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#### THE CORPORATE EXAMINER

A publication examining policies and practices of major U.S. corporations on:  
Apartheid Star Wars Nuclear Weapons Minorities Women  
Alternative Investments Energy  
Environment InternationalMarketing  
V01. 20, No. 5-6, 1991

INTERFAITH CENTER ON CORPORATE RESPONSIBILITY

ISSN 0361-2309

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Report of ICCIPs Delegation to South Africa

July 2-14, 1991

During the first two weeks of July, the Interfaith Center on Corporate Responsibility sent a fact-finding delegation to South Africa to evaluate the need for economic pressures, to assess current political and economic conditions and make recommendations for future business with South Africa.

The group met with a broad spectrum of over 100

South Africans in the Johannesburg, Pretoria,

Durban and Cape Town areas.

Lifting Sanctions Premature

The delegation concluded that lifting U.S. sanctions now, on the national or local level, could setback the process of Change. Not only has Pretoria failed to meet the conditions of the 11.5.

Comprehensive Anti-Apartheid Act of 1986

(CAAA). It retains power to reverse all reforms and enforce the apartheid status quo.

Life Has Not Changed

Furthermore, the group heard time and again that for the disenfranchised black majority, life had not changed substantially with repeal of some of the so-called "pillars of apartheid" laws. In fact, for many black South Africans life has become worse with the spread of political violence, fueled by the white South African government.

Though many South Africans pointed to the need for foreign investment to redress the economic legacies of apartheid and distorted development, they advised that investment under white minority rule is likely to legitimate and strengthen the status quo.

Interim Government Sought

The Delegation concluded that foreign investment will only be appropriate when political power has passed to the hands of an interim government responsible for overseeing the transition to a democratic society. Then it will be critical for international businesses to heed the priorities and parameters that the South African democratic movement sets for its country's development and corporate responsibility.

This special issue of The Corporate Examiner presents the Delegation's report and major conclusions. The report was prepared by Donna Katzin, with assistance from the entire Delegation. The Delegation is profoundly grateful for the insights, experiences, time and materials which its hosts and hostesses shared with such warmth and generosity under difficult conditions.

The Delegation meets with National African Federated Chamber of Commerce and Industry (left to right): Rev. Frederick Harrison; Sr. Betsy Clark; Sr. Barbara Glendon; Vidette Bullock; Donna Katzin; Sam Motsuerzyane, president NAFCOC; William Smith, SACC; unidentified NAFCOC representative; Ed Crane; John Lind. Absent: Rev. Frederick Williams.

With talk of lifting of sanctions in the air, reports from South Africa of simultaneous legal reforms, deteriorating political and economic conditions and spreading violence, the Interfaith Center on Corporate Responsibility (ICCR) organized a fact-finding delegation to South Africa. The delegation was hosted by the South African Council of Churches (SACC) in Johannesburg, the Roman Catholic Archdiocese of Durban and the Anglican Archdiocese of the Province of the Church of Southern Africa in Cape Town. Its costs were paid by the religious organizations which the delegates represented, and other ICCR members. The trip also received support from the Africa Office of the National Council of Churches and the US. Catholic Conference.

In twelve days the Delegation met with a wide range of groups from a broad spectrum of organizations and perspectives in cities, townships and rural areas. They included Protestant, Catholic and Jewish organizations; representatives of major national unions; black and white business leaders; representatives of the African National Congress, PanuAfrican Congress (PAC) and Azania Peoples Organization (AZAPO); government officials; civic organizations; farmers; squatters; community workers; students; teachers; health and social workers; economists; political prisoners and lawyers.

The trip coincided with both the African National Congress' National Conference (to which the delegation was invited) and President Bush's lifting of the Comprehensive AntieApartheid Act of 1986.

#### Delegation Members

- Vidette K. Bullock, Director of Corporate Relations and Social Concerns for the General Board of Pensions of the United Methodist Church, Chairperson of the GBP Multicultural Management Committee.

0 Mary Elizabeth Clark, S.S.J., President of the Philadelphia Area Coalition for Responsible Investment, Social Justice Coordinator of the Congregation of the Sisters of St. Joseph of Chestnut Hill, Philadelphia.

0 Edgar G. Crane, Ph.D., Director of Corporate Social Responsibility for the Evangelical Lutheran Church in America.

0 Barbara Glendon, O.S.U., Executive Director of the Tri-State Coalition for Responsible Investment, author of Corporate Responsibility: Case Studies and Empowerment Strategies.

- Donna Katzin, Ph.D., Director of South Africa Programs for the Interfaith Center on Corporate Responsibility.

0 Frederick Harrison, Ph.D., General Secretary of the Department of Mission of the A.M.E. Church in the U.S.

0 John E. Lind, Ph.D., Executive Director of CANIC-COR, an interchurch agency based in California, and consultant to the Presbyterian Church U.S.A.

- Frederick B. Williams, D.Min., Canon and Rector of the

Episcopal Church of the  
Intercession in New York City  
and Chairman of the New York-  
Johannesburg Companion  
Diocese Committee.

## Findings on Sanctions

With the exception of government and white South African businessmen and a few other individuals, the overwhelming reaction to President Bush's announcement was that lifting sanctions in July 1991 was premature. Some stated the criteria of the Comprehensive Anti-Apartheid Act had not been met. Others simply underscored that "nothing had changed" in their lives. A number of people echoed a comment by one religious worker, who warned, "If we stop pressures and sanctions now, we run the risk that President De Klerk may also stop the process of change."

## Political Prisoners

Across the spectrum people were astonished at President Bush's claim that all South African political prisoners had been freed. The delegation was also surprised, having received a press release two weeks prior to the visit detailing an agreement between the South African government and the ANC that more than 980 political prisoners, whose cases were still to be evaluated, remained in South African jails. By reverting to an earlier definition, used and discarded by Pretoria, President Bush was perceived to have undermined criteria of current South African agreements.

Several people noted the irony of President Bush's decision. The US. has never recognized the homelands and considers them part of South Africa. Furthermore, since Mr. Bush has urged the South African government to press the homelands governments to release hundreds of political prisoners held in homelands jails, many people found it impossible to understand how Mr. Bush ignored these political prisoners.

The Delegation also noted discrepancies between South African press announcements and the situation of political prisoners. Several days after reading in newspapers that a pastor from the A.M.E. church had been released from jail, the delegation's A.M.E. representative visited him in Pollsmoor Prison.

The Delegation visited another political prisoner, hospitalized after thirty-eight days on hunger strike. The emaciated young man had been detained for two months under South African security laws. After escaping, he was arrested again in December 1990. When President De Klerk failed to release all political prisoners in early May, the youth joined several hundred others on hunger strike. He has never been charged with a crime.

## The State of Emergency

Although the South African State of Emergency has been repealed, experts explained that current, non-emergency laws do not bar endless detentions without charge or trial, the CAAA's intention. The country's other laws authorize ten day detentions (which some say extend to fifteen) without charge and allow orders to be renewed indefinitely at the end of that period.

## Repeal of Apartheid Laws

When President De Klerk initially lifted antiapartheid laws, the majority of the groups with which the Delegation was to meet were enthusiastic. But, by the time the visitors arrived in South Africa, the groups had become increasingly aware of the issues and realities unaddressed by the repeal of the laws. Many agreed with the analogy of Dr. Wolfram Kistner of South Africa's Ecumenical Advice Bureau, who compared these apartheid laws to scaffolding. He explained that when a building is being erected you need the scaffolding. But after construction is finished you can take down the scaffolding and the building still stands. "Apartheid is still in place," he concluded.

## The Group Areas Act

Despite the repeal of the Group Areas Act, for example, the vast majority of people of color in South Africa

are unable to afford housing in "white-only" areas. The overwhelming majority of the country's seven million homeless and "underhoused" will derive no benefit from President de Klerk's action. Furthermore, critical community services, including health care, housing, education, welfare, water supply and public works, remain under the jurisdiction of "own affairs" departments. These racially defined bureaucracies continue to provide or deny basic services along racial lines.

#### Land Acts

When the South African government issued its "White Paper on Land" earlier this year, it celebrated that this would terminate the legal basis for the racial allocation of Thabiso Tekane, political prisoner, hospitalized while on hunger strike. (photographed July 14, 1991)

Glendon

land, which has confined the 27 million member black majority to the poorest 13 percent of the country's land. Five million whites occupy the other 87 percent. The White Paper made it clear, however, that the government did not intend to restore land to the four million blacks, forcibly removed from their land, or to compensate them or make additional land available. Nor did it propose revoking its homelands policy. Staff of the National Land Committee, an organization of seven regional organizations, reported that squatters continued to occupy rural lands, knowing that they would never regain their old lands, be compensated for their losses or able to purchase additional land on the open market.

The delegation visited the Pineview Squatter Camp near Villiersdorp, where residents described how they had been unable to purchase land. Even when local farms went on the market, owners refused to sell to non-whites. Following the government's White Paper on Land, black residents organized and moved onto vacant land, now the Pineview Squatter Camp. Though the local municipal council charges rent, it provides few amenities.

#### Population Registration Act

Lifting the Population Registration Act only affects children born after the effective repeal of the law and the vast majority of people in South Africa today remain racially classified. Racial classifications continue to determine the quality of people's lives.

Schools, for example, remain racially segregated and operated by separate racially defined bureaucracies. The only exception is that a white school may call a special meeting to consider desegregation of the school. If 90 percent of the parents are present and 80 percent of them approve, children of color can be admitted to the school so long as they do not become a majority.

While roughly one in ten white schools have exercised this option, substantial barriers confront black children seeking admission. These include residency, academic preparation and ability to pay the fees (since the state provides free compulsory education for white children, but not for blacks).

Under such circumstances, few people felt that lifting apartheid laws had achieved stated objectives. They reiterated that life in the townships, rural communities and squatter camps has not changed.

#### Freedom to Participate in the Political Process

President De Klerk's unbanning of a number of individuals, the liberation movements and other "affected organizations" had created a certain space for political activity. But the Delegation was frequently reminded that black South Africans are still denied the right to vote under the current governmental structure.

Religious, labor, community and political leaders also characterized the current wave of violence, unchecked by the South African government, as an equally devastating campaign to undermine political participation. They told the delegation that the violence targets black and non-racial organizations (such as unions and the ANC), which are likely to negotiate with the government for South Africa's future. It is also aimed at community groups, such as civic and squatter organizations, whose growing strength is perceived as a threat by local white residents.

Community workers in Durban, Johannesburg, Cape Town, outlying townships and rural areas described how spreading violence crippled their efforts to organize, hold meetings and publicize their positions. The religious community, for example, has been overwhelmed with the additional tasks of burying the dead,

ministering to the needs of survivors and launching efforts aimed at community and national reconciliation.

Spreading Violence

In the Cape Town area, the delegation experienced political violence first hand. As the visitors slept in homes of families in the "African" township of Guguletu, a well known local civic leader was murdered in the fourth attempt on his life. In surrounding townships, violence, described as a "taxi war," smoldered. During the group's stay an Athlone taxi driver was murdered. A number of township residents believe a "hidden hand" was fueling the violence.

In the homeland of KwaZulu, the delegation visited several black rural communities, which had been burned to the ground, with a number of people killed. The more fortunate women and children had escaped to nearby communities. Teenagers fled to the bush. The men and some of the women have returned when they could to guard the remains of their razed homes and scorched land. After the terror had subsided, one woman asked her son why it had happened. He told her it was because they were "ANC." She told the delegation, "I didn't even know we were ANC." Asked if she was sorry to be of the ANC, she replied, "Definitely not."

A local Catholic lay leader explained that when violence erupted in Amanzimtoti and other unplanned small communities, they became "war zones" where people could not walk the roads after dark. He organized the Toti Crisis and Upliftment Center to bury the dead, feed uprooted families and begin the longer process of rebuilding homes and lives.

Calculated Violence Discourages

Political Activity

The delegation observed that violence in such areas ended precisely where black communities' dirt roads stopped and white communities' paved roads began. White areas have been unaffected. People agreed that the terror would never be tolerated in white areas, where the South African government would halt it

immediately, as it did in 1986 when it responded immediately to black protest with 15,000 arrests.

A top official of the Black Management Forum observed that as soon as the government unbanned liberation movements, violence, which had been simmering in Natal, spread across the country. "The government has the capacity to stop the violence," he noted. "But it serves their interest. It gives them space."

The president of a union in the Congress of South African Trade Unions (COSATU) observed:

For our peaceful labor marches we need to request a permit. There are security forces with cameras at the front and at the end of the line, and helicopters circling overhead. But 1,000 Inkatha warriors storm through the streets and the police are changing shift.

Government Complicity in Violence Revealed

Other observers went further. Legal and community advocates in Natal described hundreds of affidavits by witnesses to security forces participation in so-called "black-on-black" violence. They explained that threats and death squad activity kept witnesses and advocates from making the information public. In August members of the security police confessed to participation in the violence and disclosed South African government support for Inkatha.

A number of legal, labor, religious and political representatives charged that violence was carefully "orchestrated" by right-wing and government-related forces. They observed that violence tends to break out at the time of "peace" initiatives, beyond the control of Pretoria, and at sites of demonstrable support for the ANC, like the public ANC rally in Durban on July 7, 1991. People going to the rally were attacked by men wearing Inkatha tee-shirts. Virtually none of the perpetrators of such violence have been prosecuted.

Recent revelations of the De Klerk government's financial contributions to Inkatha and its United Workers' Union of South Africa have given additional credence to charges of government collusion. Most respondents agreed that Pretoria has failed to take the necessary measures to end the violence. They noted that such violence is a severe impediment to political participation and progress toward a democratic South Africa.

Binders Good Faith Negotiations

The government's perceived foot-dragging on the release of political prisoners, continuing detentions and political trials and failure to put an end to the violence were perceived as serious obstacles to good faith negotiations with truly representative members of the black majority.

Slow Repatriation of Exiles

Community, religious and political leaders pointed to the government's ineffective and hazardous procedures for repatriating exiles to South Africa as another impediment to good faith negotiations. While government officials report that 7,000 people have been repatriated, human rights organizations estimate that 40,000 remain in exile.

Repatriation workers reported that cumbersome and dangerous government procedures discourage people's return and jeopardize their safety. Pretoria requires people seeking indemnity spell out offenses committed before and during their exile for which they could be charged under the laws in force at that time. The Justice Department then publishes names of people seeking indemnity and their "crimes" in the government Gazette, before cases are reviewed. Not everyone who applies is granted indemnity.

Township residents described how the security forces use "askaris," former members of liberation



movements, as informers and enforcers. They said some of these agents are dispatched to airports and townships and report back to security forces about returning exiles. A number of people have been jailed or assassinated after reentering the country. Pretoria's refusal to grant returnees general amnesty, guarantee their safety and provide a free political climate has blocked participation of the United Nations High Committee on Refugees. To date neither the UNHCR nor any other international agency is monitoring South Africa's repatriation process.

Dismantling Apartheid and Establishing

a Non-Racial Democracy

The Delegation concluded that, although the South African government has taken important steps toward eliminating apartheid and establishing a non-racial, non-sexist democracy, progress will not be secured until power has been transferred to an interim non-racial government which is not rooted in the status quo. With the exception of government and white business representatives, respondents expressed strong reservations about whether fundamental change will be allowed to occur, so long as power remains in the hands of those who have enforced apartheid for more than four decades. Rev. Frank Chikane, General Secretary of the South African Council of Churches (SACC), explained:

We will consider the process irreversible when a mechanism exists to produce a new constitution, that does not depend on the old apartheid structure for decisionmaking.

He echoed a decision taken by the SACC at its national conference in June, 1991: "We require irreversibility of change in the process as a prerequisite for lifting sanctions."

These concerns were highlighted in meetings with both government officials and the ANC. South African

officials said that if whites reject the new constitution, "We will go back to the drawing board." ANC leaders affirmed that white intentions to retain veto power over negotiated Changes or a new constitution necessitated establishment of an interim government whose decisions could not be overruled by the legislature or any branch of the white dominated government. Otherwise the process could be reversed at any point.

#### Policy Implications

The conclusion shared by the Delegation and the vast majority of South Africans they met is that South Africa has thus far failed to meet the conditions of the CAAA. They concurred that necessary conditions will have been met when power is transferred to a non-racial interim government, not part of apartheid structures. Until then, the Delegation concluded, economic sanctions should be maintained to help insure the abolition of apartheid and transition to a non-racial, non-sexist democracy.

Respondents across the board credited economic (and particularly financial) pressures with helping bring Pretoria to enact the reforms to date. They also affirmed that international pressures are still needed to ensure a genuine transformation and to lay an equitable and viable foundation for the new society. Time is of the essence.

Rev. Chikane affirmed:

International pressure is necessary to speed the process and keep many more people alive. We will win our liberation, because we are willing to continue to give our lives. The only question is how many more people will have to die.

#### Economic Justice

"What we have done up until now is to begin to democratize political structures. Now we have to democratize the economy."

\_Father Smangaliso Mkhathshwa, Institute for Contextual Theology

Over the last half century, the South African economy has been warped by the economic, political and social system of apartheid, and by its pattern of distorted development. It has been structured to meet the needs of the white, wealthy minority, to profit multinational corporations and politically and economically to disenfranchise the black majority. The economic balance sheet displays a lack of productivity and competitiveness, devastation of human and natural resources and greater inequality between rich and poor than anywhere else in the world. An agenda for economic justice in the future will require careful review of the problems and formulation of innovative short and long-term solutions.

#### South Africa's Distorted Economy

South Africa's economy resembles a "first world" economy, but only for the white minority. More than half the black majority are illiterate, living in grinding poverty. When high incomes of the white community are averaged with low incomes of blacks, the country's per capita domestic product is lower than Mexico's. After World War II South Africa's white leaders based this economy on mining to produce foreign exchange and consumer good manufacturing for local markets through import substitution. They failed to launch a tertiary sector of more specialized industries (such as electronics), creating serious problems in both the basic mining and manufacturing industries. The economy is further weakened by high levels of economic concentration in unproductive monopolies, oligopolies and conglomerates, and a diversion of public resources into the bloated and duplicative state civil service sector.

Mining, especially of gold, became very inefficient. For decades widely available cheap black labor enabled the mining industry to avoid developing modern techniques. But now rising labor costs and falling ore grades are pressuring the gold mines to become more capital intensive and employ fewer but more skilled miners. Black mine unions are trying to work with the mining companies to address reorganization, layoffs and industrial inefficiencies in a just manner.

In manufacturing there are two problems. Production of up-scale consumer goods for the predominantly white South African market is too limited to be cost effective. This part of the manufacturing sector is under pressure to close shop or become more efficient and seek foreign markets, since South African blacks lack the income to support it. Thus, further rationalization of manufacturing production is likely, along with its greater capital intensity and a demand for fewer and more highly skilled workers. At the same time as the economy demands more highly skilled workers, labor productivity is undermined by the near denial of education, health care and housing to the more than 75 percent of the population which is black.

While internal markets have been stifled by subsistence economies in communities of color, external markets have been restricted by international pressures. Sanctions have isolated South Africa and motivated Pretoria to pursue expensive and non-productive defensive policies, including substituting imports and circumventing sanctions. Since U.S. and European sanctions were implemented, Pretoria's allocations for covert activities alone swelled by more than 92 percent. These conditions have severely narrowed South Africa's economic options. Nearly two decades of declining economic performance have forced economists of all persuasions to acknowledge the most basic problems and call for new paths for economic growth. While

there is a high degree of consensus regarding the problems, the proposed solutions differ according to their proponents' priorities and perspectives.

#### Billerling Strategies for Economic Change

Labor and liberation movement economists concur with business and government counterparts that the future economy must grow and increase its productivity and competitiveness; prepare and employ larger percentages of the population; and expand domestic markets for locally produced goods while controlling inflation. Advocates, however, differ on the best way to redistribute resources and restructure the economy in order to remedy inequalities and promote productivity. They also differ on the roles of the state and private sector and strategies to create jobs and provide social services.

A central concern is that while the economy must expand rapidly to absorb black unemployment and meet social needs, persistently high inflation and the need to borrow internationally hinder growth. Rapid expansion, however, could cause hyper-inflation as it did in Argentina.

Economists interviewed suggested a two-pronged approach to laying a productive foundation for redressing the problems of poverty and inequality. They called for (1) using internal savings, primarily from the corporate sector, to develop inward-directed, labor-intensive projects such as building housing and infrastructure; and (2) developing a more efficient and internationally competitive manufacturing sector.

#### Inward Development and Internal Policies

The demand for "inward development" (creation of labor intensive employment, not dependent on imported components and materials or foreign capital) targets South Africa's vast unemployment, estimated at more than 40 percent for the black population. One popular remedy to both the jobless and housing crises would be construction of homes and housing sites. Construction can employ many workers and does not require significant imports.

The government has injected R2 billion into housing through the Independent Development Trust (IDT), which in turn is spending R750 million to supply plumbing and water to 100,000 housing sites. This number pales in comparison to the housing backlog of 1.2 million units for urban blacks. It ignores the needs of South Africa's squatters around urban areas, estimated at 3.7 million, who would be unable to afford a home or mortgage even if it were available.

Additional political and economic changes are necessary to unlock sufficient resources to begin to address this problem and others.

#### Government Policies

Government spending is a common way to stimulate economic activity. However, South Africa's national bureaucracy is inflated, inefficient and non-productive, having largely served to employ white Afrikaners, migrating to the cities from farms over the last half century. For example, apartheid created eighteen educational agencies designated for racially defined populations. Economist Azar Jammie estimated that cutting the bureaucracy and military could amount to 11 percent of government spending, about 3 percent of the gross domestic product.

Income and value added taxes on individuals are already fairly high, though estate and capital gains taxes could be raised. Increasing relatively low corporate taxes appears to have most potential.

Privatization of some parastatals could also generate

some capital for the state. But privatization has been controversial, since it could deprive the state of long-term income. Earlier government attempts to privatize parastatals were criticized by one ANC representative, who charged Pretoria with giving away the "family silver" without consulting the family.

Liberation movements and the South African Communist Party favor a democratic mixed economy, which would maintain some parastatal corporations, such as those providing electricity and transport. Other sectors of the economy, such as banking, are not on the ANC's agenda for nationalization.

Nonetheless, labor and progressive economists agree the state has a major role to play in redirecting capital to the most needed sectors of the economy (such as housing, education, health care and infrastructure), which create the most jobs and increase the economic power of the country's poor majority.

#### The Private Sector

Economists further advise that the future government must provide incentives for the private sector to reinvest profits along similar lines. Don Mkhwanazi, President of the Black Management Forum observed:

Not one foreign company has addressed black economic empowerment as we see it! We mean the ownership and control of the productive assets and resources of the country. In a not too distant time, the ANC will say sanctions should be lifted. When corporations come back, they must not reproduce old patterns as if nothing has happened.

The Delegation heard numerous recommendations on how companies should return to South Africa, when the time comes, which would break with previous practice and reinforce strategies for sustaining and democratizing South Africa's growth. They include reinvesting a greater portion of profits in priority industries; creating jobs, while insuring adequate wages, working conditions and secure labor rights; promoting training and affirmative action from the shop floor to the board room; increasing worker equity and control; contracting with smaller firms which will maximize return of capital to black communities; and working collaboratively

with communities and workers to design and monitor social programs.

Rev. Albert Nolan, OP, of the Institute for Contextual Theology stated:

South Africa has been a capitalist paradise.

Homelands have had to take responsibility for all social services, while their wage earners work in "another country." Companies have only been responsible for their employees where and when they are at work...We need to redistribute social responsibility.

Curbing Inflation

Government borrowing raises the question of how further to increase such social expenditure without fueling long-term hyper inflation. South African inflation has been very high throughout the last decade with consumer prices recently rising on the order of 14 to 17 per cent a year.

Compounding the problem is a lack of personal savings in South Africa, exacerbated by low real interest rates, just above the inflation rate. These conditions recall the beginning of the Third World debt crisis in the 1970s, when low interest rates encouraged borrowing because debts were projected to be repayable later with much cheaper currency. Greater borrowing by South Africa could easily lead to hyper inflation with the economy out of control.

Savings

Economists agreed that savings must be used to finance internal development independent of foreign capital, but noted that black poverty has stifled personal savings. Thus, domestic savings consist primarily of corporate or retirement funds held by large institutions. These savings must now be tapped for economic development. Since 68 percent of African households had monthly incomes of less than R600 (\$200) per month in 1990, their savings are low. However, about one-fourth of all blacks participate in group savings clubs, called stokvels. In the greater Johannesburg area these clubs of one to two dozen people each are estimated to hold between R50 million and R100 million.

Various innovative schemes are now being proposed to both sources of savings in housing. One of South Africa's largest savings and loan institutions, the Perm, is developing a strategy to use group savings and union pension funds as collateral for individual loans, a process resembling the beginnings of the savings & loan industry in the US. 150 years ago. However, more needs to be done to harness institutional funds.

Manufacturing for Export

Metal and mineral exports, particularly gold and coal, have earned the foreign currency South Africa uses to buy essential imports for manufacturing and private consumption. But these have been decreasing in value and subject to significant price fluctuations, destabilizing the economies of South Africa and most developing world. As a result, many economists recommend manufacturing become more competitive internationally to add to foreign exchange earned from primary product exports.

In the wake of sanctions and South Africa's credit crisis, the manufacturing sector has tried to produce consumer goods in South Africa to avoid using foreign exchange to import them. But demand by the small affluent white consumer sector undermined development of internal economies of scale, prevented South Africa from making many components and finished goods and kept imports expensive.

As a result, every time the economy turns up and consumer spending increases, imports exceed exports. This either results in foreign borrowing or hitting the

built-in ceiling on economic growth created by the limited market. Since the debt moratorium in 1985, which halted all major foreign conventional lending, the South African economy did not expand more than an average 2 percent per year, less than the growth in population. Expansion was quickly cut off by lack of foreign exchange needed to purchase key inputs for South African industry. This has meant that economic growth has coincided with borrowing from international financial markets.

#### Expanding While Serving Local Markets

Many economists recommend the manufacturing sector must be restructured to both produce more efficiently for the international market and supply affordable, useful goods and services for the large, low-income black population. In the long run, foreign exchange and additional savings can capitalize production of more intermediary and primary inputs domestically, reducing the need to purchase them abroad.

#### Reducing Concentration

Severe concentration is an additional impediment to the competitiveness of South African industry and the efficiency and equity of the economy. Dominated by half a dozen major corporations, the economy has intensified its concentration under exchange controls of 1985. Since then, profits have been reinvested primarily in the Johannesburg Stock Exchange for buyouts of smaller corporations. Buyouts have inflated share prices on the exchange and undermined economic competition.

Competition can be fostered either by government mandated restructuring or by the insertion of foreign companies into the economy. While Anglo-American Corporation representatives argue that such conglomerates produce advantageous economies of scale, union and moderate economists hold that they are stifling, inefficient and need to be disaggregated. These economists advocate protection for small and medium-size enterprises and a system of incentives for capital to flow into them.

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### Developing Human Resources

Any effective plan to restructure and revitalize South Africa's economy requires meeting the basic needs of the vast majority of the population. Education, health care and housing are critical to supplying an adequately trained, healthy and stable work-force capable of producing for industry and a new society. These are basic ingredients of the ANC's "Bill of Rights for a New South Africa," approved at its 1991 national conference:

...whichever government is in office, there will be a constitutional duty progressively to expand the floor of basic human rights in these areas...Governments and Oppositions will come and go, but all will have to ensure the resources are devoted to providing the minimum elements of a decent life for all South Africans.

### Proposed Solutions: A Mixed Approach

Proposed solutions to these issues vary according to the constituencies and politics of their authors. The private sector emphasizes the need for international competitiveness and capital intensive production in a free market atmosphere. Business also warns that increased taxes for public sector services may drive qualified people, productive firms and capital out of the country. Critics argue this approach only indirectly addresses the acute poverty, unemployment, health and housing problems of the black majority. Many economists call for inwardly directed and labor-intensive development with increased governmental direction or incentives.

Labor and liberation movements are committed to a democratic mixed economy in South Africa. The ANC's Draft Resolution on economic policy affirms:

The ANC is committed to the creation of a democratic mixed economy which will foster cooperation between the state, private companies, financial institutions, trade unions and other organizations of civil society. Longer term developmental objectives should have priority over short term sectional interests. Such a system will best function within an environment of democracy and accountability.

Economists emphasizing inward development cite government incentives in newly industrialized countries of Southeast Asia, where government antitrust policies and some state-owned corporations have helped boost per capita production nearly 3000 percent over the past several decades.

In order to keep the economy going, any future government will undoubtedly balance the goals of reducing inflation and augmenting employment, increasing productivity and raising the majority's standard of living.

### Restructuring Human Services

Recognizing that political reform will mean little without substantial economic resources, and considering that community programs win popular support, the South African government earmarked R2 billion (roughly \$700 million) for economic programs directed at South Africa's most impoverished residents. An estimated one-third of this amount was derived from Pretoria's privatization program. The International Labor Office reported in 1991, however, that "by most estimates this is only a fraction of what is needed to compensate for discrimination and past neglect."

Other critics noted that the programs were not only inadequate due to limited resources. In order fully to address people's fundamental needs, education, health care and housing must be redefined as basic rights, to which the entire population is entitled within the country's economic capacity.

### Separate and Interior Education



The crippling legacy of apartheid is nowhere more blatant than in the South African educational system. It has risen to a top priority for community, religious, labor and business leaders.

In 1955, the white South African government deliberately chose to put into practice a separate and grossly inferior system of education for black South Africans. The International Labor Office reports that in 1990 the South African government spent R656 for the education of every black child and R2,882 for every white child. Education is not compulsory or free for black children.

Representatives of the Cape Town branch of the National Education Coordinating Committee informed the delegation that the average pupil/teacher ratio of black schools in their area is 60:1. In white schools it is 20:1. One township elementary school will open this year, with an enrollment of 1,140, six teachers and not one blackboard.

Seventy percent of South Africans are estimated to be functionally illiterate. The ANC estimates that between 60 and 70 percent of its members cannot read and write. Lacking adequate services and pressed by economic survival needs, 23 percent of the population drops out of school before the second grade.

Recent changes in the law allow blacks to attend white schools, but the measures do little to address the massive educational needs of black children, who, like the students classified as "Indian" and "colored," remain relegated to an inferior school system.

White decisions to admit blacks are left to the local level according to the following criteria: 90 percent of parents in a white school must vote on the issue of admitting blacks and 80 percent of those voting must approve the change. The law limits blacks to no more than 49 percent of the student body.

#### Educational Rights

Education advocates within religious, community and labor organizations made it clear that incremental

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efforts alone would fail to reshape the country's education system. In that context it will be necessary to restructure the society. They recommend that education be established as a universal right, assuring all children free, equal and compulsory education up to the age of sixteen. Education should be further democratized through the full participation of parents, teachers, students and administrators.

Advocates underscore the need to restructure the education system, integrating skills training and academic learning, geared to the development of communities and the country as a whole. The reconstituted school system would establish pre-school through university programs; a major adult literacy campaign; worker education; massive teacher training, particularly for black instructors, and alternative education models. Further, the new department would be responsible for integrating private and public schools into a single system and for conducting the policy research and evaluation to insure effectiveness and accountability. Such a system would require additional funds equal to a third of the government's budget or 10 percent of the gross domestic product to bring spending per student to the level of whites.

#### Health Rights

"A history of apartheid, oppression and exploitation has created conditions which affect the health of the majority of our people... The struggle for democratic control over the health service is part of the struggle to give the people of South Africa control over all aspects of their lives."

\_ANC Discussion Document for the  
1991 National Conference, "Towards  
Developing a Health Policy"

The crisis in health care, like that in education, stems directly from apartheid structures and policies. The relegation of half the black population to the poorest 13 percent of the land and the confinement of the rest to economically and environmentally devastated townships has deprived the majority of black South Africans of decent housing, clean water, adequate nutrition and effective sanitation. Poverty wages, long hours of labor and travel to and from work, hazardous working conditions and abysmal health care services take a severe toll on the lives of black South Africans.

South Africa's Business Day (July 10, 1991) reported that whereas South Africa's doctor/patient ratio was 1 to 1,009 nationally, in black homelands it is 1 to 15,635. The ANC's discussion document on health policy elaborates that black children in South Africa are five to ten times more likely to die before their first birthday than white children. Major killers of black children include malnutrition, diarrhoea, pneumonia and other preventable diseases.

For those who survive, NACT U reports, 41 percent of rural African children are stunted and 43 percent underweight, in a country that exports food and has pioneered heart transplants. State spending for health care is R138 per year for Africans, and R597 for whites. A rampant though little acknowledged and less treated crisis is AIDS, which is estimated to have doubled in diagnosed frequency during the last year. Fueled by the state's neglect and black community's lack of information, the dread disease is predicted to reach epidemic proportions within the decade. In efforts that fall tragically short of the need for massive national intervention, hospitals and child welfare centers attempt AIDS education. The Delegation watched Soweto churchgoers distribute free condoms after Sunday services.

## Hospitals Lack Resources

At Soweto's Baragwanath Hospital, the Delegation saw the best of township health care: 300 to 400 patients a day in the emergency room, wards of 90 patients staffed by two nurses, out-dated equipment, ambulances (like those which service other black areas) with no resuscitative equipment, and no free medical services. Meanwhile white hospitals in neighboring Johannesburg are closing clinics and wards. Though the hospitals have been legally desegregated, custom and medical clerks (not to mention fees and geographical distances) still keep blacks out of white facilities.

## Sweeping Healthcare Reform

Advocates underscore the need for a single, comprehensive national health service, providing quality preventative and curative services for all. They cite the need to develop those fields most neglected under apartheid, such as occupational health, mental health, women's and children's health, rehabilitation and care for the disabled, and dentistry. Top priorities are the medically neediest—including children, mothers, the elderly, mentally ill, workers exposed to occupational hazards, the unemployed and squatters.

In order to redress current imbalances, the ANC further recommends sufficient state funding to ensure all South Africans have access to free basic health care and that the private health sector become part of a national health system. It supports non-racial training programs and personnel policies and a "national medicines policy" to reduce waste, insure access to essential drugs, improve drug quality and encourage local pharmaceuticals production.

The ANC conference document concludes with a demand to redress the "enormous imbalance of power between health workers and their patients and between the health service and the communities it serves." It calls for a health charter and patients' bill of rights, as well as organizational efforts to ensure that consumers and communities participate in shaping and monitoring health care.

Squatter family by their home outside Villiersdorp.  
Housing Rights

"Housing is a process. It needs to be a public-private community partnership. "

-Dennis Creighton, General Manager,  
Housing Division of the Perm

Housing is broadly acknowledged to be an urgent imperative for black South Africans. Civic organizations, labor and liberation movements affirm that it is also a right. Since the legal construction of apartheid, millions of blacks have been victims of government "forced removal" policy, which has robbed them of their land, patrimony, and often their only way of making a living.

The repeal of the influx control laws has permitted black workers to bring their families from the homelands into areas where they work, and has also encouraged the migration of unemployed jobseekers. Consequently informal settlements of shacks with poor or non-existent water and sewage facilities have sprung up, usually on the edges of townships. Millions of Houses Urgently Needed

An even greater number of shacks have been constructed as outbuildings in areas of formal housing. Informal dwellers are two-thirds of the African population in Durban and half that of greater Johannesburg. With the urban area squatter population pegged at 3.7 million, the Council for Scientific and Industrial Research conservatively estimates that six million new housing units will be needed by the year 2000. Though housing is viewed as an important focus for inward industrialization, due to its internal financing and

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potential to create jobs for unskilled blacks, vast additional sums will be required to make a dent in the housing shortage.

Housing Finance Programs

Current private and foundation programs include the Urban Foundation's joint venture with the Association of Mortgage Lenders and the short term insurance industry to mobilize R1 billion in loans ranging from R12,500 to R35,000 for "starter" and conventional housing. The Foundation also advocates a uniform state subsidy for all housing, like the R7500 per site provided by the government-funded IDT to supply sites with basic services.

At present, a number of private initiatives are awaiting the IDT's dispersal of R750 million to provide basic services to 100,000 sites. These sites would be designed for families earning less than R1000 a month (roughly \$280), allowing them to construct informal homes according to their means. The program could employ 125,000 people in a year.

Such subsidized projects are critical, since pure market solutions fail to address needs of the majority of black South Africans, who are not considered by housing suppliers to be in the market. An estimated 60 percent of the black community have incomes which are only sufficient to secure informal housing under current conditions and another 25 percent can only afford "starter" homes of R15,000 to R35,000. The black community has tackled the affordability problem itself by

collecting savings for housing in building societies and retirement funds. However, until now only the best-off 15 percent of the black community have had incomes which could mobilize such conventional housing funds.

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Other approaches include pilot projects, such as the community development in Etwatwa, west of Johannesburg, with support of civic organizations and the Perm (the savings and loan division of Nedcor), in collaboration with consultants from PlanAct. The project combines conventional loans and joint savings to back up group housing loans, which generate peer pressure for repayment. This approach is consistent with the group savings collected in South African "stokvels" for some time.

Like income disparities, other structures have exacerbated housing problems. For example, state policy has defined the townships as self-sufficient, though they are essentially bedroom communities, with no commerce or industry to support infrastructure. The result is that, while township rents are relatively low, the costs of services such as water, sewage, refuse removal and rain water drainage are high and some services are non-existent. Incorporating the townships into the larger regional governments, should draw on the expanded tax base to support infrastructure and thereby equalize services and rates.

#### Land Reform Essen lial

The housing crisis is unlikely to be solved without revamping the land policies which have stripped blacks of their productive properties and forced them to work in distant mines, industries and cities often hours away from their families. A variety of strategies have been proposed to alleviate desperate overcrowding in formal and informal black housing; reduce the acute urban/rural imbalances in income and services, including transportation; restore or compensate former occupants for confiscated lands and make other land available.

While Pretoria's White Paper on Land failed to provide a viable approach the problem, the government is now seeking to change the tenure of state lands to individual ownership. This would not only discourage communal tenure, more affordable to blacks, it would increase the risk that under economic pressure, those blacks who acquired land, would be forced to sell it to wealthier whites and agribusinesses.

The National Land Committee, a consortium of nine land organizations, recommends a holistic approach to the problem. This includes the establishment of a land claims court to resolve land disputes. It further calls for a comprehensive plan for sustainable rural development based on diversity of tenure, with community consultation, training for men and women, infrastructure, social services, transportation and finance subsidies, channeled through community level intermediaries. These issues can only be effectively addressed through new state structures, collaboration with local communities and significant private sector support.

#### Environmental Destruction

"Damage done to the environment is an injustice."

-Archbishop Denis Hurley

Devastation of South Africa's environment is a direct result of decades of apartheid. "We are part of the world's waste land," noted economist Timothy Dladla. He and others charge that the government effectively fails to curb corporate pollution and toxic dumping. Although South Africa produces the cheapest energy in the world, it is only available to one-third of the population. The other two-thirds, relegated to townships and homelands, rely on more expensive, less efficient fuels like wood for cooking and heating. This has resulted in devastating deforestation and pollution. In the middle of Soweto, the chimneys of a power station tower over the township. Overhead power lines

supply electricity to Johannesburg, but not to Soweto. Instead, a heavy smog of coal, paraffin and wood smoke hangs over the township, contributing to the respiratory diseases treated at Barangwanath Hospital. Io-Ann Yawitch of the National Land Committee charged that white farming is "unsustainable," as it relies heavily upon mono-cropping, dangerous pesticides, herbicides and other chemicals. She observed, "Products not used anywhere else in the world are used here as a matter of course."

#### Environmental Protection Needed

The delegation found strong support for environmental protection among religious, corporate and community leaders. The ANC's Bill of Rights states that "the environment, including the land, the waters and the sky, are the common heritage of the people of South Africa and of all humanity." It further affirms the universal "right to a healthy and ecologically balanced environment" and maintains that every individual and the state shall defend, conserve, protect and improve the environment.

A number of labor organizations are also taking strong stands on environmental protection. Individual unions, such as the CWIU, have challenged industrial pollution and toxic dumping. They and others have called for a national environmental policy. The International Chemical and Energy Federation of Workers affirms:

Information and control are the twin pillars upon which rests the democratic operation of society. Such demands imply and include the assertion of common ownership over the natural environment, rights which have been violated in the past by industry without discussion or consultation. Their recommendations for environmental protection range from a strong state role in controlling industrial pollution and toxic dumping to electrifying townships, improving public transportation and democratizing access to land, so that the impoverished majority will not be relegated to areas and conditions where survival is only possible at the expense of the environment.

#### Women's Rights

In today's repressive South African society, women experience chronic patriarchy and extreme violence. The

complex causes of women's subjugation are cultural, economic, political, educational and religious. The problems of oppression, rape, sexual abuse, exploitation at home, sexism in the workplace, exclusion from leadership roles, inequality within the law, lack of maternity rights and sex stereotypes cut across class and race divisions. Their impact, however, is most severe for black women.

The delegation met with a number of groups addressing the plight of women, including women's groups in churches, the ANC, civic organizations and trade unions. At its most recent conference, the CWIU resolved that all new jobs should be evenly divided between men and women.

Twenty-two organizations raise the gender aspect of human rights in the interracial Womens' Alliance, which focuses on education, consciousness raising, grassroots organizing and advice centers, which provide paralegal services. These groups also work to assure that the new constitution will be non-sexist as well as non-racial and democratic.

The ANC's proposed Bill of Rights, which refers to the principle of "equal rights between men and women" throughout the document, seeks to establish women's constitutional rights "not to be abused or assaulted or treated as inferior, whether in the home, at work or in public places." It also focuses on non-discrimination against single parent families, children born out of wedlock, gays and lesbians.

#### Labor Rights

"COSATLI wants a democratically planned economy.

The constitution should provide that:

- The state can intervene in the economy so that it serves all the people.
- Trade unions participate in economic planning.
- The constitution should enable the people to fight for: Collective ownership.

Worker control in the factories, mines and shops.

Full employment. .

Living benefits for all unemployed people.

Fair distribution of wealth and land."

\_Constitutional Campaign Conference document, Congress of South African Trade Unions, March 1991

Union representatives and their community supporters, underscored that South African workers have won their victories and built their movement despite formidable opposition. Though there have been some positive developments such as the government's legalization of black unions and the pledges of Sullivan Code signatories, South African unions encounter stiff corporate opposition relatively unrestricted by the country's weakly implemented labor laws. These laws do not support union participation and power, omitting key provisions like the right to strike. Union harassment has included the unprosecuted blowing up of the headquarters of the Council of South African Trade Unions (COSATU) two years ago. Recent efforts to undermine

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ANC supporters at public rally in Durban, July 7, 1991.

the unions continue with government cooperation.

The delegation interviewed South African trade unionists on trial on trumped up charges. When they found a police intruder at their headquarters, the unionists called a press conference to expose what they believed were orders to find a worker in the building to be seized or killed. Instead of prosecuting the intruder, the police charged the unionists with kidnapping.

In many areas violence has been specifically directed

at antiapartheid labor leaders. CWIU Executive

Committee members described increasing government-



supported violence. They observed that "formal repression is being replaced with informal repression." Attacks have increased member fears and made it more difficult for unions to function. They also undermine organizing and national programs. NACTU charged that "the state is the principal source of the violence." As unions play a key role in protecting their members' basic rights to organize and to strike, they hope these rights will be enshrined in a new constitution. They also maintain that labor's contribution will be key to effective economic planning from the shop floor to national level. Some unions, such as the National Union of Mineworkers, have held talks with employer organizations to reshape their industries.

Jobs, Wages, Health and Safety

Workplace struggles continue to focus on a minimum "living wage"; job creation; benefits; elimination of racial and gender discrimination; improved coverage

for domestic and farm workers; rights to select retirement pension and savings plans (such as provident funds); insurance; health and safety.

The National Union of Mineworkers points out that one worker dies and eighteen are seriously injured for every ton of gold mined, amounting to approximately 600 deaths a year. In these and other areas in which national standards are lax, collective bargaining becomes the principal forum to redress basic grievances.

#### Improving Productivity and the Economy

The unions are the first to recognize that their plants may be uncompetitive and their sectors deformed, and to seek to improve their productivity and contribution to the national economy. In some cases, like the textile industry in Natal, unions have convened small employers to address industry issues. Across the country, however, their efforts are hampered, not only by management opposition, but also by secrecy laws, which strictly control access to information in the oil and other strategic industries.

At the national level, the unions are providing substantial research and leadership on restructuring the South African economy after apartheid. COSATU's Economic Trends Group has been working for several years on proposals to increase the equity and efficiency of the South African economy.

#### Responsible Corporate Conduct

A number of unions have passed resolutions calling for the development of standards for responsible corporate conduct in the future. The CWIU has used its research and contract language establishing "fair disinvestment" criteria as the starting point for developing fair reinvestment standards for the future. At its June congress, the National Union of Metalworkers of South Africa (NUMSA) called for such a code to be jointly developed with COSATU. Such standards would support centralized bargaining, national and industry training programs, basic labor standards and nationally negotiated wage levels.

Earlier this year the South African Clothing and Textile Workers Union resolved to press the government and employers to link any relaxation of sanctions to the imposition of "socially acceptable standards for trade and investment," including a strong worker rights component. This spring, at its 7th Biennial Congress, the National Union of Mineworkers resolved to explore the development of an investment code to compel firms in key sectors to pay a living wage, provide housing and training opportunities, and "promote the participation of workers and unions in economic decision making at all levels."

The unions' future recommendations for a code for corporate conduct in postapartheid South Africa will be based on information gathered from shop floor struggles to macroeconomic analysis. The final product will inform not only labor but also the liberation and democratic movements and their allies.

#### The Role of the Faith Communities

"What is the function of the church at this time? To be looking ahead and participating in a national social reconstruction program in which democracy and justice will become a reality."

-Father Smangaliso Mkhathshwa

When asked where he saw hope in South Africa, Roman Catholic Archbishop Dennis Hurley answered, "in the spirit of the people. It is our duty to be optimistic and contribute to the climate of hope." In today's South Africa, this contribution is both spiritual and material. Beyond supporting present survival, South

Africa's religious community sees its role as promoting the creation of a more just society.

"We can provide the ideological foundation for the new South Africa," affirmed South Africa's Chief Rabbi Harris. Religious leaders agreed that preparing for the new society would require dismantling racist thinking and practices, both within religious institutions and the society as a whole.

#### Reconciliation

In campaigning to abolish apartheid, religious leaders perform two major roles: helping people cope with death and destruction caused by political violence and struggling to halt the campaign of terror waged against antiapartheid activists and defenseless black communities. Rev. Frank Chikane declared,

Apartheid is irreformable because it is evil  
it is not for us to compromise with apartheid.  
The only thing to do with apartheid is to destroy  
it utterly. Until we do that there can be no  
peace.

Religious workers perform overwhelming pastoral duties ranging from burying the dead to attempting community reconciliation to working with families to rebuild their shattered homes and lives. Gary Munson, organizer of Amanzimtoti's Crisis Center, which helps burned out families return home, was asked by a dubious white parishioner what his efforts had to do with

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the Gospel. He replied, "I've been preaching the Gospel for 30 years. Now I'm demonstrating it!"

At the national level, faith communities have cooperated closely to try to halt the carnage. At the end of June, leaders of the South African Council of Churches, Southern African Catholic Bishops' Conference and other religious bodies convened a peace summit. Participants included religious and business leaders, the Nationalist Party, the ANC, PAC, AZAPO, INKATI-IA, United Workers Union of South Africa and COSATU.

The peace summit reviewed a number of issues and laid the foundation for the codes of conduct for political organizations and security forces agreed upon on September 14, 1991. Religious leaders cautioned, however, that accords at the national level often fall far short of local implementation.

The Faith communities have also helped exiles return. The churches have played a leading role in organizing the National Co-ordinating Committee for the Repatriation of South African Exiles, set up to address repatriation policies and emergency needs of returnees. Evolving Political Prophecy

The role of faith community in the struggle against apartheid has changed since political organizations were unbanned in February 1990 and are able once again to speak openly on their own behalf. Nonetheless religious organizations have continued their campaign for social justice.

Archbishop Trevor Huddleston described this effort in his address at St. George's Cathedral in Cape Town on July 9, stating:

We need now to get out of Egypt\_even if only into the desert on the way to the promised land. Today apartheid is still here. As Christians and followers of other world religions, which claim we are created in the image of God, there can be no other expression of our hope than to be certain the world community is not deceived or duped into thinking that apartheid is dead and buried. We have to commit ourselves that it is the power of the people that will end apartheid when a new government is in place, when every person can vote and find a place in a nonracist, non-sexist and democratic land.

The following day, when President Bush lifted US. federal sanctions against South Africa, the South African Council of Churches countered in a press release:

We very much regret the decision by the United States to lift sanctions against South Africa as we feel that this action is premature. The international community has been able to make a significant contribution to the struggle of the oppressed in South Africa through economic sanctions. Unfortunately that struggle is not yet over and we fear that the premature lifting of sanctions will mean that one of the major incentives, motivating the South African government to change, will be lost....

Reiterating the SACC's definition of "irreversible change" adopted in 1990, the release continued:

We feel sanctions against the South African government should only be relaxed when a mechanism has been set up to allow the maximum participation of all South Africans in the negotiations towards drawing up a new constitution and formulating legislation to replace the apartheid legislation.

Reconstruction: The Justice Agenda

As labor, community and liberation movements set goals and ground rules for South Africa's future economy, the religious community is beginning to carve out an emerging prophetic role-the quest for economic justice. It is well served by its deep roots in South Africa's most exploited communities.

In their November 1990 Rustenberg Declaration, the South African denominations officially requested that churches and organizations address the following con-

THE CORPORATE EXAMINER

Yearly Flares

Vol. 20, No. 5-6, 1991

Editor: Diane Bratcher

Single Subscription

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The Corporate Examiner is published ten times yearly by the Interfaith Center on Corporate Responsibility. Reprints of this special issue are \$5 each. Bulk rates available.

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 cems "as a matter of urgency":

- The need to work towards a new economic order in which the needs of the poor can be adequately addressed;
- Provision of work for the unemployed;
- Provision of adequate homes and essential services for the poor;
- The need to work towards parity in standards of living between black and white people,-
- The need to eradicate poverty and hunger;
- Affirmative action to enable transfer of some of the economic power presently in white hands;
- Affirmative action in relation to women's rights;
- Consideration of major health issues, e.g. AIDS.

Both before and after Rustenburg, with few pronouncements, Protestant, Catholic and Jewish communities have quietly conducted projects, such as training teachers and supplementing health care in impoverished areas. Dr. Nolan observed, "what pastors do is also a theological statement."

Faith communities are beginning to formulate their goals for a just economy. Not surprisingly, these reflect their members' struggles and aspirations for a more equitable distribution of the country's resources, services and opportunities, including land, education, housing and jobs. A number of religious leaders are also pursuing alternative paths to economic development and justice.

Rev. Chikane affirmed, "We have a bigger task to reconstruct and remedy the damage apartheid has caused." He noted that in rebuilding the society, religious and other groups must confront the question of "creating wealth not at the expense of others." He proposed that vehicles are needed to insure that future investment is "on the side of the victims, not the racists."

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In establishing economic priorities and parameters, the South African faith community is likely to look to its labor, community and political partners for leadership. However, religious organizations have a key role to play in setting goals and critiquing the policies and practices shaped to achieve them.

While religious advocates have identified closely with liberation movements in the struggle to end apartheid, many now see value in maintaining a degree of independence during reconstruction. They caution that if liberation movements become part of a future government, they may need to make compromises in keeping with the political realities of running the country. On the other hand, religious communities, without national administrative responsibilities, may be freer to articulate social and economic issues from faith perspectives. In this prophetic role many religious leaders recognize that they need to work together on an increasingly interfaith basis. Since the major religious institutions are not without internal contradictions of color and class, their leaders may find strength in joint efforts to achieve their prophetic goals. Rabbi Harris stated, "We have a common denominator of cherished teachings. Now, more than ever before, there is a feeling that we have to work together."

Father Mkhathshwa put the justice agenda in historical context: "We need to support communities and programs that advocate and train people for both political and economic democracy."

This agenda is likely to be hammered out deliberately, even painfully. As it is forged it can lay the foundation for a dynamic and growing relationship between South Africa and international faith communities. It will be a partnership born of faith and tested by practice from which not only South Africa but the rest of the world has to benefit. C1