

will continue to pursue the repressive policies that will lead to its violent overthrow or whether it will work toward a peaceful resolution that will include all segments of its populace in the search for accommodation and reconciliation.

* * * * (American Chamber of Commerce)

And [And the crucial question for us in all this is the role America will play. Will our country be credited with having helped the black South African to achieve freedom in his own country or will we be seen, as so often has been the case, as having strengthened the status quo by doing nothing positive to foster change.]

* * * * (We cannot be neutral.)

Unhappily, the present Administration's policy of constructive engagement with regard to South Africa is not only a delusion and a sham, but it actively undercuts the cause of the black majority and those other groups which are also systematically oppressed in that country. By giving only the weakest lip service to opposing the harsh debasement of human rights, President Reagan has signaled that the minority's tyranny need fear no reprisals.

This must change, and I am encouraged that it will. [The Free South Africa Movement demonstrations have signaled a growing consensus here, among blacks and whites, conservatives and liberals, that the South African government must put an end to its repressive apartheid policies. These demonstrations are saying to the world

community, that as a multiracial society committed to racial equality, the United States has a strong moral interest in promoting movement toward a system which guarantees basic human rights for all South Africans.)

And that means that our government must deliver to South Africa an unequivocal message of where we stand as a nation and what action we are prepared to take. We must say loud and clear that the government and people of the United States are fundamentally opposed to apartheid and to the exclusion of South Africa's black majority from an effective share in political power. By making this point clearly and constantly to both black and white South Africans, we move to reduce any misunderstandings of the motives behind our continued presence in South Africa.

And we should follow up our words with concrete actions. For make no mistake about it, the time is ripe for our country to pursue new foreign policy initiatives which would use our vast influence to help South Africa reach a permanent accommodation.

(And the Reagan Administration cannot do this by continuing to pursue a policy based on the theory that closer ties with the Pretoria regime and quiet diplomacy would be more effective in pressing for change.) Four years have shown that policy to be nothing less than systematized schizophrenia in that it gently criticizes apartheid with one hand, while feeding it with the other.

[To signal our abhorrence of apartheid, the United States must be ready to apply economic sanctions where it will hurt South Africa the most--in its pocketbook.]

* * * * (Examples--Pressure works, House action
Mandela Resolution, Divestment)

The United States is second among South Africa's trading partners and during the first eleven months of 1984, we brought 2.4 billion dollars worth of goods. Only the British have more money invested in South Africa than we.

Some 284 American companies are reported operating in that country, including 57 of Fortune magazine's top 100 corporations. The U.S. investment has been calculated at 15 billion dollars, and U.S. firms control an estimated 70 percent of the South African computer market; 45 percent of the oil market and 33 percent of the automotive market. Twenty-three of our largest banks have outstanding loans in South Africa, many to government or state-controlled corporations.

* * * * (Legislation already introduced:)

[It had been hoped that the American firms doing business in South Africa would by their own personnel practices pave the way for improved economic opportunities for the approximately 180,000 Blacks in their employ while setting a progressive example to the country as a whole. Some U.S. firms adopted the so-called Sullivan principles mandating equal treatment, pay and opportunity

for black and white South Africans in the work place. And it is clear that this program has had some positive impact.]

* * * * (Example: Ford at Port Elizabeth)

[But for the millions not fortunate enough to work for those American firms, working conditions--like living conditions--are worse than ever. The minimal impact of U.S. firms on the welfare of black South Africans is in direct contrast to the psychological and economic benefits their presence confers on the South African government.

William Broderick, a vice president for the Ford Motor Company, recently told the House Foreign Affairs Subcommittee on Africa, on which I sit, that the continued presence of U.S. firms in South Africa "contributes to improving the quality of life for black South Africans and to changing the racially discriminatory laws." Broderick stated that "however slow and uneven the pace of racial reform in South Africa, American affiliates there can make a greater contribution to it by their presence ..." and their positive impact on South African companies to do the right thing.

Broderick's assertions were challenged by Dr. Clifton Wharton, Chancellor of the State University of New York and a director of the Ford Motor Company. Dr. Wharton told the committee that there was no evidence that "the U.S. presence and practices are making any substantial, permanent progress in breaking down the legally sanctioned and brutally enforced South African policies of apartheid."]

[Indeed, Dr. Wharton, who is also chairman of the board of the Rockefeller Foundation, went on to say that "one has more than a nagging feeling that the South African concessions that permit U.S. firms to conduct their progressive employment policies are merely a ploy to neutralize or confuse American public opinion, while still keeping intact the sizeable economic assets that the firms represent."]

So we must move to eliminate American economic support of the apartheid government. This means calling a halt to any further American investments in that country and, perhaps, the withdrawal of all U.S. firms doing business in South Africa. In short, a complete divestiture of American economic interests there.

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[There are some who believe that this is not the right way to go; that U.S. firms doing business in South Africa can exert more pressure against apartheid by their presence than by their withdrawal.]

[It seems to me that American opposition to apartheid cannot be carried out in half measures. This repressive system has never been and can never be anything more than a mortal affront to freedom and human dignity and every economic weapon at our disposal should be used to undercut the Pretoria regime.]

[Growing Congressional concern, the demonstrations and protests, the outspokenness of black South African leaders, and the international exposure of Nobel Laureate Bishop Tutu have served

not only to place pressure on South Africa, but also to encourage those black and white South Africans who are working toward the goals of political participation for all races. We have already seen the South African Government announce its willingness to grant a conditioned release for Nelson Mandela, the black South African who has been imprisoned for more than 20 years, and its suspension of its program of forced resettlement of black communities. We must continue the momentum.

The Reverend Allan Boesak, a South African clergyman and president of the World Alliance of Reformed Churches, observed in a speech here ~~last month~~ that blacks in South Africa perceived that the United States was on the side of white minority rule because of its present policies. But then he went on to say that the current apartheid protests here were one of the most important things that could have occurred in the United States because of the involvement of Black Americans and the positive message it gave to the black South African.

To sum it up, the South African Government must begin to communicate with all of its people in the search for a just, rapid and non-violent end to apartheid. And the United States must make it clear to Pretoria that continued intransigence on the rights of citizenship for all its people will lose it the economic support of the United States. The message to South Africa is that we want real and peaceful change now. Thank you.