

ICCR's "Partners In Apartheid" campaign presents
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U.S. Churches
Denounce
Shell Oil's
South Africa
Ties
September 1988
South Africa Issue Group
Interfaith Center on Corporate Responsibility
Room 566
475 Riverside Drive
New York, New York 10115
USA
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A growing number of church institutions have condemned Royal Dutch/Shell's involvement in South Africa and called for the company's withdrawal from the land of apartheid. Churches also resolved to support the boycott of Shell products.

On May 20, 1985, church leaders launched a "Partners in Apartheid" campaign, focusing church-sponsored antiapartheid programs on U.S. corporations which are key investors in apartheid. These companies provide strategic products, technology and financing to South Africa. One year later, the churches added Royal Dutch/Shell to the list because Shell, as one of South Africa's largest foreign investors, plays a central role in South Africa's petroleum, mining and chemical's industries.

The 55 Protestant and Roman Catholic institutional investors called on the companies (1) to cease immediately all sales and service relationships with the South African government and government-owned corporations; (2) to make clear to the South African government that the end of apartheid was a precondition for their remaining in South Africa. The churches stated: "We believe that if there has not been significant progress toward achievement of these goals by the end of 1986, these corporations continued presence in South Africa cannot be justified."

On January 14, 1986, the Free South Africa Movement and the United Mine Workers Union, answering a call from the National Union of Mine Workers of South Africa, launched a Shell boycott. The boycott's goal is heighten public awareness of the role Royal Dutch/Shell and other international corporations play in supporting apartheid and to utilize economic pressure strategies to influence powerful companies to leave South Africa.

As part of a series of papers profiling the target companies of ICCR's "Partners In Apartheid" campaign, ICCR presents excerpts from the Shell boycott resolutions and statements of several denominations, ecumenical agencies and religious communities. This paper will facilitate interpretation of the concerns and issues raised by the U.S. religious community about Shell's support to apartheid. The full resolution texts are available from the sponsoring denomination. Part two of this paper presents statements from prominent South Africans who have called for international economic pressure to end apartheid.

General Board of the American Baptist Churches USA (June 1988)

In 1986, the General Board of the American Baptist Churches, USA, decided to pursue all measures within its ability to bring about non-violent change in South Africa, to join in solidarity against apartheid with other Christian groups in the USA, to seek counsel from responsible groups in South Africa who seek non-violent change and to focus special efforts on corporations which provide services, technology or products to maintain and enforce the apartheid system; This included promoting discussion with Shell management:

In the fall of 1986, the New York City pension funds and the Ministers and Missionaries Benefit Board of the American Baptist Churches submitted shareholder proposals to the management of Royal Dutch Petroleum (the parent company of Shell) regarding its operations in South Africa. Management rejected the proposals. The Ministers and Missionaries Benefit Board and the pension funds of New York City then initiated a campaign to call a special meeting of the shareholders to vote on Shell's withdrawal from South Africa.

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Then the resolution asks us to listen to the Christian communities in South Africa:

The Rev. Frank Chikane, the General Secretary of the South African Council of Churches, stated in October 1987:

"The South African churches have recognized that the authentic voice of the oppressed people as expressed through their unions and political organizations has been a call for sanctions with a sting against the South African government. The South African Council of Churches joins the majority of the people of South Africa in calling for immediate comprehensive and mandatory sanctions that are aimed at sapping the energy of the apartheid state."

Chikane further stated, that the imposition of sanctions

"is the only way to effect change in South Africa with minimum violence."

Thus, in 1988, the General Board of the American Baptist Churches. USA, decided to join the Shell boycott:

The General Board of the American Baptist Churches, USA, recognizing the critical situation in South Africa, urges ABC members, congregations, regions, national boards, and ABC related institutions to:

1. Join the international boycott campaign against Shell Oil and announce this action publicly;
2. Refrain from purchasing any products produced or marketed by the Shell group of companies until Shell ends all economic ties with South Africa or apartheid ends;
3. Write Shell and inform them of this action.

Address of Shell:

L.C. Van Wachem, President

Royal Dutch Petroleum Co.

30 Carel van Bylandthaan

The Hague, Holland

cc: J.F. Bookout, President Peter Holmes, Chairman

Shell Oil U.S.A. Shell Transport & Trading

P.O. Box 2463 Shell Centre

Houston, TX. 77252 London SE1 7NA

Great Britain

Shell products include:

Gasoline products: Piba (additive) t Shell Dieseline t Shell of the Future t Shellydyne t Silver Shell. SU 2000 t Golden Shell (lubricants). Motor Oils: Mysela t Aeroshell i Rimula # Rotella i Shell Super X t Fire and Ice t Shell X-100.

Automotive Products: Comfort Ride, Shell Radial Ride. Shell Radial II, Shell Ride, Super Shell Aramid, Super Shell Snowshoe (tires) i Meridyne (radios) i Sentinel (batteries, repair service) t Shell Superlife (batteries).

Home Products: Heritage (furniture polish) t Shell Flea Collar t Home Freshner (room deodorizer) t Child Protector Top (safety lids) t Citrus Blossom, Open Air, Wild Flower (solid air freshners) t Tegon (roofing).

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ERiscogal Church in the USA--Executive Council (Max 1988)

The Executive Council based its decision on this understanding:

Archbishop Desmond Tutu has called on foreign countries to enact and enforce comprehensive economic and diplomatic sanctions against South Africa. -

The Executive council resolved:

that the Episcopal Church join with those churches and others who have endorsed the boycott against Royal/Dutch Shell, and

that this action be communicated to the widest membership in the Episcopal Church encouraging the membership to participate in the boycott.

General Convention of the EgiscoEal Church in the USA (Julz 88)

The General Convention endorsed the resolution adopted by the Executive Council and called

for the expanding of this boycott to include all international oil companies doing business in South Africa: Mobil, Chevron, Texaco, British Petroleum and Total.

National Council of the Churches of Christ in the USA (Max 1988)

In its endorsement of the international boycott of Royal/Dutch Shell, the National Council of the Churches of Christ in the USA,

reiterates its appeal to the United States Government to apply "the comprehensive, mandatory and multilateral sanctions against South Africa adopted by the General Assembly of the United Nations including a cessation of all military, nuclear, economic and diplomatic support for the government of the Republic of South Africa so long as it maintains its policy of apartheid" (NCC Governing Board Resolution on Comprehensive Sanctions Against the Republic of South Africa, May 17, 1985);

and notes that South African law defines oil as a "munition of war"; that oil products are vital to the South African police and military in their enforcement of apartheid, in their illegal occupation of Namibia, and in their destabilization of neighboring states; and that South Africa relies on foreign suppliers and distributors for most of its oil supply. Current estimates of the Shipping Research Bureau in the Netherlands are that the South African government could not survive more than 250 days without imported oil, underlining the crucial strategic role of oil:

The Council decided to endorse

the international campaign to boycott Royal Dutch/Shell and its subsidiaries as long as this corporation continues to maintain its ties with the apartheid government in the light of its refusal to respond to other appeals over the years;

to urge

member communions of the NCCCUSA to take similar action

and to communicate this resolution to the corporate management of Royal Dutch/Shell in Houston, London and The Hague; to the World Council of Churches, the South African Council of Churches, the Conference of European Churches; the United Nations Centre Against Apartheid; and the United Mineworkers of America, the National Union of Mineworkers of South Africa, and other national and international organizations supporting the boycott.

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Sisters of Mercy of Brooklyg (March 1988)

The Board of Directors of the Sisters of Mercy of Brooklyn stated over two years ago, one hundred of our Sisters and Co-members participated in a boycott of Shell Oil. They did this either by destroying their Shell cards or by writing letters to Shell's Chief Executive Officer explaining that they would not purchase customer services or products in any way related to Shell Oil.

Then the Board of Directors endorsed the Shell boycott:

We, the Board of Directors of the Sisters of Mercy of Brooklyn, support and join the continued actions of our Sisters and Co-members in boycotting of all Shell services and products.

Unitarian Universalist Association of Congregation (June 86)

In 1985, as the issue of divestment from corporations doing business in South Africa was being examined, the Unitarian Universalist Association noted that economic sanctions, including primary and secondary boycotts, have proven effective in other non-violent movements for justice and social change.

In 1986, it voted

that the Unitarian Universalist Association endorse the international Royal Dutch/Shell Boycott campaign.

General Board of Church and Society

The United Methodist Church (Februagz 1988)

(A similar resolution was passed by the General Board of Global Ministries of the United Methodist Church.)

The General Board of Church and Society focused on special characteristics of the Shell involvement in South Africa:

Royal Dutch/Shell is a primary supplier of imported oil to South Africa. It co-owns or operates South Africa's largest oil refinery, the offshore station through which most of South Africa's imported oil is delivered, an oil pipeline operated with the government and more than 800 gasoline stations. In addition, Royal Dutch/Shell co-owns the Rietspruit coal mine where striking South African miners have been forced to work at gunpoint and union supporters have been fired. The National Union of Mineworkers (the largest black union in South Africa) has initiated an international boycott of Royal Dutch/Shell and its subsidiaries.

The Board therefore decided to join the boycott:

The General Board of Church and Society joins the boycott of Royal Dutch/Shell, in cooperation with the United Mine Workers of America who responded to requests from the National Union of Mineworkers. The General Board of Church and Society's participation in the boycott will end when Royal Dutch/Shell withdraws from South Africa and terminates all license and franchise agreements with South African entities or when the apartheid system ceases.

World Council of Churches Central Committee (August 1988)

In Hanover, West Germany the Central Committee adopted a Southern Africa resolution which

ENCOURAGES the churches to support the International Campaign to boycott the Shell Oil Corporation.

General Conference Resolution
of the United Methodist Church (May 1988)

In 1984, the General Conference of the United Methodist Church had specifically urged divestment from corporations doing business in South Africa, an end to any collaboration with South Africa by opposing expanded participation of corporations in the South African economy, support of United Nations' sanctions against South Africa:

In 1988, the Conference noted that

South Africa is a nation without its own supply of oil. Only with the support of international oil corporations can the apartheid regime survive. South African law considers oil supplies "munitions of war." Shell USA is a wholly owned subsidiary of the Shell Group (Royal Dutch Petroleum of the Netherlands and the Shell Transport and Trading Company p.l.c. of the United Kingdom). Shell South Africa is included in the Group. Royal Dutch/Shell co-owns or operates oil refinery facilities in South Africa. The oil refined by Shell in South Africa supplies government agencies, including the police and military, which are used to maintain apartheid.

The General Conference voted to join the boycott:

The United Methodist Church joins the boycott of Royal Dutch/Shell and asks that its units and members refrain from purchasing Shell products so long as the boycott continues. Participation in the boycott will end when Royal Dutch/Shell withdraws from South Africa and terminates all license and franchise agreements with South African entities or when the apartheid system ceases.

United Church of Christ (October 1987)

The United Church of Christ was one of the first major Protestant denominations to join the international boycott of Royal Dutch/Shell Petroleum and its subsidiary, Shell Oil USA.

The Executive Council urged:

UCC members, congregations, agencies, instrumentalities, national bodies, conferences, and associations to abstain whenever possible, from the purchase of products produced or marketed by the Shell Group of companies, including Royal Dutch Petroleum, consistent with the strategy of the international Shell campaign.

The rationale for this decision comes from a UCC committee representing national instrumentalities and the Council of Conference Ministers. Among the reasons cited in their background paper:

Royal Dutch/Shell cooperates with the oppressive white government in South Africa. As a condition for its continued operation in South Africa, the group sells its products to the military and the police. Under South African law, oil supplies are considered "munitions of war." The Shell group has agreed to abide by laws passed in 1977, 1979, and 1985 which allow the apartheid government to take over the company's operations in the event of a national emergency and which prohibit the company from disclosing the facts about how much petroleum it supplies to the South African government and for what purposes."

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Secondly, they emphasize that the international boycott is the most effective way to challenge the transnational identity of the Shell group of companies: Shell Oil Company (U.S.A.) is a wholly owned subsidiary of the Royal Dutch Petroleum Company. The International Shell Boycott is targeting all subsidiaries of the Shell group of companies because they are part of one transnational corporation. As in the case of Nestle, it has not been possible to file shareholder resolutions on this because of the incorporation of the corporation outside the United States.

CHURCHES DIVEST SHELL STOCK

In 1986, several church groups decided to sell the Shell stocks that they owned and pledged not to buy any Shell stock in the future.

Among the church groups, the National Council of Churches of Christ in the USA divested its Shell Oil Company (a Royal Dutch/Shell subsidiary) commercial paper, valued at \$1 million.

General Assemblz of the Presbztterian Church (USA) (June 1988)

In 1985. the General Assembly of the Presbyterian Church (USA) defined a policy with specific guidelines for phased, selective divestment of stocks and bonds in particular companies which they believed support apartheid.

In June 1988. The General Assembly of the Presbyterian Church (USA), voted a resolution to

Add the following corporations to a list of corporations whose securities are subject to divestment and/or proscription: Royal Dutch Petroleum and Shell Transport and Trading.

As of July 1988, the Presbyterian Church had chosen only seven companies involved in South Africa for their selective divestment campaign.

PART II--WHAT SOUTH AFRICANS SAY ABOUT ROYAL DUTCH SHELL

South African Church Leaders

Frank Chikane, General Secretary, South African Council of Churches (November 10, 1987):

At this time in our history, when we confront the immediate possibility of escalating violence, it is critical that the international community bring to bear every remaining pressure at its disposal for peaceful change in South Africa. As long as the white minority in South Africa enjoys the supportive lifelines of foreign capital, foreign trade and foreign oil. it will not understand that the survival of our entire country is threatened by the murderous system of apartheid. It is therefore particularly important that apartheid's opponents around the world call on corporations like Royal Dutch/Shell and Mobil Oil-- whose products serve the South African government, police, and military--to sever all ties to South Africa. Cutting the pipeline of foreign oil to Pretoria will serve as one more effective pressure on the white minority government to agree to peaceful change.

Archbishop Desmond Tutu (May 3, 1988)

We applaud the actions by the U.S. religious community and others in support of full sanctions and complete corporate withdrawal from the land of apartheid. Such lobbying, investor initiatives, and consumer actions, like the Shell Boycott, are sending a clear message to the Congress and those corporations with continuing ties to South Africa. Such economic pressures may be the international community's last available instrument to help bring Pretoria to its senses and justice to our land--without which there can be no genuine lasting peace.

Alan Boesak, President World Alliance of Reformed Churches:

Shell has total disregard for the opinions of the authentic black leadership of South Africa, has not consulted with us because it knows that we will question its continuing role of supporting apartheid. As long as Shell remains in South Africa without putting meaningful public pressure on the South African government, it will be seen as an ally of an oppressive regime who rules by the gun. I urge our friends not to relieve the pressure on companies such as Shell. Our aim is to work for an open, non-racial democracy in South Africa through non-violent means. Shell, in its decision neither to pressure the South African government nor to disinvest, is clearly not on our side.

Beyers Naude, former Gen.Sec.. South African Council of Churches (May 9, 1987):

The national conference of the South African Council of Churches passed a resolution in June 1985 calling for disinvestment and selective sanctions. The motivation of the conference was the strong desire to prevent the escalation of violence and bloodshed by the use of sanctions as one of the last, if not the last, non-violent method of achieving fundamental change. The resolution was taken with full realization of the suffering that sanctions could cause, especially to the black community.... The action of the world community to force Shell to withdraw from South Africa and to sever all economic links is a logical consequence of this resolution of the S.A.C.C.

The argument is many times used that sanctions will drive the white minority deeper into the laager. My reply to this argument is to remind such persons that increasing conflict of millions who have lost all hope in a peaceful change will hasten a process of violence leading to a white reaction into the laager much more than sanctions would do.... The action to force Shell to withdraw and cut its economic ties remind black and white in South Africa of the world's determination to bring an end to apartheid. On its own it will not achieve liberation but as one of many similar coordinated actions it will challenge the white minority in South Africa to realize that the road that they have now chosen on May 6 can only lead to disaster and suicide whilst at the same time it will give hope to the millions of blacks suffering under apartheid. This step will further constitute a breakthrough in the circle of important transnational concerns challenging these to reconsider their continued support for apartheid.

Union Leaders

James Motlatsi, President. National Union of Mine Workers of South Africa, spoke about labor problems at the Shell-owned Reitspruit coal mine:

Mr.

One of our members died accidentally because of the carelessness of the management, so our members desired to hold a memorial service. The company refused. Our members went ahead, they held a service. Then after that the company decided to fire 86 workers. They called the South African police to come and take out those workers through the barrel of the gun. Those who were on strike in solidarity with those who were fired were forced to go underground, were assaulted as well, were tear gassed. We tried to negotiate with Shell, it refused to negotiate with us....

Motlatsi stated (May 11, 1988):

Shell isn't interested in democracy in South Africa. Shell delivers oil to a government that kills innocent women and children in the black townships.... They don't have respect for human dignity. Shell should leave South Africa.

Sidney Mafumadi, Assistant General Secretary, Congress of South African Trade Unions (January 24, 1988):

...the claim from Shell that it is contributing to the struggle for the destruction of apartheid should be rejected with contempt.... If Shell is really serious about contributing to the struggle against apartheid it will have to bring itself to see things from our own perspective. And that perspective is one which has been calling for Shell and other multinationals to disinvest from our country.

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