HULL UNIVERSITY

FINANCES THIS

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REPORT OF UNIVERSITY SPECIAL COMMITTEE 29.7.72

"All members of the University, both staff and students, have absolute right to express their own views on any topics whatsoever."

Nice words, and nice sentiments, but not always the practice. In reality the University is very reluctant to discuss its investments with us. This session it has attempted to filibuster its way through to the end and even when it agreed to read the paper we presented on disinvestment it refused to allow us to attend the meeting. Basically, the University doesn't believe in the continual debate that democracy thrives upon. Rather it believes the best way to win an issue is not to discuss it, or to discuss it without the opposition being present. If this is what is meant by the right to express our own views then we might as well not have that right. We will be allowed to attend the Finance meeting which will ratify the Investment Committee's decision, but by then the discussion will merely be window dressing to a rubber stamp.

THE STORY SO FAR

The students of Hull University have a long and distinguished history of opposing apartheid where it is most obviously and locally supported - in the administration building. The University has a huge financial link-up with Reckitt and Colman. Basil Reckitt is Chairman of University Council and various appointees are to be discerned in the multitude of committees. Many companies operate in South Africa, but to Hull University Reckitt and Colman is the most noticeable, since the University has 4 million shares in it. Subsequently the campaign for disinvestment has often become one of anti-Reckitt and Colman. The sit-in in 1972 (at the time 2,000+ students voted in a Union meeting for it) was directed mainly against Reckitt and Colman. Today we see
the need rather to pursue the wider issue, while remembering that Reckitt and Colman are a large part of this, and we call for total disinvestment. The 1972 sit-in did not force the sale of Reckitt and Colman shares - it opened the issue, provoked debate, but in reality failed. Many of the arguments put forward by the University then are clearly not tenable today. They have been challenged by the march of time and clearly defeated, and what this pamphlet will do is to explain what the future of the campaign is, and what we should be doing about it.

WHY SOUTH AFRICA?

Since the establishment of a Dutch outpost in 1652 at the Cape, we have seen a continual consolidation of white rule. Indeed all of Africa was controlled by the white man but the developments in Southern Africa have been different from many other colonies. The Afrikaaner developed as an indigenous white population owing its allegiance not to a foreign king or queen, but to itself. In the context of a doctrinaire religion a reformed slavery ethos was formed and developed. Ideologically this was sustained by the Dutch Reform church and politically it became articulated by the Nationalist party, which gradually won support among the white working class. If class loyalties were the overriding factor the white worker might develop in a particular way, but they were not. Instead, the white workers became a labour aristocracy and as such racism and nationalism dominated. By 1924 the South African Labour Party cooperated in government with the Nationalist Party and the bond was secure. At the same time, the opinion of black workers was only tolerated via puppet organisation and any genuine grievances were seen as dangerous and manifestations of them were viciously suppressed. When the African groups subsequently chose to strike and boycott, the Nationalist Party introduced the Suppression of Communism Act which has been effectively used as an
umbrella measure of draconian proportions. We have thus seen varied types of resistance met by varied types of suppression. In 1977 political rights for the black population can only be envisaged in line with a fundamental shift in the balance of power. The 1960's saw the emergence of a liberation movement which was forced to take up arms, but little attention was paid to this in the west until the overthrow of Caetano in Portugal. Since this date Mozambique and Angola have been freed and there remain only three white minority regimes - Zimbabwe, Namibia and, of course, South Africa. With the changed circumstances the balance of forces have tipped dramatically and it is in this light we must see the Kissinger solution and the Geneva talks. The circumstances have altered so much in the South that it is difficult to envisage the continuation much longer of the Smith regime, and ultimately that of Vorster.

APARTHEID - AN IDEOLOGY

Apartheid means white only buses and black only buses; it means white park benches and black park benches; it means white cinemas and black cinemas; but it means much more.

The Broederband, a secret society formed in 1918 backed by Afrikaaner big business, aimed to produce an Afrikaaner culture to underpin the possession of political power. Backed by Calvinism an institutionalised racist system of apartheid was developed, which subsequent governments have only marginally modified. Basically for the people of South Africa, apartheid means power, or lack of it. Economic and political power lies in the hands of the white minority and while the middle class has an extremely high standard of living, the working class is rewarded too by the position and is goaded by the fear of the consequences of black power. In reality apartheid serves as a means of securing a high return on
capital since basically it produces a cheap proletariat. Low wages mean low costs mean high profits. Since apartheid is linked with the economic system to undermine the latter is to weaken the former.

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**Condition of blacks**

<table>
<thead>
<tr>
<th>Wage differentials</th>
<th>R. per month</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>White</td>
</tr>
<tr>
<td>Mining</td>
<td>700</td>
</tr>
<tr>
<td>Construction</td>
<td>472</td>
</tr>
<tr>
<td>Chemicals</td>
<td>510</td>
</tr>
<tr>
<td>Agriculture</td>
<td>244</td>
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**Educational Expenditure**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Whites</td>
<td>272.7 R</td>
</tr>
<tr>
<td>Africans</td>
<td>8.62 R</td>
</tr>
</tbody>
</table>

**Infant mortality per'000 births**

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<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Whites</td>
<td>13.7</td>
</tr>
<tr>
<td>Coloureds</td>
<td>127.1</td>
</tr>
<tr>
<td>Asians</td>
<td>35.6</td>
</tr>
<tr>
<td>Africans</td>
<td>269.2</td>
</tr>
</tbody>
</table>
The living conditions are poor for the black, the life expectancy low and, as Vorster has consistently said, there will be little change. "The blacks are working for us, they will continue to work for us for generations." (Vorster: House of Assembly 1968) If blacks have moved into jobs previously in the possession of whites, it is only because of a shortage of white labour which pushes the threshold marginally upwards. The opinion of Vorster's predecessor, Verwoerd sums up the attitude of the Nationalist Party, "There is no place for him (African) in the European community above the level of certain forms of labour." In reality the material conditions of most blacks are not improving at all and their lack of civil liberties are remaining as glaring reminders of their subservience. As to the future...."I want to say...to all leaders of the black people, if there are people who are arousing your hopes that there will one day be one-man one-vote in the Parliament for you, then they are misleading you because that will never happen." (Vorster 16.11.75)

There can be little doubt that the material conditions are poor - the wages, the pass laws which mean the arrest of hundreds of blacks every week, the violence - it all adds up to form the landscape of the most diseased society in the world.

VIOLENCE - AND WHO PROVIDES IT

For apartheid to continue, totalitarian states have been formed. Remember Vorster's statement, "In Germany they called it National Socialism. In Italy they called it Fascism. Here in South Africa we call it Christian Nationalism." To protect themselves a large paramilitary police force has been formed, armed by the west despite an explicit U.N. arms embargo.
Anyone who has seen newspaper and television photographs of the South African police in action in recent months must know they are not kindly men helping old ladies across the road, they are an armed force capable of torture, indiscriminate shootings and legitimised thuggery. They are armed by Britain, France and the U.S.A. In 1964 the United Nations Security Council voted unanimously to call "upon all states to cease forthwith the sale and shipment to South Africa of arms, ammunition of all types, military vehicles and equipment and material for the manufacture of arms and ammunition in South Africa." In 1974 the Labour Party manifesto claimed that arms were no longer being supplied to South Africa. In point of fact, a number of British firms supply weapons, e.g. Marconi. The government refuses to tighten up loopholes and when the U.N. Security Council debated a mandatory arms ban in 1976 Britain voted against. As a nation we profit from bullets and guns - from deaths and mutilated corpses. We have a stake in the arms trade a major stake, but should we keep it? In the final analysis we must realise that British arms - and British police equipment comes under this - are used against the black protester and dissident. We have a choice, but if we continue to supply South Africa it should only be because we support the continued existence of apartheid.

SOWETO

Soweto - a name you have no doubt heard - is an indication of what happens when the black makes a point. The killings by the police have no equal in South Africa's history - the killing of little children - the rivers of blood - all indicative of what apartheid means and how it protects itself. The means of terror, of course, were at least partly financed by you and me and our community.
Apartheid has yielded profits - super profits - for foreign firms. "During the 1960's capital investment from the U.K. and U.S. earned, on the average, profits of over 11% and 18% respectively. These figures are unmatched anywhere else in the world." (R.Barro and A.Entralgo, South Africa: Transnational Enterprises and Apartheid) Clearly profit has drawn the British company director to South Africa like the moth to a candle. What needs to be seen is the scale, and the effect of this investment. No one has supported apartheid's development more than the British. Over 500 U.K. companies invest in South Africa, one in ten Tory M.P.s is a director of firms with subsidiaries in South Africa, and NATO sees South Africa as a major link in the defence of the west. Given these factors it is not surprising that British governments have not gone out of their way to attack apartheid. British investment is vital to the existence of the present regime, without it the economy would crumble. The scope of British firms is enormous - 22% of imports are from the U.K. and 29% of its exports come here. By far the largest South African company - the African Explosives and Chemical Industries - is linked to I.C.I. The largest food company is owned by Associated British Foods. The biggest oil refinery is owned by Shell and B.P. jointly, and so the list goes on. There can be little doubt that because South Africa is so dependent on foreign capital, steps to withdraw must have an impact on the economy and the political system on which it is based. In the latest South African budget the economy was seen as resting on 3 pillars:

(1) I.M.F. not depressing the value of gold,
(2) a general revival in world trade,
(3) a continual flow of foreign capital into South Africa.

It is the third which we are concerned with and which we can have a direct impact upon. As the Financial Mail reported (2.7.76), "Without substantial foreign
money - at least R1,000 million a year - South Africa cannot finance its traditional current account deficit nor achieve the economic growth to maintain employment."

By weakening the economic structure, by destroying the basis of the system, the political stability of South Africa will be further shaken - and its eventual collapse encouraged. It is that stability which maintains apartheid.

WHY DISINVESTMENT

Disinvestment means the shedding of shares of those companies that operate in South Africa. It is based on the belief that by economically supporting a country you are morally condoning action and are being instrumental in the continuation of the regime. It is a belief shared by black people in South Africa. A University is a multi-racial community, one based on enlightenment and dedicated to the furtherance of knowledge. In South Africa a major section of the population is excluded from education, a major section is excluded from moral dignity. The University has a duty to express its opposition to such a position just as the Church has done, just as the N.U.S. has done, and just as 2 of the major political parties have done. By disinvestment a moral stance will have been taken, something that is not undervalued by people actually in South Africa who do get to hear of these actions in this country. What is more, the impact in this country as a means of raising the issue will be enormous. Disinvestment is thus clearly a goal for all those genuine in their concern.
The 'liberal' thesis has existed that we aid development in South Africa by our presence, but this is patently untrue. The theory basically contends that British firms are a force to change, weaken apartheid, and thus encourage radical change.

Firstly, history does not support this. Since 1950 American investment has increased by six-fold, yet Africans have lost all parliamentary representation and the A.N.C. has been banned. Violence against the black has increased and in recent years the gap in the standard of living has been widening between black and white.

Secondly, even if British firms desired to be a force for change, they are not free agents but are governed by the laws of the country. If the South African government decides terms of investment, conditions of staff etc. then British companies obey.

Thirdly, their record is not good. In 1973 the Guardian exposed the myth. The Labour government reacted and investigated, publishing the Fifth Report from the Expenditure Committee on wages and conditions of Africans employed by British firms. This reported starvation wages and abysmal working conditions. Unashamed, the chairman of the U.K. South Africa Trade Association said to the committee of investigation, "There is a tendency with black Africans, if you pay them more money to put in less time, he will absent himself as soon as he gets enough.... we do still live in a capitalist world and we do expect to get a return on our investment, which we do not if we pay a high wage to incompetent labour." In general the results indict Britain but little has happened since. In November 1976 the Guardian followed up the report but only 19% of firms replied, and of these 22% paid below M.E.L. (minimum effective level), that target set by the government.
Fourthly, in the field of safety at work little has been done by British firms. Black trade unions cannot be registered and black workers are not allowed to join registered white unions. Those that disobey are detained - or worse.

In fact there seems little substance to the belief that British presence is a plus factor, but perhaps it is best to leave the last word to the Tory Bow Group (in Accessories to Apartheid), "Thus, on the whole, in economic terms market forces have not led to the erosion of apartheid but have worked within the system to result in an increase in the disparity between whites and non-whites..... The free market school of thought is really an inexcusably cynical approach to what is essentially a human problem... At the moment British companies in South Africa are not doing credit to British civilisation."

BLACKS WILL SUFFER BY DISINVESTMENT

This is something those who say apartheid is nasty often drag up as a cover for total inaction. It ties in with the belief that British companies are a force to change but further goes on to argue that to act against South Africa will hurt those at the bottom of the ladder most.

Hull University Vice Chancellor (30.1.72): "The loss of British interest and investment would worsen the lot and reduce the educational opportunities of the African people. Withdrawal of enlightened British interests from South Africa could, in the long run, do considerable harm to the Africans themselves."

In reality huge British holdings in South Africa prevents the taking of an independent stance on the question of apartheid. We are forced by the logic of our position to side, not with the peoples of South Africa, but with the status quo. By cutting the links that bind us it is easy to see we will be better able to argue a position
not influenced by self-interest or economic returns. The question will then come down to whether or not it is objectively in the interests of blacks for us to disinvest. On this point the Black People's Convention, the South African Students' Organisation, the African National Congress and the South African Congress of Trade Unions are united. As Chief Luthuli, Nobel Peace Prize Winner, said in 1963, "I would urge you....be not deterred from any action by the excuse often advanced by our oppressors, that boycotts and sanctions will bring us blacks suffering. We have been the victims of suffering long before our boycott and sanctions call to the nations of the world. We are committed to suffering that will lead us to freedom."

As a solidarity movement it is our job to back up those in the front line - those who are suffering, and if they want disinvestment let us support them.

THE HULL CONNECTION

Hull University has a major stake in apartheid, as outlined below:

<table>
<thead>
<tr>
<th>Company</th>
<th>No. of Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reckitt and Colman</td>
<td>514,224</td>
</tr>
<tr>
<td>Barclays Bank</td>
<td></td>
</tr>
<tr>
<td>Boots</td>
<td>12,350</td>
</tr>
<tr>
<td>Bowater Paper</td>
<td>2,728</td>
</tr>
<tr>
<td>B.I.C.C.</td>
<td>8,696</td>
</tr>
<tr>
<td>J.H.Fenner &amp; Co.Ltd.</td>
<td>26,445</td>
</tr>
<tr>
<td>G.E.C.</td>
<td>12,625</td>
</tr>
<tr>
<td>Guardian Royal Exchange</td>
<td>4,167</td>
</tr>
<tr>
<td>I.C.I.</td>
<td></td>
</tr>
<tr>
<td>Metal Box Co.</td>
<td>7,812</td>
</tr>
<tr>
<td>Midland Bank</td>
<td>6,558</td>
</tr>
<tr>
<td>Racal Electronic</td>
<td>8,850</td>
</tr>
<tr>
<td>Shell Transport &amp; Trading</td>
<td>3,744</td>
</tr>
<tr>
<td>Unilever</td>
<td>5,050</td>
</tr>
<tr>
<td>United Drapery Stores</td>
<td>10,208</td>
</tr>
</tbody>
</table>
The connection of the Reckitt and Colman company with Hull is perhaps important when considering disinvestment. To sell for moral reasons is to sell Reckitt and Colman because they are wrong to be in South Africa. The company is being mistaken in its position and yet the Chairman of Council is Basil Reckitt. The difficulties in getting the University to sell while the family is so inextricably linked with the University hierarchy seem great. The sale of the aforementioned shares would thus be a great breakthrough for reason and justice. The University justifies its maintenance of shares, at least partly, by arguing that these companies benefit the black. Further, in a letter to me dated 10.12.75 the Vice-Chancellor explained, "The University has taken pains to satisfy itself that the companies concerned provide satisfactory conditions for their workers." The University can only satisfy itself that any conditions are satisfactory. In March 1973 the University of Natal estimated that in Durban the PDL (poverty level) was in fact 21.7%. On this reckoning, 75% of Reckitt and Colman workers at their Mokeni (Durban) factory were living in poverty. MEL (minimum effective level) is approximately 50% above PDL and was recommended by the House of Commons as the target for British firms as a minimum. At Durban 4.9% of Reckitt and Colman workers reached it. These wage rates became effective after Reckitt and Colman first reported to the committee. The Vice-Chancellor nevertheless is happy.

A brief word might be said of one or two of these companies and their operations.

Racal Electronic: it is the world's leading supplier of radio manpacks and tank radios. Well over half Racal's South African production goes direct to the armed services.

ICI: the teargas used by the police is manufactured by African Explosives and Industries Ltd. This is 40% owned by ICI.

Barclays Bank: as well as being a leader in the financial world in South Africa, Barclays recently purchased £6½ million of defence bonds.
The connection does not only include those who trade in arms but those whose violence is in the wage rate and working conditions, e.g. Metal Box Co. To be in South Africa is justification enough to attract our anger. These companies are at the base of the regime and should not be financially supported by a seat of learning.

**N.U.S. and SOUTH AFRICA**

The question of South Africa has been taken up in a big way by the N.U.S. and the disinvestment campaign has found some success. Bath and Loughborough this session have sold their South African shares after student pressure and the issue is being fought at a number of universities up and down the country. Each victory makes the task for others easier. Victory at Hull would be a spur to other universities.

**THE FUTURE**

We can see the liberation struggle moving into a new phase, but what will be the response of Britain. When Angola was the scene of struggle the press identified a Red threat and there is a clear danger of this type of attitude developing over Zimbabwe and South Africa. The kith and kin argument will constantly be shown to us - after all are we not traditional allies and don't we all share a hatred of the creeping threat posed by communism? It is for us, those who see the real nature of apartheid, to identify what is needed. At first it is essential to identify the problems and evoke a response. We must make sure that the message gets over. After identifying the nature of the problem it is essential to point the ways that the white regimes may be weakened. The Kissinger shuttle, the Geneva talks, the Richard proposals, have been lauded by the press but rejected by both sides. As a solidarity movement what we must do after making the public aware is to activate them. The sale of arms is an obvious target to be highlighted. Less easy is the campaign.
around disinvestment, around boycotts of goods, and around British government directives to firms not to invest. The so-called beneficial influence thesis must be defeated - the arguments exist. At the same time we should raise material aid for the liberation movements to use in the coming period. The path to follow is simple.

WHAT TO DO

DEFEAT COLLABORATION

a) Join Anti-Apartheid Movement
b) Fight for University and local authority disinvestment
c) Boycott South African goods
d) End military links
e) End sporting links
f) Pressurise the government into taking action
g) Highlight the problem with selective activities - e.g. the Boycott Barclays campaign
h) Raise material aid

DO IT NOW!

No campaign is easy, particularly one where a powerful nation is being taken on. That can, however, not be an excuse for stepping back and remaining aloof. As students we are part of a society and thus are partly responsible for actions of that society. We have a right as citizens and a duty as thinking people to agitate for a change in policy in Britain. What is required is a broad based campaign to support the oppressed people. If you care - act.
TSIETSI MASHININI - PRESIDENT SOWETO STUDENTS REPRESENTATIVE COUNCIL:

"The people must understand that the racist regime is dependent entirely on Britain and other countries for arms and if they don't support the racist regime it is entirely their duty to ensure that Britain cuts all relations with South Africa."