

# WHAT'S THE WORD?

## ON IBM

Sales in South Africa: \$163,000,000 (1976)

Assets in South Africa: \$88,600,000

Employees in South Africa: White: 1231 Non-White: 179

### Strategic and Economic Importance to the Regime:

IBM computers are crucial to the South African economy and are used by the military, nuclear research, and prison agencies of the South African government.

Proportionate to Gross Domestic Product (GDP), South Africa is the world's third largest computer user, surpassed only by the U.S. and Great Britain. According to one South African computer executive: "We're entirely dependent on the U.S. The economy would grind to a halt without access to the computer technology of the West."

IBM is South Africa's largest computer firm. In 1974 IBM was estimated to control 40-70% of the South African computer market. IBM does more than one-third of its South African business directly with the apartheid government.

IBM's South African clients, in addition to multinationals such as GM, Mobil and Firestone, include the following corporations and government agencies:

- African Chemicals and Explosives
- Atomic Energy Board (government nuclear research)
- Chamber of Mines, Johannesburg
- Consolidated Diamond Mines of South West Africa (in Namibia, occupied by South Africa in violation of international law and of U.S. government policy)
- Council for Scientific and Industrial Research (coordinates government defense research)
- DeBeers Consolidated Mines
- Department of Defence
- Department of the Interior (administers all prisons)
- Department of Prisons, Pretoria (prison where Steven Biko was murdered by SA police)
- Johannesburg Stock Exchange
- Rustenburg Platinum Mines
- South African Airways
- South African Railways
- Standard Bank of South Africa
- Transvaal Coal Owners Association

In 1965 IBM bid unsuccessfully to supply the computers for the pass law system used to restrict the movement of South African Blacks. IBM reportedly supplies computers to the Bantu Administration Boards, the local agencies which administer the pass laws. Among the IBM computers supplied to the South African government are machines of the 360/65 series, computers used by the U.S. military during the Vietnam war to plan bombing raids over Thailand. As IBM Vice Chairman Gilbert Jones testified before the U.S. Senate, "If you are going to go in South Africa, it is our feeling that you have to sell to the South African government."

# 1: IBM/brown/south africa



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# an S.A.S.C. broadside

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## Other pertinent facts:

IBM does not manufacture computers in South Africa. IBM computers are brought into South Africa from abroad. Corporate withdrawal would therefore deprive South Africa of access to IBM computers.

IBM recently ran a series of ads in the South African financial press declaring: "The Future is a Moving Target, Computers Can Improve Your Aim ... IBM, 25 Years in South Africa."

## Conclusion:

IBM computers play strategic roles in every sector of the apartheid system: economic, political and military. In the words of South Africa's Ambassador to the U.S., Donald Bell Sole, "We are very much dependent at the present time on outside aid and assistance in the computer field ... from companies such as IBM."

## Sources:

South Africa, Hearings before the Subcommittee on African Affairs, Committee on Foreign Relations, U.S. Senate, September 1976; and IBM's questionnaire

IBM in South Africa, National Council of Churches, September 1972

Management (a South African financial journal), November 1974

Interview with Ambassador Sole, Forerunner Magazine, February 27, 1978

Financial Mail (Johannesburg), 1977 and 1978

# Brown has \$3.2million in IBM stock.

The Southern Africa Solidarity Committee believes that it is not nearly enough to say that apartheid is "morally repugnant". This edition of WHAT'S THE WORD? is the first in a series designed expose the connections between U.S. multinationals and the oppressive South African regime. In upcoming editions we plan to discuss GM, why Rhode Island Hospital Trust Bank sells Krugerrands, and exactly what Howard Swearer is doing on the board of Textron.