a slim parliamentary majority in 1948 but less than half the popular vote. By 1966 they had won almost 75 per cent of the parliamentary seats. Moreover, the principal opposition party was attacking the Nationalists for not efficiently maintaining white supremacy.

Racist ideology first sired and now sustains South Africa's Government. This ideology requires the degradation of nonwhites in the name of white supremacy.

#### **Nazi-like and Stalinist Too**

The similarities to Nazi Germany are strong. Indeed, the Nationalist Party voted against support of the Allies in World War II. A court in 1943 found that "Dr. Verwoerd did support Nazi propaganda, he did make his [news]paper a tool of the Nazis in South Africa." His successor, B. J. Vorster, was interned as a Nazi supporter during the war.

Like the Jew to the Nazi, the nonwhite to South Africa's ruling white is less than human. And so, after the courts interpreted segregation legislation as something akin to separate but equal, the Government passed a law explicitly permitting restriction of any facilities for whites, even though other races are denied such facilities or given worse ones. And it is made increasingly difficult for Africans working in the "white" 87 per cent of the country to have their wives and children with them. Thus police-state legislation has been passed that the International Commission of Jurists has described as "copying the worst features of the Stalinist regime" and reducing the citizen's liberty "to a degree not surpassed by the most extreme dictatorships of the left or right."

Should not this review of the facts about "liberalization," and particularly this awareness of the Nazi-like character of the present South African Government, at least give Americans cause to wonder if it isn't all a bad dream—that we should be upholding, supporting and profiting from the same human degradation against which Americans in the past waged war and died? Can our antiCommunism drive us



to overlook these realities? Is it mere rhetoric when President Johnson says: "... we will not support policies abroad which are based on the rule of minorities or the discredited notion that men are unequal before the law"?

A principal aim of any campaign looking toward economic disengagement should be to put to an end the material, psychological and political aid given by US business to the apartheid system. Therefore, the US Government must be freed from present and future inhibitions that inevitably arise from the substantial stake of US business in maintaining the status quo.

US disengagement would not by itself bring down the apartheid regime. Without such disengagement, however, world sanctions, which might someday be a weapon to bring down the Government, are never likely to be seriously discussed. The economy is too strong and self-sufficient, the white rulers too determined and the US economic position too small for that to happen. Furthermore, investors from other nations would jump at the chance to fill any gaps.

To work for economic disengagement from South Africa is not to hold that we must withdraw business contacts from every country with which we may disagree at a given time. Disengagement is not suggested in the belief that business must always follow what seems to some to be a moral course. In our varied society, particularly in economic matters, compromise is essential. A primary aim of business must be to make money for its stockholders. Nevertheless, business cannot escape responsibility for the adverse human effects and the harm to the national interest of its decisions.

### **The Question of Conscience**

The question of conscience must be faced: Are American companies and individuals going to continue to make unusual profits from the exploitation of nonwhite labor under a system that aims to keep nonwhites down and acts upon the belief that they are less than human? Are the people of the United States hypocritical in condemning South Africa with words and, then, having castigated her and seeing that the condemnation has no effect at all, rushing in to profit from the very evils deplored?

American investors say that because the Government has not forbidden them to reap the unusual profits available in South Africa, it is unfair to charge them with harming the national interest. (The Administration's current posture is that it

"neither encourages nor discourages investment in South Africa.") To a certain extent the argument begs the question. Part of the explanation for the Government's caution is the ever increasing stake that influential companies have in the goodwill and stability of the apartheid government. The two forces have a reciprocal relationship: each has a way of encouraging the other.

When it has not been applauding the South African Government, American business has generally remained silent about its racial practices. Companies cannot show that when they went to South Africa they did not know that apartheid stood for exploitation; they surely did not ignore the availability of cheap labor. But the question is not really one of intent; it is the effect of investments.

What then of the national interest? Consider first how US policy looks to the rest of the world, particularly its nonwhite majority. Challenged for our own racial discrimination, we vigorously condemn South Africa's racism. Condemnation has absolutely no effect. And as South Africa becomes ever more racist and totalitarian, we expand our investments enormously and make greater profits dependent upon the racism we decry.

Probably no single policy of the United States does more to harm our relations with the nonwhite nations. Western economic support of South Africa is also the single best tool of the Communists, particularly the Chinese, in their efforts to tar free enterprise with racism.

Our policy of wrist-slapping words coupled with economic support pushes the future leaders of Africa's economically strongest nation toward the Communists. They are also being driven toward the day when—having given up the hope that their rulers will change, either through a change of heart or the recognition of reality, forced in part by foreign economic partners—they will be forced to unleash the bloody weapon of racial revolution.

Similarly the apparent hypocrisy of the US Government and the increasing association of US business with the symbol of world racism exacerbate race relations in this country. Present policy supports the charges of those who characterize this nation as racist when the chips are down, white power indifferent to black misery.

Racism is too dangerous. A world divided into hostile racial camps would make the past conflicts over religion or ideology child's play. South Africa is a fuse that could set off racial conflict throughout the world. The United States must not sit by idly and let the fuse burn on.