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W Michael Blumenthal

Chairman and Chief Executive Officer

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June 7, 1985

The Honorable George W. Crockett, Jr. 1531 Longworth House Office Bldg. U. S. House of Representatives Washington, D.C. 20515

Dear Representative Crockett,

I am writing to you to express my opposition to anti-apartheid bills currently under consideration. As I understand it, the purpose of this legislation is to exert pressure on the government of South Africa to end apartheid by compelling U. S. companies to curtail business operations and investment in that country.

We at Burroughs share your opposition to apartheid. But we feel that the proposed legislation will be counter productive. The steps proposed will not exert any meaningful pressure on the government of South Africa to mitigate or eliminate apartheid and will only increase black unemployment - exerting hardship on the very people that we are trying to help. U. S. companies in South Africa employ an estimated 120,000 blacks. Past experience has shown that trade embargoes do not work and that a mini-embargo such as you are proposing is even less likely to succeed.

We believe the most effective way to help blacks in South Africa is through programs that promote racial equality in employment and social equality outside the work place. Since 1976, we have worked closely with Reverend Leon Sullivan to accomplish such positive peaceful change. Burroughs was a charter signatory to the "Sullivan Statement of Principles." Currently, over 150 companies doing business in South Africa and employing about 85,000 blacks are signatories. Companies adhering to the Sullivan Principles maintain a desegregated work force and provide special incentive and opportunities for blacks to advance into supervisory positions. Signatory companies have increased average wages for blacks at a faster rate than for white employees. Like the other signatory companies, Burroughs has instituted special training programs for blacks and has made significant expenditures on community development.

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The efforts of each company are assessed annually by an independent organization which reviews implementation of the Sullivan Principles. Burroughs has received the highest possible rating over the past several years and we are very proud of this recognition of our efforts.

As a computer manufacturer, Burroughs, as a matter of policy, does not sell computers to the police in South Africa, the military, or any government agencies that enforce the apartheid laws. However, a U. S. law that would ban the sale of computers to the South African government is an empty gesture, since that government can purchase computers anywhere else in the world. Such legislation would serve only to dampen U. S. industry.

In view of the increasing despair and violence in South Africa, it is more important than ever that desegregated, equal employment opportunity companies remain on the scene to act as a guide and model to show that humane alternatives to apartheid can exist and function effectively in South Africa.

Respectfully,

W.M. Bluemthal

WMB/dlk