

EDITORIAL/OPINION

A Call for U.S. Disinvestment

Time Is Running Out in South Africa

By John Conyers

There is now only one responsible course that the United States can take in South Africa: disinvestment.

U.S. economic investment in South Africa offers the majority of South Africans little relative benefit, but directly and materially strengthens the system that so violently oppresses them. This is inconsistent with our principles. In the eyes of the oppressed majority, foreign firms are mere bricks in the wall of apartheid. This is inconsistent also with our long-term interests. We must now get out — all the way out — while doing so can still be perceived in a positive light.

The United States today is the largest trader, second largest foreign investor, and the source of one-third of all international credit in South Africa. Those who argue that disinvestment would hurt more than help the oppressed black South Africans misperceive the fundamental nature of our investment in that country.

U.S. FIRMS employ approximately 66,000 black South Africans — less than 1 percent of the entire black South African population. At the same time they control 70 percent of the computer market, 45 percent of the oil market, and 35 percent of the automotive and truck market, all of which together constitute the jurgal vein of this highly sophisticated garrison state. While U.S. investment may provide employment for a relative few, millions upon millions of South Africans have become measurably worse off during a period in which foreign investment has increased.

Studies conducted on the relationship between foreign investment and the easing of apartheid, including one by the Carnegie Foundation, consistently tell of the fortification of the apartheid structure, increases in black impoverishment, and the general intensification of violent repression that has accompanied foreign investment in South Africa. One study by Charles Simkins of Capetown University, for example, found that the number of people below a minimum living standard on the government-created "homelands" increased from 4.9 million to 8.9 million from 1960 and 1980, a period in which our investment increased approximately 90 percent.

It is against this backdrop that there has been widespread support for disinvestment not only in the United Nations but also in South Africa. Black labor, religious, and political leaders have taken the lead in this drive despite the threat of severe retribution by the state. The two largest black trade union federations, the Federation of South African Trade Unions (FOSATU) and the



Council of Unions of South Africa (CUSA), both recently issued strong statements calling for foreign disinvestment. Labor leaders in particular have spoken out against foreign investment because of the fortifying impact it has on a system that separates black workers from their families and pays them less than one-sixth the wages of their white counterparts, offering foreign firms a low-wage haven.

While the South African government continually insists that disinvestment will have no impact on the repression and violence in South Africa, it has vigorously fought against it, hiring a vast array of lobbyists to battle disinvestment legislation in the United States, and, under its Terrorism Act, making the advocacy of disinvestment in South Africa an "act of treason," a crime that can be punishable by death. Indeed, it was only after the threat of disinvestment had been developed in Congress, that Pretoria, for the first time, took any concessionary steps — announcing, for instance, the suspension of the homeland policy in which the government violently evicts families from their communities. Through these and other actions, Pretoria has unwittingly made it abundantly clear the extent to which disinvestment threatens to undermine the apartheid system.

TIME IS running out in South Africa for the fanatic white minority and its ingenious and malevolent mechanisms by which it creates phantom "homelands" and administers the legalized enslavement of 22 million blacks. If Sen. Edward Kennedy, one of the most vocal anti-apartheid American leaders, was

forced to cancel his speech in Johannesburg because of increasing distrust and resentment of Americans in South Africa, how will U.S. firms be treated as the tendencies toward violent civil war increase on a daily basis — firms which in the South African's eyes are in tacit collusion with the apartheid machine? The managing director of Goodyear Tire and Rubber Co.'s South African subsidiary predicts that, "foreign companies are going to be the target. That is where the dissident blacks will focus. We are right in the tinderbox."

The choice is clear. To remain in South Africa is to reinforce the tendencies toward a violent and bloody civil war, to risk alienating the hearts and minds of the South African people, and to make it more likely that the inevitable post-apartheid government will for generations be a foe of the United States, in which case U.S. firms would then be forced out on a one-way ticket. To disinvest, on the other hand, is to assert ourselves clearly on the side of the South African people, a policy which will be consistent both with our principles and long-term interests.

We must now constructively disengage from South Africa. The longer we wait, the less able we will be to extricate ourselves nobly and intelligently from this dangerous situation. We must not repeat the myopic mistakes of the past. Our national values and interests are on trial. Common sense requires withdrawal.

Congressman John Conyers is a Democrat from Michigan's 1st District.

Reprinted with the permission of the Detroit News.



Weldon Powell Honored

A. Weldon Powell, a 19-year member of the Portland chapter was honored with the chapter Service Award of the Association of Government Accountants (AGA) in ceremonies at the Annual Professional Development Conference in the Town and Country Hotel, San Diego, California, on June 26, 1985.

The chapter Service Award is conferred on individuals who are active members of the Association for consistently important contributions to the development and enhancement of a chapter over long periods of time.

The award was presented by AGA National Pres. Harold L. Sturgart.

In the accompanying citation to the award, it was noted that Mr. Powell of the Portland chapter, has been a driving force and a good example for the newer chapter members to follow. While retired, Mr. Powell continues to be an active chapter member, bringing a sense of history and a commitment to service. His very successful small business training programs and his service as secretary and historian reflect his absolute dedication to the chapter.

Mr. Powell resides in Portland, Oregon.

Healthwatch

(Continued from page 10)

show important relationships between diet, life style and health. There is room in America for low cost programs in prevention as well as high cost, high tech medicine which has already exceeded the financial abilities of over one quarter of our population.

Lung cancer and the millions of deaths that have resulted from its' lethal grip, represent one of the saddest occurrences in America today. Not only do we lose loved ones through the agonizing course of irradiation and chemical therapies (that remain unproven regarding an increase in real survival), but by virtue of our miopic focus on finding a "cure" through drugs, we ignore the most important factors such as prevention, alternative modes of treatment, and a change of national tobacco policies.

Next Week: Conclusion of this discussion on lung cancer, why the American Cancer Society has failed to produce effective new approaches to lung cancer, and the direct relationship between tobacco subsidies and death.

• **WAKING RICH.** That's what charitable organizations may find themselves doing if they try a car waxing fund-raiser. page 2

Far East Trade Class

by Robert Lothian

Small business owners are getting some tips on Far East trade opportunities in a summer course sponsored by Marylhurst College.

How to trade with Japan, China, Korea, Taiwan, Hong Kong and Singapore will be covered in depth by local experts and executives with many years of experience. Career opportunities will also be discussed.

The course offers nuts and bolts information that mystifies the mechanics of business in the Far East. Such information is increasingly valuable as Oregon develops ties with a sister state, Fujian, in China. Oregon already has long-standing ties with Japan and other Pacific Rim nations.

According to Dr. Jim Manning, director of the International Trade and Commerce Institute at Portland State University, a Fujian trade delegation came to Oregon recently ready to spend \$368 million.

"They take the sister state relationship very seriously, they want to do business in Oregon," said Manning. Over \$15 million worth of Oregon goods have already been shipped to Fujian, he said.

The Chinese are turning more than ever before toward capitalism, and they are willing to bend the rules to negotiate deals with American firms, especially for high technology items, Manning said.

He retold the China experience of Oregon high tech magnate Norman Wittingstad. Wittingstad wanted to fly his executive jet over China but officials said no. They compromised with an agreement that he could fly with a Chinese co-pilot.

Manning spoke during the first session of the class at the U.S. Bank Plaza downtown.

The International Trade and Commerce Institute is available as a resource to local businesses, said Manning. An economic mission to

China with ten Oregon firms is planned for November, he added.

Marylhurst professor George Golson said business owners must learn something of the history and culture of Far East nations if they expect to trade successfully with them.

Two things to keep in mind about Japan, he said, are the Shintu religion and feudal clanishness.

Shintuism demands respect for elders and authority. Clanishness shows up in the interlocking relationships of Japanese corporations and banks.

"It's a type of feudalism that has come down through the ages," said Golson. "They channeled it back into economics and it works very well, making them very difficult to compete with."

Doing business with a Japanese firm means learning Japanese or hiring a translator, said James Mongrain, a Far East trade specialist with U.S. National Bank of Oregon. All forms used by the Japanese in their transactions are in their language, an outgrowth of their market success, he said.

Business owners should travel in the Far East and take six months or more to learn, said Mongrain. "They want to get to know you."

Particular attention should be paid to currency exchange rates and fluctuations, which can turn an otherwise profitable deal into a loss, he said.

But you won't have that problem in the city state of Singapore — the currency there follows the dollar and has destabilized by only 35¢ in ten years, according to Mongrain.

Something to watch for in doing business with China, he said, is that all transactions go through the central bank, which means that it can take up to 35 days for the money to come through.



whatever
your
pitch...

you make your best hit with us

Make a grand slam in sales through newspaper advertising! We're your best bet as far as readership (the bigger our circulation, the larger your audience!), economics (it's the most economical way to promote business), and effectiveness (you'll get results you can bank on!). Let's discuss your advertising future soon!

PORTLAND OBSERVER
OREGON'S AWARD WINNING BLACK NEWSPAPER
288-0033

Portland Observer



The Portland Observer (USPS 959-680) is published every Thursday by Exie Publishing Company, Inc., 1463 N.E. Killingsworth, Portland, Oregon 97211. Post Office Box 3137, Portland, Oregon 97208. Second class postage paid at Portland, Oregon.

The Portland Observer was established in 1970.

Subscriptions: \$15.00 per year in the Tri-County area. Postmaster: Send address changes to the Portland Observer, P.O. Box 3137, Portland, Oregon 97208.

MEMBER
NATIONAL NEWSPAPER
Association - Founded 1885

Alfred L. Henderson, Editor/Publisher
Al Williams, General Manager

National Advertising Representative
Amalgamated Publishers, Inc.
New York



288-0033

PORTLAND OBSERVER \$15 for one year
\$25 for two years

Box 3137, Portland OR 97208

Mr _____
Mrs _____
Ms _____
Miss _____

Street _____ Apt _____

CITY _____ STATE _____ ZIP _____

CLIP IT
TO START THE PORTLAND OBSERVER COMING EVERY WEEK

CRAIGO'S MARKET
Holiday Special

Spareribs \$1.79 lb.

Chicken wings..... .99
Ribs..... \$1.79 lb.
Western Family charcoal..... \$2.89
Mustard greens..... 39¢
(While they last)

And always remember, when you're low on gas, Craig's Delivers!

106 N. Beech
Phone: 280-0434