



ANTI-APARTHEID REPORT # III

NEW BRUNSWICK COALITION IN SOLIDARITY WITH SOUTHERN AFRICAN LIBERATION

CORPORATE INVESTMENTS IN SOUTH AFRICA

U.S. monopoly corporations are among the main profiteers in South Africa. Because they understand that their profits are based on apartheid and racist tactics, that majority rule and democracy in South Africa will mean the end of their super-profits, U.S. corporations, and the U.S. government in serving their interests, have done everything possible to support the racist South African government - the only government in the world since Nazi Germany to write racial superiority into its laws.

While most countries are reducing contacts with South Africa, the U.S. has provided military, financial, and diplomatic support to South Africa in its darkest hours. Since the beginning of the Soweto uprising in June, 1976, Mobil, Union Carbide, and others have announced major new investments. At the same time, Chase Manhattan Bank, along with other banks, has underwritten 800 million dollars in loans.

CORPORATE INVESTMENT AND RAW MATERIALS

U.S. corporate investment in South Africa amounts to approximately \$6 billion in such industries as: mining, \$293 million; petroleum, \$407 million; and machinery, \$453 million. Seventy-five per cent of this investment is represented by twelve American corporations, six of which, GE, GM, IBM, Mobil, Exxon and Ford, Rutgers holds stock in.

Geographically, South Africa is located at the joining of the Indian and Atlantic Oceans. Approximately forty-five per cent of all shipping traffic between the two oceans utilizes the lane at the tip of South Africa. U.S. investment is a step to control the strategic location of South Africa and to insure the access for oil tankards between the Middle East and the U.S. This is one of the reasons for the intense concern by the U.S. government in maintaining a "friendly" government in South Africa.

Producing seventy-seven per cent of the world's gold and seventy-five per cent of its platinum, South Africa is one of the five most important mineral producing countries in the world. It ranks first in world reserves of chrome ore and manganese, two minerals that are necessary to U.S. production of steel. Also, it contains seventeen per cent of the world reserves of uranium, essential to nuclear reactors, and very important to a nation as committed to nuclear power as is the U.S. Due to South Africa's resources and the cheap labor force provided by that nation's racist apartheid policies, U.S. corporations have found a very favorable investment climate. Profits for U.S. corporations in South Africa in recent years have been as high as 18.4 %, more than double the return for investments in this country. But now let us turn our attention to what apartheid means to the workers in South Africa.

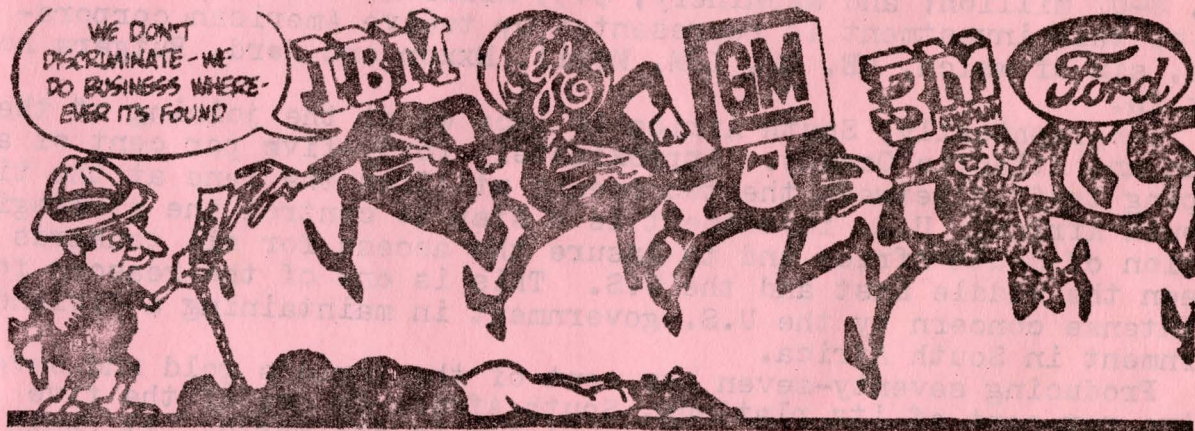
APARTHEID IN PRACTICE

Apartheid affects the lives of African workers in every conceivable manner. Legally, it limits where they may work, what skills they may learn, pensions, sick leave, disability benefits and the right to organize. Like every other aspect of South African law, those concerned with work draw a sharp distinction between the rights of Black and white workers.

For example: a Black worker is prohibited from doing skilled work in the building industry in white South Africa, but a white worker may be employed in the Bantustans as a supervisor of Blacks working on a building; a white worker who is permanently totally disabled is entitled to a monthly pension based on earnings while a Black worker similarly disabled is entitled to a lump sum based on earnings, but not to a monthly pension. It is unlawful for a Black worker to take part in a strike for any reason and they are also not permitted to bargain for higher wages.

The barbarous working conditions under which South Africans work are an extension of the blatant racism expressed in the laws. The most dangerous and unskilled work is reserved for the Blacks such as mining and factory work. The extent to which the employers disregard the safety of their employees is best exemplified by the fact that, on the average, three miners die per shift.

Blacks are also severely discriminated against in salary. The wages of white workers are thirteen times higher than those of Blacks. Broken down into industries: whites earn \$520 a month in mining while Blacks earn \$28; in manufacturing whites earn \$485 a month, Blacks earn \$87; and in wholesale trade whites earn \$490 a month with Blacks earning \$82.



White workers are also affected by these conditions. Although their salaries are higher and they do have the right to form unions, their freedom to bargain and strike is much more limited than that of organized workers in the U.S. These conditions exist throughout South African industry, and the result is one of the highest rates of profit in the world for the corporations based there.

RACISM AND CORPORATE PROFITS

These very same corporations use the ideology of racism here in the U.S. to prevent white workers from seeing the connections between South Africa and problems here, in the same manner that they rely on their promotion of disunity between Black and white in this country to weaken unions and maintain the southern U.S. as a pool of cheap labor.

It is racism that drives white students to attack Black school children in Boston when they demand the right to a quality and integrated education. The fact is that these same schools which are being fought over, are not equipped to provide a quality education for anyone. While it is true that because of racism, Black students get a poor education, it is not true that white students get a better education by virtue of being white.

When a large steel manufacturing corporation seeking cheaper labor moves from the United States to South Africa, the workers in both places lose. The Black South African worker has no choice, because of racism, but to work for low wages. The American worker, Black and white, is forced to seek work elsewhere or to collect unemployment checks. The job security and working conditions of all workers, both at home and in South Africa.

While white and Black people are divided, it is the corporations and banks who are benefiting. It is to the advantage of the corporations to keep us divided by racist tactics. While workers are fighting each other, the corporations can offer the lowest possible wage to anyone who will accept it. It is not just the Black workers, who usually end up with the lowest paid and dirtiest jobs, who are hurt by this racist tactic. The wages of all workers are held down by racism.

SOWETO TOWNSHIP, JOHANNESBURG,
SOUTH AFRICA

300 Black school children are gunned down by riot police for demanding an education in English.

ANGLO-AMERICAN GOLD MINES, THE
RAND, SOUTH AFRICA

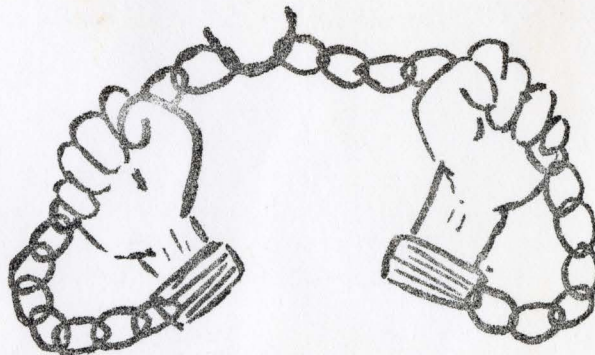
Fifteen miners on a picket line are shot down by company police for demanding that their families be allowed to live with them.

BOSTON, MASSACHUSETTS

White students attack Black students to prevent them from enrolling in integrated high schools.

NEW YORK STATE, USA

1,000 specialty steel workers lose their jobs. The company says it can get the work done cheaper elsewhere - in South Africa.



For more information, contact CISSAL at either 297-6077 or 247-5086.