

# South Africa Fact Sheet

**South Africa enters the 1990's at a critical crossroads of hope and danger: the government has finally bowed to popular resistance both inside the country and abroad and has taken the first steps toward creating a unified, non-racial and democratic country. It lifted the national state of emergency, unbanned political groups, released a significant number of political prisoners and entered into the first phase of talks with the African National Congress.**

**But apartheid is far from dead. While much has changed, much more remains in place. South Africa is a society in which apartheid has created massive problems of poverty and socio-economic injustice to the point where there will be no easy solutions, whatever government comes into power. Black lives, aspirations and rights remain curtailed and controlled by legislation denying them the right to vote or own land.**

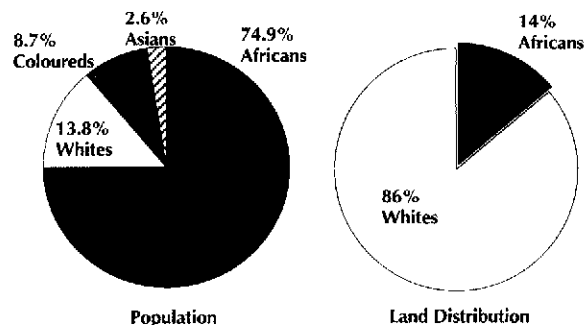
**In addition fear, violence and repressive legislation remain integral tools of government control. There is growing evidence of a surrogate war against apartheid's opponents waged through vigilante front men who have claimed thousands of lives in what is labeled "tribal" violence. Police and army assassination squads have been publicly linked with the deaths of many activists.**

**In 1990, hopes were raised that apartheid would soon come to an end. But an accurate picture of the extent and consequences of apartheid is vital for anyone concerned with helping the transition forward. This Fact Sheet highlights key markers for an accurate assessment of change in South Africa.**

## Population versus Land Distribution, 1988

**Land Distribution** Under the Land Acts of 1913 and 1936, 87% of the country's territory was reserved for whites, 13% for Africans. The area reserved for Africans grew to 14% in 1988 as a result of the ongoing campaign by the Government to incorporate townships into the bantustans (see below). Africans can only own land in the bantustans and in certain designated African Townships. Asians and Coloureds must live in segregated areas in the territory reserved for whites.

Africans	26,974,500	74.9%
Asians	928,000	2.6%
Colored	3,127,000	8.7%
White	4,949,000	13.8%
TOTAL	35,975,500	100%



\* Includes an estimated 6.4 million Africans living in Transkei, Bophuthatswana, Venda and Ciskei (TBVC).

## Apartheid Definitions

**Apartheid:** An Afrikaans word which literally translated means "separateness." A system that enables a small white minority to maintain political, social and economic control of the Black majority and consequently maintain its own wealth, power and privilege.

**The Bantustans:** Ten fragmented geographical areas designated as "homelands," serve as reservations for Africans. In 1988 approximately 14 million Africans lived in the ten bantustans. Four of these areas — Transkei, Bophuthatswana, Venda and Ciskei (TBVC) — have been artificially declared independent by the South African government, although no other country in the world has diplomatically recognized these areas. Africans declared citizens of the bantustans lost their South African citizenship, even if they lived in other parts of the country.

At least 9 million people in the bantustans live below the poverty line, and about 1.4 million have no measurable income. The names of the ten bantustans are: Bophuthatswana, Ciskei, Gazankulu, KaNgwane, KwaNdebele, KwaZulu, Lebowa, Qwa-Qwa, Transkei, Venda.

**Forced Removals:** Between 1960 and 1986, the South African government removed more than 3.5 million Blacks — more than 10% of the total South African population — from "white areas" to areas set aside for Blacks. Removals continued.

## Government

The South Africa Act of 1909 and the Republic of South Africa Act of 1961 effectively restricted voting for and membership in the governing parliament to whites. The South African Constitution of 1984 established a tricameral parliament with one dominant chamber for whites and chambers for Coloureds and Asians. The election of Coloureds and Asians to the parliament was successfully boycotted by opposition organizations because the new constitution further entrenched the apartheid division of races and totally excluded Africans.

In the last two "African only" municipal elections at least 80% of eligible African voters stayed away. In 100 wards the elections had to be suspended as there were no candidates.

## Apartheid Control

**The Pillars of Apartheid:** The pillars of apartheid remain in place under the present constitution. The denial of effective political power to the majority of the people of South Africa because of the color of their skin is the main pillar of apartheid. Other laws that are critical to apartheid's structure and control include:

- The Population Registration Act classifies people according to race and in the case of Africans tribal background.
- The Group Areas Act continues to enforce racial segregation of neighborhoods and schools although a small number of legally open areas have been created under the Free Settlement Act of 1989.
- The Land Acts of 1913 and 1936 reserved 87% of the territory for the white population and allow Africans to own land only in the bantustans and in certain designated African townships.

These laws and supporting legislation continue to control movement, opportunity for employment, education and access to health care for the African population from birth to death.

**Security Legislation:** The legal structures for apartheid repression also remain in place, largely unchanged.

- The Internal Security Act of 1982 allows for indefinite detention without charge or trial of any person considered a threat to the regime. It allows denial of the right of access by lawyers, private doctors or family to the detainee and allows for the censorship or banning of publications, banning of organizations, restriction on movement and random police searches of individuals. (The law also makes it illegal to render assistance to any campaign, domestic or international, that seeks to modify or repeal any law if such a campaign aids a banned organization.)
- The Public Safety Act of 1953 allows for the declaration of a state of emergency and the suspension of normal judicial procedures.
- The Public Safety Amendment Act of 1986 gives the government the same far reaching powers as if under a state of emergency without having to declare an emergency by declaring localized "unrest areas."

**Detentions:** 75,000 people have been detained in South Africa since 1960, over 2,000 since the end of 1989. There have been thousands of documented cases of torture and abuse of detainees. Electric shocks, beatings, sleep deprivation and isolation are amongst the most common methods. *Over 95 people are known to have died in detention since 1963.*

**Prison Population:** By mid-1990 there were at least 320 people on death row, 55 for political reasons, 99% of them are Black. In September 1990, South Africa's political prisoner population remained at over 3,000 despite the reforms of February 2nd.

**The Police:** The security forces remain a violent force of repression against the Black population. In the first six months of 1990 the police killed at least 200 people and wounded nearly 2,300. The Goldstone Commission, a government investigation into the massacre at Sebokeng in March 1990, found that 84 of the 241 people who had been shot were shot in the back.

Between 1984 and 1988 the security forces killed 1,113 people in quelling unrest.

**Assassinations:** Human rights activists in South Africa believe that the 53 documented cases of political assassination in South Africa represent only the tip of an iceberg. Both the Harms and the Hiemstra Official Commissions of Inquiry into these assassinations publicly uncovered government "hit squads" operating in the army and the police force.

**Vigilantes:** In the mid-1980s, human rights groups in South Africa began to report an increased government reliance on a network of extra-legal violence by Black vigilantes. These vigilantes often operate openly, enjoy the support of the police and target members of organizations associated with resistance to apartheid or bantustan rule.

**Restrictions on the Press:** There are more than 100 laws which can be used to regulate the press and prevent coverage of events or individuals.

**Restrictions on Trade Unions:** In September 1988 the Government passed the Labor Relations Amendment Act which undermines workers' rights in the areas of collective bargaining, unfair dismissals and strike law.

**Legislation Regulating U.S. Companies:** Under the National Key Points Act of 1980 the Minister of Defense is empowered to declare any area a Key Point requiring the proprietor to provide security supervision from the armed forces. These provisions are applicable to U.S. corporations in South Africa.

Laws, including the National Supplies Procurement Act, can be used to require U.S. firms to sell goods and services to the South African government. U.S. corporations can be required to sell to the military and prevented from publicly revealing such sales or other agreements with the government. Oil companies are particularly restricted by South Africa laws.

## International Relations

**Sanctions:** The United Nations Security Council imposed a mandatory arms embargo on South Africa in 1977. Most members of the European Economic Community, the Commonwealth and the nonaligned movement as well as the Nordic States, the U.S. and Japan have imposed some type of economic sanctions against South Africa.

**South Africa and its Neighbors:** South Africa illegally occupied neighboring Namibia until 1990 and has periodically occupied southern Angola (with UNITA) and destabilized Mozambique (with RENAMO) despite numerous official denials and pledges of peace. Between 1980 and 1988 South African surrogate forces destroyed 800 health posts, 2,651 schools, nearly 500 railway vehicles and over 310 mile of high tension power lines in Mozambique.

## Education

**Schools:** Apartheid's Bantu Education system of separate and unequal education remains in crisis. Problems of overcrowding, lack of textbooks, and teachers continue to ensure an inferior education for the African population. As a result, the median period of schooling for whites is 9.2 years, but only 2 years for Africans.

**\*Universities:** Most African students have been forced to attend racially segregated universities. At the English speaking, "open" universities (excluding Black and homeland universities), an average of 9.5 percent of the enrolled population was African, the average for Africans at Afrikaans speaking universities was 1% of the student population.

**Literacy:** 68% of adult Africans are illiterate.

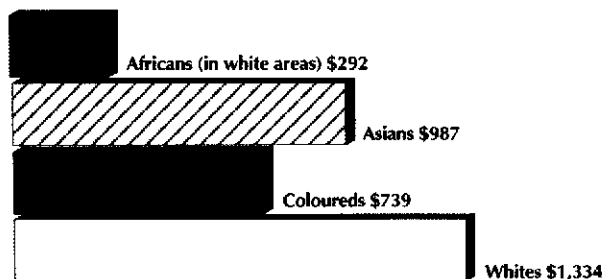
## Health

**Infant Mortality:** The average annual African infant mortality rate is about 100 per 1,000 live births — it is estimated to be double that in rural areas — contrasted with 12 per 1,000 among whites. The average life expectancy for Africans is about 15 years less than for whites.

**Malnutrition:** South Africa is one of the few food exporting countries in the world, yet approximately one-third of Black children are chronically undernourished. As recently as 1986 deaths due to preventable diseases like TB and Measles continued to kill Africans at nearly 20 times the rate for white South Africans.

**Doctor-Patient Ratio:** There was one doctor for every 90,000 Africans and one for every 400 whites.

### Per Capita Expenditures on Education, 1987-88



## Economy

**Gross National Product** (total value of goods and services), 1989: \$86.5 bn.

**Government Budget:** 1990/91 expenditures \$27,714 bn (proposed) Defense: \$3,826,978, Education: \$935,892.

**Value of Trade:** Exports: 1989 \$25.9 bn (\$7.3 bn accounted for by gold.) Imports: 1989 \$24.5 bn.

**Leading suppliers of South African Imports** (percentage share) 1987: West Germany (25.3%), Japan (18.7%), United Kingdom (15.5%), United States (12.7%), France (4.6%) Italy (4.5%).

**Leading Markets for South African Exports** (percentage share) 1987: Japan (22.3%), Italy (16.3%), United States (12.7%), West Germany (11.4%), United Kingdom (9.8%), France (5.3%)

**Principle Exports and Imports:** Exports — Gold, minerals, textiles, agricultural products and fertilizer. Imports — Machinery, manufactured goods, plastic materials, chemicals and oil.

**South Africa's Foreign Debt:** At the end of 1989 South Africa had a foreign debt of \$20,597 billion. \$7,326 billion of this amount is blocked from normal repayment by a debt standstill initiated by the South African government in 1985 when it was unable to make normal repayment of short term loans because many U.S. banks refused to renew these loans. Virtually all external lending to South Africa ended after the 1985 standstill, but the government succeeded in negotiating a series of agreements giving it extensions of repayment time on its outstanding debt.

The most recent agreement expires in 1993. Under so-called exit loan provisions the banks allow the South Africans to further extend the period of repayment.

**Capital Flight** (net capital outflow): \$1.6bn (1989), \$2.4bn (1988), \$1.5bn (1987), \$2.7bn (1986), \$4.1bn (1985). Prior to 1985 there was a net inflow of capital to South Africa. The figures show that there has been considerable capital flight since then as internal unrest and international pressure mounted.

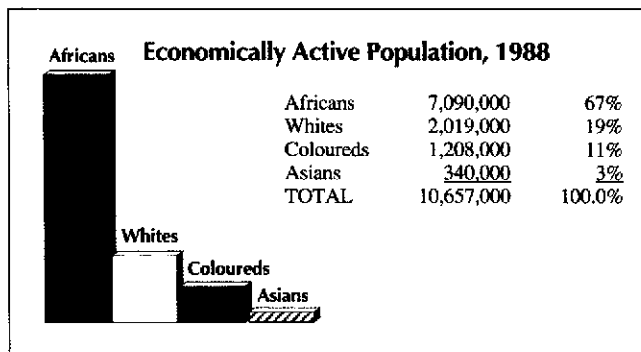
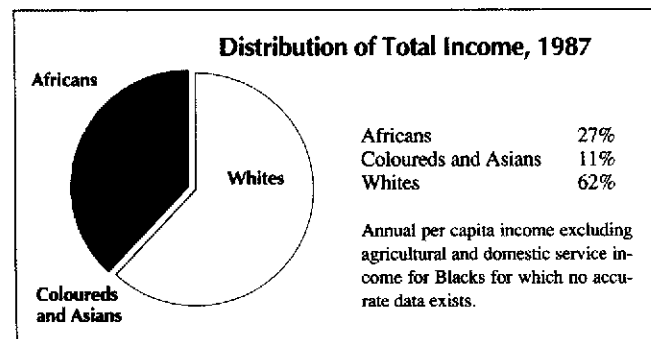
**Government Ownership of the Economy:** The South African Government owns 55% of the country's fixed capital stock.

**Major Corporations:** Four South African corporate conglomerates control 81% of the value of stock traded on the Johannesburg Stock Exchange as of October 1990: Anglo American (45.3%), Rembrandt (16.1%), South Africa Mutual (9.8%), and Sanlam (9.5%).

**Cost of Sanctions:** A South African Bank Study estimates that sanctions and disinvestment have cost the South African economy \$32 billion to \$40 billion between 1985 and 1989.

## Income and Employment

**Poverty:** In 1989 the average African income was \$190 per month. The average white income was \$950 per month. The household effective level, the amount needed to maintain two adults and four children equaled \$304 per month.



**Unemployment:** According to the Government Reserve Bank, only 8 million out of 12 million people in the South African work force had "formal" job opportunities in 1988. Other estimates of Black unemployment varied from the government survey's figure of about 1 million to other estimates as high as 3 million. In some areas of South Africa, Black unemployment is estimated at about 50% of the economically active population. Transkei Bantustan ruler Maj. General Bantu Holomisa estimated that in 1988 one in three economically active males was unemployed.

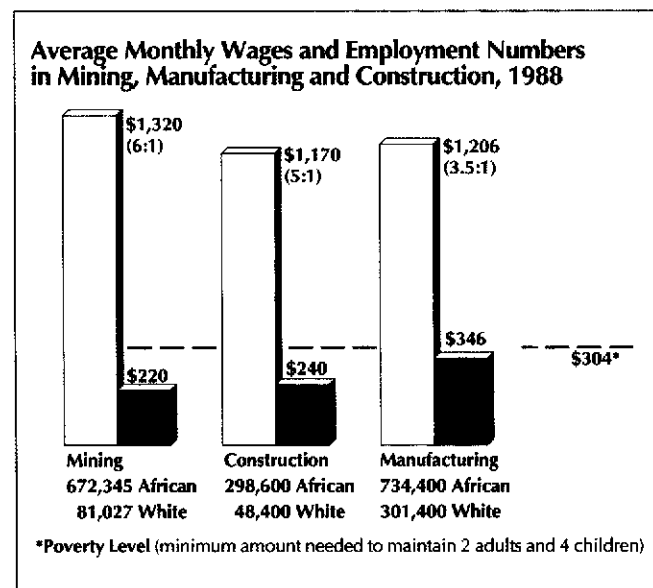
**Agricultural Workers:** About 900,000 Blacks work in the formal agricultural sector. In 1989, the estimated income for African workers was \$76 per month, for whites it was \$652 per month (both figures include in kind payments).

**Domestic Workers:** It is estimated that there were over 690,000 domestic workers in 1988. According to the government, monthly wages vary from a high of \$68 in Cape Town to less than \$46 in areas of the Transvaal.

**Unionization:** At the end of 1989 the Congress of South African Trade Unions (COSATU) had a paid up membership of 924,000. The National Council of Trade Unions (NACTU) had a paid up membership of 144,418.

**Strikes:** In 1989, more than 3 million workdays were lost as a result of strikes, most in wage disputes. An additional 3 million workdays were lost in 1989 as a result of political stayaways.

**Black Middle Class:** In 1988 there were an estimated 100,000 Black-owned businesses. These contributed only 1% of the total GDP; only 4% of South African managers were Africans.



# U.S.-South Africa Economic Ties

**U.S. Companies Doing Business in South Africa, 1990:** About 130 U.S. companies have direct investment in South Africa and hundreds of others have licensing, franchising, and distribution agreements. Some 200 U.S. companies have ended their direct investment since 1985 but many have continued doing business with South Africa.

## Major U.S. Corporate Ties to South Africa:

*Some Corporations with Direct Investment (assets/employees):* American Cyanamid Co. (\$6.2 million/1,340); Caltex Petroleum Corp. [Chevron Corp. and Texaco Corp.] (\$334 million/2,140); Colgate-Palmolive Co. (NI/633); Dresser Industries (\$25 million/682); Gillette Co. (NI/150); International Paper Co. (\$21 million/2,300); Johnson and Johnson (NI/1,450); Kellogg Co. (\$13.7/314); Minnesota Mining & Manufacturing Co. (\$80.5 million/1,634); United Technologies Corp. (\$5.8 million/1,060).

*Some Corporations with licensing, franchising, or distribution agreements:* Amdahl Corp., American Express Co., Citicorp., Coca-Cola Corp. Ford Motor Co., General Motors Co., Hewlett-Packard Co., Honeywell Inc., International Business Machines, Kennametal Inc., Meurex Corp., Qantel Corp. Westinghouse Electric Corp.

**U.S. Investment in South Africa:** U.S. Direct Investment at the end of 1989 was \$714 million. In addition, U.S. holdings in stock of companies listed on the Johannesburg Stock Exchange are estimated at \$4 billion

**U.S. Bank Loans to South Africa:** The Anti-Apartheid Act of 1986 banned new public and private sector lending to South Africa except for trade related loans. At the end of 1989, U.S. banks had \$2.3 billion in outstanding bank loans to South Africa.

*Banks which have ended both correspondent banking ties to South Africa and have adopted a policy against converting any outstanding debt to exit loans include:* BankAmerica Corp., Continental Bank Corp. and Security Pacific Corp. These banks are considered as no longer doing business in South Africa.

*Some Banks which converted some or all of their outstanding debt to South Africa to long term "exit loans" (see economy section) and have correspondent banking ties include:* Chase Manhattan Corp., Chemical Banking Corp., Citicorp (Citibank) and Manufacturers Hanover Corp.

## U.S. Trade with South Africa:

*Total U.S. Exports to South Africa (merchandise):* 1989: \$1.66 bn; 1987: \$1.25 bn; 1985: 1.19 bn.

*Total U.S. Imports from South Africa (merchandise):* 1989: \$1.53 bn; 1987: \$1.35 bn; 1985: \$2.07 bn.

*Selected Exports 1989:* Electronic data processing and related equipment \$104 million; Aircraft and aircraft parts \$110 million; Mining, construction and agricultural machinery \$45 million.

*Selected Imports 1989:* Platinum group metal, ferrochromium, ferromanganese ferrosilicon, manganese, chrome ore and other minerals \$1 billion, Diamonds and other gemstones \$24 million.

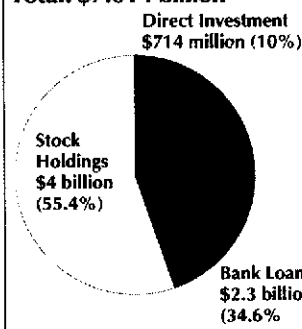
## U.S. Sanctions: The Anti-Apartheid Act of 1986:

This Act bans new investment in South Africa and prohibits the import from South Africa of agricultural goods, iron, steel, textiles, shellfish and uranium. The Act also banned sales to the South African police and military. U.S. imports from South Africa have declined since the passage of the Act, but exports have increased.

*Rangel Amendment to the Budget Reconciliation Act of 1987:* Denies companies the right to deduct their South African taxes from their U.S. taxes, thus increasing the effective tax rate on the profits of U.S. corporations operations in South Africa from 50% to 72%.

**The U.S. Divestment Campaign:** This campaign seeks to force U.S. corporations to end their support for white minority rule by severing all ties with South Africa. By the end of 1989, 26 states, 83 cities and 19 counties had adopted measures requiring the sale of stock and bonds in companies doing business in South Africa, the withdrawal of deposits from banks doing business with South Africa, or the granting of preferential treatment to companies not doing business with South Africa. In addition, 156 colleges and universities as well as a substantial number of churches, trade unions and other organizations have adopted divestment policies.

## U.S. Financial Involvement in South Africa (1989) Total: \$7.014 billion



## NOTES

- All figures converted into dollars at the following rates for one commercial rand: 1989: R1= \$0.38, 1988: R1= \$0.44, 1987: R1= \$0.49, 1986: R1= \$0.44, 1985: R1= \$0.45
- The racial divisions are official South African government categories. The term "Black" includes the African, Coloured and Asian populations.
- Among the sources used for this fact sheet were: South African Barometer, Central Statistical Services RSA, South African Institute for Race Relations, South African Reserve Bank, National Union of Mine Workers, U.S. General Accounting Office, U.S. Department of Commerce.
- South African government statistics on the African majority are increasing fragmented and incomplete because of the apartheid policy of bantustan "independence." Where possible the figures used here are for South Africa as a whole. However, in some cases, due to lack of other information, government statistics which undercount certain categories have been used. As a result, figures from different sections of the fact sheet may not be directly comparable.

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