

# What the papers say

THE South African public should have no illusions regarding the seriousness of the disinvestment issue. Both English and Afrikaans newspapers are following developments in detail.

Of considerable interest is the operation of the Sullivan Code of Conduct for American firms operating in South Africa.

The code, developed in 1977 by the Rev Leon Sullivan, a Baptist preacher and social activist who has a seat on the board of General Motors, has recently come under fire from various quarters.

Its purpose is to establish fair employment practices in South Africa and to channel US business resources into activities that promote social and economic improvements for Blacks.

Chief Buthelezi has said publicly both in South Africa and in the United States that while applauding its principles, he believes its "monitoring" structure should be reassessed.

Its founder, Mr Sullivan, no longer believes adherence to it should be voluntary and is backing congress moves to make it mandatory. As a result, the US State Department is said to be "putting pressure" and "twisting arms" to get US companies to sign the code voluntarily.

However, a Washington study by a research organisation with close ties to the Reagan Administration, the Heritage Foundation, says the code has created a controversial backlash with



major foreign and domestic policy implications for the US.

The code is regarded by some companies as "low grade blackmail..." according to the report.

By 1983, 146 of the 350 US companies in South Africa had become Sullivan signatories and had spent more than 78-million dollars in pursuit of the principles' goals.

Complaints have risen because the participants have to deal with long questionnaires on their activities in South Africa and must submit to an

annual audit and pay high fees.

Many have had to spend more than R160 000 in the paperwork alone — only to receive a failing grade from the auditors.

Some have refused to invest in the time and money and as a result 30 of the 146 signatories were dropped from the Sullivan list in 1983.

Companies with "falling grades" can be the targets of disinvestment action and there is a "reflex action by the media to brand them racist" says the report.

## REAGAN SAYS US WILL WORK FOR CHANGE

PRESIDENT Ronald Reagan says his administration intends to continue working "steadily and quietly" with South Africans opposed to apartheid to help change the system.

In a recent interview the President said he felt this policy was making some progress towards changing the South African political system.

Meanwhile the Washington Times reported the results of a public opinion poll which indicated that most Americans either did not know or did not care about the anti-apartheid demonstrations outside the South African Embassy in Washington.

The Washington Post reported that the dollar figure of US-South African trade last year was 4.5 billion dollars.

Listing South Africa's mineral exports, the article said nearly half of the foreign uranium delivered to the US Department of Energy for enrichment came from South Africa or Namibia.

In South Africa newspaper reports says the Government is preparing for the "economic shock of disinvestment."

In a series of private meetings with businessmen, a senior



official of the Foreign Affairs Department has warned them to brace themselves for the blow.

Early in February it was reported that New York is to become the first US city to act against the purchase of South African goods and against South African-linked businesses and banks.

A spokesman for the American Committee on Africa said many other cities were poised to follow suit.

The UN Secretary-General, Mr Javier Perez de Cuellar, has also transmitted to the UN Security Council a proposal by the General Assembly that it considers urgently the imposition of mandatory economic sanctions against South Africa.