

SOUTH AFRICA and OURSELVES

DISENGAGEMENT FROM ITS ECONOMY

For a number of years the churches in Britain have wrestled with the question of how our investments are related to the continuation of Apartheid in South Africa. Can anything be done to end a system which the whole world condemns?

Britain has a massive economic link with the Republic of South Africa.* British-based companies and banks appear to strengthen the Apartheid system rather than encourage change. The questions which are raised apply to all institutional investors and indeed to our nation. What is the right policy now and what should we be doing?

After much debate and consultation the churches have now come closer to a common mind than ever before. They now see that moral judgement points clearly in one direction.

This leaflet brings together the decisions which the churches have made. There is striking similarity. Other churches in Britain, not listed here, share the anxiety; some have passed similar resolutions.

THE CHURCH OF ENGLAND

The General Synod, meeting in July 1982, had before it a report called *Facing the Facts* prepared by a working group. The General Synod, after a debate, passed the following resolution:

The Synod welcomes the Report "*Facing the Facts: the United Kingdom and South Africa*" for its contribution to understanding the origins and present character of the problems of South Africa, and Britain's role in relation to them; and commends it to the dioceses and parishes for study and appropriate action.

The Synod endorses the view expressed in the Report that progressive disengagement from the economy of South Africa and generous aid to the independent states bordering on South Africa, in order to promote their own economic and political development, is now the appropriate basic policy for this country to adopt as a contribution to bringing about peaceful change in South Africa and asks the Board for Social Responsibility to enter into discussion with Her Majesty's Government and other appropriate bodies about how this policy might best be implemented.

In July 1982 the **METHODIST CONFERENCE**, meeting in Plymouth, had before it a resolution in relation to trading relations with South Africa. The text of the resolution was as follows:

This Conference, recognising that efforts by concerned shareholders in companies operating in South Africa, and pressures created by the EEC Code of Conduct for such companies, have failed to alter to any important degree the apartheid system of South Africa, and believing that severe

* In 1981 Britain exported over £1,000 million worth of goods to South Africa.

economic pressure is the final possibility for achieving relatively peaceful change in South Africa,

(a) directs the Central Finance Board of the Methodist Church to write to all such companies in which the Church invests asking them for a commitment to begin to disengage from South Africa within the next twelve months;

(b) directs the Board to be represented at the next Annual Meetings of the ten such companies most strategically involved in the South African economy (the lists to be agreed by the Board's Advisory Group in consultation with Christian Concern for Southern Africa) in order to argue the Church's case for disengagement;

(c) directs that where the above commitment is not forthcoming the Board shall disinvest from such companies to the limits of legal possibility, make its action public, and draw up a list of such companies encouraging all other Methodist funds at local or national level to take equivalent action.

The debate which followed indicated strong support for the resolution, but owing to uncertainty about the legal implications it was referred to the President's Council for study and report to the next Conference.

THE UNITED REFORMED CHURCH at its Assembly in May 1982, passed the following:

The Assembly expresses its opposition to apartheid in South Africa by adopting the policy of progressive disengagement from the economy of South Africa commended by the British Council of Churches in November 1979.

Being aware of the obligation of the directors of the United Reformed Church Trust to use their judgement to administer the funds entrusted to their care in the interests of the beneficiaries of the various trusts, Assembly urges the directors to review the investments with a view to not holding shares in companies having a significant involvement in South Africa, so far as their legal obligations permit.

THE SOCIETY OF FRIENDS

Economic Action Involvement in South Africa . . . suggested action by Friends.
Published by Quaker Peace and Service.

1. It has been the policy of London Yearly Meeting and its departments to avoid investing in companies having significant links with South Africa. An increasing number of Friends, however, have come to believe that this policy should be extended in general to all companies having branches or subsidiaries in South Africa. If nevertheless it is decided to retain such investments it is considered that this should only be done when the companies concerned have

shown a practical concern to work towards racial equality and provided that we as shareholders have a clear intention to make continuing representations to the companies to improve their practices in this respect, including adherence to the EEC and similar Codes of Conduct, and a readiness to cease financing or otherwise supporting the apartheid system. Since replacement of South African-linked investments may result in some reduction in the income of Friends' bodies, we must accept the possibility of having to make up for this by increasing contributions to Quaker funds.

2. Many concerned Friends refrain from buying goods produced in South Africa. This serves to remind them of conditions there and provides also an opportunity to explain their reasons to shopkeepers and other customers.

THE CHURCH OF SCOTLAND has issued a number of statements on economic relations with South Africa. A summary is published in *South Africa* . . . *The Church Speaks*.

The General Assembly 1978.

Call on Her Majesty's Government to take effective action to reduce outside economic support for South Africa, through a bann on new investment there by British firms and on bank lending to the South African Government and its agencies; through an end to Government assistance to trade with South Africa; and through pressure in the United Nations and elsewhere for worldwide joint economic action.

Call on individuals and organisations within the Church of Scotland to study the facts and implications of apartheid and to do all in their power to help end it, including, in particular, through the boycott of South African goods.

The General Assembly 1980.

Welcome the action of the British Council of Churches in adopting a policy recommending progressive disengagement by British economic interests from the South African economy and British Government action to that end. Urge Her Majesty's Government to recognise that the apartheid policies of the South African Government offend Christian principles and world opinion and are a potential threat to world peace; to remove trade credits and to take steps to prevent the flow of new capital to South Africa; to withdraw commercial staff from embassies in South Africa and to make it compulsory for British firms retaining interests in South Africa to submit reports on their implementation of the EEC Code of Conduct.

THE BRITISH COUNCIL OF CHURCHES

A study by member churches led to the publication in 1979 of *Political Change in South Africa: Britain's Responsibility*.

After consideration of the report the churches passed a resolution at the Assembly in November 1979, as follows:

The Assembly of the British Council of Churches, while condemning all violations of basic economic and civil rights, regards it as peculiarly offensive to Christian conscience that men and women who are all equally made in the image of God, should be penalised politically, economically, socially or in any other way on grounds of race; declares its conviction that progressive disengagement from the economy of South Africa is now the appropriate basic approach for the Churches to adopt until such time as it is clear that all the people of South Africa are to be permanently entitled to share equally in the exercise of political power in regard to the whole of the country.

THE ROMAN CATHOLIC CHURCH

Bishops' Conference of England and Wales

Statement on South Africa

Extracts from published document, 27th November 1980

- 1 We, the Bishops of England and Wales, wish to express our concern at the continuation of apartheid, and to comment upon Britain's moral responsibility in regard to the direction of events in South Africa.
2. Apartheid has persistently and repeatedly been condemned by the Bishops in South Africa. No one can be in any doubt about the Church position
- 4 The systematic violation of the human and political rights of the blacks, Indians and coloureds, continues unabated. The pernicious migrant labour system continues to disrupt family life and cause untold suffering. A tiny black urban elite is being formed while rural impoverishment grows in the homelands and rural areas.
- 5 This deteriorating situation in South Africa is of international concern. It is of particular importance to us in England and Wales because of our long association with South Africa; there are continuing ties . . . and developing links through trade and commerce.
- 6 We are anxious that economic ties with South Africa should not contribute to the exploitation of the disadvantaged members of that country. This raises questions about the moral justification for continuing investment in South Africa, unless its effects are regularly reviewed and monitored.

THE COUNCIL FOR WORLD MISSION

The Council met at Cambridge in 1981. It resolved as follows:

- A. The Council re-affirms its abhorrence of the South African policy of apartheid as unjust, unchristian and inhumane, and involving extremely serious infringements of human rights.
- B. The Council continues in support for Christian Concern for Southern Africa (CCSA) in the monitoring of developments in the region and particularly the involvement of British firms in South Africa and Namibia.

C. The Council recommends to all member Churches that they consider what action they can take to increase awareness among their church members of the situation in South Africa, and to support ways in which non-violent but positive changes may be promoted, including making representations to their own governments and to commercial organisations involved in South Africa.

D. The Council resolves to produce material to publicise its views of the South African situation and to introduce a Day of Prayer for South Africa.

E. The Council recognises that all trade in and with South Africa bolsters the government policy of apartheid in that country together with its illegal occupation of Namibia, and

INSTRUCTS the Finance Secretary to sell all CWM share-holdings in companies trading in South Africa, inform the companies of the reason for the CWM disinvestment and seek appropriate publicity.

(CWM then sold shares equal to 50% of its equity portfolio)

THE VOICE OF BISHOP DESMOND TUTU, General Secretary of the South African Council of Churches, in a letter to the proposer of the motion in the Assembly of the United Reformed Church.

The argument that the blacks would be the first to suffer may be true yet there are at least two rejoinders; a cynical one is, when did whites become so altruistic? After all, they have benefited from black misery engendered by low wages, migratory labour etc. for so long. The less cynical is that blacks would probably be ready to accept suffering that had a goal and purpose and would therefore end, rather than continue to suffer endlessly.

The sea is made up of drops of water. What we are talking about is moral decisions and actions. Each little bit of right action matters. We are dealing as much with morals as with economic issues. You do something because it is right, not merely because it will work; we aren't utilitarians are we? Of course we assume that you are serious and will consider more action as and when appropriate but don't put it off until you can do something spectacular. That day may never come. You have only today.

Some relevant publications:

Political Change in South Africa: Britain's Responsibility
British Council of Churches, 1979 80p

Facing the Facts. The United Kingdom and South Africa
CIO Publishing, Church House, Deans Yard, SW1P 3NZ £2.75

Multinationals and Human Rights
Patrick J. O'Mahony Mayhew-McCrimmon Ltd. Essex 1980

South Africa – The Church Speaks
Church and Nation Committee, Church of Scotland Overseas Council,
Edinburgh

Catalogue of publications available from CCSA, London

What Should be Done?

From the above statements it is apparent that there is a strong movement towards disengagement of British firms from South Africa. 'Constructive Engagement' has had little visible impact. Therefore, firms should begin to end their trading relations and dispose of their investments. Christians should urge them to do so. Similarly banks should stop their business relations, particularly in the provision of loans.

SUGGESTIONS

What a Church can do.

- a) Whether it is a shareholder or not, it can press a company to withdraw from South Africa, by writing or sending a delegation.
- b) It can sell any shares it holds and give the reasons publicly.
- c) It can take part in questions at the company AGM, or support a resolution.
- d) It can participate in a boycott of a company's products.

What an individual Christian can do.

- a) Write to church authorities asking what steps are being taken to implement the resolutions in this leaflet.
- b) Examine the situation in the companies they work for (or the committees or institutions in which they serve, particularly in regard to investments) and press for policies which will lead towards *progressive disinvestment*.
- c) Support campaigns which direct public attention to particular situations such as Barclay's Bank or Rowntree-Mackintosh's involvement in South Africa.

Remember that the organisations which have specialised in this field need regular support: they include Christian Concern for Southern Africa, End Loans to Southern Africa, War on Want and others.
Send for further information to the address below.

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2 Eaton Gate London SW1W 9BL (01-730-9611)

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2 Eaton Gate London SW1W 9BL (01-730-3884)

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