

U.S. COUNCIL FOR INTERNATIONAL BUSINESS

UNITED STATES OF AMERICA

15TH FEBRUARY 1985

**ADDRESS TO THE U.S. COUNCIL FOR INTERNATIONAL BUSINESS
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INKATHA AND CHAIRMAN, THE SOUTH AFRICAN BLACK ALLIANCE
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Big business interests in Western democracies, and perhaps particularly in the United States, wield considerable clout in political circles and to some extent big business is a deciding force on its own which can make or break governments in certain circumstances, and which act to shape domestic and foreign policies. I believe this is the case not only because money talks, but because business interests cluster around a great many opinion makers and from local school-boards and church councils to national associations and forums, successful businessmen exercise their proven influence in a wide range of spheres.

The colonial exploitation of Africa was certainly aided and abetted by business interests and the continued neo-colonial exploitation of Third World countries has been traced to business interests, and to transnational corporations in particular.

When I speak to businessmen in Western countries, I am always aware of the clout they carry and I am always aware that they can be as potent in helping in the process of change in South Africa in the future as they have been potent in sustaining the status quo for decades. Businessmen can be and are cast as allies or enemies of fundamental change in South Africa. Those who see the need for South Africa to break away from past capitalist traditions and to move towards a socialist future naturally indict and villify big business as enemies of Third World development, whereas others who do not espouse revolutionary changes towards a socialist future see big business in a different light.

The recent upsurge of American interest in South Africa, and the rising levels of protest against apartheid in the United States, once again puts the spotlight on big business and the role that they can play in South Africa. It is ironic that both those who rely on tactics to isolate South Africa economically and who work towards disinvestment as a strategy, and those who work to bring about radical change within the framework of an expanding South African economy, attempt to solicit businessmen as allies.

In the light of current developments in the United States and the interest that both Congressmen and Senators will display in American legislation related to the South African issue, I feel it is appropriate for me yet again to comment on disinvestment as a strategy and on the use of big American business interests as levers to further change away from apartheid society in South Africa.

As a Black leader responsible to millions who support me in South Africa, I cannot afford to adopt polemic positions, nor can I afford to indulge in rhetoric debate in excursions into unrealism. I know that Utopia will not be produced in South Africa overnight. I know that no matter how repugnant apartheid is, there is no immediate escape from it, and I know that the struggle for liberation in South Africa will yet be long and hard, and that after political liberation Blacks in South Africa will be faced with the monumental task of restructuring society and eradicating poverty, ignorance and disease. There are Black political leaders who seek acclaim by adopting popularist positions among Western liberals who talk glibly of easy or quick victories and of South Africa being turned into a worker State, or a socialist State, and who are given high media profiles as they merge interests with minority lobbies and participate in the internal American political debate. For me, political responsibility dictates that we avoid excursions into polemic unrealism, and that we talk about actualities and discuss what can be done and what cannot be done.

Discussion on the South African issue must, I think, revolve around realities. I understand those Black South Africans who are so dismayed by the continued social, political and economic oppression in South Africa, that they feel the need to abandon the hard work of democratic opposition and who flee the borders of the country to seek military redresses for wrongs against Blacks. I understand despair and anger which leads to violence, and I cannot find it in me to condemn individuals who are so disheartened and discouraged that they espouse violence. However, when I see violence as a failing strategy in the circumstances which pertain, and when I recognise that attempts have been made for over 25 years to mount an armed struggle against apartheid with no real effect, I can not advocate violence as a thing of utility in our circumstances. There are also moral reasons why the employment of violence should be delayed for as long as it is possible to do so. Violence breeds violence, and the employment of violence as an instrument for bringing about change lays foundations for a new society in which democratic stability would be difficult to establish. Life is also a precious gift from God and there are ethical reasons why violence should be avoided for as long as it is humanly possible to do so.

Logistic considerations rule out the successful employment of violence for the foreseeable future. Violence against South Africa's apartheid government will not succeed unless at least three factors coalesce. Firstly, there must be both logistic and international material support for violence to raise it to the level of warfare before Pretoria will really become threatened. There is virtually no prospect of this level of support. Secondly, neighbouring States would have to allow their territories to be used as springboards for the armed struggle and there is as we now know no real prospects of this being the case. Thirdly, even with logistic and material support and even with springboards in neighbouring States, the armed struggle in South Africa will not

succeed unless liberated zones inside the country could be established. This is certainly not foreseeable. This leaves the protagonists of the armed struggle with the option of hit and run tactics, and these have proven to be impossible to mount at the level needed to bring about the downfall of the South African Government.

The armed struggle is simply not a winning strategy in the circumstances which now appertain, and many who recognise this turn to the politics of confrontation and the international isolation of South Africa as an alternative strategy of bringing about change over a relatively short period of time. No single community in the world would succeed in isolating South Africa economically to the extent that the National Party Government would be toppled. If economic sanctions against South Africa are ever to succeed, then we would have to have a concerted international coalition of forces over a considerable period of time. I simply do not believe that we are talking realistically when we talk of such a coalition of forces, and I simply do not believe that Western industrialised societies are particularly structured in such a way that a disciplined international economic vendetta against South Africa could in fact succeed.

The threat of violence and the threat of economic isolation remains, however, something which the South African Government takes cognisance of. They are in fact cautioned by this threat. I recognise this fact but the degree of caution is so minimal that I certainly cannot advocate the economic isolation of South Africa as the primary means of bringing about radical change

I think the Western world must take greater cognisance of the fact that President Samora Machel of Mocambique has signed the Nkomati Accord and that there are now numerous inter-government working committees establishing trade links between Mocambique and South Africa. President Machel's move to expel all South Africans from Mocambique aiming to bring about change through violence and his signing of the Nkomati Accord which establishes a situation of economic give and take between South Africa and Mocambique are not actions which can be traced to sympathy with apartheid. Apartheid is abhorrent to him and he is appalled by the treatment of Blacks in South Africa under apartheid. He has, however, taken the points I am making and both those who cry for the use of violence to topple apartheid, and for the use of economic sanctions against South Africa, should take cognisance of President Samora Machel's position.

There are yet other factors which must be brought into focus. As a Black leader with constituencies involving millions, I am aware of the implications of the statistic that over 50 per cent of all Black South Africans are 15 years and younger. There is a vast Black South African population bulge moving inexorably towards the market place, and there will be hunger and starvation of

unprecedented proportions in South Africa if irreparable damage is done to the country's economic growth base. It must be clearly understood by all that the degree of economic isolation that needs to bring Pretoria to its knees would in fact do irreparable damage to the country's growth base.

Economic development is not something which can be switched on and off. Growth opportunities missed for a decade cannot be recovered in periods of years and would involve generations of endeavour before those growth opportunities were no longer missed. Unlike many Third World countries we in South Africa cannot hope to buy time for economic reconstruction through agrarian revolutions. The vast majority of the country's 22 million Blacks depend on cash, and depend on jobs for their very existence. There is already vast Black unemployment and under-employment. There are vast backlogs in the provision of essential services to Black communities, and there are vast backlogs in the field of housing, education, health and welfare. Millions already live in slum conditions and deeply biting economic sanctions against South Africa will condemn a great many millions and a whole new generation to continue living in appalling slum conditions.

I do not believe that Black South Africans support any tactics and strategies which would further impoverish millions of Blacks now and which would create the circumstances of impoverishment for a whole new generation to come.

When I count the few blessings that we as Blacks have, I count among them the fact that we have before us the histories of numerous struggles for liberation in Africa and the Third World. These histories teach us that the struggle for political liberation is but a first step towards a longer and more arduous struggle to make life decent and rewarding for ordinary people after political liberation. It is only dangerous naivety which believes that radical change can wipe the South African slate clean and that it is possible for societies to leap from a deprived past to a Utopian future.

When I look up and beyond the immediate South African situation, and when I turn to see South Africa in the context of Southern Africa, I become even more convinced that Black South Africans would err grievously if they destroyed the economic growth base of the country in the process of liberating themselves politically. Our land-locked neighbours Lesotho, Swaziland, Botswana are impoverished and struggling to make life meaningful for people there. Our other neighbours, Zimbabwe and Mocambique which have waged successful armed struggles against oppression, share that impoverishment and together all our neighbours are deeply and vitally dependent upon Black South Africans managing their struggle for liberation with wisdom and fortitude and their doing so without destroying the foundations of the future.

In the final analysis, every people have the right to choose their own form of government and to choose the social and economic orders under which they prefer to live. For me as a South African, given the circumstances of my country, and given the lessons which the history of those around me teach, I must regard the free enterprise system as one of Black South Africa's potent allies in our struggle for liberation. We do not have a free enterprise system in South Africa and the fact that apartheid society militates against a truly free enterprise system misleads many to believe that free enterprise is wrong for us. It is the apartheid shackles on free enterprise which must be removed and not free enterprise itself. Across the length and breadth of the world the free enterprise system has given evidence of its potency as an agent of development in circumstances where its freedom has been left intact.

If American businessmen have a positive role to play in South Africa, it is not to use their economic clout in acts of withdrawal. It is to use their economic clout in acts which purge the South African economy of the limitations which hamper the evolution of a free enterprise system. There is already in existence such a total White dependency on Blacks that the many limitations placed in the past on enterprises in South Africa have had to be lifted. Right now the rand is struggling at a record low level against the dollar, and right now there is a dramatised dependence of the South African economy on the Western industrial world. My plea to businessmen in the United States is to stand with those who are in the struggle for liberation and who have nowhere else to go. My plea with them is to enter our arena and to employ their collective power to liberalise the South African economy and to move the country as rapidly as can be done towards accepting free enterprise as a necessity for survival.

Disinvestment and divestment would rob American businessmen of the positive role they could play. To me it does not make sense to call for disinvestment and divestment because American companies are seen not to have played the positive role they should be playing. To remove the circumstances in which American companies could do that for which they are criticised for not doing, to me just does not make sense.

I have supported endeavours such as the Sullivan Code, even if I recognise the Code as it was formulated at the outset, and even as it has been since modified, is inadequate. Far more energy and attention should be devoted towards extending the Sullivan Code to make it mandatory and more biting, rather than more energy being spent making the Sullivan Code irrelevant by removing the right of American businessmen to invest where they desire to invest and the right to make those investments as responsible entrepreneurs.

I know of no Black South African leader who has returned to the country after campaigning abroad for disinvestment who has ever

been acclaimed by a Black mass meeting for the endeavour. When I go to Soweto, which houses the largest urban concentration of Blacks in the industrial heartland of South Africa, to hold mass rallies which are attended by Black workers in their tens of thousands, I receive standing ovations for saying what I am saying today. Inkatha is the largest Black political movement ever to have developed in the country. It has nearly a million card-carrying members and there are many millions more who support Inkatha who are not paid-up members. Every year I ask Inkatha's Annual General Conference as its supreme decision-making body whether delegates continue to support responsible foreign investment in South Africa. Every year unanimous resolutions are passed endorsing what I have to say on the matter. Inkatha is a democratic organisation and I speak with the voice of the people when I reject disinvestment which would hurt Blacks without making a real contribution towards bringing about change. Businessmen in America can be quite assured that disinvestment and divestment is not an option which Black South Africans are asking them to exercise.

My plea to businessmen present today is to help us to struggle against oppression by being there in the struggle with us and by assisting us to create the circumstances in which Black vertical mobility can proceed apace and in which Blacks can increase their bargaining power as workers and consumers. American businessmen can play a meaningful role in helping to extend Black worker rights in South Africa, and they can also play a meaningful role here in the United States by lobbying for higher levels of aid programmes which would add meaning to President Reagan's policy of constructive engagement. If Americans as citizens of the greatest democracy on earth do not heed the plea of millions of Black South Africans and impose on them conditions of worsening suffering which they are not asking for, then American democracy will be seen by many of us as less meaningful than we hoped it would be.
