



REPUBLIC OF SOUTH AFRICA . Commission of Inquiry
into South African Council of
Churches.

REPORT

OF THE

COMMISSION OF INQUIRY

INTO

SOUTH AFRICAN COUNCIL OF CHURCHES

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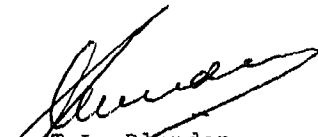
TO THE STATE PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA, MR M VILJOEN

May it please you:

We, the undersigned, who were appointed under your hand as Chairman and members of the Commission,


C.F. Eloff

Chairman


T.L. Blunden

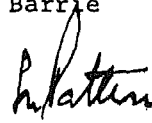
Member


P. Oosthuizen

Member


F.G. Barrie

Member


S.A. Patterson

Member

have the honour to report as follows:-

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PART I: INTRODUCTION

1. APPOINTMENT, TERMS OF REFERENCE AND COMPOSITION

The Commission was appointed by the State President on 20 November 1981. By Government Notice No. R.2602 the appointment was published in Government Gazette No. 3343, with the following terms of reference and composition:

"To inquire into and to report (and, if the Commission deems it desirable, to make recommendations) on -

- (a) the inception, development, objects and any other aspect regarding the history and activities of the South African Council of Churches, including the way in which it functions and is managed;
- (b) the way in which, the purpose for which and the organisations and persons from and through whom the South African Council of Churches and persons connected with the South African Council of Churches solicited or solicit or obtained or obtain money or valuable assets;
- (c) all money and valuable assets that were or are received by the South African Council of Churches and the persons connected with it;
- (d) the organisations and persons from or through the agency of whom and the way in which such money and assets were or are received;
- (e) how and for what purpose such money and assets were or are disposed of by the South African Council of Churches and the persons concerned;
- (f) in the case of such money and assets having been paid over or made over to someone else by the South African Council of Churches and the persons concerned, how, to or through the agency of whom and for what purpose the money and assets were paid over or made over and how and for what purpose that money and assets were or are being ultimately used; and
- (g) also any other matter pertaining to the South African Council of Churches, its present and past officebearers or officers and other persons connected with the South African Council of Churches, on which the Commission is of the opinion that a report should be made in the public interest.

The Commission shall consist of -

The Honourable Mr Justice C.F. Eloff, Judge of the Transvaal Provincial Division of the Supreme Court of South Africa, as Chairman and

Mr T.L. Blunden, Regional Court President;

Professor P. Oosthuizen, Vice-Principal of the University of Pretoria;

Mr F.G. Barrie, former Auditor-General; and

Mr S.A. Patterson, a chartered accountant, as members."

INTRODUCTION

2. BACKGROUND TO THE APPOINTMENT OF THE COMMISSION

2.1 As appears more fully from Part II Chapter 2 of this report, a state of tension between the South African Council of Churches (SACC) and the South African Government developed and gradually intensified.

A historical landmark indicating the looming adverse development was the Rosettenville Conference held in Johannesburg in 1949. The opposing stance of the SACC to the Government's policy of separate development became irreversible. Confrontation and tension became reality in 1968 with the publication by the SACC of "A Message to the People of South Africa", in which separate development was categorically rejected as unchristian, unjust and evil. That its rejection of Government policies was serious was demonstrated by the joint SPROCAS (Study Project on Christianity in an Apartheid Society) venture between the SACC and the Christian Institute (CI), the result of which was described by the former Director of Communications of the SACC, Mr David Thomas, as "comprehensive blueprints for the structuring of South African society on principles compatible with those laid down in The Message, in the political, educational, social, legal, economic and church fields" (see Councils in the Ecumenical Movement South Africa 1904-75, published by the SACC in 1979). The consequential development of strategies and actions aimed at contributing to radical, fundamental change brought about the emergence of a public perception of the SACC as a controversial institution.

The SACC and the Government clearly held irreconcilable views in regard to the nature and structure of the dispensation which the country requires in the socio-political and economic fields. The policies formulated by the Government to enable its heterogeneous population to participate in political decision making processes were consistently criticised and attacked by the SACC on what it claimed were biblical grounds.

The Government is committed to change, but while it has intimated that it envisages an evolutionary development process in the course of which emphasis will remain on groups and the protection of minorities, the SACC has consistently contended for a radical transformation of society, with its General Secretary articulating demands for universal suffrage in a unitary state, a dismantling of all "apartheid" structures, a redistribution of wealth, and a non-capitalistic economy.

Also contributing to these tensions are the diametrically opposed views of Government and the SACC on the latter's attempted involvement in political matters and economic questions. While the SACC states that its involvement is theologically justifiable, the Government believes and maintains that the SACC should not endeavour to interfere in its running of the affairs of the country. It has moreover repeatedly taken the SACC and particularly its General Secretary strongly to task for what it termed "disruptive" and "destabilising" activities.

In the SACC publication EcuNews No. 3 of 1982 the tension between it and Government is explained as follows in an article entitled "Government Judicial Commission on SACC represents phase in Church - state conflict":

"At the root of this Church-State conflict is a deep belief ... that the apartheid policy and laws are evil, immoral and therefore non-Christian.

July 1979 was perhaps a watershed in church-state relations in South Africa because at the annual Conference at Hammanskraal ... Dr Alan Boesak ... made a clarion call challenging the SACC member churches: The time has come that churches and Christians should adopt a programme of civil disobedience to actively defy the apartheid laws

The Government is particularly incensed about the stand of the SACC and its member-churches on issues such as civil disobedience, conscientious objection of military service, decisions that ministers should marry racially mixed couples in defiance of the apartheid legislation and SACC financial support to the Nyanga "homeless" to return to Cape Town after they were deported to the bantustans."

The appointment of this Commission again highlighted the fundamental distrust with which the SACC views Government. In the above-quoted article in EcuNews it is further said:

"The appointment by the Government of a Judicial Commission to investigate all aspects of the activities of the South African Council of Churches (SACC), is a new phase in the ongoing and escalating Church-State conflict in South Africa." ...

"This investigation is seen as the first step by the government to take some form of action against the SACC, its leaders and officials." ...

"It is clear that the main purpose of the inquiry is to seriously damage the influence and witness of the SACC." ...

"The inquiry and its finding could open the way for legal action by the government".....

"There can thus be little doubt that the SACC is at present involved in a desperate fight for survival. Its very existence and operations are threatened by the inquiry and inevitable subsequent government action."

The same article also sets out what it considers the most likely Government strategy against the SACC to be, viz: crippling the SACC, splitting the SACC and its member churches, declaring the SACC to be an affected organisation (this latter suggestion EcuNews made more than a year before the South African Police memorandum suggested that consideration be given to this as a possible course of action to be considered by the Commission).

2.2 The Commission considers it appropriate to set out the following facts which show that, consequent upon the recent sad history of financial mismanagement, misappropriations and financial ineptitude of the SACC, coupled with its disinclination to account openly and fully for various seriously disquieting features in its administration, compelling reasons were advanced for the appointment of a Commission of Inquiry.

2.2.1 Firstly mention must be made of the decisive role played by the former SACC Ombudsman, Mr E. Roelofse, in bringing these matters to the fore. We quote from a memorandum dated 1 June 1979, prepared by the then Vice President, and former President of the SACC, the Rev. Peter Storey, which was made available to the Commission.

"In December 1978 Mr. Eugene Roelofse was appointed by the Executive of the SACC as Acting Manager of St Ansgar's in order to rescue the property from serious mismanagement. In the course of these duties, which he performed with outstanding efficiency, Mr. Roelofse heard rumours of misdemeanours involving a senior staff member of the SACC, Bishop Isaac Mokoena, whose role as Chairman of the SATCIC Board and lecturer at the SATCIC College made him a regular visitor at St Ansgar's.

During the period February 20 to April 2, 1979, Mr. Roelofse submitted to the General Secretary four reports, all of which contained evidence pointing to serious irregularities, the last two of which contained photographic evidence of forgeries committed by Bishop Mokoena in the signing of SATCIC cheques. Other gross personal misdemeanours were also alleged by two male SATCIC students."

Following on Mr Roelofse's exposé the reactions of staff members of the SACC towards him was described by the Rev. Storey in the following terms:

"At the Staff Retreat it appears that certain negative feelings were also expressed about Mr. Roelofse's role in the affair, while someone was also heard to remark that Bishop Mokoena was unfortunate as he just happened to be the one who was found out!"

This "someone" was Mrs Sally Motlana, at present Senior Vice President of the SACC.

The record continues:

"On April 12, immediately following the Retreat, the Praesidium met a second time with Bishop Mokoena and the General Secretary present. Bishop Mokoena confessed that there had been many more forgeries than he had admitted previously. He offered to pay back what he had taken."

The Praesidium of the SACC decided to deal pastorally with Bishop Mokoena and not to prefer criminal charges against him.

Later more evidence came to light relating to gross misbehaviour by Bishop Mokoena, concerning which the Rev. Storey reported:

"It would appear that Bishop Tutu still desired to avoid any criminal proceedings and hoped to deal with the matter pastorally. He requested Mr. Roelofse on April 27 (1979) to discontinue his investigations."

Mr Roelofse was not satisfied with the steps taken. His communication to the Praesidium was referred to by the Rev. Storey in the following terms:

"The Praesidium then considered a letter from Mr. Roelofse indicating that a second SACC staff member might be involved in crime, expressing strong disquiet over the apparent slowness of action and over an apparent lack of clarity about attitudes to theft. He sought guidance as to how he could preserve his integrity as Ombudsman in the light of the above questions.

I explained the sequence of events and decisions as I understood them up to that date, the General Secretary's hope that the matter could have been dealt with pastorally, and the problem of the undesirability of one SACC staff member being investigated by another.

Mr Roelofse pointed out that various charges relating to SATCIC went back a year or more and that nothing had been done then either."

Mr Roelofse was most upset at having been instructed to "stop his investigations" as he felt "that if there were things wrong within the SACC it was my duty to correct it from inside and that despite the attitude and somewhat emotional approach of Bishop Tutu I had a duty towards him as well".

He was somewhat later allowed to continue his investigation, and the Rev. Storey records that -

"At a meeting on May 22, the Acting General Secretary, Mr. Roelofse and myself questioned Mr. Archie Mthiya at length about affairs in the Division of Church Development. The result was further damning evidence against Bishop Mokoena and Mr. Mthiya himself."

Eventually Mr Roelofse's insistence won the day. Bishop Mokoena was prosecuted in the Roodepoort Magistrate's Court on eight counts of fraud relating to SATCIC but was found not guilty on 16 October 1979.

A second prosecution was instituted against Bishop Mokoena in the Regional Court on 10 January 1980 on seventeen counts of fraud. On these charges he was also not convicted, the presiding magistrate stating inter alia that the laying of the charge may have been inspired by a desire on the part of the SACC to find a scapegoat for the deplorable state of its administration.

Meanwhile in February 1979 the Black newspaper The Nation had disclosed alleged dissatisfaction on the part of overseas donors in respect of the SACC's alleged failure to "present financial statements reflecting the usage of monies donated", thereby pertinently drawing further public attention to the affairs of the SACC.

Subsequently Mr Roelofse also scrutinised the financial position of the SACC and in a number of letters to the General Secretary he expressed his concern. He suggested inter alia that a re-audit should be called for.

In a series of letters to Bishop Tutu, including one dated 26 November 1979, he expressed "forebodings of calamity and fears that the continuance of the work of the SACC could be endangered if its monetary controls were inadequate or if there was reason for suspicion". Because of dilatory conduct on the part of the SACC to clear the atmosphere and because of Mr Roelofse's forebodings of "calamity" the ambit of his investigations widened, eventually encompassing all of the financial affairs of the SACC. He thoroughly scrutinised matters and reported accordingly. In this process he inter alia -

(a) established that

- large sums of money provided by the Lutheran Churches in Germany for

the South African Theological College for Independent Churches (SATCIC), over which the SACC had a measure of control, could not be properly accounted for;

- the financial control of SATCIC was totally inadequate and stock levels could not be verified;
- Bishop Mokoena had forged a number of cheques. Subsequently, as a result of the facts uncovered by Mr Roelofse and the pressure he exerted, Bishop Mokoena and Mr Archie Mthiya confessed their crimes,

(b) moved the SACC to have its auditors investigate SATCIC. This investigation confirmed his worst fears of maladministration and defalcations (Pim Whitely Report dated 17 August 1979)

(c) contributed to obtaining a reassessment by the SACC's auditors of the more important systems of internal controls and accounting procedures within the SACC. The Pim Whitely Report of 31 August 1979 commented on these controls thus:

"Having completed our limited review, it is our opinion that a full investigation into all controls and procedures would be of no further benefit as we believe that the problem stems from the implementation rather than the potential of controls and procedure. Accordingly, it would not benefit the Council to devise new systems unless there could be reasonable assurance that these systems would be implemented.

In the past, we have issued management reports in which certain improvements were suggested, but as there has not been anyone qualified to implement these suggestions, no effective improvement has occurred. The Council is committed to the policy of employing black accountants and clerks in SACC Accounting Services (Pty) Limited, the company which provides the financial and secretarial services to SACC and its Associates. This policy of employing relatively untrained persons responsible for the implementation of adequate controls and procedures has not been successful due to their inexperience and lack of formal training, and consequently they are not equal to the task. As the Council is responsible for substantial sums of money, it is essential that its financial affairs are controlled by a suitable qualified financial manager."

As was to be expected this report confirmed Mr Roelofse's fears of inefficiency and ineptitude concerning the financial controls of the SACC, and gave rise to his further critical interest in its financial affairs.

Shortly after this report Mr Shun Chetty, an attorney frequently used by the SACC to defend persons charged with political offences, fled the country. This incident was given wide publicity especially in regard to allegations made by the General Secretary that Mr Chetty had not accounted for all moneys he received from the SACC, and Mr Chetty's allegations that the financial management of the SACC was poor.

Mr Roelofse continued pressing for a proper, thorough and independent investigation, rejecting the explanations given by Mr A. Wentzel, the Chairman of the Finance Committee of the SACC.

Eventually the 1980 National Conference of the SACC decided to instruct the SACC to arrange for an investigation by an outside auditor. (Apparently Mr Roelofse was not invited to this Conference and was absent.) On 16 June 1980 Mr T. Potter, a chartered accountant, was appointed to perform the task. He did not, however, consider his mandate to require him to carry out an in-depth investigation, nor did he conduct one. His report was nevertheless opportunistically represented to the media by the SACC as having given it a "clean bill of health".

During Mr Potter's investigation, a relatively minor fraud (R2 500 over six months) perpetrated on the SACC by its franking machine operator was uncovered by the Deputy General Secretary. The matter was disposed of pastorally. In the mean time Mr Potter uncovered facts pointing to the commission of another fraud by one Mr A. Mbatha, the chief accountant of the company employed by the SACC to administer its financial affairs (known in short as SACCAS). A prosecution was instituted but Mr Mbatha was found not guilty. In the course of his trial evidence was led showing that a previous General Secretary, Mr John Charles Rees, had probably defrauded the SACC to the tune of some R250 000 and had deposited that amount of SACC funds into 51 personal bank accounts.

Mr Roelofse was understandably disturbed at the fact that what the SACC made of Mr Potter's subsequent investigations could be seen as a refutation of his allegations, and he was determined not to leave matters there. His subsequent statements were given extensive publicity.

When Mr Roelofse testified before the Commission he was, in cross-examination,

vigorously taken to task for what was described as a tendency to examine all those with whom he came into contact. What was not disputed was that his submissions and evidence were well documented. The correctness of his "forebodings of calamity" was confirmed by, amongst other things, the conviction of Mr John Rees on 25 May 1983 on charges of defrauding the SACC to the tune of R296 000.

In relation to this build-up of public disquiet, suspicion and dissatisfaction with the financial affairs of the SACC it should be noted what was said by the Press. The Cape Times, by no means pro-Government, on 15 October 1981, commented on, inter alia, the disclosures at the Mbatha trial as follows:

..."the council must subject itself, at all times, to the most rigorous scrutiny in all its dealings. It must not only be above reproach - but seen to be above reproach...."

... considering the role played by the SACC in our society, more is needed: A full and public inquiry, with all due speed, and ordered by the SACC itself

It is incumbent on the SA Council of Churches to lay every available fact bare to public scrutiny."

On 27 October 1981 in another editorial it further stated:

"The controversy over the funds of the South African Council of Churches is distressing for those who respect the SACC and the role it plays in society...."

The basic worry is that there has been no satisfactory explanation of how 'discretionary funds', running to large sums, were disbursed by the previous general secretary

It is quite conceivable that every single cent disbursed by the general secretary was fully justified

But it has to be demonstrated publicly if the matter is to be resolved satisfactorily

It seems clear enough that the SACC money was disbursed without effective accountability. The least the SACC should do is to emulate what was done when the Wilgespruit Fellowship Centre was heavily smeared in public in 1973: A commission of inquiry was set up ..."

Similarly the Rand Daily Mail, also not pro-Government, commented as follows on 28 October 1981:

"'Because of our human inclination to failure and disobedience, the Bible clearly enjoins us to walk in the light and reminds us that we will all

one day have to account for our deeds.'

Quite so. That statement, by the SA Council of Churches, in December 1978, formed part of the SACC's very proper response to the disclosures of the Erasmus Commission.

But the SACC too, must surely walk in the light. Its officials must be accountable for their actions for their expenditure of donated funds. Yet piece-meal disclosures in the Press and in court about SACC bookkeeping and expenditure have drawn inadequate responses.

Money went to Bishop Tutu to build a house, and to Mrs. Sally Motlana to establish a shop. Both are SACC executives, so these payments are open to misinterpretation. They leave both adherents and opponents of the SACC wondering at the possible nature of other payments from their considerable funds.

That there are those who would smear and vilify the SACC is no excuse for coyness.

Now there is the possibility of further court action, of further Press disclosures; of a probe into auditors and unaudited expenditure. The story will out, one way or another. The SACC has no alternative but full disclosure.

And why not? It is thoroughly praiseworthy to assist victims of arbitrary Government action, so why should donations to families of detainees, to banned people, to two doctors 'for community projects' be too embarrassing to detail?

The SACC purports to be an authentic voice of the politically oppressed in this country. As such it has a special responsibility to be brave and truthful. And it is the adherents of the SACC, Christians, black and white, opponents of apartheid - and not its vilifiers - to whom the SACC owes that responsibility."

The Executive of the SACC still did not recognise the seriousness of the situation. According to the minutes of a closed session held on 27-28 October 1981 it was reported and apparently accepted that Mr Potter "had given the SACC a clean bill of health (apart from the matter regarding Mr Mbatha)". But -

"In the light of the inaccurate, and confused information which had been conveyed to the general public recently, the Executive Committee resolves to appoint a Commission to investigate the affairs and administration of the Council ... and to prepare a report of its findings which will be made available to the press and the public."

With the insight gained by this Commission concerning the problems of conducting an in-depth investigation into the affairs of the SACC, the Commission cannot but express doubts on whether a private commission, not having the facilities available to it that this Commission has, and lacking the statutory powers of this Commission, could have achieved what this Commission did.

It is furthermore problematic whether a private commission such as the SACC chose to appoint, could have dealt effectively with the need, which this Commission

has found exists, of bringing the SACC within the discipline of the welfare legislation. The SACC as far back as 1978 anticipated that the welfare legislation might be made applicable to it, and that it would in that event disobey it. In fact, it stated that the Fund-raising Act is applicable to it, but that the SACC has exempted itself from the provisions of that Act "on the grounds that it was not answerable to secular authority" (Educational Opportunities Council (EOC) minutes 17 June 1982). A commission such as the present one may require the relevant Government department to make a suggestion on a particular issue, and it may make an appropriate recommendation to the State, while a private commission's effectiveness in this regard may be questioned.

Some Press comments on the appointment of this Commission might appropriately be referred to. The Star of 4 November 1981 stated:

"There is nothing wrong in principle in appointing judicial commissions of inquiry, when funds may have been misused or the law broken. Following new allegations over the finances of the Council of Churches, the State has acted promptly in appointing an inquiry - remarkably promptly in view of its tardiness or inaction over some previous matters calling for high-level investigation. The grounds for its intervention here are less clearcut than in, say, the Information scandal, except to the extent that a proportion of SACC funds is collected from the public. Still, the council's handling of large sums of money over recent years has raised many questions, allegations and generalised smears, and it is as well they should be cleared up. The SACC has not helped its own case by its reticence on certain aspects and the unsatisfactory nature of its previous internal inquiries - though it was about to set up its own new commission, headed by a senior advocate."

The Argus of the same date:

"The SACC by its own ineptitude has exposed itself to a State probe. In the long run, this might prove beneficial for the church body. The council has been under a cloud of suspicion for some time now. It was slow to see that as a body professing to represent the calling and conscience of South African Christians it could not afford any taint of dubious practice. It is private organisation but it serves a public need and cannot escape public scrutiny."

The Citizen on 5 November 1981:

"We are pleased that the Government has appointed a judicial commission to investigate the South African Council of Churches, particularly in respect of the receipt and appropriation of funds."

There has been a growing storm of controversy over the way in which the SACC has handled some of its funds.

Auditors of the SACC's 1980 accounts made 'serious qualifications' in some areas.

According to evidence in a recent case, the SACC's ombudsman in 1977 and 1978 was so perturbed by the great confusion in SACC accounting procedures that he wrote to the general secretary, Bishop Tutu, suggesting a top-level inquiry...

In acquitting a former SACC bookkeeper on 19 counts of fraud and four of theft, the magistrate referred to evidence that a former general secretary had channelled R250 000 from a discretionary fund into 51 private accounts.

However, the former official has stated in a newspaper interview that 'solemn promises' made both to donors and recipients involved in the discretionary fund will never be 'betrayed'.

I can think of no eventuality which would make me disclose what happened to the money', he said, a stand that in the circumstances is untenable.

A Sunday newspaper has disclosed that a vice-president of the SACC received at least R7 000 to establish a shop in Soweto and another official is believed to have received R2 000.

The controversy took a new turn when Mr. Roelofse urged the Public Accountants and Auditors Board to probe the conduct of the SACC's auditors.

In a 50-page memorandum, he set out in detail apparent contradictions in various reports by the auditors for the years 1977 to 1979.

The SACC subsequently announced an 'urgent' commission of inquiry into its financial affairs, the commission to be headed by 'at least' a senior advocate.

When one bears in mind that the Minister of Police, Mr. Le Grange, alleged in Parliament that the SACC was using funds obtained from overseas to launch and support actions that were in no way different from those of the African National Congress, one can understand the seriousness with which the Government views the SACC's activities. The SACC cannot shelter behind denials of all allegations concerning it. Public misgivings have been aroused about the SACC's finances, and it is time the matter was probed.

There will be complaints from liberal sources, and no doubt from the SACC itself, that the Government is out to nail the SACC.

But if the SACC has nothing to hide, it, too, will welcome the appointment of a judicial commission.

That way it can be vindicated - or the inadequacies of its financial controls established."

The Evening Post on 4 November 1981 reacted to Government's decision to appoint a commission in this way:

"Although there are good reasons for questioning the Government's motives in appointing a judicial inquiry into the financial affairs of one of its main critics, the South African Council of Churches, there are also good reasons why the probe should be held at this level.

Recent evidence in court about the handling of SACC funds has caused widespread concern, so much so that the council itself decided to

appoint a commission of inquiry. As we said in welcoming that decision, the SACC is a vulnerable target at the best of times, and it is in its own interests that the matter should be cleared up.

The money it handles runs to millions of rands donated by the public - not only from overseas sources, but also from concerned Christians from all walks of life in South Africa. If there are any doubts, these ordinary churchgoers are entitled to know whether the money has been correctly handled.

Confidence in the SACC as an effective opponent of injustice has been shaken by the allegations - not only those concerning the general control of vast sums of money but also the suggestion that money intended for people in desperate need may have been used for other purposes.

The SACC's credibility can best be restored by a thorough probe into these accusations, and there can be no question that an official judicial inquiry must be preferable to an investigation commissioned by the SACC itself."

On the role of the Ombudsman the Rand Daily Mail on 5 November 1981 commented as follows in an editorial under the caption "Church troubles":

"... At the same time it needs to be said that this opening for the Government would not have occurred if the SACC had taken seriously the first questions raised by its ombudsman, and had thrown its financial affairs open to the light. It should still do so, and quickly, in order to mitigate the effects of the Government's action."

It is necessary to stress that the media exposures which contributed significantly to the need to appoint a commission were to a substantial extent made possible and brought about by the persistency, in the face of growing irritation, of Mr Roelofse. It should be mentioned that the result was that his links with the SACC were severed and that his ombudsman's office lost the support of the overseas donors of the SACC.

In the light of the foregoing it would appear that the Government was fully justified in appointing a judicial commission of inquiry.

3. APPOINTMENTS

- (i) At its first meeting held on 30 November 1981 the Commission appointed -
 - (a) Adv K.P.C.O. von Lieres und Wilkau, S.C., assisted by Adv E. du Toit to head the investigation;
 - (b) Mr M.L. Marais as Secretary and Mr C.J. Lötter as Assistant Secre-

tary;

(c) Warrant Officer A.J. Mills to assist in the investigation. After his resignation in December 1982 he was replaced by Major (now Colonel) M. van Rooyen and Captain C.P.F.J. van Rensburg, both of the South African Police.

(ii) With effect from 26 July 1982 Mrs A.C.P. Verwey was appointed typist for the Commission.

4. MODUS OPERANDI

4.1 (a) By means of a number of press statements, which received extensive media coverage, an invitation and a request were extended to all persons interested and able to contribute to the investigation to indicate their willingness to do so by submitting memoranda.

(b) The SACC itself was invited to co-operate with and to assist the Commission -

- (i) by making all its records, books of account and documentation available to the investigating team of the Commission, (including the Commission's accountants);
- (ii) by submitting a memorandum to the Commission on matters pertaining to its terms of reference;
- (iii) by providing such information as the Commission from time to time required; and
- (iv) by making such members or staff available for questioning as the Commission required. In the event the SACC co-operated fully.

(c) The firm of Theron Van der Poel, chartered accountants, was appointed to examine the books of account, financial records and supporting documentation of the SACC, and to prepare a report on their findings. Mr J. Wessels, a partner in the firm, conducted the investigations.

(d) The Institute for Contemporary History (ICH) of the University of the Orange Free State was approached to provide copies of all such press clippings as were in its possession relative to the SACC and the WCC for the period from 1968 to 1982.

The Commission appointed the Human Sciences Research Council (HSRC) to prepare a content analysis of the main activities of the SACC for the above-mentioned period on the basis of the above-mentioned clippings.

The object of the Commission in making the above-mentioned appointments was twofold:

- (i) It was at the relevant time uncertain whether the SACC would fully cooperate with the Commission, and whether the Commission would by scrutiny of its records obtain adequate information concerning its activities so as to be able to report on the matters outlined in the terms of reference. By a study of what a content analysis of media coverage on the SACC showed, it would - the Commission hoped - be possible to form an impression of what the history and activities of the SACC were, and with that as a starting point, the Commission would be able to seek, as far as possible, the best evidential material concerning the SACC.

Accepting the likelihood that the SACC would turn out to be fully cooperative, the possibility was considered that the documentation in its possession might be inadequate in presenting the full picture of its principal activities and those of its present and past office-bearers or other persons connected with it. In that event a content analysis of media coverage on the SACC, its present and past office-bearers or other persons connected with it could alert the Commission to certain events and serve as a starting point for further investigation.

The possibility also existed that a comparison might have to be made between a content analysis of media coverage on the SACC and what was shown by its own documentation.

- (ii) Media perceptions of the SACC would be of importance in evaluating the

picture of the SACC which the media portrayed to the public. That, it was thought, might be of assistance in assessing what public perceptions of the SACC were and also what it did in the field of communications.

(e) Once the SACC had intimated its willingness to co-operate fully, the investigating team of the Commission examined so much of the documentation and records as was thought to be relevant to the inquiry, and

(i) made that portion of the documentation which might be of assistance to the Commission's accountants, available to them; and

(ii) caused copies to be prepared of relevant documentation, and arranged for submission to the Commission at its public sessions and otherwise.

In the course of this part of the investigation approximately 21 000 documents of varying length were studied, collected, screened, collated, arranged and prepared for submission to the Commission.

(f) Since the criminal prosecution of two office-bearers of the SACC and its associated organisation, SATCIC, might throw light on some of the matters to be investigated, copies of the relevant records were obtained and studied. At a later stage, when the prosecution of the former General Secretary of the SACC, Mr J.C. Rees, was concluded, a copy of the judgment as well as transcripts of the evidence of certain witnesses was obtained and studied.

(g) The Commission took note of the fact that certain other Governmental commissions of inquiry had investigated matters in which the SACC was to some extent considered or mentioned. These were -

- The Commission of Inquiry into Certain Organisations (Schlebusch-Le Grange Commission) 1974-5;
- The Commission of Inquiry into Collection of Voluntary Financial Contributions from the Public (Van Rooyen Commission) 1977;

- The Commission of Inquiry into the Riots at Soweto and Elsewhere (Cillié Commission) 1980; and
- The Commission of Inquiry into the Mass Media (Steyn Commission) 1981.

The Commission considered that some of the matters dealt with in the relevant reports might afford useful starting points for further independent investigation by it. The Commission was fully aware that it could rely only on findings or comments made in any such reports if they were supported by evidential material.

(h) When the Commission found that the response to its press statements was limited, it approached some 140 institutions and individuals which it was thought might make a contribution. The responses were largely negative:

- (i) 28 members of the general public expressed views but not of such substance as to justify the Commission's inviting the persons concerned to present memoranda or evidential material;
- (ii) 14 member churches or member organisations or observer members filed submissions.

Furthermore 32 letters were received from overseas churches and individuals either expressing solidarity with, or in some cases, disapproval of the SACC, and some suggesting that a thorough inquiry was necessary.

This may be a convenient point to observe that the level of overseas interest displayed in the SACC appeared to be substantial when compared with local interest.

- (i) On 11 December 1981 the Commission approached 22 Government departments with requests for contributions.

It was afterwards found that -

- six departments did not acknowledge receipt;
- twelve departments advised that they had no contribution to make;
- only five submitted memoranda; and
- one department submitted a memorandum, classified it "Top Secret", drew attention to the Official Secrets Act, 1956, and refused to declassify it. For that reason no use could be made of the material.

As a result the Commission's Chairman decided that it was necessary to meet with representatives of eight departments which might in some way be interested in SACC activities. The representatives of these departments undertook to do research and, if possible, present submissions to the Commission.

In the event four memoranda were received. Of these only one was of such a nature that it justified the Commission in putting its content to the SACC for comment. That was the memorandum submitted by the Department of Health and Welfare concerning The Fund-raising Act, 1978.

(j) In 1982 the Commission decided to send Advocates Von Lieres and Du Toit to the United States of America to do research on material which it was thought would be available in that country, and to have interviews with church leaders and representatives in order to gain insight into international ecumenical links and attitudes. The result was the submission of further written communications to the Commission.

(k) Early in 1982 the Commission requested the World Council of Churches (WCC), of which the SACC was at all material times and still is an associate member, and through whom funds from various sources were channelled to the SACC, to submit a memorandum. The WCC was willing to do so and expressed solidarity with and support for the SACC, but declined to make information on financial matters available. It stated that Swiss law (the WCC has its headquarters in Geneva)

precluded the passing on of financial information to non-nationals.

It is opportune to record that this attitude of the WCC hindered the Commission in its search for identification of moneys which it was thought originated from sources such as the United Nations Trust Fund against Apartheid (UNTFSA).

(l) At an early stage in the investigation it appeared that the former General Secretary of the SACC had himself been the recipient of several thousands of rand of SACC moneys, and that he was prima facie guilty of fraud or theft of those moneys. As the SACC was unwilling to have him prosecuted, the Commission considered that it would be preferable for another forum to deal with the matter.

- Warrant Officer A.J. Mills was accordingly released from his duties in order to complete investigations which he had initiated on possible charges of fraud or theft. On completion thereof the docket was referred to the Attorney-General of the Transvaal for his consideration. In the event Rees was convicted of fraud against the SACC on 29 counts involving an amount of R296 500.

(m) When, by June 1982

- the SACC had submitted a memorandum on the matters to be investigated and had indicated areas in which viva voce evidence might be led; and

- the aforesaid Mr E. Roelofse had prepared and submitted a memorandum indicating the scope of matters on which he might present evidence and had intimated that he would be willing to testify only if subpoenaed,

the Commission decided to commence with the hearing of such evidence as was by that time available.

It was decided that -

- the SACC would be afforded the opportunity of first presenting evidence;

- the right of legal representation and of cross-examination would be

afforded the SACC;

- the evidence would be mechanically recorded and transcribed, and the SACC would be given the right to acquire copies of the transcript; and
- the sessions would be held in public, and the media would have the right to attend.

The SACC accepted the rights accorded to it and was throughout the hearing represented by counsel, who were given full rights of cross-examination. It also availed itself of the opportunity to lead evidence first, and commenced by calling its General Secretary, Bishop Tutu. Thereafter the evidence of other witnesses was heard. After the conclusion of the first public session, and when further witnesses were ready to give testimony, further public sessions were held. In March 1983 the SACC was invited to tender such evidence as it thought fit, and its witnesses were duly heard. The Commission also called a number of witnesses.

Appendix A hereto contains a list of the witnesses who testified.

It may at this point be opportune to record what the General Secretary of the SACC said in regard to the approach of the Commission:

"My Lord and members of the Eloff Commission, I want to start by expressing the appreciation of the South African Council of Churches to the Commission and its officers in their dealings with the Council. They could very well have hamstrung our operations by taking away our books and records. Instead they examined our records in such a way as to dislocate our work as little as possible - for this we are grateful."

and later on, again in his PREAMBLE -

"May I start, my Lord and members of the Commission, by expressing our appreciation to yourselves and especially to you Mr Chairman, for the amicable atmosphere in which the public sessions of this Commission have been held and for the helpfulness of the officers of the Commission in many ways which I will not enumerate. I want to thank you, Mr Chairman, for maintaining a non-trial spirit, shown for instance, in the invitations you have extended to witnesses called by the SACC to have tea with the Commission. We are particularly thankful for the help your Commission has given in assisting our overseas friends to obtain visas in often record time to enable them to come to our beautiful but sad land to testify on behalf of the SACC. We are glad too that you permitted them so to testify."

(n) During the public sessions Advocates Von Lieres and Du Toit handed copies of such documentation as had been found in the SACC offices and were relevant to the inquiry, to the Commission and gave details thereof to the legal advisers of the SACC.

(o) Once all the evidential material had been presented, counsel for the SACC were invited to submit argument in writing. Written heads were in due course received and considered by the Commission.

(p) In the course of its investigation the Commission took note of a number of books and other publications which had been published concerning the SACC, the WCC and related organisations, and of matters such as theological perceptions which might be held by personages connected with the SACC and the WCC.

These publications were considered as background material to the understanding of some of the evidential material placed before the Commission.

Appendix B hereto lists the relevant publications.

Appendix C hereto contains a list of the more frequently used abbreviations.

(q) In October 1982, after Bishop Tutu testified on inter alia his theological perceptions, Prof. J.A. Heyns, Dean of the Faculty of Theology of the University of Pretoria, was provided with a transcript of the evidence and invited to assist the Commission in evaluating it. A copy of the memorandum which Prof. Heyns thereafter prepared was submitted to the SACC for its comments. No comments were received.

(r) To enable the Commission to set out the salient features of the meeting held on 7 August 1981 between the SACC and certain Church leaders on the one hand, and the Prime Minister and certain members of his Cabinet on the other hand, a copy of the transcript of the recording made at that meeting was obtained.

5. SCHEME OF THE REPORT

5.1 The Commission considered that its analysis of and discourse on the finan-

cial matters would be best understood against the background of a description of the constitutional aims and structures, and a historical overview of principal events in the life of the SACC. For that reason Part II of the Report starts off with and is mainly confined to that much concerning the SACC which is required by the first and the last paragraph of the terms of reference, viz:

"the inception, development, objects and any other aspect regarding the history and activities of the South African Council of Churches, including the way in which it functions and is managed;" and

"... any other matter pertaining to the South African Council of Churches, its present and past office bearers or officers and other persons connected with the South African Council of Churches, on which the Commission is of the opinion that a report should be made in the public interest."

Part III is concerned mainly with financial matters and deals principally with paragraphs (b), (c), (d), (e) and (f) of the terms of reference, but also with paragraph (a) thereof.

5.2 In regard to paragraph (g) of the terms of reference the Commission thought it necessary to establish the facts on the following:

- (a) Those overseas churches and ecumenical bodies with which the SACC has links, and the influences that they exert on the SACC;
- (b) the role played by the auditors and an attorney of the SACC in certain of its activities; and
- (c) the role of the present and past General Secretaries of the SACC; and also the role of Dr Kistner, the head of its Division of Justice and Reconciliation.

5.3 In so far as it was at all possible the Commission endeavoured, in finding the facts, to do so on the basis of what was contained in documentation emanating from the SACC itself, on evidence given by SACC office-bearers, and on publications recommended by the SACC in their submission.

With this objective in mind the Commission did not merely, without confirmation, rely on the evidence of the following witnesses whom the SACC apparently con-

sidered to be hostile:

- General P.J. Coetzee, who testified on the Police Memorandum;
- Mr E.P. Cain, former editor of Encounter, a Christian League publication, and an outspoken critic of the SACC;
- Mr E. Roelofse, the afore-mentioned ombudsman; and
- Brigadier E.H.W. Nieuwoudt, who presented the memorandum of the South African Defence Force.

5.3.1 In regard to the ascertainment of the facts relating to financial matters the relatively satisfactory position emerged that the SACC's counsel challenged very little of the evidence of the Commission's accountant, Mr Wessels. It is necessary to state that in a report to the Executive of the SACC Bishop Tutu said that Mr Wessels was eminently fair.

5.3.2 One witness whose evidence was not supported to any material degree by SACC documentation, Major C.M. Williamson, who dealt with the manner in which the SACC obtained funds from the International University Exchange Fund (IUEF), was cross-examined by counsel for the SACC. He was however not challenged on anything of importance in his evidence, nor did Bishop Tutu dispute any part thereof.

5.3.3 General Coetzee's evidence was attacked with some vigour, mainly as regards inferences which he endeavoured to draw and comments and recommendations which he made, but it is necessary to state that -

- the submission on the basis of which he testified was systematically prepared and well documented;
- it served the useful purpose of representing in a sense the main reasons (from police perception) for concern at what the SACC had been or was doing, and so alerting the Commission to matters calling for investigation or consideration.

- The Commission was at all times alive to the fact that at the end of the day it would be for it and it alone to find the facts, draw the inferences, evaluate the circumstances, and to make recommendations.

5.3.4 Brigadier Nieuwoudt's submission was likewise well documented and systematically presented, and since so few of the facts underlying his submission were challenged, it served as a useful basis for our discussions in Part II Chapter 8.

5.3.5 In regard to Mr Roelofse's evidence it can conveniently be repeated that he was vigorously attacked in cross-examination, but in substance little of the main thrust of his evidence was challenged or contradicted.

5.3.6 The evidence given by Dr Conradie of the HSRC, in explaining the report prepared in response to the request by the Commission for a content analysis of the media coverage of the SACC, was subjected to intensive cross-examination. That cross-examination and what it demonstrated were of value to the Commission. In particular it highlighted the fact that before accepting as exact any analysis of media reports in relation to relevant issues, it should itself examine the material on which the report was based.

In ascertaining what viewpoint of the SACC was reported on in the media concerning a controversial matter such as violence, the relevant clippings themselves had to be studied by the Commission in order for it to form a reliable impression.

5.3.7 The submission and evidence of Mr Cain were of value in so far as these reflected the view of a conservative churchman, and his concern at some of the activities of the SACC.

5.3.8 In selecting a theologian to make a contribution on the matter of Church-State relations the Commission considered it to be fair to the SACC to select a person for whom the SACC clearly had a high regard. Prof. D. Bosch had on occasion been invited by the SACC to address its Conference, and when he testified it was in no way suggested that his views and criticisms were unfair.

5.4 It will be found that in certain chapters of the report matters dealt with in other sections are repeated. This was done for ease of understanding to avoid the need, on reading a particular chapter, to refer at the same time to other parts of the report.

6. ACKNOWLEDGEMENTS

We wish to thank all those who made a contribution and who worked for us, and in particular the following:

6.1 First and foremost the Commission wishes to stress that it would not have been able to complete what in the end turned out to be an enormous task were it not for the thorough investigation undertaken by Advocates Von Lieres and Du Toit. They studied, assimilated, collated and dealt with many thousands of documents, records and books in record time. They consistently demonstrated a remarkable grasp of relevant detail and in this way made a valuable contribution.

6.2 The SACC and its officials deserve special thanks for co-operating as fully and openly as they did. But for that co-operation the Commission would not have been able to form a full impression of the true picture and the investigation would have taken much longer.

6.3 Our Secretary at all times administered the affairs of the Commission with efficiency, tact and understanding.

6.4 Our assistant investigators conducted all investigations efficiently and satisfactorily.

THE CONSTITUTIONAL AIMS AND STRUCTURES OF THE SACC AND ITS PRINCIPAL PROGRAMMES

Nature of the SACC

1.1 "The SACC is a corporate body, subservient to the expressed policy and direction of its members. Its officers, office bearers and staff are an integral part of this corporate body and are appointed to give effect to the policy and direction formulated by its members." (SACC Memorandum)

1.2 AIMS

In terms of its Constitution the principal objects of the SACC are stated to be -

- "(a) To foster that unity which is both God's will for all mankind and His gift to the church, by discussions, conferences, ecumenical studies, joint endeavour and in such other ways as may from time to time seem appropriate;
- (b) To co-ordinate the work in Southern Africa of Churches and other Christian organisations wheresoever situated in order more effectively to carry out the Church's Mission in the world;
- (c) To undertake on behalf of Churches and Christian organisations such joint action and service as may be possible and to encourage joint action and service among member churches;
- (d) To do all such things and to encourage all such things as may best be calculated to reduce the divisive factors, whether doctrinal or otherwise, existing among the Christian Churches;
- (e) To engage in such activities on behalf of its members as an integral part of the worship and service of the Triune God and to give effect to His Lordship and Salvation for all mankind by undertaking the Spiritual, physical, intellectual and emotional care of His people and by developing dialogue with people of other faiths and ideologies."

Whilst not mentioned in any detail in Chapter 2, it is a fact that the SACC expanded and grew rapidly during the years 1970 to 1978. In the process a number of separate divisions were established. This created a problem in that the span of control became too extensive to be managed effectively by the General Secretary. Consequently the necessity for a re-organisation and consolidation of the organisational structures was discussed by the 1979 National Conference. It appointed a Priorities and Objectives Committee to investigate the position. At present the SACC is in the midst of a structural re-organisation initiated on the recommendation of the Priorities and Objectives Committee.

The general idea with the re-organisation was to eliminate organisational weaknesses. The numerous divisions have been grouped together in three departments, each headed by a senior director, to improve management control. The various commissions and individual activities will then become known as "programmes".

Senior directors have not in all cases accepted full responsibility for the management of newly allocated programmes. Similarly the control of the programmes by representatives of the churches as envisaged has not yet been effected. This re-organisation has at present only been partially implemented, and in this respect the SACC finds itself in a period of flux.

Two of the more important objectives identified in the process that were sought to be achieved with the re-organisation, were the establishment of better communications with member churches and the much needed improvement of administrative procedures especially in the area of financial control.

The SACC's organisational structure, including its various divisions responsible for the promotion of its aims and objectives and principal programmes in support thereof, is set out below.

1.3 ORGANISATION OF THE SACC

1.3.1 The National Conference

The Constitution provides firstly for a National Conference charged with the

responsibility of determining the policy of the SACC and ensuring that it is carried out. It has the power of delegation. It has to meet annually. It consists of representatives of member churches, member Christian organisations, observer and donor members, and regional councils of the SACC. The number of representatives which member churches may have depends on the number of members and adherents of each.

1.3.2 The Executive Committee

Provision is made for an Executive Committee, consisting of officers of the SACC, a representative of each major church in membership with the SACC, four persons representing the remaining members of the SACC, three persons representing the major organisations, and two persons representative of regional councils.

The Executive Committee generally meets four times a year, and is responsible to the National Conference for the administration of the affairs of the SACC between the meetings of the National Conference, and for determining the manner in which policy is carried out.

The Executive has a number of permanent subcommittees, viz:

1.3.2.1 The Finance Committee, which is responsible for the finance and administration of the SACC. In respect of financial and administrative matters it has to give effect to Conference decisions. Specifically, it considers and approves the annual budget and obtains ratification thereof from the Executive.

1.3.2.2 The Staffing Committee, which is responsible for the appointment and dismissal of senior staff including directors, as well as the conditions of employment.

1.3.2.3 The Screening Committee, which is responsible for the approval of all loans and grants made to projects doing work consistent with the objects of the Council, such as those made from the Revolving Development Fund and other funds it is requested to administer. It can sit jointly in partnership with other bodies.

1.3.2.4 Other permanent subcommittees may be appointed if required.

1.3.3 The Praesidium

The Constitution provides for a Praesidium, consisting of the President, two Vice-Presidents, and the General Secretary of the SACC. It acts on behalf of the Executive between Executive Committee Meetings; its actions are reported to the Executive Committee, and if necessary, ratified by the Executive. The Praesidium has authority to act on behalf of the General Secretary in his absence.

1.4 SACC OFFICE-BEARERS

1.4.1 At the time of appointment of the Commission, those bearing office in the SACC were -

The Rt Rev. R. Selby Taylor	Honorary Life President
Mr John C. Rees	Honorary Life Vice-President
The Rev. J. Wing	Honorary Life Vice-President
The Most Rev. P. Russel	Honorary Life Vice-President
The Rev. Canon M.J.D. CarMichael	Honorary Life Vice-President
The Rev. J.F. Thorne	Past President
The Rev. P. Storey	President (resigned May 1983)
Mrs S. Motlana	Senior Vice-President
The Rev. Dr T.S.M. Ggubule	Vice-President
Bishop D. Tutu	General Secretary
Mr M.I. Stevenson	Deputy General Secretary
Bishop Manas Buthelezi	elected President at the National Conference, June 1983.

1.5 MEMBERSHIP

(a) Church Members

African Catholic Church;
African Orthodox Church;
African Methodist Episcopal Church;

Bantu Methodist Church;
Christian New Salem Church;
Church of the Province of South Africa;
Federation of Evangelical Lutheran Church of Southern Africa;
The Society of Friends (Quakers);
Methodist Church of Southern Africa;
Moravian Church;
NG Kerk in Afrika;
Paris Evangelical Society;
Presbyterian Church of Southern Africa;
Presbyterian Church of Africa;
Reformed Church of Africa;
Reformed Presbyterian Church of Southern Africa;
Evangelical Presbyterian Church of Southern Africa;
United Congregational Church of Southern Africa.

(b) Observer Churches

Evangelical Lutheran Church of Southern Africa (Transvaal);
NG Sendingkerk;
The Roman Catholic Church.

(c) Member Organisations

Council of African Independent Churches;
Edendale Lay Ecumenical Centre;
IDAMASA;
Wilgespruit Fellowship Centre;
Broederkring;
Diakonia;
Association of Independent Churches;
Student Christian Movement;
Y.W.C.A.

1.6 KEY OFFICIALS OF THE SACC

1.6.1 The President

First amongst these is the President, who presides at meetings of the National

Conference, Executive Committee and Praesidium. Provision is also made for two Vice-Presidents to deputise for the President in his absence.

1.6.2 The General Secretary

The most important officer is the General Secretary, whose functions and powers are set forth as follows:

"His primary duty shall be the furtherance of the objects of the Council as set out in clause 3 of the Constitution of the Council. He shall exercise a visionary and prophetic ministry to this end. He shall develop and maintain contact with the leadership of member Churches and regional councils and use his best endeavours to ensure the realisation of the goal of Christian unity amongst them. He shall be responsible for the pastoral care of all members of the staff of the Council. He shall carry out such duties as may conform to the Constitution and which may be required of him by the National Conference or the Executive Committee including the general execution of the policy of the Council and of the National Conference relating to the aforesaid objects of the Council. He shall maintain liaison on behalf of the Council with other Councils having objects similar to and consistent with those of the Council. The General Secretary or some person or persons duly appointed by him and approved for this purpose by the Praesidium shall be responsible for all matters relating to the soliciting and obtaining of funds from donors either locally or abroad.

The General Secretary shall have power to determine in what manner any business consistent with the objects of the Council shall be dealt with where adequate provision has not been made in this Constitution for the discharge of such business. He shall, however, simultaneously give notice as provided in this Constitution for such amendments of the Constitution as will ensure that similar matters of business may in future be dealt with in terms of this Constitution."

1.6.3 The Deputy General Secretary

Lastly reference should be made to the post of Deputy General Secretary (formerly Director of Administration), who is responsible to the General Secretary for the administration of the offices, the financial affairs and staff of the SACC and its divisions and for the appointment and dismissal of staff.

1.7 DEPARTMENTAL STRUCTURES

At the time of appointment of this Commission the activities of the SACC were conducted through the following four departments:

(a) General Secretariat

The General Secretariat is the controlling body of the SACC. Its head, the General Secretary, also exercises overall control on policy matters. Functionally, the General Secretariat consists of the General Secretariat itself (General Secretary and Deputy General Secretary), the Finance Office, the Communications Office, the Administrative Office, and the Planning Office. This Department is responsible for the management of the operational fund which exists within the General Secretariat, for controls and decisions on policy with regard to the SACC communications activities (these are dealt with elsewhere in detail), and for planning.

The General Secretary is personally responsible for the application of disbursements from the Asingeni Relief Fund, which is a discretionary fund. For convenience, this fund will be referred to when dealing with the Department of Justice and Society.

(b) Church and Mission

- (i) Mission and Evangelism
- (ii) Theological education
- (iii) Choir resources
- (iv) Ecumenical Education Officer

(c) Development and Service

- (i) General Development
- (ii) Inter Church/Revolving Development Fund
- (iii) Home and Family Life
- (iv) Women's Desk
- (v) Unemployment Project

(d) Justice and Society

- (i) Asingeni Relief Fund (including the Legal Cost Trust Fund [LCT])
- (ii) Dependants' Conference (including the Ecumenical Trust Fund [ETF])

(iii) African Bursary Fund

(iv) Justice and Reconciliation

1.7.1 The General Secretariat

The General Secretariat provides services for the other three departments. It also makes grants to regional offices to enable them to meet their administrative expenses. The Operational Fund was established in 1978 to finance the acquisition of assets such as office equipment and vehicles. The fund also provides loans to members of staff. Up to its termination on 1 May 1982 the Communications Division operated through the Communications Fund which was concerned with, inter alia, the publication of Kairos and EcuNews, the provision of news items, resource library costs, grants to the Journal of Theology and SA Outlook, as well as provision for the promotion and publicity of the SACC.

Financial Programmes: Budget

The most important task of the General Secretariat is the preparation of the SACC's annual budget. Up to 1980 the annual budget was prepared on a historical basis. From 1981 attempts were made to reflect Conference wishes in its planning, demonstrating, so the intention was, partly a historical and partly an objective orientated budget.

After approval by the Executive Committee, overseas donors meet, usually in a joint gathering with the SACC, to discuss the budget and to determine the amount of financial assistance that could be expected from them. Depending on the outcome of these discussions, the budget is adjusted accordingly if necessary.

More than 97% of the annual budget is obtained from overseas donors. Without these funds, and in the absence of any noteworthy local support, the

SACC would be unable to function. The soliciting of financial support remains its most important ongoing priority and programme.

1.8 CHURCH AND MISSION

1.8.1 Mission and Evangelism

"The work of the Division [says the SACC in its memorandum] has been varied and has ranged from producing a multi-media programme to establishing commissions on relevant topics in an earnest attempt 'to bear witness for Me ... to the ends of the earth'. The Commission concentrates on assisting and co-ordinating (where possible) the work of the church departments of Mission and Evangelism."

The Commissions referred to are:

(a) Urban and Rural Mission, "whose task has been to explore areas of urban and rural Mission in South Africa, to establish links with existing para-church agencies working in URM and to arrange consultations". (SACC Memorandum)

(b) Evangelism, Renewal and Church Growth

"This commission has concentrated its work on stimulating and assisting congregations in the areas of evangelism and church growth." (SACC Memorandum)

(c) A Commission to help prepare for the conference on World Mission and Evangelism in Melbourne in 1980.

(d) A Commission to maintain representation on the joint Education Council of the Church Unity Commission.

(e) A Media Commission, with the function of investigating the availability of various forms of media to the church in mission and evangelism in South Africa; and to consider providing media resources where those do not exist.

(f) The Commission for Ecumenical Action, with the purpose of fostering unity and co-operation among the churches of South Africa.

Further activities of the Division of which the SACC made special mention in its memorandum were the organisation of the so-called Pilgrimage of Hope, which provided an overseas vacation for 144 young people (the expenses incurred were eventually recovered from the Asingeni Fund, but were initially recorded against the Department of Church and Mission), the "Kindle A Flame" project, calling on Christians throughout the world to light a candle, torch or lamp "as a wish to participate in the building up of a South Africa and world of freedom, love, joy and peace"; the taking of a resolution on 25 February 1981 to strengthen the ministry to "refugees from South Africa" and to consider the provision of chaplains to "guerilla forces on the South African borders"; and the gathering of funds for the "Boat people of Vietnam".

1.8.2 Theological Education

This Division was established in 1972. Its Director is involved in theological training organisations such as ASATI (the Association of Southern African Theological Institutions); NCTE (National Committee for Theological Education); and SATCIC (South African Theological College for Independent Churches). An NCTE bursary scheme was created to upgrade the qualifications of trained ministers. Visits by South African theologians to Africa were also arranged.

Concerning the NCTE the SACC Memorandum states:

"The task of the NCTE is to co-ordinate certain aspects of ministerial formation on behalf of the churches. Co-ordination is important because it makes joint action by churches possible where unilateral action would be both impossible and wasteful."

In general the work of the Division is summarised by the SACC as follows:

"The work of the Division of Theological Education has been described as that of a servant of the churches. But the Division also has to challenge the churches to explore new patterns and strategies of ministry. The training of both clergy and laity must be related to all dimensions of our social and political context. And it is in this context that we are called to witness to the sovereignty of God in His world. In remaining open to the influence of the Holy Spirit, the division of Theological Education believes that the churches will discover what God is calling all those involved in theological training to do at this time in Southern Africa."

1.8.3 Choir Resources Project

This project was started in 1975 to encourage and promote the growth and development of choirs. The objectives are:

- "(a) To develop the musical competence of African Choirs and to provide a network of meaningful contact between them.
- (b) To promote African music and singing.
- (c) To encourage the use of indigenous music and instruments, especially in church.
- (d) To stimulate their awareness of, and interest in, community needs and services." (SACC Memorandum)

The project was terminated in May 1982, allegedly because of the non-availability of financial support from overseas and local donors.

1.8.4 Ecumenical Education Officer

This post was created in 1976 "in response to an expressed need to help church people share more fully and effectively in the movement towards a stronger Christian witness and service". (SACC Memorandum.) The duties of the officer are -

- "to act as a consultant in the preparation of some SACC publications
- to act as a consultant for WCC concerns and publications in South Africa
- to help prepare follow up material after the National Conference of the SACC
- to alert the SACC to national concerns arising in the Western Cape, particularly
- to undertake research projects in specialist areas." (SACC Memorandum)

Among the books prepared by the Ecumenical Education Officer (EEO) are -

- Out of the Dust : The Moratorium Debate
- Black Uprooting from 'White' South Africa
- An Empty Table?
- The Promised Land (a resource book)

Owing to a lack of funds, this post was abolished on 1 May 1982, and the officer

was dismissed.

1.9 DEVELOPMENT AND SERVICE

1.9.1 General Development

The SACC memorandum states:

"The creation of this portfolio is a recognition that the concept of the development of people and society is part of the process involved in helping people discover their christian responsibility and potential:

- o to affirm that they are made in the image of Christ
- o to define and understand their responsibility in the struggle for a better society
- o to recognise that as Christians work towards a better society they are committed to working for social justice for all people."

Amongst the matters to which attention was given were unemployment, project development, and a research programme.

The unemployment project was designed to combat the rising tide of unemployment "and to provide a ministry to the unemployed across social, religious and denominational boundaries." (SACC Memorandum)

The project development work was undertaken in the following areas -

"Organising unemployment training courses and seminars on rural self-employment projects

involving people in the planning and creation of self-help schemes in rural areas

maintaining links with other regional and local groups engaged in employment programmes

organising emergency food for the many people affected by unemployment

mobilising and co-ordinating support to persuade authorities to relax or suspend large scale rent increases during this period of economic recession." (SACC Memorandum)

1.9.2 Inter Church Aid (ICA) Revolving Development Fund (RDF)

This Division is responsible for administering the General Development Fund

and RDF. It was established by the Christian Council of South Africa (CCSA) in 1963 to alleviate the problem of poverty, disease and unemployment experienced by Blacks in the rural areas of South Africa. The intention was to help people to help themselves; the ideal was to promote self-help and self-reliance. Initially help was given by subsistence relief and creation of self-help projects. Out of this came Devcraft (Pty) Ltd and the S.A. Technological Development Group (SATDG) later renamed the South African Council of Churches Accounting Services (SACCAS). The former was started in 1972 with the aid of a R25 000 Anglo American/De Beers grant. It was not a success and was sold after a while. The SATDG ran into financial and administrative difficulties and never functioned properly.

In December 1974, in consequence of the expressed wish of overseas donors of the SACC, the Joint Screening Committee (JSC) was established by the SACC in conjunction with one of its donor partners, the Federation of Lutheran Churches of Southern Africa (FELCSA), to serve as a co-ordinating committee to evaluate development projects and to decide on priorities.

Before this, in July 1974, the Revolving Development Fund was also established with the aid of a grant of R500 000 from the Evangelische Kirche Deutschland (EKD) development arm, the Kirchlicher Entwicklungsdienst (KED). It was intended for the financing of development schemes. Its juridical basis was an agreement entered into between the KED and the SACC. It is linked to the JSC to the extent that the latter is entrusted with the task of approval or rejection of schemes which are put forward for consideration. Over the seven-year period 1975 to 1981 the RFD was the third largest recipient of donations received by the SACC, viz R2 618 864 or 15% of the total amount received.

ICA also administers funds provided by the Evangelische Zentralstelle für Entwicklungshilfe (EZE) for water projects in rural areas.

1.9.3 Home and Family Life

This Division's task

"is to minister to families and to encourage the SACC member churches

to do the same. Its immediate goal is to help the Christian community discover and enjoy the fulness[sic] of home and family life. But because the situation in the country denies to so many the joy which comes from having a home and being with one's family, the Division of Home and Family Life also has to address itself to the social, political and economic structures that generate so many of the problems in homes and families." (SACC Memorandum)

The problems tackled by the Division relate to illegitimacy, alcoholism, drugs, marriage problems, and pressures affecting the family life of clergy.

It endeavours to fulfil its tasks in the following ways -

"through conferences, seminars and courses, the richness and meaning of the family and its importance to the well-being of society is explored and communicated to member churches;

through conferences, seminars and publications structural problems that hinder the healthy growth of home and family life are highlighted;

through a health education programme in basic health and hygiene;

through the merging of many church women groups into the Ecumenical Womens Fellowship;

through the Advice Office Programme which trains black church workers and others in a community to cope with the many laws - such as the influx control legislation[sic] which council and restrict the lives of black people." (SACC Memorandum)

1.9.4 Women's Desk

"The aim of this programme is to assist women, particularly black women, realise their potential in order to develop their talents to the fullest capacity." (SACC Memorandum)

It was started in April 1974. It supports the Domestic Workers' Programme, which has the following aims -

"To establish centres of concern where domestic workers would be encouraged to develop their individual potential, improve their skills and meet their own needs;

to make the churches aware of the existence of the many domestic workers in their vicinity

to improve employer/employee relationships."

It is also responsible for the programme concerning the legal status of Black women, involving an educational programme to make Black women aware of their

problems and their rights.

In 1980 the Division was absorbed into the Division of Home and Family Life.

1.9.5 Unemployment Project

The SACC memorandum states:

"This project began in 1978 under the auspices of the Division of Mission and Evangelism. It was, and continues to be, an attempt by the churches in South Africa to combat the rising tide of unemployment and to provide a ministry to the unemployed across racial, religious and denominational boundaries.

The aim of the project is twofold:

to generate awareness of the problem of unemployment to help the churches recognise the vital importance of its continued ministry, both spiritual and material, to the unemployed and the poor.....

The work of project development and the development of human resources has been undertaken in the following areas:

organising unemployment training courses and seminars on rural self-employment projects

involving people in the planning and creation of self-help schemes in rural areas

maintaining links with other regional and local groups engaged in employment programmes

organising emergency food for the many people affected by unemployment

mobilising and coordinating support to persuade authorities to relax or suspend large scale rent increases during this period of economic recession

During 1980 a special research project was commissioned."

1.10 JUSTICE AND SOCIETY

1.10.1 Asingeni Relief Fund, including Legal Cost Trust Fund

As mentioned earlier it is convenient to deal with the Asingeni Fund under this Department, for although the General Secretary controls this fund, its purpose, aims and the disbursements it makes are primarily supportive of the functions of the Department of Justice and Society.

The Asingeni Relief Fund, hereinafter referred to as Asingeni, was launched

on 16 June 1976 by the staff of the SACC and its establishment was endorsed by heads of churches at a meeting on 18 June 1976.

In a statement issued by the SACC it was said that the name "Asingeni" conveyed the message "we will not go in". It was chosen as an expression of solidarity with those Soweto students who boycotted classes because of, as the SACC claimed, the Afrikaans issue (EcuNews 19/1976). The initial object was to help the Black people of Soweto through grants for funeral expenses; maintenance of families of persons who were killed or detained; medical and hospital fees; hire-purchase payments; rent where the breadwinner was injured, killed or detained or lost his employment; fines; travelling expenses of families to enable them to visit detained relatives. A further object was to fund attendance at inquests; the Sached Trust which was designed to provide tuition for scholars considered necessary owing to lost schooling; food and clothing; food parcels for detainees; loans or grants to persons who had suffered in consequence of the riots; transport costs for injured or bereaved relatives; educational grants, legal aid and bail. Specifically in regard to legal aid, the nature of the offences with which persons who received legal aid were charged, should be noted. They included possession of explosives; attendance at prohibited gatherings; public violence, attempted arson, housebreaking, malicious injury to property, riotous assemblies, stone throwing, robbery, assault, attacks on police stations and administration offices and sabotage.

Gradually, as the riots ran their course and subsided, a distinct change in emphasis developed with regard to the application of Asingeni funds. Whereas the fund had been primarily employed in the aftermath of the riots to provide compassionate assistance, the General Secretary in 1979 adjudged the climate to be right for announcing that the fund would in future be used to promote the "liberation of the oppressed". In Asingeni Report No.19 covering the period July to December 1979 he asseverated:

"Mandate:

Originally the Asingeni Fund was set up to give rapid assistance and relief to those who had been affected by the 1976 uprisings to give help with funeral expenses and then to provide legal expenses for those who were involved in political trials.

The Fund is still involved with providing legal assistance although there are slightly fewer security trials now in the offing. We are

still engaged in such trials. We help too in meeting the legal expenses for political prisoners who are involved in prison trials over prison discipline.

But, our mandate tacitly involved assisting the victims of the apartheid system and to empower the powerless in their liberation struggle against the totally unjust and immoral system prevalent in our country. We are now making this tacit commitment more explicit in the assistance that we have been called upon more and more to provide. I am sure that those who have supported Asingeni will continue to do so as we enter into a more positive phase."

Asingeni, in the General Secretary's discretion, now became an instrument to support the SACC's political cause. At the time he also reported the fund's involvement in labour unrest and stated that "Asingeni provided financial assistance to the workers whilst out of work, and this helped to maintain their solidarity at a crucial period".

From then onwards, Asingeni became the financial flagship of the SACC and its General Secretary and the instrument through which they signalled their heightened commitment to and support for pressure groups they perceived as having the potential to support or as already supporting radical change.

Asingeni Report No. 19, referred to above, in which the new intention, thrust and commitment to support political actions were expressed, listed the following examples of such support in pursuance of the new direction: The funding of

- legal actions against bus companies mainly transporting Blacks to challenge their fare increases (Cape Town and Johannesburg),
- protests against removals and resettlements and the provision of relief to victims,
- Black consciousness groups in order to strengthen them in their struggle against the system.

In Asingeni Report No. 20 the General Secretary, apropos of his decision to put Asingeni to use in a way different from that originally intended, stated:

"I hope fervently that all our donor partners will agree that our extension of the original mandate was a legitimate one."

In this report, under the heading "Black and Political Consciousness", a payment is recorded as having been made to enable a film to be distributed. The film dealt primarily with Black unemployment. Its distribution, so it was thought, would have a "conscientizing" effect on overseas audiences.

A further payment to the then editor of World to assist in a "conscientizing" campaign aimed at freeing a political prisoner, is reflected as a payment for educational assistance.

In Asingeni Report No. 23 dated September 1981 the real reason for supporting Black trade unions is referred to:

"Labour Unrest

The black trade unions have shown their muscle and their militancy. ... They are the most significant force for reasonably peaceful change ... The black unions have said they will defy any laws that intend to turn them into toothless bulldogs and the SACC has said it will want to be supportive. I hope our friends will be generous in money donations because these unions have no strike funds ..."

Furthermore, Asingeni Report No. 25 dated November 1982 stressed the importance the SACC attached to trade unions as a possible source of support for its campaign to achieve political change in the country. The General Secretary reported to the donors as follows:

"The trade unions movement is the cutting edge of the liberation struggle for a more just and democratic non-racial South Africa."

In 1979 the Asingeni Fund was used to assist Black trade unions involved in labour disputes. Financial assistance was given in 1979 to employees of Fatti's and Moni's who went on strike; legal aid was provided for a Black employee of Nel's Dairy who litigated with his employer, and assistance was given to the following unions -

Textile Industry Workers in Natal;
Motor Industry Workers in the Eastern Cape;
Municipal Workers in Johannesburg.

The squatter community of Crossroads received substantial assistance; persons charged under the Group Areas Act received legal aid, as did persons charged with pass offences. During the Black boycotts of City Tramways in Cape Town and Putco on the Reef arising from increased transport fares, Asingeni financed the costs of opposing the applications by City Tramways and Putco for increased fares. Private taxi drivers who illegally conveyed commuters received legal aid; refugees from Lesotho were assisted. During the 1980 school boycotts the transport costs of relatives wishing to visit detainees were met by the Fund. In 1980 a tour of 144 South Africans to Israel, France (Taize) and Switzerland (the so-called "Pilgrimage of Hope") was financed by the Fund. For example, grants and loans were made to -

1. Zenith Press to produce works by Black authors;
2. Ravan Press to publish works by Black authors;
3. business ventures to help Blacks establish themselves in the commercial sector;
4. university students to start a career guidance scheme for high school students;
5. high school students who had started a self-help group in a resettlement area;
6. assist in the training of Black musicians and artists;
7. The Voice newspaper;
8. the producer of the film Marigolds in August (an Athol Fugard play);
9. COSAS and AZAPO (two Black activist groups) to maintain their organisation.

The Asingeni Fund is a discretionary one; the General Secretary has a discretion which he exercises having regard to the objects of the Fund and by virtue of which he determines (vide Asingeni Report No. 19, supra) to whom, for what purposes and in what amounts assistance is to be provided. There is also the element of secrecy in grants from the Fund, the object being that it should not be known to whom or for what purpose payments are made.

Since 1981

"In spite of the fact that the Asingeni Relief Fund was established as a wholly discretionary fund, only about 20% of the Fund is used

in this way. The remaining 80% used for legal costs is audited through the Trust Accounts of the Councils lawyers, Bowens." (SACC Memorandum.)

The extent to which some Black Consciousness organisations are supported from the discretionary portion of Asingeni, which is not subject to audit, is reflected below (sample figures taken from the General Secretary's confidential record of discretionary disbursements):

(a) COSAS (Congress of South African Students)

		<u>Reason</u>
17.9.80	R1 000	Conference costs
11.9.81	R1 000	Conference costs
11.5.82	R2 000	Conference costs
29.11.82	R1 500	Conference costs

(b) AZASO (Azanian Students Organisation)

29.9.80	R1 000	Conference costs
16.7.81	R1 000	Conference costs
27.5.82	R 150	Conference costs
16.7.82	R1 500	conference costs

(c) YASA (Youth African Studies Association)

6.11.80	R1 000	
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(d) MWASA (Media Workers' Association of South Africa)

25.11.80	R5 000	Assistance striking journalists
30.7.81	R13 418	Relief assistance
6.12.82	R750	Relief unemployed journalists

Trade unions supported from the discretionary fund were:

(i) PEBCO (Port Elizabeth Black Civic Organisation)

19.1.80	R22 500	Assistance for striking workers
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(ii)	<u>BMWU (Black Municipal Workers' Union)</u>			
		24.9.80	R5 000	Assistance for sacked municipal workers
(iii)	<u>CUSA (Council of Unions of South Africa)</u>			
		7.2.81	R1 050	Assistance for sacked municipal workers
(iv)	<u>SAAWU (South African Allied Workers' Union)</u>			
		3.8.81	R4 000	Assistance for Wilson Rowntree strikers
		16.9.81	R10 000	Bail money for strikers
		18.8.82	R1 000	Assistance with conference costs
(v)	<u>MACWUSA (Motor Assemblers and Components Workers' Union of South Africa)</u>			
		27.9.82	R10 000	Relief grant
(vi)	<u>MAWU (Metal and Allied Workers' Union)</u>			
		15.10.82	R2 000	Transport grant for strikers
(vii)	<u>BMU (Black Miners' Union)</u>			
		29.11.82	R15 500	Bail money

Legal Cost Trust Fund

In 1981 Asingeni absorbed the Legal Cost Trust fund (LCT), the reason being that the aims of the two funds overlapped. A brief overview of LCT follows:

"It was established in October 1974 when the SACC found that the aims of the Ecumenical Trust Fund (ETF) restricted the type of case for which legal assistance from that trust could be provided. The Trust

Deed of LCT provided funds for the relief of persons prosecuted under the laws of the Republic of South Africa in cases where the persons concerned has insufficient means to defray legal costs; where the Fund was of the view that they had a reasonable defence, and where it was found that good and sufficient reason existed to finance their defence. The committee controlling the Fund were agreed that it should be used 'for repressive legislation in particular'. Cases where assistance was given were, for example, a sabotage treason trial in South West Africa and a prosecution under the Internal Security Act."

In financial terms Asingeni is the most important fund within the SACC. During the seven-year period from 1975 to 1981 it was allocated and absorbed 25,3% of the total income of R17 475 013. From 1979 to 1981 the annual income of Asingeni increased from R572 740 to R773 017, showing increased overseas donor support for its role in supporting pressure groups and organisations in striving for radical, fundamental change. Asingeni is the main financial vehicle which the SACC uses to support the attainment of its objective of "liberation".

1.10.2 The Dependants' Conference (DC) including the Ecumenical Trust Fund (ETF)

The DC was initially established in May 1963 by a number of organisations, and it was taken over by the CCSA in 1965. Up to 1971 it was administered by the Division "Inter Church Aid", but since then it has become a separate division.

With regard to the receipt and application of funds as well as accounting procedures followed by the SACC in respect of the DC, the trial Court in the case of The State versus Rees (Supreme Court case No. 392/1982) held in its judgment delivered on 25 May 1983, pp. 2-4, as follows:

"A major contributor to the fund of the Dependants Conference has been the World Council of Churches, ... In respect of the expenditure of WCC contributions, the SACC was obliged to budget and report annually to the WCC. Monies which did not come from that body were accounted for separately because they did not require to be used strictly in terms of a budget. Those non-WCC funds came to be referred to as Dependants Conference number 2 and in the accounts of the SACC as the DC 2 account. The funds paid into the DC 2 account from 1975 to 1978 were as follows:

1975	-	R61 445
1976	-	R152 219
1977	-	R409 760
1978	-	R353 578

These funds of DC 2 came to be used for purposes wider in ambit than those funds which emanated from the WCC. In addition [the] use of the DC 2 monies was placed at the discretion of the [General Secretary] ...

According to the accused [Mr J C Rees the former General Secretary of the SACC] most of those beneficiaries were erstwhile members of the African National Congress and the Pan Africanist Congress, both banned organisations in South Africa. Such payments were regarded as sensitive and requiring the utmost discretion as it was feared that they might attract political and legal repercussions for both the donor and the donees concerned. Such payments were first made in about 1972 or 1973 from the DC 2 account. The accused informed the Court that he told donors that the DC 2 funds were regarded as discretionary and that it was necessary for payments from that fund to be made on a discreet and confidential basis.

The manner in which the accused made payment of DC 2 monies varied with the circumstances. In those cases where confidentiality was not required, payments were made directly to the recipients by means of SACC cheques or in cash. Where the accused wished to make discreet payments this was always done in cash. In those cases he would requisition cash cheques or cheques made payable to himself. He would deposit those cheques for credit to his own bank account and draw the cash as it was required. On occasions such discreet payments were made directly to the beneficiaries and frequently they were made through intermediaries. Considerable amounts of DC 2 monies were spent on legal fees, for example, for legal assistance to persons who contravened the terms of a banning order or for persons who wished to have the terms of such a banning order amended."

The SACC states that the policy of the Division is to minister to the needs of political prisoners, detainees, banned persons and their dependants. The aims of the Division are expressed to be -

- "(a) To help channel aid for legal costs where it is most needed;
- (b) To arrange regular visits by relatives to political prisoners;
- (c) To provide subsistence for individuals and families in the above categories;
- (d) To enable released political prisoners to get back into normal life through finding employment or providing means of self-support;
- (e) To create an awareness in the churches so as to enable them to exercise and support this ministry more effectively;
- (f) To create a similar awareness in the community and to work with other interested groups.
- (g) To gain the participation and understanding of those whom we are assisting." (SACC Memorandum.)

The work of the DC is organised and done by the SACC in conjunction with a number of its regional offices, including one in Transkei. (The Republic of Transkei banned the SACC and the DC in November 1979. The SACC nevertheless ignored the legal restrictions imposed on its activities in Transkei and

continued channelling funds to Transkei using the Ecumenical Trust Fund under its control as a disguise.)

The assistance provided by the DC includes the following:

1. monthly maintenance for the dependants of political prisoners;
2. the education of the families of indigent political prisoners and certain released political prisoners;
3. visits by relatives of prisoners to, for example, prisoners detained at Robben Island;
4. donations to discharged prisoners to enable them to purchase items such as clothing;
5. self-help projects to assist discharged political prisoners (discontinued after a while);
6. funeral expenses of one-time political prisoners who died;
7. "Discretionary Funds" - established to enable regional offices to render particular forms of assistance, for example, for the purchase of spectacles for "DC families";
8. "Special Relief Fund" - set up with the DC account in 1977 to assist the families of persons who lost employment through the banning of their employing organisation;
9. funds channelled by DC which Amnesty International and certain church organisations provided to certain specified families;
10. Bibles provided to "DC families";
11. legal aid provided for the legal defence of ex-political prisoners, banned and restricted persons, who happened to be charged with certain offences (legal aid was also provided for persons charged with public violence during the 1980 student unrest, and for persons charged with terrorism and infringement of banning orders, as well as for persons involved in disciplinary cases in prison);
12. "Grants to exiles" - assistance was in certain cases given to the families of persons who had left the RSA.

DC and ETF assistance was however selectively applied. The minutes of the Finance Committee of the Ecumenical Trust Fund for 22 August 1977 show that a "political" detainee who turns State witness disqualifies himself by that

act from continued financial support.

"4. STATE WITNESSES

There was a lengthy discussion on whether to support the families of people who had given state evidence. It was agreed that as soon as it was known that a person had given state evidence, all grants to that person would stop."

Such a person could re-apply for assistance.

In 1981 the DC absorbed the ETF in a rationalisation process. The latter fund had been established in December 1972 by the SACC to provide assistance to "banned" and restricted persons and their families. Relief was directed to maintenance, studies, legal aid, food, reading matter, medical attention and other requirements.

The DC was the second most important operation of the SACC. During the seven-year period 1975-81 the Commission's auditor reported that the DC obtained 24,1% (R4 212 079) of all SACC funds.

1.10.3 African Bursary Fund (ABF)

This Fund was established in November 1969 to provide bursaries for students, particularly in rural areas where, so it was considered, bursaries were hardly available. Although assistance was given mainly to Black students, some Indians and Coloureds were also granted bursaries. Bursaries were initially limited to school-going children, but in 1974 the bursary scheme was extended to provide bursaries for university study also. A limited number of bursaries were provided for technical training.

The number of school bursaries granted grew from 12 in 1970 to 836 in 1981. University bursaries increased from 10 in 1974 to 106 in 1981. From 1977 to 1981 22 bursaries for technical studies were awarded.

In the memorandum of the SACC to the Commission the justification for the Fund is expressed thus:

"The ABF fulfills a vital role in the light of the discrimination which exists in the educational system in South Africa, in making it possible for some South Africans who are not white to realise their full potential as human beings through educational aid."

An undated report of the ABF contains the following statement:

"It [the Fund] is clearly also a demonstration of the Church's role in the struggle for liberation of its oppressed masses; after all the Church has to be seen to be identifying itself with its under-privileged, undeveloped masses especially the youth, who have become alienated from the Church."

The Director of the ABF reported to the National Conference in 1980, expressing the SACC's aims and objectives with the ABF thus:

"AFRICAN BURSARY FUND

ITS AIMS AND OBJECTS:

The church has a prophetic responsibility to interpret the liberating message contained in the scriptures, and this division aims at demonstrating this responsibility. This is done, by giving bursaries to needy students in the rural areas, of the country. These areas, are by and large either undeveloped or under-developed. By enabling some of these children to receive an education, we are, even though in very small measure preparing them for their rightful places in their own communities, but also in the society at large. To enable them to be self-reliant and perhaps self-sufficient. The strength of any nation is in its knowledge - and we would hope in this division, that we are actively engaged in rendering this kind of service to the children of God, who belong to the deprived members of the Society."

The university and technical bursaries, a subdivision of the ABF, are justified by the SACC in the same report:

"UNIVERSITY AND TECHNICAL BURSARIES

INTRODUCTION

One of the prime aims of the division is the upliftment of the under-privileged members of the community, who are mainly blacks - and to prepare them for their rightful places in an ever-changing sophisticated society. Further, if the Church is serious about its own involvement in the liberation of the oppressed, then the educational opportunities availed them should be such as to ensure that they would be able to make meaningful contributions, when they are called upon to do so."

The "Turret" Project

Turret College, which is essentially a correspondence college, decided after

the riots of 1976 to provide educational assistance to Black scholars who felt disinclined to return to State schools. The expenses involved were such that the facilities would be in reach of only a few, and the ABF, which was approached for assistance, applied to an organisation named Action for World Solidarity for funds to assist deserving persons.

Apart from and outside its own structures the SACC is further involved with educational matters, having established the Educational Opportunities Council and a trust fund in its name known as the Educational Opportunities Trust. Initially it selected candidates to study in the USA on bursaries etc. provided by the American government. It has however also initiated local educational programmes which are financially supported from Europe.

During the seven-year period under review, the amount attracted by the ABF was the fourth largest, namely R1 959 396 (11,2% of the total receipts).

1.10.4 Justice and Reconciliation (J & R)

This Division was established in 1972. In the memorandum of the SACC the Division is justified in the following terms:

"This was a positive response to the growing concern of the church to the whole question of racism and structural violence.

It was also a creative response by member churches to the commitment expressed at the Fourth Assembly of the World Council of Churches held in Uppsala in 1968, to eliminate racism throughout the world. A subsequent Consultation on Racism, held at Notting Hill, near London in 1969, proposed the establishment of a Programme to Combat Racism. This proposal was endorsed by the World Council of Churches in the same year.

In 1970 the Programme to Combat racism decided to give financial aid to various movements engaged in military conflict in Southern Africa. This decision had a dramatic impact on the life of the church in South Africa. Following this decision the Annual Conference of the Methodist Church called on the South African Council of Churches to hold a conference on Justice and Reconciliation. As a result of this meeting recommendations were made through the Executive Committee to the various member churches of the South African Council of Churches that a Division of Justice and Reconciliation be established.

In establishing this division the SACC declared its intention and commitment to demonstrate that racism could be successfully combatted by peaceful means and not violent [sic] means within South Africa. The South African Council of Churches, through the Division of Justice and Reconciliation, has remained faithful to this commitment. It has tried to intensify its witness, through its life and its work, to justice and reconciliation in the church and society.

The committee which was formed to guide the work on Justice and Reconciliation was made up of two representatives from each church. The first meeting of the committee took place in November 1972 and formulated a programme which focussed on the following issues:

- labour and investment
- violence, non-violence and conscientious objection
- womens work
- international affairs
- education

These issues represent some of the central strands of concern of the Division of Justice and Reconciliation. They are some of the most basic problems with which christians in South African have to wrestle, and therefore they generate questions for which the churches need adequate answers."

The work of the Division is stated by the SACC to be related to the following:

- "- issues of labour and investment and an economic system which is dependant on migratory labour and the inevitable destruction of home and family life;
- issues of foreign investment and the attempts by foreign firms to evade the implementation of codes which set out fair employment practices;
- issues of violence and non violence in relation to social change in South Africa;
- issues generated by legislation that erodes basic human rights; and
- issues raised by the whole question of the relocation of black people."

Quite correctly the SACC states that "these issues have generated a great deal of controversy".

The Division of Justice and Reconciliation (DJR), specifically its Director, Dr W. Kistner, provides the main intellectual stimulus and input into the life and work of the SACC (see Chapter 2). It institutes and controls numerous projects designed to be supportive of the SACC in its theology and action programmes. These projects are either investigative or action or research orientated. Projects included the restatement of the theological principles of the SACC in 1977, the ongoing action and monitoring programme on the investment/disinvestment issue, labour matters, studies by the Faith and Ideology Commission in which liberalism, Marxism, Ethnic Regrouping in South Africa, democratic socialism, African nationalism, Afrikaner nationalism,

and tribal traditionalism featured. This Commission also investigates these and similar ideologies to extract material and ideas which could be used in support of the SACC objectives.

Other ongoing projects in the DJR are the identification of "change strategies", i.e. non-violent methods or strategies to promote change as is done and advocated by its Commission on Violence and Non-Violence.

A very important ongoing project is the dissemination of doctrine such as its theology of liberation and of actions initiated in pursuance thereof. In this connection Dr Kistner said:

"Our Division is conscientizing [sic] both South Africans and people abroad. For instance we place special emphasis on conscientizing [sic] others about homelands, migrant labour problems and resettlement issues that people don't like to talk about. We try to make them aware of the terrible suffering that resettled people experience."

Similarly the SACC stressed the importance of communications by the DJR. It is to be noted that this Division is specifically entrusted with international communications. In its Memorandum the SACC stated:

"The Division of Justice and Reconciliation believes an important aspect of its work is to keep South African churches and their members, as well as overseas partners of the SACC, informed on the whole question of the relocation of black people in South Africa."

and

"The Division of Justice and Reconciliation attempts to make the members of its member churches aware of the changes that need to take place in South Africa. This means that it has to inform these members of social, political and economic issues that conflict with Biblical conceptions of justice and fairness."

Certain projects and actions will be referred to in more detail elsewhere in this report.

THE INCEPTION AND DEVELOPMENT OF THE SOUTH AFRICAN COUNCIL
OF CHURCHES (SACC)

2.1 INTRODUCTORY

The sources used for the brief historical sketch which follows include some publications relied upon by the SACC in its submission to the Commission, viz -

Councils in the Ecumenical Movement South Africa 1904-1975 by

David Thomas, published by the SACC, Johannesburg, 1979;

The Church struggle in South Africa by John W. de Gruchy, South

African Edition by David Philip Publishers, Cape Town, 1979;

Ecumenism in South Africa, 1936-1960 by E. Strassberger, published

by the SACC, Johannesburg, 1974;

Ecumenical movement in the 1960's by Dr Margaret Nash, published

by Ravan Press, Johannesburg, 1975; and

The South African Churches in a Revolutionary Situation by M. Hope

and J. Young, published by Mary Knoll, New York, 1981.

While the Commission recognises that these publications present in many respects an incomplete picture and are not altogether helpful, it can at least be said that the SACC itself relies on them and consequently considers them to be authoritative. Both Thomas and De Gruchy have the virtue that they were for some years on the staff of the SACC. In this and other sections of its report the Commission also relied heavily, where it was at all possible to do so, on what could be gleaned from documentation emanating from the SACC itself, such as minutes of the National Conferences or Executive or Praesidium of the SACC, reports, correspondence, SACC publications and the documentation of associated bodies, e.g. member organisations or church organisations.

Other sources consulted by the Commission are set out in the attached bibliography.

2.2 THE GENERAL MISSIONARY CONFERENCE

Our starting point in the history of the SACC is the establishment in 1904 of the General Missionary Conference (GMC). It was formed by the Dutch Reformed and English-language churches in Southern Africa to enable missionaries from different societies to meet to discuss common problems and to endeavour to resolve conflicting interests. Co-ordination of missionary activities and evangelisation of the native races appear to have been the dominant objectives. Other objects were stated to be -

- "To guard the interests of the native races, and, where necessary, to exercise influence on legislation in their interest."

- "To establish independent and self-propagating Black churches in South Africa."

The General Assembly of the GMC met every three years.

Although the GMC might have achieved more with a more authoritative council, it was said to have contributed greatly to the spirit of interdenominational comity and co-operation. The associated organisations benefited by the garnered experiences of the missionary work of its fellow members. A feeling of unity developed, although the significant ecumenical trend of later years was hardly discernible at this early stage.

2.3 At a meeting of the GMC held on 27 November 1929 it was resolved to invite Dr R. Mott, a well-known ecumenical missionary, to South Africa. He made a deep impression on the GMC, and his visit gave rise to an endeavour to form a more closely knit organisation. As a result, the Christian Council of South Africa (CCSA), which superseded the GMC, was created in 1936. Its object was stated to be the closer co-ordination of the Christian forces of South Africa, with a view to the more effective propagation of the Gospel. In the formulation of its functions, evangelisation received primary emphasis, and the need for missionary activities was stressed.

The CCSA had an initial membership of 29 churches and missionary organisations,

including the Transvaal Synod of the Nederduits Gereformeerde Kerk. In 1940 the latter body withdrew its membership, giving as its reason a "political" decision taken by the CCSA on Black education. Another difficulty which seemed to play a role was the persistent use of English as a medium of communication in the CCSA.

From then the CCSA and its successor, the SACC, were dominated by the larger English-language churches and the Black churches.

In the course of time a change in the direction of the CCSA became noticeable. Its activities in the missionary field gradually decreased and its concern with and interest in political and social matters grew. In this regard reference might be made to Strassberger (op. cit., p. 156) where she says:

"... the CCSA appears to have been much more active in the social and political sphere than in those activities which had conventionally been characteristic of missionary endeavour".

To an increasing extent it took up the cudgels on behalf of the Black population in South Africa and busied itself with matters such as Black education, migrant labour, influx control and generally, legislation concerning Blacks. In the 1940s and 1950s it held a number of conferences, initiated various schemes, and from time to time made approaches to the Government of the day, all with a view to improving the socio-economic and political position of Blacks in South Africa. The coming into power of the National Party in 1948, and the introduction thereafter of legislation in pursuance of its policy of the separate development of the population groups of South Africa, marked the beginning of a new era in the life of the CCSA. It considered that the policy of separation of the population groups did violence to its concept of the unity of mankind. It adjudged the policy of apartheid, as it was then called, to be contrary to its understanding of Christianity and the biblical message. The report of its 1949 annual conference, held at Rosettenville, included the statement "God has made all men in his image. Consequently beyond all differences remains the essential unity. The real need of South Africa is not apartheid but unity."

As will be seen later herein, the SACC, successor since 1968 to the CCSA, became

an implacable and indefatigable opponent of the policies of the Government, and its activities in this regard in the course of time overshadowed all else that it did. Initially, however, the CCSA was not as outspoken and radical as it later became. It contented itself with such actions as the publication in 1952 of the findings of a commission appointed by it, which had the title "Race - what does the Bible say?". In this publication the point was made that it was not sufficient for the church merely to preach unity; its goal had to be extended into the world beyond.

2.4 From 1952 onwards a restructuring of the CCSA was undertaken. The thought was expressed that while missionary work would retain a place in the interests of the CCSA -

"it would be wise to develop as a Council of Churches in which the various South African Churches would see a constant instrument for their common action".

Clause 14 of the constitution of the CCSA, forbidding it from discussing matters of doctrine of member organisations, was deleted. At the 1964 biennial meeting of the CCSA it adopted an amended constitution containing as the main objective: "to foster the closer unity of churches".

The name change from the CCSA to the SACC in 1968 signalled that the missionary phase of the body had come to an end. The new image and direction of the SACC now carried with it a -

"lessening of emphasis on individual salvation. This caused an estrangement between the SACC and those who call themselves 'evangelicals'. Evangelical denominations like the Church of the Nazarene, the Baptist Union and the Salvation Army have withdrawn from the Council because of what they see as an overemphasis on political and social questions". (Thomas, op. cit., p. 52.)

2.5 ECUMENISM

The tendency to strive more and more for unity in all directions, including the economic and political fields, and to become increasingly concerned with secular activities, was in large measure inspired by ecumenical thinking. In this regard the CCSA and its successor, the SACC, were much influenced by overseas

movements and to a considerable degree by the World Council of Churches (WCC), which was formed in 1948. The CCSA did not apply for or receive associate membership of that body until 1962 (not being a church, it could not become an ordinary member), but its pursuit of ecumenism had a contagious effect on the CCSA. When the CCSA resolved to join the WCC, it resolved inter alia -

"that consideration be given towards its affiliation more directly with the World Council of Churches", [and] "to this end it was further agreed that its sectional activity should be brought more in line with the World Council of Churches by the provision of six divisions -

- (a) ecumenical relationships,
- (b) ecumenical studies,
- (c) mission and evangelism,
- (d) christian education,
- (e) inter-church aid, and
- (f) national and inter-social affairs."

It is considered appropriate in this context to quote what a leading activist in the SACC, Dr Margaret Nash, (op. cit. preface) understands by ecumenism:

"The term ecumenical, while used to describe the movement for worldwide unity of the Christian Church as means 'pertaining to the whole habitable earth'. It therefore has comprehensive planetary and temporal significance, and may aptly be applied to both secular and religious aspirations towards achieving a united human family living in harmony with its global habitat."

"Developments during the nineteen-sixties in the Roman Catholic Church and the World Council of Churches reflected an increased concern with the *oikoumene*. Theologically this ecumenical perspective was based on a new grappling with the twin doctrines of creation and redemption, and ethically it was expressed in growing solidarity with the suffering and with their global struggles towards that state of social justice biblically termed shalom."

Thomas (op. cit., p. 46) remarks that by pursuing the ecumenical idea the CCSA -

"irrevocably declared its intention of proceeding in exactly the opposite direction to the course on which the apartheid ideologies of the Government were attempting to set the country".

2.6 COTTESLOE CONSULTATION

An important event concerning church involvement in the racial situation, concerned not the CCSA as such, but the WCC, of which the N.G. Kerk of the Cape and the Transvaal and the Nederduitsche Hervormde Kerk were at the time (1960)

still members. What happened was that at the invitation of the South African member churches, the WCC arranged an inter-church consultation to discuss the racial situation in the aftermath of the Sharpeville disturbances. The conference was held at Cottesloe, near Johannesburg, in December 1960 and efforts were made to reach common ground on questions of public policies such as the moral and biblical justification or otherwise for the policy of separate development. Complete agreement could not be reached, and in 1961 the Afrikaans member churches withdrew from the WCC. The SACC, then still known as the CCSA, was only very indirectly involved in this episode, to the extent that several of its important member churches took part in the consultation, and it no doubt took note of what was going on.

2.7 "A MESSAGE TO THE PEOPLE"

As was previously observed, the SACC in its earlier years was not seen to advance its views on racial questions with the vigour manifested later on. In 1965, however, the question of multi-racialism and the church was debated at a summit meeting of church leaders at Bloemfontein. As a result of the views expressed at that meeting the SACC took the initiative and appointed a committee "to consider what obedience to God requires of the church in her witness to her unity in Christ in South Africa". That in turn led to the appointment of a Theological Commission which in 1968 prepared a report in collaboration with the Christian Institute (CI) entitled "A Message to the People of South Africa". It was published and disseminated by the SACC.

The "Message", a lengthy document, attempted to show that apartheid or separate development is contrary to the Gospel of Jesus Christ, and branded it as a "false faith, a novel Gospel". One of its authors, Bishop B. Burnett, said of it: "The implication of the Message undoubtedly involves planning for the future on the basis of responsible, orderly and increased integration."

The "Message" was clearly a statement of principle and was fully endorsed by the SACC. Its issue evoked considerable reaction. The Prime Minister of South Africa commented that people "who wish to disrupt the order in South Africa under the cloak of religion" should be warned to cease their endeavours. The Baptist Union questioned its theological basis and in fact rejected it outright. It withdrew from full membership of the SACC in 1970, but thereafter maintained

observer membership for a number of years.

The Message was shortly thereafter followed by a publication issued jointly by the SACC and the Christian Institute (about which more later) entitled "Apartheid and the Church", setting out the views of the Study Project on Christianity in Apartheid Society (SPROCAS) on how apartheid affects the life of the church in South Africa.

From now on the SACC "began to establish its reputation as a radical organisation" (Thomas op. cit., p. 54). It was seen "as a pioneer moving in new directions, urging churches to follow" (Thomas op. cit., p. 54). It is appropriate to observe that the new thrust coincided with a significant stepping up of WCC actions concerning racial issues. In 1966, the year of the appointment of the above-mentioned Theological Commission, the WCC held a conference on "World and Society", which was to pave the way for the establishment of the Programme to Combat Racism (PCR), to be discussed presently. It was at this conference that radical views were expressed by some spokesmen on the question of Christian participation in revolutionary struggles of our day.

2.8 SPROCAS

While the Message explicitly condemned the ideology of apartheid, it did not put forward any alternative. Thomas, op. cit., pp. 9-10, takes up the developments:

"... what practical alternatives did the authors of The Message offer to the Government's apartheid policies?"

Accepting the challenge ... the CCSA (SACC) and the Christian Institute established in 1969, (February) the 'Study Project on Christianity in Apartheid Society' - SPROCAS. Over the next four years SPROCAS, under its director Peter Randall, produced comprehensive blue prints for the structuring of South African society on principles compatible with those laid down in The Message, in the political, educational, social, legal, economic and church fields."

The first or "blueprint" phase later became known as SPROCAS I and was directed mainly to finding viable alternatives or answers to apartheid and to identifying an alternative social system in which racism would have no role.

In the nature of things different perspectives are reflected in the various reports and it is rather difficult to present a comprehensive overview of the recommendations made. What is not without significance is that what was sugges-

ted at that time was steady change in many fields, and that radical change was not urged in all the reports. By way of illustration reference might be made to a list of criteria established by Prof. L. Schlemmer, by which meaningful change in the South African situation could be measured.

Thomas, op. cit. p.110, explains. Such change, it was said, would -

- "1. lead to steady improvements in the economic position of the majority of Blacks;
2. have the effect of closing the gap in average standards of living between Black and White groups;
3. result in steady improvements in regard to the civil liberties, social benefits, and freedom under the law enjoyed by members of all groups in the population of South Africa;
4. lead to a political arrangement in South Africa which will avoid the exploitation and control of any one group by another group; and
5. allow all members of all groups to enjoy self-esteem, pride, dignity, and a release from those factors which undermined the morale and self-respect of individual members of Black groups, as well as an elimination of factors which undermine the social 'health' of communities, particularly the poorer ones."

During August 1971 the National Conference of the SACC discussed and agreed to proposals for a follow-up to SPROCAS I which would implement actions to effect change in the South African society along the lines suggested in the various SPROCAS studies to date. The project would be known as SPROCAS II.

In his report dated 1 June 1971, the Director described the intention behind the SPROCAS programme as follows:

"It was to study the implications of the Message for our national life that Spro-Cas was established. The Spro-Cas Commissions will be making far-reaching proposals for change in the direction of a just, non-discriminatory society in South Africa.

Spro-Cas Two is thus a logical further step in a major and sustained attempt to achieve change in Southern Africa, involving the talents and hard work of many South Africans (150 are serving on the six study commissions).

The sequence can be shown as:

- (i) The theological study resulting in the Message which stimulated
- (ii) the intellectual study of the Spro-Cas commissions,
- (iii) the action programme of Spro-Cas Two."

He continued, stating the purpose of SPROCAS II, accepted by the National Conference of the SACC in 1971, thus:

"Spro-Cas Two can be seen as the final phase of a three phase programme aimed at achieving social change and social justice in South Africa."

The broad aims of SPROCAS II were -

- "1. To implement as far as possible those immediately practicable recommendations for change made by the six SPROCAS study commissions.
2. To prepare the grounds for eventual implementation of the long term recommendations for change made by the six SPROCAS study commissions.
3. To undertake further action in line with the findings of the SPROCAS study commission."

Some of the action programmes listed, which could be considered in order to achieve social change and social justice through the agency of SPROCAS II, were -

- education,
- "economic action programmes" that might include, for example -
 - (a) action directed at South African and foreign companies to pay better wages, provide more social security etc. for Black workers,
 - (b) action with regard to the establishment of workers' committees,
 - (c) the compilation and dissemination of a code of ethics regarding institutional behaviour;

other programmes would be the

- changing of white attitudes with intensive efforts directed at opinion leaders from various groups and strata along the lines suggested;
- the utilisation of the mass media, involving for example -
 - "skillfully conducted opinion polls, which in themselves tend to facilitate shifts in political opinion",
 - "dramatic popular ways of illustrating interdependence of races",

- "a series of popular and easily understood yet authoritative articles predicting the outcome of various changes",
- efforts to counteract Black powerlessness.
 - "a political programme to propagate alternative policies ..."
 - a Publications Programme.

Another SPROCAS programme was directed at Blacks, and among the goals suggested were - "to help the Black community become aware of their own identity", "to help the Black community to create a sense of its own power", "to enable the Black community to organize itself, to analyse its own needs and problems, and to mobilise its resources to meet its needs", "to develop Black leadership capable of guiding the development of Black communities".

Thomas (op. cit., p. 10) remarks:

"Of longer lasting effect than the proposals for changing the White controlled apparatus of state by its White controllers was the shove given by SPROCAS to the Black Consciousness movement. It was responsible, for instance, for the launching of one of the most important institutional expressions of that movement, the Black Community Programmes, while Steve Biko was a SPROCAS staff member when he was first banned in 1972."

Special mention must be made of the Publications Programme. The type and variety of publications produced by SPROCAS were described by its Director as being "valuable in terms both of understanding our situation and of working for change." In this connection the establishment of Ravan Press was explained in the following terms:

"Ravan Press was established to meet the production needs of such material and it is intended that the press should continue as an independent publishing and communications company after Spro-cas itself ends."

The phrase "such material" refers to the production and publication of material perceived to be relevant to the process of "working for change".

For this reason the Director also recommended -

"That the establishment of Ravan Press as an independent publishing

and communications venture be noted, and member churches be encouraged to keep themselves informed of its work and to use its material in their activities for social renewal."

The SACC also financially supported Ravan Press, and made a grant to its erstwhile Director, Mr Randall.

SPROCAS II functions would

"include contact and co-ordination between those working for change, the clarifying of goals and strategies for change, the pooling of resources and skills, and the promoting of radical alternatives to the present social order. To provide a framework for the achievement of such tasks, Spro-Cas has proposed the establishment of a Program for Social Change."

We have dealt at some length with SPROCAS I and II in the brief historical overview. The reason for this is that these projects demonstrated the first calculated venture into the socio-political and economic fields by the SACC based on its theological understanding that it should evince socio-political involvement. These definitive actions aimed at promoting its perceptions of a more just society, through a radical transformation of the existing one, and led by SPROCAS II were supplanted by certain member churches when they succeeded after a long struggle in having a Division of Justice and Reconciliation established in the SACC, imitating the WCC initiative with its establishment of the Programme to Combat Racism (PCR).

Compared with later SACC action programmes and strategies of change, SPROCAS plodded along at a much more sedate pace.

2.9 GROWING BLACK PARTICIPATION

In the 1960s and 1970s Black persons were deliberately moved to the top-most structures of the constituent churches of the CCSA and afterwards of the SACC. In this regard the SPROCAS Commission recommended that White Christians should be prepared to share leadership and even to relinquish positions of leadership in the church. The SACC became "much more widely representative of the Black Christian Community" (De Gruchy op. cit., p. 126). On the same page the author says: "It has meant that the policy and programmes of the SACC have more and more reflected Black Christian opinion ...". In the course of time most of the senior positions on the SACC were filled by Blacks, and, as will be seen, its highest executive post was in 1978 filled by a Black church leader.

At the 1970 conference of the SACC its first Black president was elected, and he was followed by others. By 1975 seven of the twelve full-time directors of divisions in the SACC were Blacks and its chief accountant, Elphas Mbatha (to be referred to again elsewhere in this report), was a Black.

Blacks came to make up the greatest percentage of the membership of churches of the SACC. Worthy of special mention in this regard are the Lutheran Churches, which in the course of time acquired indigenous leadership, and "brought a powerful new Black voice into the Councils of the SACC" (Thomas op. cit., p. 64). The African Independent Churches, representing more than 1 000 Black churches, and such individual independent Black churches as the African Catholic Church, the National Baptist Church and the Bantu Methodist Church, increasingly had their voices heard.

Reference should also be made to the "daughter" or "sister" churches of the N.G. family which became observer members of the SACC. In 1975 the N.G. Kerk in Afrika became a full member.

Inevitably Black Consciousness and Black Theology permeated and influenced the thinking of the SACC. Thomas (op. cit., p. 66) remarks "... thus, Black theology would indubitably have played a part in the movement visible in both the SACC and its constituent churches in the early 1970's ..." (see infra, Chapter 5).

2.10 THE PROGRAMME TO COMBAT RACISM (PCR)

In 1969, in consequence of an international consultation on racism which was held in London at Nottinghill, the Central Committee of the WCC resolved to establish a programme to be styled The Programme to Combat Racism (PCR). It was principally designed to combat racism wherever it occurs in the world. On 5 September 1970 it was announced that grants totalling the equivalent of R200 000 were to be made by the PCR through its "Special Fund" to "oppressed racial groups and organizations supporting the victims of social injustice". Pre-eminent amongst these were the "Liberation Movements" fighting in Southern Africa, such as the Patriotic Front, Frelimo, Swapo, the ANC and the MPLA. This support for and display of solidarity with terrorist movements aroused world -

wide fury, and member churches of the WCC in South Africa were among the many who castigated the PCR grant, and others which followed, as being "implied support for violence".

The immediate reaction of the SACC was to dissociate itself from the WCC action. However, in a statement issued a few days later, the SACC "acknowledged that the motivation for the assistance accords with the Christian practice of helping those who suffer or are in any kind of need". It added, "... this action can be regarded as identification by the WCC with organizations whose purpose is to change the social order in South Africa by the use of force" (Thomas, op. cit., pp. 73-4).

A period of dialogue with the WCC followed, involving inter alia the question whether member churches in the RSA should withdraw from the WCC. At its meeting held on 2-3 December 1970 the Executive Committee of the SACC declared:

"After discussion it was agreed to endorse the following points on which there was a high degree of unanimity in all church statements which had been issued thus far; -

1. all have decided to retain their membership with the World Council, which was the basic issue at stake,
2. all criticise the World Council for its implicit support for violence by granting financial aid to 'liberation movements',
3. all equally criticise the racism of our country, and call for positive action to bring about reconciliation and racial justice by peaceful means,
4. most have asked for a consultation between the World Council of Churches and the South African church leaders on the subject. Some withheld their annual grants to the World Council even without such consultation."

The WCC, notwithstanding strong protest, persisted in the PCR grants and, in addition, in 1972, officially adopted a policy of "disinvestment" in respect of South Africa. And the problem was not alleviated by such actions as the report in June 1973 that the PCR director, Baldwin Sjollem, had said that the raising of Black wages in South Africa was dangerous because it could stop agitation for change.

The SACC at an Executive Committee meeting held in June 1973 rejected Sjollem's approach outright in a statement which reads in part:

"While we recognise the need for fundamental change and that the slowness of the South African political and social system in adapting to the need for change lends some credibility to Dr Sjollema's view we repudiate the implication that the raising of Black wages will actually impede radical change. One implication is that Blacks should continue to suffer such privation and poverty that they will ultimately resort to violence. It is arrogant for any man to presume to prescribe this kind of action from the outside, particularly when he himself will not have to suffer the consequences."

Thomas (op. cit., p. 78) suggests that the decision of the SACC to stay with the WCC was probably influenced by Black opinion. He also points to a swing away from condemnation of PCR grants, which can be accounted for on the basis that "most Blacks did not see the Liberation movements as a threat". Evidence of this swing away from the attitude of condemnation of the grants can be seen in the approval of terrorist movements expressed in the 1974 Hammanskraal resolution (as to which, more later). Further evidence can be seen in the fact that in the years after 1970 the SACC did not in any noticeable way again raise objections to the PCR grants, and in fact, as is pointed out later herein, fully associated itself with the principal objects of the PCR. It also seemed that certain members of the SACC actively supported the idea of the PCR grants, and said so. (Elsewhere in this report reference is made to the utterances in 1980 of an SACC delegate to a PCR Conference in the Netherlands, at the close of which he came out in full support of the PCR grants.)

To return to the time of the PCR grants, which started in September 1970, it should be mentioned that a further consequence thereof was that the Methodist Church called on the SACC to respond to the WCC action by holding a conference on justice and reconciliation with its member churches. That led to the passing of a resolution on 1-2 December 1970 by the Executive Committee that a Committee on Reconciliation be set up to consider the proposals of the Methodist Church in detail. That Committee resolved early in 1971 that the Executive Committee be requested to recommend to the member and observer churches of the SACC that a Commission to Combat Racism be established in compliance with the resolution taken by the WCC in January 1971, which read:

"The Central Committee urges the member churches to make the elimination of racism and racial discrimination a primary concern, and to initiate immediately a national ecumenical and/or denominational program to combat racism which will include the following -

- (a) Development of a program which will make full use of the education and communication resources within the churches to educate, inform, interpret to and involve the clergy and laity of the church in

action programmes to eliminate racism and racial discrimination within church and society,

- (b) Make the elimination of racism and racial discrimination a primary educational task of the church. This will involve -
 - (1) making a thorough review of existing parish education material and programmes to eliminate overt or covert racist contents and;
 - (2) a new creative effort to develop parish educational materials and programmes designed to contribute towards the elimination of racism and racial discrimination and to develop the conscientisation of children, youth and adults".

The Executive Committee during March 1971 accepted the recommendation, with the proviso that the new commission should base its work on the SPROCAS findings, and make use of them. It was also decided that the project would be known as the Programme for Justice and Reconciliation, and the churches were to be asked for their backing. At subsequent executive meetings misgivings were expressed concerning the wisdom of setting up yet another expensive ecumenical office, and the point was made that only churches can muster the necessary grass-roots support for an action such as that under discussion. A factor which was no doubt also present in the minds of the organisers was that the SACC had in any event embarked on its own programme to combat racism. It had done so by the publication of the "Message", the launching of SPROCAS I, and eventually by establishing and promoting SPROCAS II. Indeed, the minutes of the Committee for Reconciliation of 29 January 1971 indicate that it was the strategy of the SACC to combat racism by a three-stage programme which started off with the publication of the Message. The creation of yet another committee might involve unnecessary duplication of effort. Nevertheless the National Conference ultimately resolved to establish a National Committee for Justice and Reconciliation, which was to consist of two representatives from each of the member churches of the SACC and would be charged with the duty of co-ordinating church activities in combating racism. It was envisaged that it would run parallel to, and be complementary to, the work of SPROCAS II. The Division of Church and Society of the SACC was to do the necessary liaison work.

It seems clear that the SACC and its member churches initially considered SPROCAS II to be a more effective instrument to effect social change, but in later years the Committee for Justice and Reconciliation was, as will be seen later herein, to play a key role in developing strategies to bring about a transformation of society.

In the context at present under discussion, the point to be noted is that that Division's establishment is directly traceable to the establishment of the PCR.

The further history of Justice and Reconciliation will be reverted to later in this report.

2.11 THE REES ERA

With effect from 10 October 1970 John Charles Rees, a lay person, was appointed General Secretary of the SACC. He had at once to deal with a number of problems, including that of finance. In the years up to 1970 the activities of the SACC had expanded rapidly, and new staff had to be recruited, but an "unsatisfactory feature" (to quote from SACC documentation) "was that the SACC was to the extent of 62½% dependent on overseas funding".

Mr Rees at once tackled the problem of reorganising the SACC and of attracting additional funding. When he took over the administration of the SACC the main Divisions which had been established were -

- that of the Administrative Secretary;
- the Division of Ecumenical Studies, which inter alia dealt with SACC publications;
- the Division of Inter-church Aid, which had been established in 1967 under the General Secretaryship of Bishop Burnett, and which was directed to self-help projects to assist persons such as black farmers;
- the Dependants' Conference, which was not established by, the SACC but was taken over by it in 1965. Its main function was to provide financial and other assistance to the families of political prisoners in South Africa (it was found by the Schlebusch Commission at a later stage that it was initially established to take over and to continue the aid function of the Defence and Aid Fund, which had been declared an affected organisation);
- the Division of Home and Family Life;
- the Division of Youth Education Projects;
- the Division of Church and Society;
- the Division of Mission and Evangelism.

Mr Rees rearranged and added to these divisions and he was given extensive

powers by the Executive to go ahead and undertake whatever organisation he thought necessary. Of note are the following matters to which he started to attend within a month of taking office:

- The Administration in general was improved upon and streamlined.
- A new Division of Church and Society, the fore-runner of the Division of Justice and Reconciliation, was set up. More is said elsewhere herein of the latter Division.
- The matter of communications was dealt with; its importance was quickly realised by Mr Rees. In the days of the CCSA its official mouthpiece was The Christian Council Quarterly. When the SACC came into being The Christian Council Quarterly was transformed into a monthly magazine called Kairos, to serve as a channel of communication between the SACC and its constituency. Soon after Mr Rees's appointment the Ecumenical News Service, which issued EcuNews, and which replaced Kairos, was established. EcuNews is to this day the official mouthpiece of the SACC. It is distributed in South Africa and abroad. After a while Mr David Thomas, who is quoted in this report from time to time, was appointed editor of the Ecumenical News Service. In 1976 he became the SACC's Director of Communications. Still later, Mr Rees's endeavours in the communications field were taken further by an effort to reach Blacks by sponsoring a newspaper, The Voice. The Voice was financed by the SACC, it was banned for a spell after its establishment, and later the banning was lifted. The venture was not a success, however, and after the SACC had sustained substantial losses for quite a time the support of The Voice was discontinued, and it collapsed.

Mr Rees's initiatives in the matter of communications were also furthered when in 1977 the SACC started a programme styled Radio Voice of the Gospel, with transmissions initially from Addis Ababa and thereafter from Botswana and Lesotho.

The SACC's interest in Ravan Press has been mentioned earlier. S A Outlook and The Journal of Theology are other examples of communications

media supported by the SACC.

- Relations with member churches received early attention from Mr Rees. According to a report issued by him he believed the SACC should move just ahead of its member churches, but not so far ahead as to lose contact. He was in favour of the idea of continued support of regional councils, which he thought should carry on in harmony with the parent body.
- The African Bursary Fund was created soon after Mr Rees took over, drawing its main financial support initially from the WCC and the British Council of Churches (BCC). Its object was to finance the education of Blacks, particularly from rural areas, to whom proper educational facilities were then not yet readily available.
- Judging by a report compiled by Mr Rees in December 1970, he soon became aware of the problems connected with the role of the staff of the SACC.

As the same problem of manipulations by staff of the SACC kept cropping up and reared its ugly head especially prominently in the run-up to and at the 1980 National Conference, it is expedient to quote from his report to the Executive Committee meeting held in December 1970.

"The question of staff attendance at Executive Committee Meetings was referred to the General Secretary for report and comment. It is realised that certain people would regard the attendance of staff members at the Executive Committee Meetings as being undesirable, as there is a history of staff participation at meetings with the direct results of manipulation and formation of pressure groups. This should at all costs be prevented."

On his recommendation it was resolved that the staff should participate in SACC debates only on the approval of the chairman of meetings. In the event this ruling appears not to have been adhered to, and, as is pointed out in Chapter 3 hereof (dealing specifically with the relationship of the SACC and its member churches), the SACC was increasingly seen as a bureaucratic body dominated by its staff.

2.12 In 1971 Mr Rees experienced one of his first contacts with the WCC's and its approach to "liberatory organisations". According to SACC docu-

mentation he in that year attended a WCC Consultation on Christian Councils in Geneva and returned with a report that councils such as the SACC "should have open dialogue with radical movements because these represent challenges to the churches' slowness to break free from outmoded traditions". He stated that the WCC had recommended that the Christian councils should develop their own thinking and should provide the lead to member churches.

It should, incidentally, be mentioned that in the same report Mr Rees said that the WCC Consultation had stressed that church councils should strive to become self-supporting and had warned against dependency upon other countries.

2.13 Notwithstanding the afore-mentioned warnings issued by the WCC on the dangers of dependence for funding from other countries, and in spite of the concern expressed by the SACC itself in 1970 that 62½% of its income came from abroad, Mr Rees found it necessary to solicit more and more funds from overseas to finance the cost of the increase in the activities of the SACC. Its staff grew rapidly, full-time directors of divisions replaced part-time heads, and it appeared that the only dependable funding sources were outside South Africa. Mr Rees was of great value in exploiting and developing those sources, and, as will be seen from other parts of this report, overseas funding grew rapidly, so much so that in a short space of time the SACC became dependent on overseas grants to the extent of at least 97% of its income.

2.14 RELATIONS BETWEEN THE SACC AND SPROCAS

Another matter which arose for consideration by the SACC in the early days of Mr Rees's administration was its role in relation to SPROCAS II. From SACC documentation it appears that it identified itself with the SPROCAS II recommendations to the extent that at the 1971 National Conference the SPROCAS II ideas were approved in principle, and a committee was appointed to recommend these ideas to member churches of the SACC. The Committee was specifically to inform member churches that by adopting the SPROCAS II ideas, they would commit themselves to eradicating racism, and they would be bound in assisting in implementing the SPROCAS II recommendations. The methodology to be recommended to member churches on the suggestion of Mr Peter Randall, the Director of SPROCAS II, was "purposeful action rather than a head on collision with apartheid". The underlying idea of all this was plainly that the campaign against apartheid was to be taken up mainly at grass-roots level at this stage.

2.15 FACTORS AFFECTING CHANGE

The new General Secretary's reports during 1971 indicate the emergence of certain factors which had come to play an important role in SACC thinking and operations:

- (a) One is the role of the international church community, especially the ecumenical church community. It was quite evident at this stage that the ecumenical community had shown a tremendous interest in South African racial questions and that in general it displayed considerable solidarity with and support for those whom it termed "the oppressed" and "the victims of the apartheid system". It displayed interest and concern not only by supplying ideas and propaganda but also by providing funds in substantial and ever increasing amounts in support of those it saw as the oppressed. In a number of cases ad hoc grants were made for specific projects, such as the legal defence of persons charged with political offences, and in other cases the funding was done through the agency of the SACC. In the 1971 report of the General Secretary to the National Conference of the SACC to which reference was made above, it was stated that the churches in other countries had remarked on the slowness with which South African Churches tended to react to matters such as apartheid. Mr Rees in fact recommended that "the churches must be in the forefront of the action".
- (b) The second factor worthy of note in that address is that the SACC endeavoured to have "the voice of our black brethren heard". Mr Rees put it thus:

"... the predominance of the membership of the Churches belonging to that Council are black, *we must increasingly make plans, not only within the Church structures, but also within the structure of the Council itself for the voice of our black brethren to be heard....*"

This idea occurs and recurs frequently in SACC documentation, and, as will be seen elsewhere herein, it accounts for changes of attitude and direction by the SACC in a number of matters, for example investment and disinvestment, the PCR grants, and attitudes concerning the African National Congress (ANC).

The hearing of the "voice of our black brethren" would be of no "avail" unless it was coupled with a presentation of the "Christian alternative to apartheid

... to the grassroots level of our churches ... [and unless] ... we can quicken the desire to bring about change in our Society". In expounding this strategy, this contribution that both the Black voice and the aware and conscientised grassroots level can make to the establishment of the alternative society the SACC strove for, Mr Rees emphasised that "the social implications of the Gospel must not be lost sight of as we (the SACC and its member churches) endeavour to be relevant to this new decade". Only if particularly the White part of society is prepared to sacrifice and share can one work towards a more just society.

2.16 ESTABLISHMENT OF THE DIVISION OF JUSTICE AND RECONCILIATION

In June 1972 the SACC formally resolved to establish a Committee on Justice and Reconciliation to replace the Church Committee referred to earlier. It was at the same time resolved that the word "justice" would have a much wider meaning than a purely legal one, and would embrace the biblical sense of "the righteousness of God".

To begin with the Committee was to have a part-time chairman only, and the first incumbent was Prof. B. Johanson, who acted until 1976 when Dr Wolfram Kistner became the full-time Director.

At the first meeting, held on 22-23 November 1972, the National Committee on Justice and Reconciliation defined the following as areas of concern in which justice and reconciliation should operate:

- violence, non-violence and conscientious objection;
- labour and investment;
- women's work;
- international affairs; and
- education.

In respect of each of these areas a task force was to be assembled, to consist of knowledgeable people well equipped to cope in that field.

It was also resolved that the Committee would assume the name of Division of Justice and Reconciliation, and it has been referred to as such ever since.

As will be seen later herein, it was, particularly with the advent of Dr Kistner, to play a key role in developing strategies to effect the radical transformation of society, and in providing the SACC and its member churches with the theological motivation for implementing those strategies.

2.17 ESTABLISHMENT OF DIVISION OF THEOLOGICAL TRAINING

March 1973 saw the establishment of the Division of Theological Training with Dr I.A. Berglund as its first Director. It soon set to work. Two aspects of its activities are noteworthy:

- The first is the direction which it recommended should be adopted in theological training and the guidelines which it was said should be adopted. In a 1974 report of the Division its Director said:

"... we, being the church militant, must raise our heads above the levels of moralisms. Our Christian challenge stretches far beyond the realm of certain ethical issues, chiefly morals related to sexuality and good humanly-defined behaviour, to making God and his Kingdom relevant to all men".

- The second factor of importance relates to the necessity of contextualising theology, of making it relevant, of adapting it, in terms of the SACC's understanding of the role it has to play in the South African situation.

"Theology," the SACC's 1973 Director of Theological Education states, "in its Christian setting, is not the Gospel. It is our understanding of the Gospel."

He sets out the anxiety that exists in respect of the role of persons prepared for the ministry thus:

"For these appear to be isolated from their parishes/congregations, lacking in involvement, vision and initiative. The ministers of the Church are being regarded as irrelevant and unconcerned with the aspirations of people, and, in their frustration, the ordained men either retire to further studies, or to increased isolation, or to other defensive attitudes. The Church lastly, is caught up in a large field of problems: dissatisfied parishes/congregations, difficult ministers, so called radical theological tutors, etc."

The 1973 report to the National Conference expresses support for the need to contextualise theology to meet the perceived South African

need. In it Dr Berglund predicts movement in theological "thought patterns from the general to the more specific by way of confronting the Church and its theology to [sic] the problems of our land". That is, the theology needs to become contextualised to put a "religious conviction into a socio-political setting" (the South African one), thereby at once indicating a break-away from the traditional Western understanding of the Bible, as well as a development into acceptable Third World theology, often referred to as the theology of liberation or Black theology.

The hiatus then existing between the stance and vision of the SACC in respect of the establishment of a more just society and the, to that end, non-supportive, virtually irrelevant, training of men for the ministry having been identified, it is not surprising that the Division of Theological Education (DTE) should from time to time stress that the theological training provided should emphasise that the trainee minister be taught to recognise and develop the aspirations of congregants and parishioners, and that he should endeavour to reach grass-roots level to promote the ideas of the SACC and particularly its thinking on social and political issues.

2.18 CHRISTIAN INSTITUTE

The years 1972 and 1973 were also the years when the SACC became concerned with the activities of what was known as the Schlebusch-Le Grange Commissions of Inquiry concerning organisations such as the University Christian Movement, Wilgespruit and the CI, with which the SACC had contacts, or in which it had interests.

In a report prepared by Dr Kistner during approximately 1977, that Commission was severely criticised, and its objectivity attacked. Statements such as "as a result of its theological presuppositions and their underlying political motivations the Commission overlooks ... developments which do not fit with the pattern of its aversion against the WCC" typify his comments.

It is opportune at this point to say something specifically about the CI.

The CI was launched in 1963, in the aftermath of Sharpeville and of the Cottes-

loe conferences, as an ecumenical, multi-racial Christian organisation. Its initial object was said by De Gruchy (op. cit., p. 104) to have been to bring about a change of thinking among Whites on social issues through a rediscovery of the Biblical Message. It failed, however, to influence the Afrikaans-speaking Christians to any significant extent, and not much more success was experienced with English-speaking South Africans. As a result "he [Dr Beyers Naudé] grew increasingly disenchanted with most Whites, and attempted to get more directly involved with the Blacks with their struggle" (De Gruchy op. cit., p. 106).

The CI was for many years from 1967 onwards a member organisation of the CCSA and afterwards of the SACC. It, and in particular its Director, Dr Beyers Naudé, played a profound role in the activities, direction and thrust of the SACC.

Peter Walshe in an article "Mission in a Repressive Society: The Christian Institute of Southern Africa" reported in PCR Information No. 14 of 1982, published by the WCC, describes the CI during the late 1960s and 70s thus:

"The Christian Institute emerged as the vanguard organisation in an inchoate, loosely co-ordinated and essentially spontaneous movement of Christian dissent."

Dr Kistner, in the evaluation referred to above, says:

"The Christian Institute propounded views which are directly opposite to those propagated by the Government. ...Dr Beyers Naudé became aware that evil may be inherent in a political system, at a time when thoughts of this nature were still rare in ecumenical discussions. It was only since the Geneva Conference on Church and Society in 1966 that they became more pronounced. Since that time the term 'institutional violence' or 'structural violence' circumscribes a hidden type of violence and oppression which has its roots in the political, social and economic structures of a country. It is true that stimuli from the works of Marxist thinkers have contributed towards such new insights. Statements on structural violence may, however, not be understood merely as an indication of growing Marxist tendencies in the ecumenical discussion and in individual churches. They only show that the questions which Marxism presents to the western world are taken up by theologians and churches..."

From the outset these principles were decisive in the work of the CI. It has persistently demanded a fundamental change of the SA system. In this respect there are affinities between the Christian Institute and thoughts which were expressed at the Conference of the World Council of Churches."

Walshe, op. cit., describes another important function of the CI thus:

"The Institute also established a volatile relationship with the fragmented world of the black independent churches, helping to pull approximately forty of these into an African Independent Churches Association ... [and] ... sponsored a training programme for independent church ministers."

This body afterwards became a member of the SACC.

Another important role was its participation with the SACC in the production of "The Message". Walshe records:

"By the late 1960's, when Naudé and his staff collaborated with the SACC to produce 'A Message to the People of South Africa', the Institute (and its journal, Pro Veritate) had become the seminal Christian organisation in the Country."

Another important role of the CI was in relation to SPROCAS, which, as is stated elsewhere, was an attempt to work out alternatives to apartheid in South African society in collaboration with the SACC and to implement those proposals.

The prime mover in getting the SACC to agree to the implementation of the SPROCAS blueprint in a programme to become known as SPROCAS II was Dr Beyers Naudé. Walshe reported that "as Sprocas got under way, the Institute's understanding of structural injustice deepened which increased its receptivity to black critiques".

The CI attracted considerable material support from overseas church agencies. However "for the CI to gain and maintain overseas support, subconsciously or not, it had to project the image that it was a more significant witness against apartheid than the churches" (De Gruchy, op. cit., p. 106). It became increasingly radical in its stance.

Walshe also states that the Institute was obtaining increasing support from abroad, particularly from the Netherlands.

A feature of the CI which is remarked on by De Gruchy (op. cit., p. 112) was that its dependence on overseas financial support -

"meant the constant need to design programmes that would capture the imagination of donor agencies. The CI had the further problem of participant support of the grassroots level".

The mouthpiece of the CI, Pro Veritate, reveals a preoccupation with political, economic and social issues such as "Capitalism", "Socialism", "Liberation", and "Black Power" or "Black Consciousness". On the question of investment the CI initially, through Pro Veritate, advocated a policy of "selective engagement which supposedly provided a useful framework for evolving an overall strategy". In a 1975 issue, under the heading "Declaration of the Black Renaissance Convention" it was noted that the body had expressed itself to be against further investment in South Africa, and in 1976 it was stated that "the Black Community was convinced that foreign investment has made no real contribution to its struggle". In another 1976 issue the view was expressed that foreign investment in South Africa was "devoid of morality" and that additional investment would do nothing to produce the necessary "radical redistribution of wealth and power". In October 1976 it was formally resolved by the CI that it should advocate disinvestment in South Africa. Chief Gatsha Buthelezi (who had previously joined with the CI in a resolution calling for a "radical redistribution of wealth, land and political power") was strongly taken to task for not rejecting foreign investments.

It seems probable that the more recent stance by a section in the SACC against foreign investment in the RSA (about which more later) was at least influenced by the CI's views and well-known attitude on this subject. As a result of the WCC decision to support the liberation movements in Southern Africa, the accompanying increase in the tempo of civil war in the region, the resurgence of African nationalism and Black labour unrest, the CI "was faced with the need for a different praxis". It started "to work for the empowerment of the powerless", finally rejecting the conservative dualistic religion which in its view would not contribute to radical social and political transformation. The CI formulated a strategy designed to encourage Black consciousness and to prepare Whites for a future in which Blacks would exercise predominant political power. This strategy included a commitment to conscientious objection (Walshe op. cit.). The 1974 Hammanskraal resolution at the SACC National Conference was seconded by Dr Beyers Naudé.

With the passage of time the CI became fully involved in the struggle of Blacks who had rejected any co-operation with the system of separate development or apartheid, demonstrating this commitment by inter alia refusing to testify before the Schlebusch-Le Grange Commission. It also began to offer a radical critique of the economic structures of South African society. In consequence of the investigations of the Schlebusch-Le Grange Commission it was declared an affected organisation. This drained it of overseas financial support, but it continued its work of supporting Black initiatives until it was banned on 19 October 1977.

After being cut off from overseas funding, it was established by the Van Rooyen Commission, in the course of its investigation into the financing of welfare activities, that "the Christian Institute was indirectly receiving money from overseas sources because of its close alliance with the SACC".

The Van Rooyen Commission reported, according to EcuNews 19/1977, pp. 5-6, that the SACC advised that such grants were "not for the CI per se, but for the joint CI and SACC undertaking of SPROCAS II."

The SACC, in a statement issued by its General Secretary, alleged that the grants took place before the CI was declared an affected organisation (EcuNews 20/1977, p. 13).

It remains, in conclusion, to be said that after the CI and Dr Beyers Naudé were banned by Government decree in 1977, the SACC moved to the fore to fill the vacuum left by the CI. That is the view expressed by Dr Randall, previously referred to, in a commemorative publication entitled Not without honour - Tribute to Beyers Naudé edited by Peter Randall and published by Ravan Press 1982.

2.19 THE WILGESPRUIT EPISODE

Since the Wilgespruit affair, in which the SACC was involved, was investigated during 1972 and 1973 by the Schlebusch-Le Grange Commissions, it might be convenient to say a few words about it at this stage in sketching the development of the SACC.

In 1949 a group of persons established the Wilgespruit Brotherhood and purchased the farm Wilgespruit in the Witwatersrand area. In 1956 the CCSA became the trustee in whose name the property was held, and in due course it was succeeded by the SACC in that capacity. A conference centre was established on the farm and various ecumenical pursuits were engaged in from time to time. Among the programmes carried out was that of "experience based education", also known as "T-groups" or "sensitivity training". This technique was said to comprise the bringing together of a group of people with the aim of heightening their awareness of themselves and of their relationship to others. The object was summed up as "helping the individual to grow as a person". It appears that the SACC was involved in whatever went on at Wilgespruit and was closely concerned with the fact that in 1972 the activities at Wilgespruit were investigated by the Schlebusch Commission. One of the findings of that Commission was that Wilgespruit, acting under a cloak of being connected with the church in a Christian ecumenical way, was in fact working for radical, social and political change, misusing sensitivity training to brainwash young people. On publication of this finding the SACC set up its own Commission to investigate the matter and its conclusion, after hearing evidence, was that the activities at Wilgespruit were "consonant with the declared aims and objects of the centre, and the promotion of broad ecumenism". The present Commission considers that it is neither advisable nor necessary to pronounce on which of these two commissions took the correct view of the matter. Whatever the real position might have been, the programme in question came to an end. The practice of "experience based education" continued, but from now on that took place under the control of a body known as "The Association of Consultants and Trainers".

2.20 VIOLENCE AND NON-VIOLENCE

By 1973 the newly created Division of Justice and Reconciliation was hard at work. A matter which received special attention was that of violence and non-violence. It was minuted that it was "necessary to broaden people's awareness of what violence is"; and also "to consider very carefully the entire role of non-violence in securing social change. It should be pointed out that non-violence is not to be equated with disengagement or pacifism. The most urgent priority in working towards social change is that whites must be sensitized to what justice is, since they are the ones who have the power to bring about constitutional changes".

On the issues of labour and investment it was stated:

"Generally the Committee did not favour the principle of disengagement but of involvement, because this leaves the shareholder with an opportunity to influence company policies ..."

But, while recognising the futility of disengagement, the Division nevertheless recognised the great power of moral protest expressed in withdrawal. This view of the matter was topical, for in the year before, 1972, the WCC had resolved to preach disinvestment in South Africa as a means of endeavouring to effect change.

Labour was identified as an area of "much social injustice". The minutes of an Executive Meeting of the SACC of 20-21 June 1973 reflect that it had been resolved to accept a grant of R18 000 from the British Council of Churches to finance an investigation into the wage structure in South Africa, and it seems that the Division of Justice and Reconciliation was to undertake the necessary research. As will be seen later herein, the SACC was, in the course of time, to see Black labour as a significant force in the struggle to achieve fundamental change in South Africa.

The Task Force on Women's Work seems, according to the minutes, to have concluded that women have an important role to play in bringing about justice, reconciliation and unity.

In general the main preoccupation of the Division seems to have centred on the question of what means could be employed to effect change if it could not be achieved constitutionally, recognising that Blacks have no vote.

2.21 BLACK CONSCIOUSNESS

The National Conference of the SACC of August 1973 reveals, judging by minutes kept and reports presented, the importance which the SACC began to attach to emerging Black Consciousness. Particular attention was attached at the Conference to the role which could be played by an organisation which had been created under the auspices of the SPROCAS II programme, known as the Black Community Programme (BCP), which was to promote action-orientated programmes to achieve fundamental change.

The SACC clearly saw the BCP as a significant ally in the struggle for social change and it was going to make use of it. Soon after the 1973 National Conference of the SACC, the BCP obtained autonomy from SPROCAS II. Its objects were expressed to include the liberation of Blacks from the dependence mentality; to prepare them for their transformation to new leadership roles; to attain awareness; to set conscientisation to work; and to promote leadership. These were in large measure political motives and they were supported by the SACC, which provided part of the funding of the BCP (other funding came from the Netherlands), and in 1974 received the BCP as a member organisation. The BCP was banned in 1977.

The support which the SACC gave the BCP is in line with its supporting role in relation to a number of other organisations. The common denominator relevant to most of these organisations with which the SACC had ties and to which it gave financial support, appears to the Commission to be that they had in some way or another espoused, in pursuance of their objectives, confrontation with the existing establishment or the Government. In the main, Black consciousness movements and militant trade unions were supported, as were individuals who had qualified for financial assistance owing to their having been indicted for some "political" offence or other (more detail will follow later). That is of course not to say that all the organisations with which the SACC collaborated were necessarily confrontationist.

2.22 While by this time the SACC appears to have been mainly concerned with deepening its involvement in political questions, it did undertake some actions which do not reveal any political motivation. An example is its help in creating awareness for the lot of Black domestic workers and the efforts made to improve their position. In this regard the SACC in 1974 started the Domestic Workers Employment Project which later merged with a similar project set up by the Institute of Race Relations, one of whose objectives was also the improvement of the lot of the Black domestic worker.

2.23 HAMMANSKRAAL 1974

The most important event of 1974 was clearly the well-known Hammanskraal resolution. It was taken by the Annual Conference of the SACC on the motion of

the Rev. Bax and seconded by Dr Beyers Naudé of the CI. The relevant meeting followed some four years after the launching of the PCR by the WCC; it also came very shortly after a conference which was held at Lusaka by the All Africa Conference of Churches (AACC) in 1974, which was attended by Mr John Rees. It might be mentioned that it was at this conference that the General Secretary of the AACC, Canon Burgess Carr, made the now well-known statement that "in accepting the violence of the Cross, God, in Jesus Christ, sanctified violence into a redemptive instrument for bringing into being a fuller life".

On his return from the conference, Mr Rees called for "bold and prophetic action" based on his belief, prompted by his meeting and discussion with leaders of the various liberation movements (ANC, PAC) whose delegates also attended the conference, that -

"unless there is fast and meaningful change [he] has no doubts that violence will be seen in South Africa very shortly. ...I would say it seems likely that attacks ... will be launched within the next 18 months." (EcuNews 18/1974, p. 5 et seq.)

It appears further that he reported that much to the National Conference of the SACC. It was against this background that the Rev. Bax proposed the motion which was ultimately adopted. In the preamble to the resolution various points are made. Included among them are the statements that Christians are not automatically obliged "to engage in violence and war"; that this applied particularly to South Africa, a "fundamentally unjust and discriminatory society", in which institutionalised violence had "provoked the counter-violence by the terrorist and freedom fighters"; and that "Catholic and Reformation Theology regarded the taking up of arms as justifiable if at all only in order to fight a just war".

The resolution itself (which is dealt with more fully later herein) inter alia called on member churches to challenge all their members to consider whether Christ's call to take up the Cross and follow Him in identifying with the oppressed did not involve becoming conscientious objectors; it called on member churches who had chaplains in the military forces to reconsider the basis on which they were appointed; and it called on member churches to investigate the state of pastoral care available to communicants living in exile or under arms beyond the borders of the RSA.

There is in the opinion of the Commission no doubt that Thomas was correct when he said in an article "Church-State Relations in South Africa: Uncomfortable Bedfellows", published in South Africa International, Volume 13, June 1982 (p. 51), that this resolution "in effect gave as almost an equally emphatic approval to the liberation movements as the WCC". He concluded that it clearly gave consent to the militaristic liberation of Black society by terrorists and emphasised that the resolution purported to do so on theological grounds.

As is to be expected, the resolution evoked instant reaction in South Africa. It was condemned by the Government and by all opposition political parties. Sections of the Press which were frequently supportive of the SACC denounced it in clear terms. Several congregations and church officials and member churches of the SACC rejected it. Nevertheless it does not appear that the SACC by any subsequent resolution altered its stance, or abandoned the principles underlying the resolution; on the contrary it hardened its attitude. After 1974 it consistently endeavoured to discredit the South African Defence Force; it persistently gave encouragement and support to so-called conscientious objectors; and it frequently expressed understanding of and sympathy with the "liberatory forces".

It is the opinion of the Commission that, if from 1974 onwards the SACC was said to favour terrorist organisations and to lack sincerity in its actions in connection with conscientious objection, it has its Hammanskraal resolution and thereafter the increasing persistency with which it stridently promoted conscientious objection to thank for it.

2.24 SACC AND THE DUTCH REFORMED CHURCHES

An event in 1975, which should be mentioned, relates to the attitude of the SACC towards the Dutch Reformed Churches. It appears from SACC documentation that in that year the SACC repeated an invitation which had previously been extended to the Dutch Reformed Churches to join it. It pointed out that Christian witness was incomplete without the participation of the Dutch Reformed Churches, and that it was vital for Christian opinion to have a common platform for the discussion of the issues affecting the teaching, preaching and practice of the Christian faith in the context of the South African situation. It appears that the Dutch Reformed Churches declined the invitation.

At later stages, and particularly in the year 1981, the SACC appears again to have considered its relationship with the Dutch Reformed Churches. By this time, however, its attitude had radically changed and at its National Conference it branded apartheid a heresy, thereby virtually dashing all hope of drawing those Churches closer. It stated that it would consider an association with the Dutch Reformed Churches only if they branded apartheid or separate development as heresy and confessed their sins in having given support to it. During 1982 the World Alliance of Reformed Churches (WARC), at the behest of Dr A. Boesak who became its President, adopted a similar resolution.

2.25 THE FIRST SOCIO-POLITICAL BLUEPRINT

The theme of the 1975 National Conference was "The Church at the Crossroads". The General Secretary stated that the highlights of that year were the establishment of the Revolving Development Fund; the expansion of various programmes; the renewed and dynamic contacts with the African Independent Churches; the appointment of a full-time director of Mission and Evangelism; the creation of the newly structured Division of Communications; the creation of the Division of Women's Work; the possibilities of staging a conference on Christian literature; and the expressed interest on the part of numerous churches in becoming members of the SACC.

However, of much greater significance for the future was the SACC's clear commitment to fundamental change as expressed at the Conference.

In pursuance of the conference theme "The Church at the Crossroads", the SACC established another historic landmark when it adopted a resolution reflecting its socio-political design which was to supplant the Government's policy of separate development in the future South Africa, after society had been radically transformed by "empowering the powerless". The relevant resolution, after stating that the Government and the White people of South Africa were to humble themselves, to pray and seek God's Will and to turn away from the evil of racial injustice, urged that there should be a move to a radically new social order in which there will be -

"a fair sharing of power, responsibility and land; adequate housing for all Black people; an end to the present migratory labour system and the consequent disruption of many Black families; the right of Blacks to own land and homes, and to open shops, businesses and industries wherever they wish; proportionate spending of money by the State

for free and equal education for children of every race; adequate centres to train people of all races for commerce and industry; an end to job reservation and the colour bar in industry and commerce; the rate for the job for people of every colour; the rights of Blacks to form registered trade unions and to use responsibly their powers of collective bargaining; and an end to bannings, house arrests and detentions without trial."

The minutes indicate that in presenting the proposal which led to the resolution the General Secretary (Mr Rees) said:

"There must be radical change, urgent and fast."

Incidentally, in evidence before the Commission the present General Secretary, Bishop Tutu, disavowed this historic resolution - historic because it spells out the SACC's vision of the new South African Society towards which it is prepared to work.

2.26 THE PROBLEM OF LIMITED SUPPORT

The question of the interest (or lack of it) by members or adherents of member churches of the SACC and methods to stimulate interest in its activities came strongly to the fore at the discussions of the National Conference of 1975. As often happens at such meetings, conference on this occasion also divided into discussion groups. There were four such groups. Groups 2 and 4 discussed matters affecting the unity of the Church and also the lack of interest in such matters by local churches. These groups readily identified the necessity for fundamental support of the local congregation in promoting change through the Church. In their report back they stated:

- "4. We commend to the member Churches of the Council our conviction that the possibility of real change is linked primarily with the life and witness of the local congregation, and that it is at this level of church life that the most radical changes are required and where the least change has occurred.
5. We call upon the Division of Justice and Reconciliation of the SACC to strengthen its links with equivalent bodies of our member churches with a view to working primarily at ways and means of assisting the local congregations to express the oneness of Christians under the gospel."

The group discussing Justice and Reconciliation concentrated on the desire for change and similarly appreciated the key role the local congregations have to play. We quote from the Minutes of that National Conference:

"The following recommendations from the Group on Justice and Reconciliation were noted by the National Conference, referred to the Executive Committee and Division of Justice and Reconciliation for investigation and implementation where necessary:-

'The group raised the following points:

1. The urgently expressed desire for change.
2. The fundamental importance and key function of the local congregation in the process of change.
3. The powerful influence wielded by members of the clergy in their congregations.
4. The original purpose and intention underlying the formation of the Division of Justice and Reconciliation.

In the light of these and other considerations, the following recommendations were offered:

1. That we ask the Division of Justice and Reconciliation
 - 1.1 To concentrate its attention primarily on the full-time workers in the churches for the next two years.
 - 1.2 To co-operate with the Justice and Reconciliation groups in the denominations and regional councils.
 - 1.3 To engage, if necessary, in a confrontation with the leadership of the churches who at present may be hesitant in relation to matters of justice and reconciliation.
 - 1.4 To prepare carefully documented theological motivation in relation to practical issues of social justice, such as for example detention without trial.
2. That member churches take very seriously the nature of their delegations to the Committee on Justice and Reconciliation and that those churches who do not yet co-operate in this Division do so in the future. ..."

It should in this regard be borne in mind that since Blacks at this time constituted at least 80% of the membership of the major churches of the SACC, it was the apathy shown by those Blacks towards SACC endeavours to effect fundamental change and free them from socio-political and economic oppression which was discussed. The importance of securing grass-roots support for the SACC's strategies was again identified and means were discussed to obtain such support. This issue was raised at a number of subsequent meetings of the SACC.

In his evidence Dr Kistner said that in 1975 the National Conference had indicated that in any change-process in which the Church was involved, the local congregation was an absolutely vital key, and that if that support was not obtained, no progress would eventuate.

Group 3 discussed Black Consciousness and its importance. The minutes indicated that it was generally accepted that it should be supported, and that member churches should be exhorted to assist in doing so.

2.27 The appointment, in 1975, of Dr Margaret Nash as ecumenical officer of the SACC should be mentioned. She was a prolific writer and was frequently called on to speak at functions of or planned by the SACC. A study of her speeches and writings reveals her to have been outspoken in the extreme in her description and condemnation of Government actions. Not only the Government but Whites generally were frequently castigated in her extravagant and strident utterances. From her pen came publications such as "Black Uprooting in White South Africa", issued by the SACC, and "Ecumenical Movement in the 1960's", published by Ravan Press (an organisation which was established by the SACC in the late 1960s inter alia to publish the SPROCAS reports).

2.28 DR W. KISTNER APPOINTED AS DIRECTOR OF DJR

At the beginning of 1976 Dr Wolfram Kistner succeeded Prof. Johanson as Director of the Division of Justice and Reconciliation (DJR). His arrival on the scene was undoubtedly an event of major importance in the life of the SACC. He was a prolific and energetic writer, and the documentation of the SACC abounds with reports and recommendations prepared by him. His influence became great, and his hand can be seen in many of the resolutions taken by the National Conference and Executive.

Of some importance is the way in which Dr Kistner himself in 1976 recorded the reason for the establishment of his Division:

"This Division was established several years ago at a time when the SACC member churches were desirous of testifying to sister churches in the WCC that there are alternatives to violent methods of change, and that they wanted to be involved in such non-violent processes of change."

In a letter on 15 January 1976 to the Rev. Knutson of the American Lutheran Church he wrote:

"... we shall devote our attention to conscientious objection and to the problem of non-violence as a means of achieving institutional changes"

He added:

"... in connection with this problem special attention will have to be paid to the possibilities of industrial and labour organisations to affect [sic] change".

One of the difficulties encountered by him was -

"... to reach the rank and file members of the churches on the level of the local parishes and to initiate action programmes".

He identified as one of the root causes of the difficulty of generating support for action programmes, the existence of a popular theology which differentiated sharply between spiritual and worldly matters, and he soon made it his business to instil in the minds of leaders of member churches the belief that theology is concerned with the here and the now, and that the church must be involved in socio-political issues of the day.

In the pages that follow the threads of the narrative of Dr Kistner's activities, and his ceaseless planning of "strategies of resistance" to counter the policies of the Government, will from time to time be identified.

2.29 ESTABLISHMENT OF THE ASINGENI FUND

On 16 June 1976 rioting erupted in Soweto. In the edition of EcuNews of 23 June 1976 the SACC published its viewpoint on what had happened as follows:

"The fact that the confrontation involved school children has the frightening implication that black grievances are not only a matter of politics, but have become a matter of intense and widespread agony, felt even by children, which could escalate into a national catastrophe.

The people of South Africa, and the authorities in particular must heed the deep hurt, anger and frustration which the apartheid system has bred in the heart of all Black South Africans.

On the initial issue of the language of instruction in black schools, which has been taken so lightly, we affirm our solidarity with the Soweto children. This is further evidence of the repressive measures which the government has used consistently to suppress the aspirations of black people, aspirations which are not only legitimate but universal. We appeal to those who surely have a deep understanding of the pain of language discrimination to hear the cry of others who resent the forcing of a language upon them. The legitimacy of the students' cause makes it impossible to silence their protest by guns."

"We therefore:

Urge that the authorities repeal immediately the offending regulations

Express our support of the protest of the students against the offending regulations and deplore the totally unwarranted actions taken against them.

Question whether the same action would have been taken had the protest come from White students. Recognizes the increasing dilemma of responsible Black leadership when legitimate and non-violent means of effecting change are totally disregarded."

"We acknowledge the Church's past failure to join in the struggle for justice."

"We therefore undertake:

To call an immediate meeting of Church leaders, including the leaders of the Churches not belonging to the SACC, to deal with the urgent implications of what is happening in Soweto and the responsibility of the Church, on Friday 18th June, 1976, at 11 a.m. in Diakonia House, 80 Jorriksen Street, Braamfontein.

To seek a meeting with the Hon the Prime Minister, the Minister of Bantu Administration Department and the Minister of Bantu Education Department.

To invite the student leaders to avail themselves of the services of the SACC for the purposes of mediation."

The meeting of church leaders referred to was held on 18 June 1976 and it was resolved -

- "1 To establish a fund immediately for offering aid to those who have suffered through bereavement and injury in the present violence.
2. To ask the SACC to endeavour to organise a legal aid service."

The Fund which was established was given the name "The Churches' Asingeni Relief Fund". By way of explanation for the name chosen, the SACC, in a press statement, said that it conveys the idea "we will not go in", and it explained that it was chosen "as an expression of solidarity with those students who refused to attend classes because of the Afrikaans issue".

By using the fund the SACC threw its weight fully behind the Blacks who became involved in the riots. It provided financial and moral support for Black school teachers who went on strike; it financed the legal defence of Blacks who were charged with various offences connected with the riots, such as

public violence, the possession of explosives, attempted arson, housebreaking, malicious injury to property, stone-throwing, and so on; it made grants to pay for funeral expenses; it paid maintenance to families where the breadwinner was injured, killed or detained; it provided food, clothing and other care where it was needed; and in numerous other ways it gave succour to Blacks in Soweto and elsewhere where rioting took place.

The Commission deems it necessary at this point to comment on the fact that the SACC, which according to its submission is, as a Christian body against the use of violence, did not endeavour to prevent the further use of violence by the rioters once the point concerning the educational system had been made. It also cannot but wonder why the SACC did not, immediately after rioting commenced and the students and some school teachers had made their stand, use its influence to urge the students and school teachers to return to their classes, but continued to use the word "Asingeni" with the emotive meaning "we will not go in".

The Soweto riots and the role played by the SACC seem to have captured the imagination of overseas churches and church bodies and they contributed generously to the Asingeni Fund. Details of contributions received from 1976 onwards are more fully set out elsewhere in this report.

Even after the Soweto riots subsided the Asingeni Fund continued and was actively used to assist "the victims of the apartheid system and to empower the powerless in their liberation struggle against the totally unjust and immoral system prevalent in our Country" (Asingeni Report 25).

This transformation of the object of the Fund from one initially designed to provide compassionate assistance to students, to a more militant weapon in the armoury of the waging of the "liberation struggle", was endorsed by the overseas donor-partners. This can be seen in the fact that while their contributions to the Fund tended to wane once the Soweto riots began to subside, they were substantially increased (to the extent of R300 000 in 1981) once the General Secretary announced the intention to continue with the operation of the Fund on a new basis.

A noteworthy feature relating to the employment and management of the Asingeni Fund was that the SACC apparently thought it necessary to maintain secrecy in connection with the use of part of the Fund. Explanations given by SACC spokesmen were that disclosures might prejudice Asingeni beneficiaries in that receipt of moneys might attract the interest of the police; and also that it might embarrass some people. Whether the explanation holds good or not is difficult to say, but it is nevertheless of note that the element of secrecy introduced a new dimension in SACC activities. Up to this time the SACC had operated fairly openly. Now its covert operations attracted suspicion and press comment.

Another significant aspect of the Asingeni Fund was the wide discretion given to the General Secretary in the handling of moneys, and the vagueness of the parameters of his discretion. This was to have unfortunate consequences for the SACC, as appears elsewhere herein.

2.30 "LIBERATION"

The 1976 National Conference of the SACC was held towards the end of July, shortly after the outbreak of the Soweto riots. As can be expected, the events surrounding the riots and the participation of the SACC received prominence in the discussion at that conference.

This time the theme of the National Conference was "Liberation". Once more it pronounced on the political rights of Blacks - it demanded full citizenship in a common state, for full "liberation". And although it had up to now opted against anti-investment stances, it resolved that the question should be further considered. Militant forces within the SACC were plainly beginning to assert themselves.

1976 documentation from the pen of Dr Kistner again reveals his growing concern at not gaining grass-roots support for SACC actions. He referred with apparent approval to the observation of a post-graduate student who had reported that the criterion for the decision whether the anti-racist programme was successful was whether there was a response at the grass-root level of the congregation, and he concluded -

"I do not have the impression that the Division for Justice and

Reconciliation in the first half of this year has succeeded in reaching through its work the grassroots of the congregations, and even less, in changing attitudes."

Another cause of frustration seems to be that he found a "pattern of theology" among church-goers, both the privileged and the underprivileged, which was "a guarantee against any effective changes being initiated by the Churches". This theology tended "to become a protective mechanism of established political and perhaps ecclesiastical systems". "This theology", reported Dr Kistner -

"is shared by Christians of a privileged group who are anxious to have their privileges protected by the present political system, and by the frustrated sections of the underprivileged groups who have despaired of any possibility of change and who regard their present situation as being God given".

He suggested that -

"An involvement of the SACC in peaceful processes of change demands an encounter with the theology described above at the grass roots level of the parishes."

He asked: "... how can the institution of the Church be arranged in such a way that its structures serve a relevant proclamation of the Gospel in the South African situation?" He recommended -

"... that the SACC commissions the Division for Theological Education and the Division for Justice and Reconciliation to work out the statements on its basic theological concept, its aims and its policies with regard to non-violent processes of change in the South African situation, including perhaps 'the possibility of civil disobedience'".

This recommendation was accepted by the National Conference at its meeting in that year.

It is necessary to take account of what was going on. The SACC was encountering difficulties of two related types. The one was apathy among the members of its member churches and lack of support for its actions; the other was that the theology of members needed to be adapted. And what was also raised expressly was the question of civil disobedience as a strategy for achieving fundamental change.

It may be of interest to record that Archbishop D. Hurley of the Roman Catholic Church, an observer member of the SACC, spoke at the same conference at which Dr Kistner propounded the above-mentioned views. In his evidence Dr Kistner said that when Archbishop Hurley said that one has to have an understanding of the corporate dimension of sin, his views coincided with those of Dr Kistner. Dr Kistner agreed with the proposition that what the Archbishop appeared to suggest was the development of a new dimension of ethics in which the corporate nature of guilt and sin is identified, and that in respect of group relations this development of a new dimension of ethics really lies in the field of the social gospel. He also agreed that the Archbishop had tried to convey that a revolution was required in Christian ethical education.

Also of interest is Dr Kistner's 1976 view, which he recommended to the National Conference, on the role of the Church in the shaping of power structures. According to a report from his pen he notes with concern that:

"In conservative Christian circles one often encounters the objections that the Church has no power."

He rejects that idea, and holds:

"Nevertheless the churches in South Africa as well as in other countries by being institutions in the society in which they live and work, participate in the shaping of power structures and exert power."

He goes on to say that that necessitates an obligation to be guided by criteria rooted in the biblical message.

Of some importance are the following conclusions reached:

"The work of the Division of Justice and Reconciliation should be re-examined against the background of the insights to be gained from the recent unrest in Soweto and in other townships. Justice and Reconciliation in South Africa should be considered in the context of the target of the liberation of man in South African society."

"The current opinion that churches have no power to contribute towards liberation is fallacious."

"In the present situation South African churches are challenged to give scope and backing to individuals and groups within the churches who are prepared openly to defy on the basis of the word of God the violence that is entrenched in the political, social and economic structures."

-In view of the recent unrest at the Witwatersrand it is suggested that the responsibility for the oppressed groups in South African society as well as for the authorities makes it necessary for the churches to develop a strategy of non-violent resistance to institutional violence and to other forms of violence."

2.31 THE OMBUDSMAN

In the year 1976 Mr Eugene Roelofse arrived on the SACC scene. He had acquired some fame as a champion of the exploited in the field of consumer practices, and he caught the attention of the SACC when he deplored the fact that the churches were not doing enough to counter economic malpractices. In 1975 Kairos described him as a modern version of the prophet Amos. It is reasonable to suppose that the SACC thought he would be a useful ally, and he was persuaded to join its ranks. He was given the title of Independent Ombudsman, he was given office and staff facilities, and to all intents and purposes he was an SACC staff member.

The vigour with which he unearthed and exposed malpractices, particularly those affecting Blacks, evoked frequent expressions of admiration and commendation by SACC executives.

Quite soon, however, he also devoted his attention to what was going on in the SACC itself. It started with what was going on at St Ansgar's Mission, a property taken over by the SACC from the Church of Sweden Mission which was used as a residence for Black students studying at the South African Theological College for Independent Churches (SATCIC), also located on the property, and an organisation over which the SACC had a measure of control. He found the running of St Ansgar's to be unsatisfactory, and he complained about it. He interested himself in the activities of Bishop Mokoena, the head of SATCIC. In due course he found that Bishop Mokoena had committed fraud in connection with the finances of SATCIC, and he took that up with the SACC executives. All of these activities take us into the 1979 period, however, and in order to maintain the chronological sequence of this general overview, we shall leave Mr Roelofse for the time being and revert to him when we get to 1979.

2.32 DEFRAUDING THE SACC

Unbeknown to anybody in the SACC, Mr John Rees started in 1976 to withdraw systematically very substantial amounts of money from the Asingeni and Dependants' Conference Funds, which he deposited in a number of building society and bank accounts in his name, that of his wife and of a company con-

trolled by him. This he was able to do because of the wide discretion he enjoyed in the handling of Asingeni and other funds; the secrecy with which he was allowed to act; and the poor financial controls maintained by the SACC. When he was subsequently charged with fraud Mr Rees testified that he had done all this in good faith in order to reimburse a fund which had been set up with overseas support and from which he had advanced moneys to the SACC. This explanation was rejected as false. But more about that later.

2.33 In October 1976 the Police raided Diakonia House, which was at the time the headquarters of the SACC. Numerous documents were removed and several SACC officials were questioned and some were detained.

2.34 CONSCIENCE IN CONFLICT - HAMMANSKRAAL REVISITED

Early in 1977 Dr Kistner produced a document entitled "Conscience in Conflict", which contained illuminating reflections on the work of his Division, and particularly on the background to and SACC intention behind the 1974 Hammanskraal resolution. Its publication was authorised by the Division and it was approved by the Executive of the SACC. In view of the clear evidence to this effect it is difficult to understand why Counsel for the SACC informed this Commission that the document did not represent the view of the SACC. It will be recalled that in this document Dr Kistner expressed the view that the Hammanskraal resolution was passed as a response to the expectations of the "liberation movements".

Another significant comment by Dr Kistner in 1977 was the following:

"It appears that little can be achieved at present in raising consciousness for justice and reconciliation issues by conspicuous activity and public statements though these may also be necessary.

In view of the diminishing tolerance level of the authorities an increasing pressure emphasis should be placed on assisting Christians in preparing in underground activity on non-violent resistance, and for sacrifices for a new order of society which guarantees respect of human dignity, sharing of resources and participation of all people in the decision making processes".

In explaining what he had in mind, Dr Kistner testified that in the type of activity which he was suggesting, it was better to work with small groups who would more easily take risks. He said that "you must have people who are prepared to implement and make sacrifices". He conceded that "underground activity means a secret resistance movement or something similar". He conceded, too,

that what he had written could be interpreted in that way, but protested that he had never worked secretly. He did concede, however, that on one occasion he made use of a diplomatic mailbag to convey documents and that others in Germany used the diplomatic mailbag to convey documents to him.

2.35 STATUS CONFSSIONIS

In 1977 a conference of the Lutheran World Federation was held at Dar es Salaam. A great deal of attention was devoted to the South African situation, and strong criticism was expressed concerning the policies of the Government. Among the resolutions passed was one that the only just dispensation for South Africa was one of one man, one vote. It was also resolved that member churches of the Federation should be called upon -

"... to recognise that the situation in South Africa constitutes a status confessionis".

The importance of this step is that it clearly motivated Dr Kistner, who is a Lutheran, to introduce the concept of the confessing church, which is peculiar to Lutheran tradition, into SACC thinking.

As will be seen later herein, the staff of the SACC was soon to propose that a status confessionis be declared, and at a consultation on racism organised by the SACC, a resolution was adopted on the basis of the Lutheran concept.

2.36 HOMELANDS POLICY

According to reports issued by the Division of Justice and Reconciliation in 1977 and thereafter, Dr Kistner experienced frustration at the fact that sections of the Black community of some church congregations accepted the homeland policy of the Government. Reference might by way of illustration be made to the following extracts from reports of the Division:

"The outcome of the homeland policy cannot be foreseen at present. This policy causes considerable tension between the different groups in the black community. A section of this community supports the homeland policy, while a considerable section, especially in the urban areas, rejects it. There is a strong apprehension that a change of power in South Africa will not by itself bring about liberation. Tribal warfare might be the outcome of a policy of 'divide' and 'rule' which has given rise to the homelands. One can expect a holocaust not only before, but also after a change of the present power structures." (J & R Report, February 1977.)

"Experience has, for instance, shown during the last few years that a considerable number of black ministers support the homeland policy which has developed at least in part with the purpose of legitimising

the exclusion of black people living in the white areas from basic political rights." (Also from the above-mentioned Report of February 1977.)

"In the discussion of the development of the homelands it was stated that the homeland policy causes to an increasing extent division and tension between black people, between those who co-operate in implementing the policy and those who radically reject it."

"It was pointed out that many black people are deeply involved in the homeland policies."

"In attempts to organise local or regional groups with a view to averting removals or resettlements, one should be aware of the extent to which local communities and committees have been infiltrated by a network of informers and of the extent in which key persons in the churches on the regional or local level co-operate in the implementation of the homeland policy."

2.37 FOREIGN INVESTMENTS

On the instructions of the SACC the Division of Justice and Reconciliation in 1977 compiled a report on the South African churches' views with regard to foreign investments in the South African economy. The decision of the National Conference to commission the report was in part motivated by the fact that the EKD, referred to elsewhere in this report, which was the major contributor of SACC funds, wished to ascertain what the view of the SACC was on investments so that this might serve as a guideline for its own decisions. The EKD in fact intended to hold a consultation in October 1977, and the SACC had been invited to send delegates to attend it.

The report, basically a composite of other reports, was prepared and published under the title "Investment in South Africa", and since it was approved by the National Conference held at Hammanskraal during 26-28 July 1977, some views expressed therein are relevant.

It stated that in South Africa there was a growing gap between the rich and the poor, and that the latter had little chance of acquiring the basic rights of obtaining food, housing, clothing and education "until a new political order is created". It said that the responsibility for injustice could not be attributed solely to those in power; a large section of society was responsible. It was realised - said the report - that the political authorities would not abandon apartheid -

"... unless some form of pressure was exerted on the Government"

"Since that time one of the most frequently considered means of

inducing non-violent change has been withdrawal of economic co-operation by foreign firms and governments".

It next dealt with the question of the role of the church, and concluded that -

"...churches are called upon to contribute to the liberation of the deprived and oppressed, as well as those who are responsible for inflicting injustice".

The important point was made -

"Many Christians hold that churches should not concern themselves with politics and economics, but rather confine themselves to the spiritual needs of man. We cannot accept this viewpoint. In our opinion a strict division between the spiritual and the material needs of man is based on a fallacy. The Christian Faith challenges the churches and their members to practise a new spirituality..."

"Christians need to avoid a onesided individualistic theological outlook which neglects the communal and social aspects of the Biblical Message. This message emphasises that all spheres of life are related to the Gospel".

The report then dealt with alternative approaches to foreign investment; one of the points it made was that, if disinvestment were to lead to unemployment of Blacks, that might be undesirable since it might induce unemployed Blacks to seek employment in the Defence Force. Also -

"... the potential of the Black labour force to exert pressure on the political and economic structure is reduced during a time of recession."

The above-quoted view is significant (in the context of evaluating the issue, as discussed elsewhere in this report) of the way in which the SACC intended to use the Black trade union movement in the "liberatory struggle".

The report then expressed the view that the then current restrictions on withdrawal of funds from South Africa made it difficult to pose a simple alternative between investment or disinvestment, and concluded:

"A more feasible approach is to consider a cessation of further investment and then decide how existing investments - which cannot be withdrawn - be utilised to humanise management - labour relationships."

In regard to the role of external and internal economic pressure the report stated:

"Thus, in our understanding outside pressure on South Africa has been good, and has created certain grounds for damage."

Interestingly enough, the report recommended that the conclusion that "capitalism" [is] per se largely devoid of any ethical considerations" is a factor to be considered in the pro- or anti-investment stance, and it expatiates on "the deleterious effects" - for Blacks - of capitalism in South Africa.

Among the conclusions reached were that investment had advantages and disadvantages for Blacks, and the major conclusions were set out as follows:

1. The single largest factor in slowing investment in South Africa has been internal unrest.
2. It is absolutely essential for Blacks to be accorded bargaining rights in the whole area of labour as soon as possible, while the introduction of trade unions is an urgent necessity.
3. The 'Sullivan principles' need urgent revision if they are to become acceptable to the people they are supposed to benefit.
4. There is an urgent necessity for the creation of labour intensive industry throughout South Africa for the absorption of the massive numbers of unemployed.
5. A revised Code of Ethics as set out in the Recommendations (to be amended) should be adopted and become obligatory. A committee drawn from both commerce and industry and the Church be set up to monitor the actions of investing companies.
6. All future loans to South Africa should be stopped unless investors are prepared to commit themselves unequivocally to the adoption of the revised Code set out in the Recommendations."

It is, in the opinion of the Commission, a matter for comment that among the recommendations made was one that churches should recommend to would-be investors that they should refuse -

"... to invest in or assist projects connected with the manufacture of arms".

The inference is inescapable that the SACC does not wish to see South Africa to be militarily independent.

2.38 LACK OF CO-OPERATION AMONG MEMBERS
SACC documentation of 1977 revealed that Dr Kistner's Department of

Justice and Reconciliation expressed concern about the churches' losing their efficiency because of in-fighting, and that they themselves permitted the practice of apartheid. He showed concern at the lack of co-operation between them, and he found it necessary to urge them to get together. He again expressed concern at the popular theology which was consistently practised in many of the member churches of the SACC. In July 1977 he once more found it necessary in a report to reveal unease at the lack of grass-root support for what the SACC was doing. The committee chided parish priests for their lack of awareness and their "obstructionist" stance. His committee stressed the need for members of member churches to be made aware at parish level of what was going on and he emphasised that it was necessary that ministers of religion should get away from the popular theology and preach the more relevant theology outlined by him.

The question of civil disobedience came up in the reports compiled by him in this period. In 1977 he found it necessary to ask one Villa-Vicencio (a theologian at Unisa and connected with the SACC) to write an article on the Epistle of St Paul to the Romans, Chapter 13, dealing with the duty of the church to obey the State. That study was completed shortly afterwards and the conclusion reached and supported by the SACC was that the church is not as a matter of course or in all circumstances bound to obey the State. Later another contribution in similar vein flowed from the pen of one Dr James Moulder. A publication was then produced by the SACC on Romans 13 for distribution.

2.39 END OF THE REES ERA

On 30 May 1977 Mr Rees's tenure of office as General Secretary came to an end. The Rev. Thorne was appointed General Secretary as from 1 June 1977. He resigned at the end of September 1977, and in view of the fact that a replacement had still not been found, Mr Rees agreed to take over in a temporary capacity.

In an address to the SACC's National Conference in 1982 the Rev. Joe Wing, who was an honorary Vice President of the SACC, summed up his views of the Rees era as follows:

"With the appointment of John Rees as General Secretary, a layman

with a dynamic and pragmatic approach, the early seventies ushered in the organisational period in the life of the Council. With massive funding from overseas, the Council became increasingly project-orientated and whilst retaining the support of the Churches, it moved into areas which, due to a lack of resources, the Churches could never have tackled alone. Without being unduly critical of the Council's modus operandi during this period, it would be a fair appraisal of its activities if we said that it operated in a large number of areas either for or instead of the Churches; it did little to co-ordinate the work of the Churches or bring together their programmes, except in a limited number of areas. This was a period of political unrest, in which the Council played a vital role, particularly in the field of Inter-Church Aid and the support of political prisoners and their families. Ecu-menical dialogue and unity in mission were not strongly emphasised in the early and mid-seventies and the Council was often seen as standing over against the Churches - an organisation in its own right."

2.40 On 19 October 1977 the Government banned a large number of organisations, some of which were connected with the SACC. Two of these were the Christian Institute (CI) and the Black Parents' Community Programme (BPCP) which had in 1977 become a full member of the SACC.

2.41 KÖNIGSTEIN CONFERENCE

The last event of 1977 which merits special mention is the Königstein Conference, which was arranged by the EKD and was attended by representatives of a large number of European churches. The main topic of discussion was to be that of investment in the RSA. It was for the purposes of this conference that the booklet Investment in South Africa was prepared. The Conference took place during 19-21 October 1977 and was attended by Mr J.C. Rees, Dr Kistner, Mr E. Roelofse, Mrs S. Motlana and Mr Revelation Ntoula. The Conference theme was "Social and Ethical Aspects of Economic Relations between the Federal Republic and South Africa".

It appears that there was no consensus between the various SACC delegates at this conference. Mrs S. Motlana, in an emotional appeal, came out in favour of the cessation of overseas investments in the RSA. Other SACC delegates showed more restraint. A factor which was in the background of this discussion was the event, previously alluded to, of the banning of a large number of South African organisations by the South African Government, and it seems that that had an influence on the general tenor of the debate.

The conclusion reached by the conference was not that investment should be discouraged, but rather that the EKD would take note of the attitude of the South African partners, and that it would discuss with German firms ways and

means of improving codes of ethics to be employed by German firms operating or investing in the RSA. It was further decided that the EKD would acquaint itself more fully with the attitude and aims of liberation groups operating in South Africa.

2.42 On 19 January 1978 an extraordinary National Conference of the SACC was held. The most important matter which arose came from a suggestion by Mr Rees, who was then Acting General Secretary, that most of the assets of the SACC, which were then being administered by its various Divisions, should be made over to trusts which would be administered independently of the SACC. His proposal was defeated by a majority of 26 to 7.

2.43 DR KISTNER'S THINKING

A letter written by Dr Kistner on 18 January 1978 to a certain Dr K.H. De Jung in the Netherlands affords further revealing insights into his methods and thinking. In the letter he asks Dr De Jung to send him copies of a paper produced by an organisation referred to as ERE, and to dispatch it as follows:

"Under the circumstances under which we in South Africa have to live and work it may be advisable to contact authorities either in the Netherlands or in the Federal Republic of Germany and ask them whether the papers could be sent in their diplomatic mail."

This was one of several indications of covert operations suggested by Dr Kistner.

In regard to human rights, Dr Kistner comments:

"In the context of showing the contradiction between international law and the national law of the Republic of South Africa the ERE report develops the concept of 'legalised injustice' and exposes the weakness and absurdity of a positivistic concept of law and justice. These passages are of great value for discussions in South Africa where positivism in the understanding of justice are very pronounced even in the Churches. Frequently one hears Christians who are engaged in working for change of the present structures using the argument 'we do nothing against the law', as if this were a moral justification of their actions. The concept of 'legalised injustice' at the same time is a valuable contribution for a better evaluation of the concern of liberation movements."

With reference to the recommendation which the paper apparently makes (judging by the content of Dr Kistner's letter), he commented:

"The report considers a wide variety of factors that influence the relationships between the Western countries and the Republic of South Africa. It shows how cleverly the Republic of South Africa has understood to develop a strategy which appeals to the self-interest of Western states and at the same time utilises the different economic factors for stabilising the system of white denomination[sic] in Southern Africa.

(e) The report outlines guidelines for a counter-strategy and points towards the ethical obligation of Churches to plead for a counter-strategy for the sake of the implementation of human rights. In giving these guidelines the report has in mind the liberation of the black as well as of the white people of the Republic of South Africa.

2. Possibility of the South African Churches in their present institutional framework to bring about change.

(a) We have the impression that the report overestimates the possibilities of South African Churches in their present structures to bring about change. The use of the term white churches in the report is not quite clear. Does it merely pertain to the Lutheran and to the Afrikaans Reformed Churches who are organised according to separatists lines? The pattern of certain aspects of Western tradition and thinking which can have a disruptive impact on human relationships in society and which have to be questioned in the light of the gospel, are also recognisable in at least a section of the black constituency of the Churches, e.g. a strong middle class mentality with an emphasis on individualism and on competition in all spheres of life. A type of ministry has been developed also in the black constituency of the churches which alienates them from the people at the grass root level of the community. It appears that a considerable number of black Christians of the younger generation are not very hopeful that the churches in their present form have a great potential in bringing about fundamental change in the South African situation. Experience has, for instance, shown during the last few years that a considerable number of black ministers support the homeland policy which has developed at least in part with the purpose of legitimising the exclusion of black people living in the white areas from basic political rights.

3. Possibility of churches in Western countries to contribute towards change. We also have the impression that the report overestimates the present potential of Christians and churches in Western countries to contribute towards fundamental change in the South African situation. It is true that many Christians in European countries as a result of their experience before and during World War II have come to abhor racism and racial oppression. Doubts can however be raised whether they are aware of a hidden racism which draws advantage from the exploitation of people in the Third World, a process in which they themselves maybe participate. We have some doubt whether Christians in European countries can be anticipated to have any decisive influence on their governments in motivating them to exert economic pressure on South Africa, if such pressure would imply economic losses and disadvantages to themselves. As long as economic growth and a highstandard of living is as highly valued by Christians in Western countries as it appears to be at present, we cannot envisage them contributing essentially towards fundamental change in the South African situation. The concern for bringing about change in the Republic of South Africa thus demands also from Christians in Europe and in S.A. a willingness to re-examine values and norms and patterns of behaviour and life-style that have been widely accepted by churches in the West and by their members.

4. Remarks in the report on possibilities for the economic advance of black people.

On page 33 in section 81 the report states that the black population is excluded from all social and economic promotion. This statement neglects the fact that certain sections of the black community,

though they are very small, have profited from the oppressive structures. Moreover one can hear very often from business circles in South Africa the argument that there is an urgent need to stimulate the formation of a black middle-class. In our opinion this argument aims at creating possibilities for economic advancement for a limited section of the black community with the explicit aim of hiding and continuing the exploitation and the oppression of the masses."

He ends as follows:

"We also suggest that more emphasis could be placed in the report on the challenge to widely accepted norms and values that the South African issue presents to churches and Christians in the Republic of South Africa as well as in Western countries.

It may be that these values are not conscious and are not openly professed. They do however influence the attitudes and actions of Christians and churches and do in part explain the hesitation of countries in the West to refuse economic cooperation with a state that in its political and economic system has legalised injustice in open defiance of the principles of international law. In this connection it would be possible to outline the contribution which the black consciousness movement and the black theology could make for a revision of the values and norms that are widely accepted by Christians in Western countries."

2.44 THE ADVENT OF BISHOP TUTU

On 1 March 1978 Bishop Desmond Tutu became General Secretary of the SACC. He had already shown himself to be an indefatigable opponent of the Government and of the existing establishment. In numerous speeches and articles he attacked the Government and its policies. Publicly he seldom expressed himself on matters other than socio-political and economic issues. He was soon much in demand as a speaker and he used these opportunities to deliver numerous tirades against the Government, apartheid, separate development, capitalism, resettlement schemes, the Group Areas Act, migrant labour, and the like. He paid frequent visits overseas where he was lionised by ecumenical church organisations, Black consciousness groups, United Nations agencies, and universities, and where he was often asked to speak on the situation in South Africa. He soon earned a tremendous reputation overseas and was there seen as the most important person to play a role in achieving fundamental changes in South Africa in a non-violent way.

One of his activities which was clearly a cause of concern to the Government was his tendency to make inflammatory speeches at emotion-laden and tense gatherings, such as the funerals of some Blacks, for example Mxenge.

Of significance is the role which the SACC Executive thought he should play.

At an Executive Meeting of the SACC of 12-13 September 1979 it was stated:

"... there is an intolerable situation in the black community and especially for black leaders like Bishop Tutu who are required to articulate the views of the black community".

2.45 WCC/PCR/SACC STANCE ON REVOLUTION

In 1978 the SACC received a study document prepared by Baldwin Sjollemma of the PCR entitled "South Africa's Hope - What price now?" Among other things, he discussed the applicability of the concept of a "just revolution" to the South African situation. He also intimated that the same criterion as applied to the resistance fighters of occupied Europe should be applied in evaluating the struggle of those Black people who resort to violent means in their "struggle for freedom" (EcuNews Bulletin 20/1978, p. 7).

He recommended that churches and Christians in South Africa could act in "three effective ways":

- "-by providing all possible support for those forced to become refugees [this includes the provision of training facilities];
- by building support for all those who are working inside South Africa for liberation; and
- by working wherever appropriate to end all foreign support for South Africa; for a complete halt to all economic, military, diplomatic, cultural and social links."

The paper was shortly afterwards dealt with by the Division of Justice and Reconciliation, which prepared a report for consideration by the SACC and its member churches. In his critique on the paper Dr Kistner did not unreservedly commend Sjollemma's revolutionary ideas. He reported:

"The concepts of 'just war' and 'just revolution' are used in the context of the Christian's concern and commitment to 'social and political liberation from injustice, oppression and the violation of Human Rights and dignity' which is part of the Christian faith. Implicitly this means that a Christian should consider using violent means only in cases in which he envisages a freedom in a new political order in which human rights are guaranteed."

Dr Kistner's recommendations were that the Church must "de-ideologise" the revolution, and in doing so -

"... must always challenge in regard to the means employed and

declare that the ultimate end is to organize for peace and reconciliation in justice".

He also did not recommend the adoption of a remark, quoted in the same report, made by a certain Prof. Lazareth at a Conference of the Lutheran World Federation at Dar es Salaam:

"They (Christian Churches) have, however, neglected to recognise the right of christians in case of extreme oppression to engage in a 'just revolution'".

On the contrary, Dr Kistner rejected the concept of a just revolution:

"To speak of a just revolution is meaningless, for the circumstances and means of such a revolution can hardly prove wholly acceptable to God."

Of incidental interest are the following views expressed in the same report on the State and legality, and the approach which Christians should adopt towards the State:

"SACC statements ... would point to the illegality of the South African political structure rather than its legality, and a determination of the status of the political system is vital in any consideration of the Christian's response thereto."

"In terms of international law racism is illegal and the South African political system is a system of illegal injustice. Cooperation with South Africa is thus deemed to be cooperation with an illegal system.

These guidelines are given to stimulate discussion of the legality or otherwise of the system, a vital consideration in the consideration of the 'just revolution' theme and one with which the SACC is called to do battle."

The recommendations of the Division were that the SACC should resolve as follows:

"The SACC therefore expressed its solidarity with the aims of the liberation movements, but qualifies its support by subjecting the concept of freedom to the human rights criterion.

-It [the SACC] affirms the obligation of Christians to seek to bring about fundamental change in the S A political situation and in humility believes that rejection of the system is an obligation emerging from the confession of the Christian faith (Status Confessionis).

-The SACC encourages Christians to consider what circumstances can arise in which the right to resist evil laws becomes apparent and

that a theology of resistance is both a valid and vital concept in such a consideration.

-The SACC admits that the long history of seeking to achieve justice in South Africa through non-violent and peaceful means has not achieved much in terms of changing the system ...

-The SACC witnesses with understanding the growing violent resistance to the S A tyrannical political system and the involvement of individual Christians in that violent resistance.

The SACC asks Christians who opt for violent methods of change to consider the following questions:

Whether all peaceful methods of securing change have been tried and exhausted?

Whether all the changes inherent in violence ... have been properly considered, e.g. the question: Do the means used not alter the end to be achieved?

-Whether clarity exists about the aims to be achieved by violent measures and whether a real possibility exists for exchanging the present disorderly order for a more just one?

-Whether the way to justice is being seen as the way to love?"

These recommendations were accepted by the National Committee of the Division of Justice and Reconciliation, which only suggested that the term "responsible resistance" might be more appropriate than "justifiable resistance". In broad outline all of the suggestions were accepted by the 1978 National Conference.

Before leaving Dr Kistner's reports to the 1978 National Conference, reference might be made to an indication that his Division was by this time giving thought to civil disobedience as a strategy of resistance. According to a report of the Commission on Violence and Non-violence, which, it will be recalled, fell within Dr Kistner's Division, it was said:

"... the South African Government is as powerfully in control as ever ... Hence the possibilities of a power shift, or for pressures towards change from within these [governmental] structures, seem limited ... Some felt that the powers for change now lie outside our borders and that these tend to polarise towards violent solutions ...

Others felt that there are still powerful forces, which, if harnessed, could lead to non violent change, e.g. if obedience and co-operation were refused on a major scale."

2.46 SACC COMMITMENT TO POLITICAL CHANGE

In his address to the National Conference just referred to, Bishop Tutu spoke on the possibility of reconciliation between Blacks and Whites in South Africa, which he thought would only come about in the event of there being "equal distribution of power among all the people of South Africa", (EcuNews Bulletin 19/1978, p. 9), and if there are "opportunities for negotia-

tion and consultations at high level between Black and White leaders", and if all discriminatory laws were scrapped.

He stated:

"The Council and I are unequivocally committed to reasonably peaceful change in South Africa (it is only reasonable because there has already been so much violence and the situation within South Africa is already a violent one). We see ourselves as God's instruments of justice, peace and reconciliation. We wish to avert the holocaust and so we say that change in South Africa is inevitable. The only questions are how and when it will come. We want it to come now and we want it to come reasonably peacefully and to this end we have dedicated our energies".

And:

"And God is on our side, not because blacks are better morally than whites, He is on our side because he is that kind of God, who always sides with the oppressed."

As to the nature of the change, he urged:

"Fundamental change ultimately means blacks having a significant share in political decision making, so that a society would evolve in which people counted as persons made in the image of God and not because of biological accidents over which they had no control. And so calls have been made for the abolition of the Pass Laws (albeit gradually) since they are the most hateful parts of a thoroughly hateful system; for the recognition at least initially of urban blacks as a permanent part of what is erroneously called white South Africa and granting to them freehold title rights to land and not this 99 year lease which really is neither fish nor fowl, because people who have a stake in the land are unlikely to join a violent revolution; for a national convention of all the acknowledged leaders of every section of our community so that they could map out together the blueprint of this new South Africa."

He thought it necessary to comment on his predecessor:

"About John Rees I just want to say the obvious. He had tremendous drive and organisational ability. He developed the SACC into this quite outstanding instrument for good recognised by many as wielding a considerable influence. He has built up too a very impressive network of relationships with our overseas partners so that we have now a staggering budget of nearly R3-million, largely met by overseas giving. When I took over, as I said before, I tried on his shoes and found them several sizes too large. So I decided I could not emulate John. All I could do, was to be what I know how best to be - myself. I ask that in absentia we give John a standing ovation, especially as one newspaper has attempted to smear him. Thank you."

It is somewhat surprising that he made the last remarks in the light of the fact that he must by this time have known that he had inherited a disorganised administration from Mr Rees, and that Mr Rees had drawn irregularly at least

R60 000 from the SACC.

2.47 DISINVESTMENT: A LEVER FOR CHANGE

The question whether disinvestment as a means of achieving fundamental change should be advocated was prominent in the discussion at the 1978 National Conference. It should in this regard be mentioned that in preparation for the Conference the Executive of the SACC prepared a draft resolution, which it put to the SACC's lawyers for their advice on the question whether the submission of such a proposal or the adoption thereof might not amount to a contravention of the law. The advice given on 22 June 1978 was that the motion contemplated by the Executive might well fall foul of the Terrorism Act. Very responsibly the SACC's lawyer, Mr Cohen, recommended caution in matters as delicate in South Africa as investment. The advice was accepted, and the draft resolution was not put.

Having been advised that the draft motion might land it in difficulties, the Conference nevertheless debated foreign investment, but with Mr Barrett, its legal adviser present, which, according to comment in EcuNews Bulletin 20/1978, p.6 -

"... evidenced the restriction on open discussion of this issue under threat of prosecution in terms of the 'Terrorism Act'. An anomolous[sic] pact with differing motivations developed into a call to 'say' nothing - one reason being to avoid possible contravention of the law, the other being to highlight the suppressive nature of South African legislation and policy - 'therefore it is preferable to say nothing if we cannot say it all'. In the event a resolution was adopted after strong debate which, inter alia, called on "foreign countries and organisations, for the sake of justice to "revise radically" their investment policies with regard to South Africa in such a way as to benefit the total population of South Africa".

2.48 SACC documentation of this period contains several references to Tom Manthata, an assistant in both the DC and the Justice and Reconciliation Divisions. He appears to have been Dr Kistner's contact man with Black trade unionists, students and other organisations. According to "The South African Churches in a Revolutionary Situation" (op. cit., p. 96) he was a leader in the South African Students' Organisation (SASO), "an important member of the Committee of Ten", and "is widely known as 'the brains in the Black Consciousness Movement' ..." He was an intense political activist. Dr Kistner appeared to find him a valuable worker.

Not only Mr Manthata was associated with the Committee of Ten; Mrs Sally Motlana, Vice President of the SACC, is the wife of Dr Ntatho Motlana, chairman of the Committee.

2.49 RADICALS VERSUS MODERATES (1978)

A final matter worthy of mention in regard to the events of the year 1978 was that disquiet was expressed by some National Conference delegates "at the possibility of so-called 'radicals' pressurising the moderates" (EcuNews Bulletin 20/1978, p. 5). This was mentioned in the context of the dilemma which faced member churches, which gave rise to the question of the status of conference delegates. A formula was adopted that heads of churches could not speak for their churches as such, and that resolutions of the SACC go out in the name of the "National Conference of the SACC" and not as committing the member churches. It was recognised that that weakened the impact of certain SACC resolutions, but shifted the onus for addressing questions raised to where they belonged, i.e. in the courts and congregations of the constituent churches of the SACC.

2.50 CIVIL DISOBEDIENCE (1979)

The theme of the 11th National Conference held in 1979 was "The Church and the alternative society".

It was opened by the then National President, Ds S. Buti. As his contribution to the Conference theme he dealt at some length with the question of the conflict between Church and State. He said that "if the church as a whole had been obedient to the Gospel and had been willing to pay the price for such obedience, the hidden conflict would long ago have come in the open" (EcuNews Bulletin 24/1979, p. 10). He continued:

"One of the main reasons why the church has not moved into a situation of open conflict is because the individual Churches in our country have deliberately refused to hear and to heed the message of those Churches in Angola, Mozambique and Rhodesia who have identified themselves so totally or uncritically with the political status quo of the existing regime that when the movement of political liberation came they were utterly rejected by the majority of the people." (EcuNews, supra, p. 11)

In his address to the Conference the General Secretary dealt with a wide range of subjects, mostly political.

He was followed by Dr Allan Boesak, who explained the role of the Church in

attaining the alternative society by expounding Black theology, which he said is a Black understanding of the Gospel. More is said about Dr Boesak's theology elsewhere in this report. The view he expressed of the role of the Black church in political issues was highly relevant to some of the resolutions the Conference later adopted. He said:

"Now that all meaningful black organisations have been banned, the black church has become more important than ever before as a vehicle of expression of the legitimate aspirations of the black people. The Government knows this."

And in conclusion urged that -

"The Church must initiate and support programs of civil disobedience on a massive scale ..." (EcuNews 24/1979, p. 27.)

The proposal of Dr Boesak (and others) was found acceptable. One of the resolutions passed at the end of the conference was worded thus:

"Recognising the great suffering resulting from the policy of separate development and confessing that this suffering has been greatly increased by the churches' failure to act in the past, this Conference believes that the South African churches are under an obligation to withdraw, as far as that is possible, from co-operation with the State in all those areas in the ordering of our society where the law violates the justice of God.

We call upon all Christian people to examine their lives and to seek to identify the ways in which each one reinforces the policy and props up the system.

We recommend the work of the Division of Justice and Reconciliation and request them to continue this work by examining the strategies of resistance."

It was also resolved that the Division of Justice and Reconciliation should be regarded as a facilitating agency to the SACC and its member churches, inter alia "with a view to promoting action in J & R issues".

2.51 The idea of confrontation with the authorities and civil disobedience was soon after the National Conference taken up by the Justice and Reconciliation Committee. At its meeting of 21-22 August 1979 it was decided to implement the resolution in the field of resettlement matters "by organising and preparing a confrontation with the authorities". They thought that a lesson

could be learnt from the Civil Rights struggle in the United States:

"If Christians plan action they need to rely on a source of power to sustain such action. If reaction on the part of the masses sets in, Christians need something to carry them through."

At its meeting of 27-29 November 1979 the further decision was made that the Commission on Violence and Non-Violence, which was a Committee of the Division of Justice and Reconciliation, would prepare a leaflet on the subject: "How to practise Positive Non-Cooperation". It was further stressed that the "real power to bring apartheid to an end lies in their [the Blacks'] hands, i.e. massive non-cooperation". And it was recognised that "Positive non-cooperation involves a willingness to take the consequences of one's action without evading the penalties of the law as it stands".

2.52 BLACK TRADE UNIONS

For some time now the SACC had begun to show an interest in Black trade unions as allies in the "liberatory struggle". To many this seemed a strange role for a Church body to play. In this context the following statement in "The South African Churches in a Revolutionary Society" (op. cit., p. 239) is relevant:

"It is probably not a fitting role for clergy to lead strikes and boycotts. But as church leaders such as Bishop Tutu and Allan Boesak would point out, it is surely their role to conscientise[sic] parishioners and to support such action when the goal is social justice".

2.53 FINANCIAL ADMINISTRATION - SHORTCOMING

In 1979 it became increasingly manifest that all was not well with the financial administration of the SACC, and talk of irregularities was rife. It is appropriate here again to pick up the threads of the role played by Mr Roelofse, who, it will be recalled, had been appointed as ombudsman working in association with the SACC. By 1979 he had made it his business to probe and expose unsatisfactory features concerning the running of the South African Training College for Independent Churches (SATCIC), an organisation in which the SACC had an interest and a measure of control.

He exposed the fact that one Bishop Mokoena, who was in charge of SATCIC, had committed fraud in connection with a number of cheques which were drawn on the bank account of SATCIC. Mr Roelofse was upset because Bishop Tutu, on learning

of this fraud appeared to be inclined to adopt a pastoral approach, rather than have Bishop Mokoena put behind bars as soon as possible. Ultimately Bishop Mokoena was, however, prosecuted. He was first prosecuted during October 1979 in the Magistrate's Court of Roodepoort on a number of charges of fraud on SATCIC, but he was acquitted. Because of the acquittal, the mechanical record of his trial was erased and is not available to the Commission, and it is not possible to ascertain why he was found not guilty. In January and February of 1980 he was again charged, this time on 17 counts of fraud. Bishop Tutu was called as a witness. The Magistrate found that Bishop Mokoena's guilt had not been established beyond reasonable doubt and he was again acquitted. The evidence of Bishop Tutu was found by the Magistrate to be unsatisfactory, vague, evasive and contradictory, especially when he was questioned concerning shortcomings of his organisation. Mr Roelofse felt that Bishop Tutu had not shown sufficient vigour in the whole affair. By April 1979 it appeared that certain staff members of the SACC were showing resentment at Mr Roelofse's activities, as is evidenced by the following extract from a report compiled by the Rev Peter Storey: "At the staff retreat it appeared that certain negative feelings were also exposed about Mr Roelofse's role in the affair, while someone was also heard to remark that Bishop Mokoena was unfortunate as he just happened to be the one who was found out."

Mr Roelofse was undaunted and began to interest himself in the financial administration of the SACC generally. He studied the reports of the auditors and saw that they had pointed out that the financial administration of the SACC was poor; that many payments from its funds had been made without any supporting vouchers being given; and that things were getting progressively worse. Mr Roelofse suspected that serious irregularities were being committed and he took this up with Bishop Tutu. He did so orally and in writing. On 26 November 1979, he wrote as follows:

"As you are aware there have for some time been persistent rumours that all is not well with the finances of the SACC ... The SACC's traditional reply has been that all is well and that people are invited to inspect our audited accounts. Because of my anxiety that fingers might be pointed at the way in which the SACC controls the spending of God's money and because I have still not recovered from the horror of what I discovered was happening at the SA Theological College, and in an office almost directly above yours, I naturally showed an interest in the auditors accounts etc. I am most deeply distressed that on the basis of my observations there are so many questions which I simply cannot answer to my own satisfaction and peace of mind."

He went on to detail those problems and continued: "I then decided to put my misgivings down on paper in order that you might have an almost outside view of what I fear might await the SACC." In his reply Bishop Tutu said inter alia:

"Thank you for your confidential memo concerning the above subject. I circulated it among the members of the finance committee as the most competent body to deal at least initially with the serious points you raise. It would be up to this committee to recommend appropriate steps to be taken by the executive committee."

He went on to inform Mr Roelofse that one of the steps taken to remedy the position was the appointment of a Director of Administration. He added: "We have taken note of the past and now in the present are working to ensure a trouble-free future with a streamlined and efficient administration". Mr Roelofse was not satisfied that all the steps which were necessary to remedy the situation had been taken, and in further letters to Bishop Tutu he said so. In the light of the finding reached by this Commission it is clear that Mr Roelofse's misgivings were very largely justified.

In his evidence before the Commission Mr Roelofse testified (and on this he was not challenged) that Bishop Tutu had on occasion said that the Germans, being Whites, had a bad conscience about Blacks and about the war and that in addition Lutheran Churches had plenty of money. This was a reference to the fact that a substantial portion of the SACC's funding came from German Lutheran Church bodies. It should at this point be mentioned that when Mr Roelofse was cross-examined, he was tackled with some vigour, mainly concerning the right which he was alleged to assume of questioning the propriety of the conduct of just about everybody connected with the financial affairs of the SACC, and partly because of some alleged mud-slinging on his part, but (1) he was not challenged on the main thrust of his evidence to the Commission, that he repeatedly pointed out to the Executive of the SACC that its auditors had year after year unearthed indications of weak and unsatisfactory financial controls, and that very little was being done to remedy the situation; (2) what he testified to in this regard was fully documented; and (3) when the time came for the SACC to answer Mr Roelofse's evidence, their evidence was confined to the Mokoena affair, which was only part of what Mr Roelofse had testified to, and did not deal with the inaction of the SACC in the face of the adverse auditors' reports. What the

Rev. Storey said about the Mokoena affair was that the SACC did take his conduct seriously, and ultimately lodged a complaint with the police, but, being a church body, it had perforce firstly to adopt a pastoral approach. It was also pointed out that the SACC had taken other steps, including the appointment of a Deputy General Secretary, but that these would take time to have an effect. The various respects in which the financial administration of the SACC was, according to Mr Roelofse, poor, need not be discussed in the context of his evidence. That question was testified to by the witness Wessels, who in large measure covered the ground dealt with by Mr Roelofse. The importance of Mr Roelofse's evidence lies more particularly in the proof that it affords of a continued failure on the part of the SACC to heed repeated warning that all was not well with their financial administration.

2.54 MR SHUN CHETTY

Another event of 1979 which generated a great deal of publicity was that concerning Mr Shun Chetty, an attorney who had very frequently acted in political cases where the legal defence was financed by the SACC. In August of 1979 Mr Chetty fled the RSA. It seemed that a very special relationship had been established between the SACC and Mr Chetty, so much so, that apart from paying his fees and expenses (which over the years amounted to more than half a million rand), the SACC made several grants to him amounting to a few thousand rand. When he left the Republic he was reported to have stated that he had on a number of occasions helped persons to leave the country. This upset Bishop Tutu, who thought that by reason of the well-known close relationship between Mr Chetty and the SACC, it might be thought the latter was involved in these illicit activities. Bishop Tutu was interviewed by the Press, and among other things he said that Mr Chetty had left without accounting to the SACC in an amount of R17 000 of SACC moneys. Mr Chetty responded by telling the Press that he owed the SACC nothing, and he further commented about the deplorable state of the financial controls and administration of the SACC. His remarks were widely publicised. The Shun Chetty episode is dealt with more fully in this report, and as will be seen from our analysis it is plain that the financial controls of the SACC were as bad as Mr Chetty had indicated them to be. As will also be seen from the fuller discussion of the Chetty affair, the Executive of the SACC were so upset at the attitude adopted by him and the effect that that might have on the public and on their overseas friends, that they hurriedly set about having the SACC's

financial relations with him examined. The SACC's auditors were requested to deal with the matter, and largely due to the work of the SACC's attorney, and in some measure with a contribution by Mr Rees, the auditors were eventually persuaded to prepare an account which indicated that, far from Mr Chetty owing it money, the SACC was obliged to pay Mr Chetty some R2 000.

2. 55 THE DANISH COAL EPISODE

In October 1979 Bishop Tutu was in Denmark where he was interviewed on Danish television. It was on this occasion that he expressed his disappointment at the fact that the Danish Government was importing coal from the RSA. This evoked an intense reaction in the Republic of South Africa. On his return to the RSA Bishop Tutu was spoken to by two Cabinet Ministers, and a meeting of the Executive and church leaders also took place. This episode and the reaction of the SACC to Bishop Tutu's Danish radio statements are dealt with more fully in a chapter in this report dealing with the attitude of the SACC on disinvestment. Suffice it to say that the SACC did not openly repudiate Bishop Tutu's action.

2.56 STATUS CONFESSIOINIS

An outline of some of the events of 1980 necessitates another reference to the executive staff members' and Dr Kistner's preoccupation with the Lutheran concept of the status confessionis. It will be recalled that this had come to the fore at the Dar es Salaam conference of the Lutheran World Federation in 1977. Since then Dr Kistner devoted many pages of his writings and recommendations to it. He saw a parallel between the South African situation and that which prevailed in Nazi Germany in the 1930s, when a theologian, Dietrich Bonhoeffer, came into conflict with the State.

In his writings he quoted what had been written by Bonhoeffer concerning the place where the church "encounters the enemy who threatens to undermine the faith of the believers". Bonhoeffer - so Dr Kistner noted - then said:

"Where the boundaries of the Church are, is at all times determined only in the encounter between church and unbelief. It is a decision taken by the Church. It means that the determination of the point at which disagreement becomes a confrontation that splits the Church, is a decision taken by the Church itself. This decision arises from the action of the Church by which it indicates in a special way the place at which the enemy makes an inroad and at which it (the Church) therefore offers resistance to him. A war is decided in a limited battle. The place at which this battle is fought, depends on where the enemy stands. Here a decision has to be taken. Therefore in no way has the place of decision necessarily always to be the same place."

Dr Kistner's understanding of the foregoing was:

"Bonhoeffer in this lecture points out that the Church in normal circumstances is not concerned to draw a line between those who belong and those who do not belong to the true church. It is rather concerned that the gospel is proclaimed truly as a joyful invitation to all people. The problem of the boundaries of the Church arises when it encounters the enemy who threatens to undermine the faith of the believers. In such a case a confessional situation arises. The need to define its boundaries is imposed on the Church by the enemy concerned. This is the confessional situation. It obliges the Church to indicate clearly where the enemy stands."

Applying this to the South African situation, Dr Kistner recommended:

"May I suggest that the Total Strategy of the South African Government that is described as an effort to remove an unjust political system, occasionally with reference to Christian principles, is the place at which the faith of African Churches are under an obligation to engage in battle. Through its resolution at the last National Conference the SACC has already emphasized the obligation of the Christians to resist. What is still lacking is a clear and easily understandable statement that explains on the basis of the gospel why such resistance is an obligation emerging from the Christian faith and that also suggests ways as to how effective resistance can be offered."

It seems that one of the consequences of Dr Kistner's recommendations was that at a Conference on Racism organised by the SACC and held at Hammanskraal 11-15 February 1980, the Black delegates decided to accept a status confessionis unless the Churches represented at the meeting confessed their own guilt in practising racism. Another consequence was that at a staff retreat held in April 1980 the staff discussed the possibility of adopting a confessional resolution. Dr Kistner's own notes on the incident and what followed thereafter read as follows:

"At an SACC Executive Staff Retreat at Hammanskraal (April 8-10, 1980) the concept of a 'Confessing Church' again came to the foreground in the context of Bible studies and of references to the theology of Dietrich Bonhoeffer. At this retreat staff members expressed their pain at the inability of the SACC member churches to move forward and to be engaged in actions that correspond with the verbal condemnation of racism and the policy of Separate Development. There was great frustration that church leaders did not take the lead in some relevant action on the part of the churches. On the other hand the question was raised whether the church leaders are not themselves captives of the church structures which are closely associated with the power structures in society. The church leaders can possibly be helped to be liberated from this captivity, if church members take the initiative and exert pressure on the church bureaucracy. A suggestion was therefore made that at the next National Conference, SACC staff members should simply take the initiative in some action that corresponds with a relevant confession of the Christian faith in the South African situation."

As a result of this consideration at the Staff Retreat, the Director of the Division of Theological Education invited a number of theologians, economic and legal experts to a consultation with a view of formulating an action-orientated manifesto that could possibly be submitted to the SACC National Conference. The consultation took place on April 29, 1980. The main outcome was the recommendation on the part of the participants that a verbally prepared manifesto might be too much of a surprise at the Conference which would feel that it was being manipulated.

It rather might be advisable to emphasise in the report of the General Secretary the central issue in relation to which a confessional statement on the part of the conference and some action might be necessary.

The central issue at the present juncture was considered to be the total strategy and the unrest in the country. The consultation suggested that the General Secretary might intimate that the whole programme of the Conference could be set aside in order to provide ample time for discussing the national crisis and the role of the Churches in this national crisis."

2.57 WITHDRAWAL OF BISHOP TUTU'S PASSPORT

Early in 1980 Bishop Tutu's passport was withdrawn by the Government. That led to an exchange of correspondence and was also one of the points discussed at the meeting, referred to in an ensuing paragraph, between representatives of the SACC, some church leaders and the Government. The reason why the Government decided to withdraw Bishop Tutu's passport was conveyed to the President of the SACC in a letter of 4 June 1981, sent on behalf of the Prime Minister, in which the following was said:

"The issue of a passport is a privilege, not a right, and this privilege has been withheld from Bishop Tutu for obvious reasons. Whilst you perceive the withdrawal of the Bishop's passport to be harmful to the long term good of South Africa, I and members of my Government believe that Bishop Tutu's inflammatory pronouncements in the outside world will far more adversely affect the long term good of our country, especially at a time when the Government is searching for a solution to South Africa's immensely complex political problems. Similarly, just as you perceive the withdrawal of the Bishop's passport to be abuse of power - a point of view with which I cannot agree - I and members of my Government perceive Bishop Tutu's use of the outside world as a forum from which to attack the South African Government as an abuse of the privileges which a passport gives its holder."

2.58 MEETING WITH PRIME MINISTER

On 5 June 1980 a letter which was signed by the President, the Senior Vice-President, a Vice-President and the General Secretary of the SACC was sent to the Prime Minister, saying that church leaders and the Executive of the SACC had endorsed the call of the General Secretary to meet the Prime Minister as a matter of urgency to discuss the "rapidly deteriorating situation in our country". The response of the Prime Minister was that he was prepared to meet the SACC and the church leaders on certain conditions, namely that: they openly reject Communism for South Africa; secondly

that they dissociate themselves from the undermining of national service; thirdly that they denounce any organisation connected with violence; and fourthly that they denounce the attempts of the ANC to overthrow orderly government in the RSA.

The SACC's General Secretary responded that they wished to meet the Prime Minister unconditionally, but he nevertheless published a message, in which the following was said:

"In order to facilitate the dialogue which we believe to be essential to the health of the nation, the SACC and church leaders reiterate their standpoint on the following issues raised by the Prime Minister.

1. The SACC does not support and has never supported communism or any other ideology.
2. The SACC does not undermine national service. We believe that all South Africans of all races have an obligation to perform national service as citizens of the one country. We insist, however, on the right of every citizen to conscientious objection to military service and therefore to be allowed alternative forms of National Service.
3. The SACC rejects and has also rejected violence as a means of obtaining or overthrowing the authority of the state including institutionalized violence such as deprivation of citizenship, migratory labour, detention without trial and forced population removal schemes.
4. The SACC does not identify with the ANC or any other political group. It is superfluous therefore to ask the SACC to dissociate itself from or denounce the methods of the ANC or any other organisation with which it has never aligned itself in the past nor the present."

The Prime Minister thereupon agreed to a meeting with the SACC and the church leaders, to be held on 7 August 1980.

On the Government side, the meeting in question was attended by the Prime Minister, six Cabinet Ministers and two Deputy Ministers. On the other side there were a number of representatives of member churches of the SACC, executives of the SACC, and Bishop Tutu. At the commencement the Prime Minister inter alia set out his approach in discussions with various church leaders as follows:

"I see the State and the Church as two independent or autonomous bodies both of which are appointed by God, each with its own commission, task and field. For this reason the State does not want to meddle in the affairs of the Church and does not expect the Church to meddle in the affairs of the State. We, however, are a Christian state and are desirous of ruling according to Christian principles and for this

reason the State is attentive to the voice of the Church since both are concerned with the welfare of the people entrusted to their care. This means that I am, as head of a christian government, always ready to recognise the right of the Church to present its point to the State on matters such as, for example, social affairs or even possible incompatibilities. A number of deputations from various churches have already met with me this year and I have in my possession the points of view of these churches and those of wellknown theologians belonging to different language groups.

I believe it is not right for the State to negotiate with the Church on political assignments or on other purely political matters for the following reasons:

- a it is not the calling and the function of the church.
- b I consider it as right and also my duty to negotiate on such matters with the relevant political leaders of the country. This I have always done and will continue to do.
- c In any case the question is - with which church must I negotiate especially when churches differ among themselves?

Churches in their evidence to the State, differ quite radically one from the other as is shown in documents I have in my possession covering, for example, alternative national service, a just or unjust society, etc. Thus it cannot be expected of the State to pass judgment or to make a choice between various theological or church points of view or interpretations. Likewise churches will not expect the State to declare itself on various theological or church arguments and differences.

I do, however, give churches the assurance that my door is always open to them to enter into discussions on the basis of these principles, in the interest of the peoples of this country."

Bishop Tutu was thereupon invited to address the meeting and after some introductory statements set out the following:

- "1. Please let the Government commit themselves to a common citizenship for South Africans in an undivided South Africa."
- "2. Please abolish the pass laws."
- "3. Please stop immediately population removals and the uprooting of people."
- "4. Please set up a uniform educational system."

He went on to make it clear that these were only starting points, for he continued:

"If these four things were done as a start - we will be the first to declare outright please give the government a chance - they seem in our view now to have embarked on a course of real change."

He concluded by saying, "If this does not happen now, urgently, I fear, you can say, we've had it..."

A full discussion ensued in which the Prime Minister, the Cabinet Ministers, Deputy Ministers and Church leaders took part. At the conclusion of the discussions the Prime Minister made a short statement in which he said, inter alia:

"I was asked a question whether the Government will continue with apartheid. I said to the party that if apartheid means what our enemies make of it I reject it. If apartheid means that I must indiscriminately discriminate against other peoples because of the fact that they are different then I say I reject it. But there are two views on the so-called apartheid and I never use apartheid because it is misunderstood. It is an Afrikaans word which has been misconstrued right through the world. We are prepared as a people who are actually the dominant factor today in this Government but I want to remind you of one fact. As Prime Minister I have a duty towards many other minority groups in this country. South Africa's problem is not a majority problem. South Africa's problem is a problem of minorities and we are trying to cope with this problem because minorities have rights. They have cultures. They have traditions and you just cannot say abracadabra and there are no minorities. They are there."

The Prime Minister concluded by saying that he was prepared to lead his people and to take positive steps to create a new dispensation, but -

"...I am not prepared to lead them on the road to majority government of one-man-one-vote system. Nowhere in Africa did it bring peace. Nowhere in Africa did it create better conditions. I am prepared to lead my people on the road to a confederation. I stated that in public and let me say I think we need to talk to each other again and I will welcome and go out of my way to find a suitable date towards the end of the year where we can meet for the whole day but when you leave this conference room much will depend on what you say to South Africa. You can either use the opportunity to make provocative statements and then you will destroy the good spirit which we have created this morning, or you can say that we have had straight talks and you can even be critical. I don't like to grudge you that right. I will on my part also make a statement to say in the spirit in which I welcomed you here and I will not state in full all the matters we have dealt with. That is not possible. We have it on record."

He concluded:

"...if you want to proceed with these mutual attempts to bring about a better spirit in South Africa then a heavy responsibility rests on you today when you leave. Should you make provocative negative statements no meeting will take place further and that is the note on which I wish to end off. A lot of talk in this country is taking place of so-called confrontation. I wish and pray to God that people don't try to bring it about in practice because I am also welcome there for confrontation and I prefer peace. Nobody can determine what will happen in South Africa."

It should also be mentioned that at the meeting the Prime Minister expressed

the desire that members of the SACC and church leaders should, before meeting with him, visit the operational area. On 18 November 1980 the General Secretary of the SACC wrote to the Prime Minister to say that the SACC "would not accept your invitation to go to the operational area. I will inform you which churches are willing to go as soon as I hear from them..."

The matter of a further meeting between the SACC, church leaders and the Government then lay in abeyance for a spell and was resumed in the ensuing year. In response to further approaches the Secretary to the Prime Minister wrote to Bishop Desmond Tutu to say:

"During the meeting, the Honourable the Prime Minister appealed to church leaders not to conduct a campaign leading to unnecessary tension. Recent statements by some prominent church officials and resolutions passed at national level have been noted with some measure of concern. This could well influence the advisability of a second meeting. The impression is gained that the Council of Churches through its actions carries on much in the same way as in the past. Should there, however, be evidence to the contrary, the Honourable the Prime Minister will honour his preparedness to meet a Council delegation at a second meeting but has requested a detailed proposal of subjects to be discussed."

The letter also specified the reason for the desire expressed by the Prime Minister that church leaders should visit the operational area. It was stated by the Secretary to the Honourable the Prime Minister that a visit would serve -

"... to expose the Church leaders to another dimension of national service that hardly receives its deserved credit and that is the assistance rendered to the local population and the contribution by young South Africans of all races and in uniform to improve the quality of life. It is the considered opinion of the Honourable the Prime Minister that such a visit will broaden the perspective on national service and contribute to a meaningful discussion of this subject."

The question of a further discussion came to a head when on 12 March 1981 the Secretary to the Prime Minister wrote as follows to Bishop Desmond Tutu:

"Whilst noting your desire to discuss with the Government conscientious objection, alternative forms of national service and a variety of other subjects, I also note, with a considerable degree of dismay that, in spite of the talks which have already been held involving the Government and the South African Council of Churches, your personal stance on a number of delicate issues has, if anything, hardened in recent weeks. This, coupled with your public pronouncements which enjoy great publicity in certain sections of the press both in South Africa and abroad, has led to a situation in which I have come to have

serious misgivings regarding the value of dialogue with you as a means of resolving those matters on which the Government and some Churches maintain to differing standpoints.

I would like to mention particularly the statements reportedly made by you at the Regina Mundi Cathedral in Soweto on 22 February 1981 on the occasion of the memorial service of the terrorists of the banned African National Congress, the aims and objectives of which organisation are directed towards the overthrow of the Government of South Africa by any means including the use of violence. The trend of your reported remarks on that occasion made it abundantly clear where your sympathies lie. Your reported statement to students of the University of the Orange Free State in Bloemfontein on 26 February to the effect that "Blacks will not sit by idly while they are robbed of their birthright, their citizenship in the land of their birth, nor can they acquiesce in a policy aimed at destroying them through balkanisation of their father land into non-viable ghettos of poverty and reservoirs of cheap labour", indicates a complete lack of understanding of the efforts which the Government is making to provide an equitable dispensation for all South African peoples. Furthermore it is a statement which can only inflame passions at a time when complex issues are in the balance and cool headedness is called for."

The letter also refers to the occasion when on 25 February 1981 the SACC decided to boycott the Republic Festival later in that year, to oppose the visit to South Africa of overseas sporting teams, and to support foreign investment in the Republic only on certain conditions acceptable to the SACC. The conclusion of the letter reads:

"In the light of these pronouncements I am reluctantly forced to the conclusion that you believe that dialogue is unlikely to provide the answers that you seek and that you appear to have opted for confrontation with the Government rather than a continuation of the talks which have been held thus far."

The response from Bishop Tutu was set out in a letter sent towards the end of May, in which he said:

"We wish to make it clear that we seek neither an abandonment of dialogue nor a confrontation with the Government. We would remind you that it was we who initiated the call for a meeting with yourself, that we made no pre-conditions, and that we were prepared to go forward with this initiative even when you on your side chose to lay down conditions.

As regards statements by our General Secretary or resolutions by our Executive in the interim since our meeting we are aware of none which are inconsistent with stands taken by the SACC in the past. We have always spoken openly and plainly and we cannot believe that you would expect the Church to silence its witness over a period of some five months simply because we were meeting with you. If that were the case the meetings could be seen as a stratagem to neutralise the church for their duration."

The letter went on to say that there were other reasons which had come to the

fore since the previous meeting that convinced the SACC that meetings of the sort could not be continued. One of those was that it had been revealed that the Government had financed the Christian League of Southern Africa, knowing that that organisation had shown itself to be antagonistic towards the SACC, and had criticised it strongly in a number of publications. And so came to an end the discussions between the SACC and the Government.

2.59 STATUS CONFSSIONIS

The 1980 National Conference was addressed by the General Secretary in a powerful speech in which he expressed himself very strongly in regard to the South African situation. He said that nothing would stand in the way of the "liberation struggle". He feared nobody and nothing. He said that in view of the importance of the question of what should be done in the furtherance of the "liberation struggle" the matters on the agenda should be shelved and in place thereof a Confessional Resolution should be taken, and by way of a demonstration a church service should be held on Church Square in Pretoria to focus attention on the state of affairs. This proposal was defeated.

2.60 FINANCIAL ADMINISTRATION - SHORTCOMINGS

Coming to the events of 1981, it is opportune to revert to the activities of Mr Roelofse. He was increasingly probing the affairs of the SACC. He was, however, beginning to cause irritation, and the relationship between him and Bishop Tutu cooled considerably. Mr Roelofse's frustration grew when the trial of Bishop Mokoena came up, and, although Bishop Mokoena had confessed his guilt to Bishop Tutu, he was acquitted by the Court. Eventually relations between Mr Roelofse and the SACC reached the point where the SACC decided to terminate its association with Mr Roelofse.

2.61 THE REES PROSECUTION

In March 1981 the trial of Mr Elphas Mbatha, chief accountant of the SACC, commenced. He was charged on 19 counts of fraud and 4 counts of theft. One of the witnesses called by the State was Warrant Officer A.J. Mills, who also gave evidence before this Commission. He stated, inter alia, that in the course of his investigations he came across another possible instance of a misappropriation of SACC funds. He found that the former General Secretary of the SACC, Mr J.C. Rees, had deposited funds in excess of R250 000 from Asingeni and the DC in 51 bank or savings accounts opened in his name or in the name of members of his family. He had brought these facts

to the notice of Bishop Tutu with a request that the police be supplied with a letter of complaint. The SACC resolved not to lay a charge (as to that, more later). Another witness was Mr T. Potter, an accountant, who had in 1980 been appointed by the SACC to investigate the state of financial controls and possible misappropriations within the SACC. Elsewhere in this report reference is made to the terms of his mandate and the opportunistic use to which his report was put by the SACC. In his evidence before the Magistrate, Mr Potter stated that he had no knowledge of the moneys which were paid out of the Asingeni fund into a number of private accounts, but he did confirm that substantial amounts of money had been paid out without documentary evidence. He testified about the wide discretion which the General Secretary had over the payment of money from the Asingeni Fund. Mr Roelofse was also a witness and gave details of the disquiet which he had expressed concerning the financial administration of the SACC. Bishop Tutu was another State witness and he was questioned concerning the payments made by Mr Rees to himself from SACC funds. He was also questioned concerning any possible benefits which he may have received from Mr Rees, and the following question was put and the following answer given:

"Now coming back to the situation of Mr Rees, did he offer or pay you any money, privately I mean, not from the SACC? - Yes, before I took up office he told me and I was still in Lesotho that he had received a gift that will be made anonymously to help in defraying the cost of the house that I was buying and he gave me the R14 000 in two cheques."

In October 1981 the Magistrate gave judgment in the matter. He acquitted Mr Mbatha on the ground that his guilt had not been established beyond reasonable doubt. Among other things, he found that there was a possibility that the charges against the accused were laid in order to find a scapegoat and to divert attention from the unsatisfactory state of the SACC's affairs.

Understandably all of this attracted considerable public attention and media coverage. Of importance is an editorial in the Rand Daily Mail of 28 October 1981. In it the editor quoted the following comment which had been made by the SACC in regard to the disclosures by the Erasmus Commission:

"Because of our human inclination to failure and disobedience, the Bible clearly enjoins us to walk in the light and reminds us that we will all one day have to account for our deeds."

Commenting, the editor said:

"But the SACC too must surely walk in the light. Its officials must be accountable for their actions, and their expenditure of donated funds. Yet piecemeal disclosures in the press and in court about the SACC bookkeeping and expenditure have drawn inadequate responses. Money went to Bishop Tutu to build a house, and to Mrs Sally Motlana to establish her shop. Both are SACC executives, so these payments are open to misinterpretation. They leave both adherents and opponents of the SACC wondering at the possible nature of other payments from their considerable funds."

The editorial adds:

"The SACC purports to be an authentic voice of the politically oppressed in this country. As such it has a special responsibility to be brave and truthful."

On the day on which this editorial was published the Executive of the SACC had a meeting at Khotso House. It was noted that after Mr Roelofse's allegations the SACC had appointed Mr Tim Potter to investigate its affairs, and it stated, according to the minutes: "Mr Potter's reports had given the SACC a clean bill of health (apart from the matter regarding Mr Mbatha)." As appears more fully from what is found elsewhere in this report Mr Potter's report did no such thing, and the SACC had opportunistically exploited certain paragraphs, selectively read, in the report.

The Executive then dealt with what had been disclosed in regard to the position of Mr John Rees. It appears that a group consisting of the General Secretary, the Deputy General Secretary and the Rev. Wing had previously met with Mr Rees, and the latter gave an explanation for the payments from the Asingeni Fund into his personal accounts. The group had not been satisfied with every explanation given by Mr Rees but noted that he had been given a discretion by the Executive to manage Asingeni funds. It was then resolved -

- (a) "To confirm a decision reached by the praesidium of the SACC requiring a certificate from Mr Rees in respect of monies transferred from SACC funds to his personal accounts, following the appointment of Bishop Tutu as General Secretary, without the knowledge and consent of Bishop Tutu, upon whom the General Secretary's discretionary powers had been conferred as from the date of appointment;" and
- (b) "in the light of the inadequate, inaccurate and confused information which had been conveyed to the general public recently, the Executive Committee resolves to appoint a Commission to investigate the affairs and the administration of the Council

with special reference to the period from 1975 onwards and to prepare a report of its findings which will be made available to the press and the public."

At a subsequent meeting of the Executive of the SACC it was resolved to appoint Advocates Schreiner and Plewman of the Johannesburg Bar to the Commission, as well as the Rev. Mgojo and Mr R. Dowie. It was later also resolved: "It was important that the report of the Schreiner Commission should be of such weight as to give the final word in the light of the Eloff-report."

In the mean time, however, the Government on 3 November 1981 announced that it had decided to appoint a Governmental Commission of Inquiry to inquire into certain aspects of activities of the SACC.

2.62 One of the most significant early consequences of the appointment of the Commission was that its investigations, conducted with the assistance of Warrant Officer Mills (who, it will be recalled, investigated the Mbatha case and unearthed indications that Mr Rees may have committed fraud and theft), revealed the strong probability that Mr Rees was guilty. It was considered appropriate that the question should be determined by another tribunal, and Warrant Officer Mills was released from his duties to complete his investigations in the Rees case. In July 1982 Mr Rees was arrested and charged; his trial took place in May 1983, and on 25 May 1983 he was convicted on 25 counts of fraud and sentenced to 10 years' imprisonment, suspended on certain conditions, and a fine of R30 000.

2.63 Two national conferences were held during 1982 and 1983 respectively. No resolutions of significance were taken, and it is possible that the fact that this Commission was at work induced the member churches and staff to maintain a low profile for the time being.

2.64 SACC/UDF/NF ALLIANCE

In conclusion the Commission wishes to deal briefly with two events which occurred in time to be mentioned in this report and which serve to demonstrate the marked involvement of the SACC in political affairs.

The first is that in May 1983 the SACC made Khotso House available for the

foundation meeting of the Transvaal Branch of the United Democratic Front (UDF), an organisation established by approximately 30 bodies, including the Soweto Committee of Ten, and the Witwatersrand Council of Churches, to campaign against the Constitution Bill and various other measures proposed by the Government. Most member organisations of UDF are supporters of the Freedom Charter and ANC ideals.

The second is that in June 1983 Bishop Tutu and Mr Tom Manthata took part in the establishment of an organisation styled the National Forum, which adheres to Black Consciousness and appears to have the object of -

- "mobilising and consolidating the oppressed masses against P W Botha's constitutional proposals"; and

- "giving a clear cut political direction in response to the hardships and the challenges that are facing the Blacks today and in future".

The above-quoted objectives were outlined in a letter dated 13 April 1983, sent to inter alia Bishop Tutu. The entire letter is reproduced below:

"AZAPO - Azanian People's Organization

Telephone (011) 834-3410
Ref:

115 Fleetway House
208 Bree Street
Johannesburg 2001

15 April 1983

To all Branch Chairmen and Regional Organisers

Dear Comrades

Please note that as advised in the National Executive Council which was held on the 26 and 27 March 1983 at the Dube YWCA, the National Forum Committee (NFC) has been appointed by the National Executive Committee. It consists of:

Comrade Saths Cooper (Convenor)

Comrade George Wauchope (Organising Secretary)

Comrade Lybon Mabasa

Comrade Khehla Mthembu

Comrade Ishmael Mkhabela

Bishop Desmond Tutu (SACC)

Dr Ntatho Motlana (Committee of Ten)

Mr Lebaneng Sebidi (Committee of Ten)

Mr Tom Manthata (Committee of Ten)

Bishop Manas Buthelezi (Lutheran Evangelical Church)

Dr Joe Variava (Health Workers' Association)

Mr Phiroshaw Camay (CUSA)

Mrs Emma Mashinini (CCAWUSA)

Mr Frank van der Horst (SACOS)

Mr Colin Clarke (SACOS)

Dr Allan Boesak (WARC)

Dr Neville Alexander

Dr R A M Saloojee (Anti-SAIC)

The National Conference which will be held from 10 - 12 June 1983 aims at:

1. Mobilising and consolidating the oppressed masses against P W Botha's constitutional proposals.
2. Giving a clear cut political direction in response to the hardships and the challenges that are facing the Blacks today and in future.

You are therefore urgently requested to implement to implement [sic] the decisions taken at Council.

Kindly furnish me with the names and addresses of the organisations in your respective areas that you would like to be invited.

Your most speedy response to this VERY URGENT circular will be highly appreciated.

Yours in the struggle

Muntu ka Myeza
Secretary General"

2.65 ATTITUDE TO EVOLUTIONARY CHANGE

The Commission considers that the SACC has clearly manifested its dissociative approach towards evolutionary change in South Africa in that it has become increasingly involved in the socio-political arena with action programmes attempting to force change. In this involvement over the past years the history of the SACC demonstrates an ever widening association with bodies and organisations which see themselves not only as being in opposition to Government, but also as promoting and contributing towards their ideal of Black majority rule in a unitary South Africa.

THE REPRESENTATIVE NATURE OF THE SACC

3.1 MEMBERSHIP

In its submission to the Commission the SACC states that as a Council it represents the majority of the established churches in South Africa, and it makes the point that 81% of the churches listed by name, that is, the larger churches, representing 70% of the Christian population of South Africa in the official 1970 census statistics, are members of the SACC. In a letter addressed to the Commission by the SACC on 24 January 1983 its claim to representation was put somewhat differently. Based on the 1980 census figures the conclusion was sought to be drawn that 11 976 125 of the total population of 24 885 960 persons (that is to say 48% of the total population or 63% of the Christian part of the population i.e. if all non-Christians are excluded from the calculation) are members or adherents of or are in some way or other affiliated to the SACC member churches.

3.2 It seems to the Commission to be reasonably clear that the census figures are unreliable when it comes to the ascertainment of real church support. By way of illustration a comparison should be made between the official membership figures of some member churches of the SACC and the census figures. Such a comparison reveals inter alia that while the Presbyterian Church of Southern Africa (PCSA) officially has 60 000 members, the census figure for that church for 1980 is 499 080, in other words more than eight times the official figure; that while the Methodist Church of South Africa has, according to the Rev. Storey's evidence, a recorded membership of 1 242 195, the census figure is 2 112 800; that according to the evidence of the Rev. Joe Wing the official membership of the United Congregational Church of Southern Africa (UCCSA) is 247 462, but that the census figure is 407 000; and that the membership of the Evangelical Lutheran Churches of Southern Africa is 238 276 (adults only), while the census figure is 804 800. One can only speculate as to why the census figures are unreliable. One explanation which suggests itself is that many persons who are asked by census officials to state their church affiliation may feel obliged to mention a church even though they are not adherents of that church.

3.3 The SACC is technically obliged, in accordance with the provisions of paragraph 7 of its Constitution, to require member churches to supply it with details of their respective membership statistics in order to determine and control the number of representatives who on behalf of their churches are entitled to attend the SACC National Conferences.

The SACC was not in possession of all these statistics and explained in response to a letter from the Commission on 24 January 1983 that any such figure that it might give might not be reliable, since not all churches maintain accurate statistics (the Church of the Province of South Africa (CPSA) keeps no formal records at all); that different churches have different modes of calculating membership; and that it would serve no purpose to provide the overall figure kept by the SACC of a total of all its membership.

3.4 The Commission was also referred by the SACC to the 1982 edition of the World Christian Encyclopaedia. The statistics contained in that publication, if correct, would indicate the membership of member churches of the SACC to be very substantially less than is claimed by it; if regard is had only to those churches which are full members of the SACC then the total figure appears to be less than 4 000 000. Those statistics are again of doubtful reliability. For example it may be mentioned that the World Christian Encyclopaedia attributes a membership of 120 000 to the Presbyterian Church while the official church figure is 60 000; and it attributes a membership of 942 505 to the Methodist Church, while, as previously stated, the official figure is 1 242 195.

3.5 It therefore seems to be impossible to fix a really reliable figure, or even an approximately correct figure, for the total membership of member churches or observer members of the SACC. It can certainly be said, however, that the real membership of member churches is very appreciably less than that asserted by the SACC. The SACC is probably correct in stating, as it has, that of the total number of persons claiming (according to the 1980 census tables) to be adherents of Christian churches, the greatest percentage indicated adherence to churches which were members of or affiliated with the SACC.

3.6 There are numerous Black churches in South Africa which are not members of the SACC. There is for instance the Zion Christian Church with a membership of

768 000, which is not a member, and the Reformed African Independent Churches Association (RICA) which claims a membership of four to five million and is likewise not in any way attached to the SACC.

3.7 RELATIONSHIP BETWEEN THE SACC AND ITS MEMBERS

Several persons who were on the staff or executive of the SACC have expressed concern about a serious gap between the SACC and its member churches.

Dr Kistner, in 1980, in a statement reflecting his assessment of the SACC, said:

"The SACC finds it difficult to fulfill its function in view of the following obstacles:

1. the inadequate contact between the SACC and the constituencies of the different member churches,
the inadequate contact between the leadership of the individual churches and their respective constituencies.
2. The relative ease to obtain money from overseas churches which gives a feeling of independence from the member churches.
3. The divisions within the individual member churches."

[and]

"The main difficulties I experience are:

1. ...
2. lack of contact with the constituency of the churches and distance from the people who suffer most;
3. lack of a supportive base and of understanding in the own church;
4. isolation of the family within the own church and the lack of an alternative church base..."

In EcuNews (9 August 1977) Dr Kistner said the following in an article:

"IS THE GAP BETWEEN THE SACC AND ITS CONSTITUENCY DIMINISHING?"

An assessment of the recent SACC Conference - By Wolfram Kistner

It has been felt now by many for a long time that there is a serious gap between the South African Council of Churches and its constituent churches. So it was not surprising when this subject was raised during the Church leaders' meeting held just prior to the conference.

And, as a result of this meeting, it was not surprising, time and again, to hear the view expressed from the conference floor for the churches to

be informed of SACC decisions and, where necessary, to first refer issues to them for comment.

This happened, for example, on the question of a theological statement by the SACC, and on the contentious issue of foreign investment ...

The fact that the SACC has in the past appeared to concentrate on these issues (political and economical) has in the past led to questions from its constituency which asked for an explanation of the theological principles underlying the Council's work.

In simple terms, they asked: 'Is the SACC not merely an organisation pursuing political goals and trying to exert political pressure on the authorities?'

Thomas, at p.60, states:

"And yet, by 1975, this very fact seemed to come to be a weakness; some now saw the SACC as an entity which, equipped with its own bureaucracy, tended very much to 'do its own thing' with little or no reference to its constituency. That type of thinking would be reinforced by the radical stands the SACC tended to take, which on more than one occasion earned it statements of dissociation from within its own constituency.

The tendency to see a growing gap between the SACC and its constituency would have been further bolstered by the fact that the percentage of local financial support for the organisation tended to shrink with the passage of time."

In the minutes of the Financial Committee of the SACC, the following is recorded:

"Commission on contributions from churches. Mr Matterson reported that at this meeting, there had been a feeling that there is a lack of communication between the SACC and the churches. He reported that the churches felt that the SACC has constituted itself as a church in its own right and that it is paddling its own canoe. It was felt that the SACC is a handicap to its member churches because of the generosity of its friends and partners abroad. The meeting had agreed to recommend to the member churches that the contributions of member churches be increased so as to cover the costs of the General Secretariat, ..."

Leaders of member churches expressed similar concerns. Thus the minutes of a United Congregational Church meeting of 1981 record the following:

"... the Chairman reported on a consultation between the heads of the Church Unity Commission Churches in regard to the role of the SACC and its relationship to the churches. Concern had been expressed at that meeting about the manner in which the SACC existed and acted apart from the churches rather than with the churches."

Among the factors which were referred to which were said to be either symptomatic or causative of the gap between the SACC and its members were the following:

3.7.1 Lack of local financial support

According to a report submitted to the Commission by the accountants Theron Van der Poel on 18 February 1983, the position was that no fewer than 16 of the 32 member churches and member organisations of the SACC had paid no affiliation fees at all for the years 1979, 1980 and 1981, while only seven of those churches and organisations had paid affiliation fees for the year 1981. Only two member churches and one observer church of the SACC had paid affiliation fees for all three years 1979, 1980 and 1981; they were the Roman Catholic Bishops' Conference (having observer status only), the Society of Friends and the Evangelical Presbyterian Church of South Africa.

The accountants (report paragraph 4.3) also point out that of a total budget for 1981 amounting to R3 471 617 (excluding income from other trust funds), no more than 1,6% (R53 661) was contributed from local sources.

3.7.2 Overseas funding

Over the period 1975 to 1981 more than 97% of the funding of the SACC came from abroad. This question was dealt with by a few witnesses called on behalf of the SACC. The explanation given was that most of the members of member churches of the SACC were Blacks and lacked the financial resources to contribute significantly towards the funding of the SACC. The Commission finds it difficult to accept this as an adequate explanation for the minimal contribution by member churches towards the funding of the SACC. If each member of all the member churches of the SACC were to contribute as little as 10c per annum towards the funds of the SACC that would yield many hundreds of thousands of rand. But over and above that the General Secretary of the SACC himself stated in 1980 that the members of the member churches could and should be able to contribute very much more than they did. He said, as part of his report to the National Conference held at Hammanskraal in that year, that -

"I have constantly bemoaned the fact that we are so heavily dependent on the generosity of our overseas friends. We appeal to our member churches to step up their giving. If 1000 congregations gave only R50 per annum that would be R50 000, and if they gave only R500, we would have half a million! It can be done and it should be done". (EcuNews 12/80, p. 17.)

This was a constant cause of concern.

When addressing the National Conference of the SACC in 1982 the Rev. Joe Wing, an honorary life President and doyen of the SACC, said:

"But the Council, if it is to be truly of the Churches must be funded by its member Churches if it is to have any kind of credibility in the eyes of the public. The attitude prevailing in some Churches is: What is the SACC up to again? - Members of the Council must stop criticising it if the Council is to survive to the end of this century. While the Churches regard the Council as 'Wholly other,' it will never be a Council of Churches" and

"One of the main reasons why the SACC has had an independent existence in recent years is because 90% of its income has come from overseas, and Council officials, not member Churches, have raised the money. Any organisation which raises its own funds, with only a token contribution from its members, may claim a measure of freedom in expending those funds. Financial independence is the best kind of independence if you want to do your own thing....."

On 11 May 1981, Martin Conway, a representative of the British Council of Churches, attended the 1981 National Conference of the SACC. He reported:

"Most worrying of all, to him and to me; was the final page of the audited accounts showing that of the budget of more than R200 000 only R6 755 came from the member churches' annual affiliation fees and comparatively few other sums from South African sources. This is not to say anything about the quality of the work that is done with the money, but it indicates a most unsatisfactory state of attitudes and relationships between the Council and its member churches."

3.7.3 Lack of grass-roots support

The documentation of the SACC abounds with expressions of concern at the fact that it has failed to attract significant grass-roots support for its actions. The following are examples:

A report 1976 by Dr Kistner under the heading "The unsolved problem":

"I do not have the impression that the Division for Justice and Reconciliation in the first half of this year has succeeded in reaching through its work the grass-roots of the congregations and even less in changing attitudes. We have to consider, how this can be achieved in the best possible way. Perhaps seminars on a regional and a local level in the different denominations may be helpful. On the other hand one will have to reckon with the possibility that the opposition to the work of the Division might grow in the same degree as it becomes more effective.."

Another Kistner report (1977) states:

"Communication with parishes and with Christians at the grassroots level of society.

The Committee discussed the lack of awareness in church parishes of what is happening in the country. One can, for instance, often experience thanksgiving to God in prayer meetings for the religious freedom that prevails in South Africa in contrast to the situation in Communist countries. There is very little awareness of the extent to which religious freedom is being restricted by the authorities in South Africa. ... Everything is dependent on the goodwill of the local minister. There is no way of by-passing an obstructionist minister."

A further 1976 report contains the following:

"At the same time both meetings showed that in the CPSA as well as the Methodist Church, similar difficulties are experienced as in the SACC. It is very difficult to awaken an awareness of justice and reconciliation issues at the level of the local parishes and of initiating processes of change."

In his 1979 evaluation of the National Conference, Dr Kistner states:

"The expression of pain at the lack of support of the SACC or even at the opposition to the work the SACC by and within the member churches. The General Secretary attributed this lack of support to the stance that 'we must be the voice of the voiceless, we must identify with the poor and the oppressed, we must struggle for justice, equity, reconciliation, peace and compassion.' According to Bishop Tutu, it is this stance which makes the SACC unpopular, especially with the white fellow Christians."

3.7.4 Staff activities and initiatives

A study of SACC documentation indicates that very few motions put at National Conferences originated from member churches. With few exceptions the initiatives were taken by heads of departments. The excessive staff participation and the appearance that this gave of the SACC as being largely a bureaucratic organisation, was a matter about which concern was frequently expressed:

The above-mentioned Martin Conway reported in 1981:

"... the SACC's staff had taken a collective decision to speak as little as possible, apparently since there had been some feeling that they have been too dominant the year before, ...".

Thomas (op. cit., pp. 62-3) wrote:

"There can be no doubt that there is a gap between the administration and the constituency on occasion, and that even decisions taken by the National Conference of the SACC have been unacceptable to member churches. And yet the experience of both the SACC and of other Councils of Churches the world over seems to point to a certain inevitability in this situation. For one thing, individual denominations tend to absorb 90% of the energy and initiative of their resources in their own structures, leaving little over for interchurch or ecumenical organisations. This probably accounts for the complaints by Revs Pitts, Brown and Bishop Burnett that they received only minimal support from the member churches of the CCSA and SACC. The lesson seems to be that ecumenical organisations must develop a life and vitality of their own because they can expect little from their membership."

He added

"Thus the world over ecumenical organisations have developed a 'critical distance' between themselves and their member churches, and tend to be more radical than their constituency."

In 1970 the General Secretary pointed out that the view exists that staff attendances at Executive Committee meetings are undesirable -

"... as there is a history of staff participation at meetings with the direct results of manipulation and formation of pressure groups."

On 4 June 1980 the minutes of the Executive Committee recorded, inter alia:

"(a) The Council was seen to have a staff orientation and decisions were seen as the decisions of the staff. Was the National Conference therefore a conference of the Churches, or the Staff?"

At that meeting the General Secretary recommended, inter alia:

"(a) Staff were continually being reminded to maintain a low profile at business meetings."

3.7.5 CONCLUSION

The conclusion to which the Commission comes, on consideration of the foregoing, is that for many years now a significant distance between the SACC and its member churches has existed, and that the SACC has gradually developed as a largely bureaucratic organisation, kept alive by its overseas donors.

RELATIONS BETWEEN CHURCH AND STATE

4.1 INTRODUCTION

In view of the fact that a great deal of this report is concerned with the relations between the SACC and the Government, the Commission considered it appropriate to record the contributions received by it on the general question of the competence of a church or church body such as the SACC vis-à-vis the State and, in turn, to discuss the competence of the State; and to venture some views on the evidential material before the Commission.

By way of introduction to the discussion which follows it is necessary to emphasise that neither in terms of its constitution nor in terms of its essential characteristics is the SACC a church. Much of the discussion which follows is concerned with the competence of a church. The views expressed are however apposite to an organisation such as the SACC which has been created by churches as their national body.

4.2 STATE VIEW ON ROLE OF THE CHURCH

It will be recalled that at the meeting in 1981 between the SACC and the Prime Minister the latter expressed the view that while he recognised the right of the church to express its view on a whole range of topics, it should not "meddle in politics". This view accords with what has been said by heads of state on many occasions in the past. In his evidence before the Commission Prof. Bosch referred to the instance where, in 1926, some Anglican bishops intervened in a dispute in Britain between striking coal miners and the proprietors of the mines. This created a stir and incurred the wrath of the Government. An irate Stanley Baldwin sarcastically asked whether the bishops would welcome it if the iron and steel corporations were to set about revising the Athanasian Creed. And more recently, in 1980, when the German Roman Catholic bishops criticised the economic policies of the German Federal Government, Chancellor Schmidt reacted angrily, stating that the church had no right to do this, since neither the Old nor the New Testament contained any guidelines for economics or politics.

4.3 THEOLOGICAL PERCEPTIONS - GENERAL

There appears to be a wide range of theological perceptions about the right of the Church to concern itself with political issues. At one end of the scale

there was the witness Mr E.P. Cain, a writer who has for many years been in the Ministry, and who might be termed an "evangelical", who urged the Commission to "resist all attempts by religious bodies to impose their political policies on our country thus endangering our traditional separation of Church and State, and threatening that fundamental right of freedom of conscience which I cherish ...". He relied greatly on the writings of Dr Edward Norman, Dean of Peterhouse, Cambridge, who in one of his books expressed concern at "the politicisation of religion". Dr Norman notes with concern the tendency of the ecumenical movement which "finds it necessary to re-interpret Christianity, as well as all other religions, from a spiritual concept to one based on the political, the social, the material".

4.4 THEOLOGICAL PERCEPTION OF THE SACC

Over against this the theological perceptions of the SACC are that the church is and should very much be concerned and involved in political, social and economic questions of the day. In its written submission to the Commission it stated:

- "We believe that God is actively building His Kingdom of justice and peace and that He has called us to a discipleship which will promote the processes that lead to a transforming of the present unjust and oppressive social order. As partners with Him we have found it necessary from time to time to take decisions against those actions which flow from the policy of apartheid and to be prophetic in exposing sinful attitudes and actions in our country."

- "We recognise that we will be often misunderstood by those who see no wrong in the status quo or who wish to preserve it out of self interest. We believe however that we would be unfaithful to the nature of our discipleship if we refused this prophetic role and ceased to be agents of social as well as individual transformation in South Africa..."

- "The New Testament teaches that Christ in his ministry of reconciliation was obliged to confront the powers of evil throughout His life, which ultimately culminated in the Cross. Such confrontation involved the unmasking of evil which lay behind the religious and social customs of the day. When tempted in Gethsemane to avoid the cost of this reconciling ministry He chose to be obedient to God even when this brought Him into confrontation with the religious and political authorities."

- "The Scriptures further teach that reconciliation and restitution are inherently bound together. The new life in Christ involves a radical departure from what has gone before and takes on dimensions affecting every level of our individual, social, political and economic life."

- The SACC quotes with support the view expressed on 20 April 1980 by Dr Willem Nicol, a DRC Minister, who said:

"Eerstens moet die Kerk so ver as moontlik in die politiek inbeweeg, maar sonder om onder die dekking van die Skrif uit te beweeg. Hy moet hom oortuigend op die Skrif kan beroep vir alles wat hy sê."

Tweedens moet die Kerk op 'n kerklike wyse oor die politiek praat. 'n Politieke party praat gewoonlik om politieke gewin te behaal maar die Kerk moet praat om harte te verander.

Die Kerk beveg die politieke kwaad by sy wortel, nl, die sondige harte van die mense."

("First, the Church should move into politics as far as possible, but without moving outside of the aegis of the Scriptures. She should be able to appeal convincingly to Scripture in all she says.

Second, the Church should speak on politics in an ecclesiastical manner. A political party usually speaks to achieve political gain, but the Church should speak to change hearts.

The Church fights political evil at its roots, namely the sinful hearts of men." (Translation))

4.4.1 In his evidence the Rev. P. Storey, who was at the time of testifying President of the SACC, and is a Methodist minister, strongly contended for the right of the Church to be involved in political and social issues. He referred to the example set by the father of Methodism, John Wesley, who wrote to the Prime Minister and the King of England to protest against matters which he believed to be evil.

4.4.2 The General Secretary, Bishop Tutu, testified:

"I want to underline that these are thoroughly political, thoroughly mundane things. If we are to say that religion cannot be concerned with politics, then we are really saying that there is a substantial part of human life in which God's reach does not run."

In developing his theme he said inter alia that he found himself in the company of the Rev. C.B. Brink, who addressing the Volkskongres in 1947 said -

"The aim of the church is to bring about social justice".

He also said:

"The prophets of God are deeply involved in politics because politics are the sphere where God's people demonstrate their obedience or their disobedience."

And -

"Our religion is concerned about the here and the now, because that determines to a large extent the hereafter."

- "The whole of life is important, political, economic, social, and

none of these aspects is untasked by religion as we understand it."

He drew support from what had been written by theologians in the DRC, e.g.:

"Juis om hierdie rede is die kerk volledig betrokke ook by geregtigheid in die samelewing. Volgens die norm van die wet van God, is geregtigheid daardie gesindheid, woorde en daede wat uit liefde vir die medemens, ruimte vir hom skep om sy roeping as burger in die Koninkryk te kan vervul.

Met hierdie boodskap trek die kerk die wêreld in, en spreek daarmee politici en werkgewers, ekonome en boere aan. In die betoning van geregtigheid word immers geen enkele mens uitgesluit nie, want aan elkeen moet gegee en gegun word wat hom as mens toekom: ongebore en gebore, skrande en dom, geestelik gesond en afwykend, manlik en vroulik, swartmense en witmense. Sō word die heerlikheid van die mens voor die oë van sy Heer, en voor die oë van sy medemens, tot openbaring gebring en bevestig." (Prof. J.A. Heyns)

("This is precisely the reason why the Church is also fully involved in social justice. According to the norm of God's law, justice is that attitude, those words and deeds which, out of love of our fellow-man, create the scope for him to be able to fulfil his calling as a citizen of the Kingdom.

It is with this message that the Church moves into the world, with which it speaks to politicians and employers, economists and farmers. For in the showing of justice not a single person is excluded, because every person should be given and granted that to which he, as a human being, is entitled: the unborn and the born, the bright and the dull, the mentally sound and the unbalanced, male and female, Black and White. Thus the glory of man is revealed and confirmed before the eyes of the Lord and before the eyes of his fellow-man." (Prof. J.A. Heyns) (Translation))

One assumes that if Bishop Tutu had known of the booklet written by Dr W. de Klerk, presently editor of a leading Afrikaans newspaper, who was himself once a practising theologian, he would doubtless have quoted the following from "Politieke Gesprek" (from the chapter "Ons aller moeder"):

"Wat van die swart dogterkerke (of moet dit susterkerke wees?) van die Afrikaanse Kerke? Ook hier is by baie van ons mense 'n onbehaaglikheid. Soms is dit nie billik nie. Die Swart kerk moet ook politiek praat, want hoewel hy sy eie terrein het, strek sy vleuels oor alle terreine, omdat die Woord wat hy bedien, seggenskap het op alle terreine. Die kerk wat onbetrokke is by politieke sake van die dag, is 'n kerk wat nie meer die sout van die aarde is nie."

("What about the Black daughter churches (or should it be sister churches?) of the Afrikaans churches? Here, too, there is ill-feeling among many of our people. Sometimes this is not reasonable. The Black church should talk politics, because, even though it has its own sphere, its wings extend over all spheres, because the Word it preaches concerns all spheres of life. The church that is not involved in the politics of the day is a church that is no longer the salt of the earth." (Translation))

4.4.3 Dr W. Kistner, who, it will be recalled, played a powerful role in formulating the theological raison d'être for SACC action, testified as follows -

"The Church is, in turn, to jealously affirm the sovereignty of God which is above all governments, all people and the Church. This is the most loyal service which the Church can render to the State, to a particular government and to itself - it is to protect the government from itself and from unreasonable demands made by its people. It is to counsel the State to obey God."

It will be seen that in Chapter 2 hereof numerous quotations are given from other statements by Dr Kistner in the same vein. Other SACC witnesses testified to like effect.

4.5 OTHER PERCEPTIONS

4.5.1 In making his contribution to the question under discussion, Prof. Bosch made the following submissions, all of which seem to the Commission to have validity:

In view of the fact that the South African Constitution explicitly acknowledges the sovereignty and guidance of God, it conveys the implication that the State invites the Church to address and challenge it on the basis of what the State itself professes to be. His evidence was:

"I simply point out that whether it is theologically tenable or not, the South African Constitution states that the country is Christian. This implies in my opinion, Mr Chairman, that the Government willingly submits to God's authority in political matters, otherwise the words in the Constitution mean nothing. Moreover, the relevant clause in the Constitution is, in effect, an invitation to the church to address and challenge the State on the basis of what the State itself professes to be."

The question of the propriety of a church becoming involved in political issues is one to be decided by the Church itself in the light of its own theological beliefs.

No state can take it upon itself to decide what the theology of the church should be, and the question, if ever it is to be settled, is to be resolved by theologians, not by a government, and not by this Commission.

This point of view is in accord with the conclusion reached by a jurist, Prof. J.D. van der Vyver, who in his book Die Juridiese Funksie van Staat en Kerk says at p. 190 -

"Die Kerk hou hom in hoofsaak met godsdiens besig, en die Woord van God het ook vir die Staat en ten opsigte van die politiek 'n boodskap. Die kerk het 'n plig om daardie boodskap hard en duidelik te verkondig".

("The Church concerns herself mainly with religion, and the Word of God also has a message for the State and in respect of politics. The Church has a duty to proclaim that message loud and clear."
(Translation))

It must accordingly be said that in South Africa, where religious freedom exists and is indeed protected, the State is bound to recognise the right of the church and church bodies such as the SACC to express themselves on, to criticise and, if so persuaded, to condemn its policies or actions.

It will be recalled that at the meeting between the SACC and the Prime Minister, the latter, in dealing with the question of the extent to which he should heed the voice of the church, stressed the problem that different church groupings had different points of view. This sort of problem was dealt with by Prof. Bosch who said that every theological position is contextual, and that it is a delusion for anybody to claim that his views are deduced straight from the Bible: "We all read the Bible from a specific context and perspective, and the context becomes a filter through which we absorb Biblical teaching, and by which our interpretation of what the Bible says, is coloured". According to Prof. Bosch, White Afrikaans-speaking Christians theologise contextually, and so do the churches affiliated to the SACC. He added that in a country such as South Africa where not only society as such but also the churches are to a large extent divided along ethnic and racial lines "it is inevitable that we will have different contextual theologies". He concluded:

"In view of the fact that all theology is by nature contextual, it is to be lamented when church leaders make apodictic statements about social, political and economic issues. Some such church leaders seem to suggest that they have a direct line to God, and therefore know exactly and in detail what the solution should be. Spokesmen of both main contextual theology positions in South Africa succumb to the temptation to play God. Such immodesty is irritating and it inhibits dialogue. After all, if someone claims to know exactly and finally what God wants, what point is there in suggesting alternatives to him? The only remedy in my view for this malcondition would be to help

church leaders become aware of the contextualness, and therefore of the relativity, of their positions."

4.5.2 An illustration of a difference in theological perception is to be found in the question of the unity of man. Many of those in the ecumenical camp come out strongly for unity in all fields. Bishop Tutu in his evidence before the Commission stressed this, saying that the Bible recognises only one separation between men, and that is between believers on the one hand and unbelievers on the other. He continued by saying that the Bible is the most revolutionary, the most radical book there is.

Prof. J.A. Heyns, dean of the Faculty of Theology at the University of Pretoria, to whom Bishop Tutu himself referred in his evidence (supra), when asked by the Commission to evaluate some of Bishop Tutu's evidence, responded as follows:

"Ook ten opsigte van hiërdie aspek is daar by die biskop 'n innerlike teenstrydigheid in sy teologie aanwesig. Enersyds sê hy dat die Bybel net één onderskeid ken, nl. dié tussen één gelowiges en ongelowiges. Maar sy aansluiting by die hoogs spekulatiewe sintetiese denke van de Chardin, waarin dit oor die eenheid, letterlik oor die simbiose, van alle mense gaan, plaas nie alleen sy teoretiese siening oor die eenheid nie, maar ook sy praktiese nastrewing daarvan, onder sware verdenking. Konkreter: maak dit positief onbybels."

("Also as regards this aspect, there is an inner contradiction in the Bishop's theology. On the one hand, he says that the Bible makes only one distinction, namely that between believers and unbelievers. But his affinity for the highly speculative synthetic thinking of de Chardin, which concerns the unity (literally, the symbiosis) of all people, casts grave suspicion not only on his theoretical view of that unity but also on his practical pursuit of it. More concretely: it makes it positively unbiblical." (Translation))

And he went on to say:

"'n Mens sou, met 'n welwillendheidsoordeel, die stelling dat die Bybel 'n revolusionêre boek is, kon begryp en verskoon. Maar dan bly dit nog - veral binne 'n bepaalde konteks van denke - 'n gevaarlike stelling. Anders as die klassieke opvatting van revolusie, het dié begrip tans 'n uitgesproke politieke konnotasie wat dui op die transending van die historiese geworde en historiese gebonde situasie met die oog op die verwerkliking van méêr vryheid vir méêr mense op méêr plekke onder al méêr omstandighede. Wie die Bybel 'n boek noem waarin fundamentele omwentelinge gepropageer word, moet weet wat hy doen. Want daarmee druk hy die boodskap van die Bybel uit met 'n begrip wat in ons moderne tyd swaar aan plofbare politieke inhoud gelaai is. En dié assosiasie werk sekerlik nie bevorderlik in op die verstaan van die boodskap van die Skrif nie. Wêl is die wedergeboorte van die hart van die mens 'n allesomkerende gebeure, en wêl gaan die nuwe mens alles om hom ook nuut maak, maar 'n revolusionêre gebeure - ten minste in die moderne betekenis van die woord - is dit nie. Trouens, dit is positief gevaarlik om dit sô te noem. Misverstand van die ware boodskap van die Skrif kan hieruit maklik ontstaan,

en 'n aansporing tot revolusionêre daade kan maklik hierin gehoor word.

Dat die Bybel net één onderskeid tussen mens ken, nl. dié tussen gelowiges en ongelowiges, is natuurlik nie waar nie. Daar is ook die onderskeid tussen mans en vroue, ouers en kinders, mense met baie en mense met min talente, mense wat aan verskillende volke behoort en verskillende tale praat, mense wat min besit en baie besit - alles verskille wat met die bese en die sonde as sodanig niks te doen het nie. Hier het ons 'n doelbewuste verskraling van die Bybelse boodskap, om des te beter in 'n bepaalde teologiese konsep in te pas."

("One would, even in taking a benevolent view of things, be able to understand and excuse the assertion that the Bible is a revolutionary book. But this still - particularly within a specific context of thinking - remains a dangerous assertion. Contrary to the classical view of revolution, this concept today has a pronounced political connotation in so far as it is a transcending of the situation which is rooted in and bound to history, with a view to making more freedom for more people in more places in more circumstances a reality. He who calls the Bible a book in which fundamental revolutions are propagated should know what he is doing. Because, in so doing, he enunciates the message of the Bible by means of a concept which, in these modern times, is heavily loaded with an explosive political content. And this association is most surely not conducive to the understanding of the message of Scripture. The rebirth of a man's heart is indeed an all-changing event and the new man is indeed going to renew everything around him, but this is by no means a revolutionary event - at least not in the modern sense of the word. Indeed, it is positively dangerous to call it that. Misunderstanding of the true message of Scripture could easily arise from this, and incitement to revolutionary acts could easily be heard in this.

That the Bible makes only one distinction between people, namely that between believers and unbelievers, is of course not true. There is also the distinction between men and women, parents and children, people with many talents and people with few talents, people who belong to different nationalities and speak different languages, people who possess little and people who possess much - all differences that have nothing to do with evil and sin as such. Here we have to do with deliberate narrowing of the biblical message to fit in all the better with a specific theological concept." (Translation))

Prof. J.A. Heyns is quoted to indicate that differing points of view on theology exist, and that they are sincerely held.

In view of these circumstances the SACC should take account of the fact that in addressing the State and requiring its voice to be heeded, there are the voices of other Christians and church organisations which also have to be heeded.

It also behoves the SACC to take account of the fact that the functions of the State include the preservation of peace, order, security and stability, the advancement of racial harmony, the support of the economy and the protection of minorities.

If an organisation such as the SACC or any other organisation imperils the due exercise of those functions, the State cannot do otherwise than assert its

authority, in order to ensure that the laws of the land are duly enforced. In the above-quoted book by Van der Vyver it is said (at p. 190):

"Maar as die kerk of kerklike beamptes met hulle politieke bedrywighede die staatlike reg oortree, is die staat geroepe en verplig om teen hulle op te tree, net soos die staat teen enige ander oortreder moet optree. Dan mag die kerk hom nie op kerklike immuniteite beroep of die staat van godsdiensonderdrukking beskuldig nie. Godsdiensonderdrukking kom tot openbaring na gelang die staat die verkondiging en/of beoefening van 'n godsdiens inperk; en die blote feit dat iemand wat in casu 'n kerklike beampte is strafregtelik vervolgd word, wil nie sê dat die staat aldus 'n godsdiens onderdruk nie."

("But if the Church or church officials contravene the law of the State with their political activities, the State is called upon and obliged to act against them, just as the State must act against any other offender. Then the Church may not claim ecclesiastical immunity or accuse the State of religious suppression. Suppression of religion manifests itself when the State restricts the preaching and/or practice of a religion; and the mere fact that someone who happens to be a church official is criminally prosecuted does not mean that the State thus suppresses a religion." (Translation))

Also relevant is what Professor Ben Engelbrecht in Ter wille van hierdie Wêreld (Politiek en Christelike Heilsbeleving in Suid-Afrika) says on p. 99:

"Dit moet egter baie duidelik gestel word dat die Staat in sy oorspronklike, eminente gesagsposisie as 'n instelling van God, nooit gesien mag word as an die kerk onderhorig nie. Die kerk regeer nie en dikteer ook nie vir die Staat nie. Die kerk het nie 'n monopolie op die Bybel nie. Sonder dat hy sy kritiese waaksaamheid teenoor die Staat ooit mag verslap, en sonder dat hy ooit mag ophou om die Staat te dien met die lig wat daar uit Gods woord op die probleme in verband met die wêreld en sy inrigting val, erken die kerk die Staat as dienaar van God wat in sy unieke selfstandigheid self ook sy lig in die Woord kan soek en vind en so die Bybel die grondslag kan laat wees vir die wyse waarop hy die volkslewe inrig."

("It should be stated very clearly, however, that the State, in its original, eminent position of authority as an institution of God, may never be seen as being subordinate to the Church. The Church does not rule, nor does it dictate to, the State. The Church does not have a monopoly of the Bible. Without ever relaxing its critical vigilance over the State and without ever ceasing to minister to the State the light which the Word of God throws on the problems relating the world and the way in which it is ordered, the Church acknowledges the State as a servant of God who, in its unique independence, can also seek light for itself in the Word and thus let the Bible be the basis for the way in which the State orders national life." (Translation))

Also relevant is the following quotation from the above-mentioned report of Dr J.A. Heyns:

"Selfs die identifikasie van die SARK met 'n kerk, waarborg dus nie die SARK sy onaantasbaarheid nie. Ook die SARK - maar selfs 'n kerk - is

toetsbaar, weliswaar ten diepste aan die maatstaf van Gods Woord, maar sekerlik ook deur 'sekulêre' instansies - soos die regering wat vir die ordelike gang van sake in 'n samelewing verantwoordelik is."

("Even the identification of the SACC with a church therefore does not guarantee the SACC its inviolability. Also the SACC - but even a church - is testable, indeed very profoundly testable, by the criterion of the Word of God, but surely also by 'secular' bodies - such as the Government, which is responsible for the orderly course of affairs in society." (Translation))

4.5.3 A very real problem is that of the propriety or otherwise of a church or church body such as the SACC not only getting involved in political questions, but of -

- (a) formulating or endorsing political or economic blueprints or policies for adoption in South Africa; and
- (b) taking part in or initiating actions designed to implement political objectives.

An instance of (a) is the plea frequently raised by SACC spokesmen and conferences for the adoption of a political dispensation in South Africa based on the concept of one man one vote in a unitary state. It is well known that power sharing can be achieved not only on that basis, and reference can profitably be made to the views expressed on 30 March 1983 in the United States by a liberal thinker, Mr H.F. Oppenheimer, in an address to the Chicago Council on Foreign Relations -

"Having said that, however, I want to emphasise that social justice and freedom do not imply the acceptance of any particular constitutional system and it would in particular be surprising if a unitary constitution providing no special protection for the rights of minorities were found to be appropriate in a country as racially mixed as South Africa. What is required is a government based on the consent of the governed brought about by negotiation and compromise, with general understanding that no one tribal, racial or linguistic group is going to get just what it would like. The blacks in South Africa are certainly in a large majority; but numbers are not the sole constituent of power and it seems to me that power in South Africa actually and potentially is sufficiently fragmented to create a hopeful atmosphere for negotiation."

An instance of (b) is the action of the SACC in allying itself with other forces in South Africa in the "liberatory struggle", designing "strategies of resistance", urging overseas Governments and bodies to practise disinvestment and organising "massive civil disobedience".

As to (a), Prof. Bosch in an article written in August 1977 under the heading "The Church and the liberation of peoples", wrote (at p. 26):

"All this does not imply that the church is to provide the state with a political or societal blue-print. She is simply not competent to do so, and even if she were, this would in principle fall outside of her province. The church is not called upon to improve on the models designed by thousands of experts in the fields of law, politics and diplomacy. She may also not commit herself to any one political programme; that would be tantamount to awarding that programme a divine sanction. All political systems, including democracy, are human inventions which do not have the character of divine revelation. Over against all of these the church has to adopt an attitude of the utmost reserve. She may not simply cooperate in programmes of nationbuilding as though she merely were one partner among others. In many countries, especially in the Third World, extensive studies are being done today on 'The role of the church in nation-building'. In this way, however, the church is completely drawn into the sociological, earthly sphere as one among many 'agents' of the state, or, which is even more dangerous, the state is in this manner provided with a divine endorsement of its policies."

"... She [the church] fulfills her responsibility by indicating what the state ought not to do rather than prescribing what it ought to do."

Views such as these are not the exclusive preserve of theologians. In an article in the Financial Mail (a publication hardly supportive of the present South African Government) of 5 February 1983 it was said:

"What many, and not only in Government, find irritating is their [churchmen's] tendency to speak in the name of God and to apply moral absolutes to complex political and racial situations."

Churchmen must constantly bear in mind that the Church and the Government exercise responsibilities in different fields, and the Church and organisations such as the SACC do not have the responsibility of government.

The Commission noted the frequent indications afforded by the evidential material before it of the apparent ease with which churchmen come up with simplistic solutions for what are plainly very complex problems facing this country, and it endorses the above-quoted comment.

As to (b) the Commission considered that a point of view expressed by the EKD, the SACC's biggest single ecumenical donor partner, on 23 June 1978 in its statement on investment in the RSA, appears to be most apposite:

"The Church is certainly not an instrument for implementing political and social theories, nor a socio-revolutionary action group, nor the representative of economic interests of whatever group it may be."

In commenting on this passage, Dr H. J. Held, the president of the office for foreign relations of the Evangelical Church in Germany, in giving evidence before the Commission said:

"... the advocacy of fundamental change, I think, can be done by churches, but the elaboration of what those changes would be and how they can be implemented is not a matter for churches."

And ... "... the Church in its ministry itself is not a political agent".

4.6 COMMISSION'S VIEW

The Commission recognises that the questions under discussion require a fuller inquiry than was possible in this case, and there may be differing theological perceptions thereof. It accordingly expresses the views outlined below with diffidence.

The Commission considers that it is inappropriate for a church or church body such as the SACC -

- (a) to formulate or to endorse political or economic policies for adoption in South Africa; and
- (b) to take part in or to initiate actions designed to implement political objectives.

Should a church body such as the SACC for whatever reason become involved in politics to the extent of propounding formulae, becoming unduly prescriptive and going over to organised action to pursue, perfect or implement any of its political objectives, it will have to accept being seen for what it is: a political activist or pressure group, with all the consequences that that entails.

SOME THEOLOGICAL PERCEPTIONS IN THE SACC

5.1 BLACK THEOLOGY, LIBERATION THEOLOGY AND BLACK CONSCIOUSNESS

It will be recalled that Prof. Bosch testified that the tendency to contextualise theological beliefs was apparent in the perceptions of a significant number of members of member churches of the SACC. The evidence of Dr Kistner also indicates that he played a significant role in contextualising theologies. In view of the fact that more than 80% of the members of SACC churches are Black, the emergence of Black theology can be said to be a logical development. Since that theology accounts in some measure for the direction and role of the SACC, it is necessary to set out in a few words the Commission's understanding of its origin and what Black theology is. In view of the role played in SACC matters by its General Secretary, a few sentences will be devoted to his individual theological views. Lastly, since there are indications of a close relationship between Black theology and Black consciousness, that relationship will be touched on briefly.

5.1.1 An understanding of the origin and content of the theology of liberation is necessary to appreciate its impact on Black theological thinking in South Africa. In this connection the Commission deems it necessary to refer to the authoritative publication Black Theology - A Documentary History, 1966-1979 edited by Gayraud S. Wilmore and James H. Cone. The book contains some 56 essays, including contributions by the authors Professor Bosch, Bishop Tutu and Professor Pauli Murray. In her essay "Black Theology and Feminist Theology: A Comparative View", p. 398 et seq, Prof. Murray sketches

a. the origins of liberation theology thus:

"Since the 1960's contemporary theologians within the Christian tradition have responded to movements around the globe toward liberation of oppressed peoples with a growing body of literature variously called theology of liberation, political theology, theology of hope, or theology of revolution. Their common theme is the relation between Christian theology and social action. ... black theology and feminist theology are native to the United States and have emerged out of parallel movements for black liberation and women's liberation in this country;"

b. the focus of Black theology:

"Theologies of liberation are specific; they are usually written out of the concrete situations and experiences of particular groups. Black theology focuses upon the black experience under white racism;" and

c. the purpose of liberation theologies:

"Third World theologies develop out of the struggle for national liberation. *Their common purpose is to commit Christians to radical political and social change*, and to transform society in order to create a new and more humane world. This task is seen as the heart of the Gospel message. Gustavo Gutiérrez, a leading Latin American theologian, defines the purpose and method of this theological undertaking as follows:

The theology of liberation attempts to reflect on the experience and meaning of the faith based on the commitment to abolish injustice and to build a new society; this theology must be verified by the practice of that commitment, by active, effective participation in the struggle which the exploited classes have undertaken against their oppressors. Liberation from every form of exploitation, the possibility of a more human and more dignified life, the creation of a new man - all pass through this struggle."

As to the nature of the theologies of liberation she states:

"These theologies are also strategic and contextual. They do not attempt to construct an overarching systematic theology. Their method is inductive, based upon praxis, ... The direction of thought flows, not 'downward' from 'theological experts' but also upward and outward from the collective experience of action and ministry."

Prof. Murray records that Gutiérrez "frankly acknowledges the influence of Marxist thought focussing upon praxis and geared to the transformation of the world". However, she holds the view that "marxist liberationist principles cannot be said to be a dominant influence in theologies of liberation."

Relying on Letty M. Russell she holds the following to be the common perspectives of all liberation theologies:

- "(a) biblical promises of God's liberation in the Old and New Testaments;
- (b) viewing the world as history and therefore as a process of change; and
- (c) strong emphasis upon salvation as a social or communal event which has its beginnings in the here and now.

The image of 'Christ the Liberator' is part of the ideology of liberation

theology and is intended to express the notion that salvation in Christ includes political and social as well as individual spiritual salvation. Christ the Savior liberates man from sin, which is the ultimate root of all injustice and oppression; the struggle for a just society is seen as a significant part of salvation history."

In liberation theology the understanding of the role of sin and its relation to societal structures is of some moment. Prof. Murray explains:

"Liberation theology points to the corporate nature of sin. Sin is not regarded as merely a private and individual transgression which can be cured by individual repentance, leaving unchallenged the social order in which we live. Rather, it is seen as a social, historical fact and is evident in oppressive institutional structures, in human exploitation, and in the domination of peoples, races, and classes."

In general she contends that "theologies of liberation also call for a redefinition of the task of the Church in the world". Quoting Gutiérrez's theology of liberation, she explains the liberation theologian's understanding of the role of the Church thus:

"the Church must be the visible sign of the presence of the Lord with the aspiration for liberation and the struggle for a more human and just society. Only in this way will the message of love which the Church bears be made credible and efficacious."

According to Prof. Murray, there are certain shortcomings in these contextualised theologies, namely:

"Black theologians have not successfully resolved the dilemma of specific theologies, that of maintaining a universal perspective within the context of particularization. In their understandable preoccupation with the phenomenon of white racism, they tend to forego a sharpened analysis which would reveal its interrelatedness with other structures of oppression and human exploitation. When Cone defines black theology as a theology of liberation because it believes that 'the liberation of black people is God's liberation', he gives the impression that black people only are the instrument of salvation. J Deotis Roberts disavows any duty of the black theologian to speak on behalf of other minorities although he has great empathy for them..."

It is apparent that Black theology is supportive of the aim and objective of Black consciousness. As will be seen below, that is the view of Black theology exponents and adherents in South Africa.

5.1.2 At its meeting of December 1973, the SACC Executive discussed Black consciousness. The minutes record:

"3. Black Consciousness:

This needs to be encouraged and supported by the churches, helping blacks to overcome fear, and throw off oppression by consent; to realise their dignity, exercise their initiative and support each other in acting upon their convictions!"

5.1.3 Dr A. Boesak said in his evidence that he was an exponent of Black theology. He spoke in similar vein at the 1979 National Conference of the SACC in respect of which EcuNews (Bulletin 24/1979) reported:

"Black theology teaches us that theology cannot be done in a void. It is always done within a particular situation. The situation of blackness in South Africa is the unavoidable context within which theological reflection of black Christians takes place."

and:

"So black theology is a black understanding of the Gospel. This understanding is not confined to one group or denomination only, nor is it an automatic universal revelation to all black people. It is rather, the result of a painful and soul-searching struggle of black Christians with God, and with the meaning of His Word for their lives today.

They have wrestled with black history - a history of suffering, degradation and humiliation through white racism. They have taken seriously the cry of so many black people who through all the years have refused to believe that the gospel could be the narrow, racist ideology white Christians were yelling from black pulpits and white theologians were giving respectability in their learned books.

They were the people who refused to accept an anaemic gospel of subservience and dejection - both in the blatant forms of a hundred years ago and in the subtle forms of the present. Somehow they always knew that the God of the Exodus and the Covenant, the God of Jesus Christ, was different.

It was when they understood this they walked out of the established, white controlled churches to form their own. It was then they rejected white theology and went in search of a God 'who walks with feet among you, who has hands to heal, a God who sees you - a God who loves and has compassion', to quote that great leader of one of the first African Independent churches, Isaiah Shembe.

These people knew that the gospel of Jesus Christ does not deny the struggle for black humanity, and it was with this light from God's word they went into the struggle, both within the church and outside of it. And it is this understanding which today inspired so many black Christians in their search for authentic humanity and a true Christian church."

In The Church Struggle in South Africa (op. cit. at p. 153) it is stated that:

"There is, then, an integral relationship between black consciousness, power and theology."

That appears to be borne out by the above-quoted enunciation by Dr Boesak and also by the following taken from the above-mentioned book, at p. 153:

"Black Consciousness may be described as the awareness of black people that their humanity is constituted by their blackness. It means that black people are no longer ashamed that they are black, that they have a black history and black culture distinct from the history and culture of white people. It means that blacks are determined to be judged no longer by, and to adhere no longer to white values. It is an attitude, a way of life. Viewed thus, Black Consciousness is an integral part of Black Power. But Black Power is also a clear critique of and a force for fundamental change in systems and patterns in society which oppress or which give rise to the oppression of black people. Black Theology is the reflection of black Christians on the situation in which they live and on their struggle for liberation."

5.1.4 In a paper read at the Pan African Conference of Third World Theologians during 17-23 December 1977, at Accra in Ghana, Bishop Tutu (then of Lesotho) also made the relationship between Black theology and Black consciousness clear:

"All liberation theology stems from trying to make sense of human suffering when those who suffer are the victims of organized oppression and exploitation, when they are emasculated and treated as less than what they are; human persons created in the image of the Triune God, redeemed persons created in the image of the Triune God, redeemed by the one Saviour Jesus Christ and sanctified by the Holy Paraclete. This is the genesis of all liberation theology and so also of black theology, which is a theology of liberation in Africa. Black theology has occurred mainly in Southern Africa, where blacks have had their noses rubbed in the dust of white racism, depersonalizing them to the extent that they have - blasphemy of blasphemies - come to doubt the reality of their own personhood and humanity. They have often come to believe that the denigration of their humanity by those who oppress them is the truth about themselves.

Black theology as a theology of liberation has become part of the struggle of a people for their liberation. For this reason it has usually been proscribed or, at least, regarded with suspicion by the powers that be. It has become part of the black consciousness movement, which is concerned with the evangelical aim of awakening in blacks a sense of their intrinsic worth as children of God. In Southern Africa, black theology was inspired by its North American counterpart, ..."

The foregoing shows the relationship between Black theology and Black consciousness as it developed in the United States of America. In giving evidence before the Commission the Rev. J. Wing appeared to be reluctant to concede that Black theology was other than indigenous in its origin and development, but a consideration of the documentation submitted by the Rev. Mogoba, who testified before the Commission, indicates the strong influence of Professor Cone, well known as an exponent of the militant version of American Black

theology and Black consciousness.

Finally, on the relationship between Black theology and Black consciousness, reference is made to the following extract from an editorial in Kairos, which, it will be remembered, was for a spell the monthly paper of the SACC (19 October 1977 issue):

"Many Christians see Black consciousness as being directly in line with the Biblical doctrine of creation - that all men are created in the image of God."

5.1.5 Prof. J.A. Heyns, Dean of the Faculty of Theology of the University of Pretoria, was asked by the Commission to comment on Bishop Tutu's theological views as set out in his evidence before the Commission. In complying with this request, Prof. Heyns drew the attention of the Commission to inter alia the following statements, viz the first which emphasises "the political event of the exodus which becomes the founding event of the people of God. It becomes the paradigmatic event of the Bible, ...", as well as the following:

"our religion is concerned about the here and the now, because that determines to a large extent the hereafter, ..."

"He showed himself as a liberator God, ..."

"He set them free, as the God of exodus, who takes the side of the poor, the weak, the oppressed, ..."

Prof. Heyns concluded that Bishop Tutu's theology was Black liberation theology.

On another occasion Bishop Tutu said (see De Gruchy, op. cit., at p. 160):

"I count Black theology in the category of liberation theologies."

In the light of all the foregoing it is understandable that Dr Boesak in his evidence (Vol. 56, p. 3192) endorsed a statement that he had made previously:

"Our churches have become more and more involved with the struggles of our people and in some cases (albeit unwittingly) find ourselves in the front lines. We now know that we can no longer deny the responsibility we have with regard to the legitimate aspirations of our people".

As Black theology focuses upon the "black experience under white racism", in essence it is antithetical to White racism; it is nothing but a form of Black racism and can be subjected to the same structures applied to White racism.

5.2 CONCLUSION

It might in conclusion be appropriate to observe that the adoption of liberation theology has not been without controversy and some disquiet. By way of illustration reference might be made to the views of Pope John Paul II.

In his opening address at Puebla, on 28 January, 1979, His Holiness rejected the depiction of Jesus as a political activist. He declared:

"Now today we find in many places a phenomenon that is not new. We find 'rereadings' of the Gospel that are the product of theoretical speculations rather than of authentic meditation on the Word of God and a genuine evangelical commitment. They cause confusion insofar as they depart from the central criteria of the Church's faith, and people have the temerity to pass them on as catechesis to Christian communities.

In some cases people are silent about Christ's divinity, or else they indulge in types of interpretation that are at variance with the Church's faith.

In other cases people purport to depict Jesus as a political activist, as a fighter against Roman domination and the authorities, and even as someone involved in the class struggle. This conception of Christ as a political figure, a revolutionary, as the subversive from Nazareth, does not tally with the Church's catechesis."

On political liberation His Holiness reiterated the view of his predecessor:

"In one of his beautiful catechetical instructions, Pope John Paul I alludes to the virtue of hope. Then he says: 'By contrast, it is a mistake to state that political, economic, and social liberation coincide with salvation in Jesus Christ; that the regnum Dei is identified with the regnum hominis' (John Paul I, Catechetical Lesson on the Theological Virtue of Hope, September 20, 1978)."

According to an article in Leadership SA, Vol. II 1983, Cardinal McCann said the following:

"This too is the attitude of the Pope to what is called liberation theology, which would make the Gospel first and foremost a textbook of revolution and material benefits. It would make Christ a political activist and purely social reformer."

5.2.1 The Commission repeats that it is not for it to judge of these

matters. It does consider, however, that it should state its view that the potential of Black liberation theology is to evoke extreme opposition to all things White, to create an intense confrontationist climate, and to instil in the minds of its adherents a spirit of revolt. The deep religious undertones of Black consciousness with its message of liberation may drive its adherents into a desperate struggle in which many value systems are rejected and in which peaceful coexistence may be seriously imperilled.

THE ANC AND VIOLENCE

6.1 INTRODUCTION

It was found convenient to deal with the question whether any relationship between the ANC and the SACC exists and what the attitude of the latter to the former is, and at the same time to consider the attitude of the SACC towards violence. The ANC is an organisation committed to the overthrow of the Government by force, and the issues of violence and of attitudes towards the ANC are closely related. At the same time it should be borne in mind that not all who commit violence are members or supporters of the ANC. Nor is the ANC the only terrorist organisation operating in Southern Africa. There are others, such as the Pan Africanist Congress, but they are less prominent and do not merit special discussion.

6.1.1 It is necessary at the outset to record some facts concerning the ANC. It makes no secret of its plan of violence. In an issue of Sechaba its monthly publication, it said inter alia:

"The principal strategic aim of our struggle is the forcible capture of power from the White minority regime by the combined revolutionary forces of the black majority and all other democratic forces in the country."

The ANC has acknowledged the perpetration by its supporters of numerous acts of terrorism, sabotage and murder which were performed under its direction and it was declared an unlawful organisation in terms of Act No. 44 of 1950.

6.1.2 Very close collaboration between the ANC and the South African Communist Party (SACP) exists, and a large number of ANC leaders are members of the SACP. According to another issue of Sechaba:

"The real life experience of struggle against fascism has taught our

people to regard Communists in our country and the international Communist movement as their true and genuine combat allies. That is why we have every reason to say that the unity of our movement is indestructable."

A former leader, Nelson Mandela, was convicted at the Rivonia trial of conspiring to overthrow the South African Government by force. During his trial Mandela stated from the dock that one of the co-conspirators was Oliver Tambo, his partner in a legal firm. Tambo is at present the president of the ANC.

6.1.3 The evidential material before the Commission establishes clearly that the ANC - and other terrorist organisations operating in Southern Africa with similar aims and objectives, such as the Pan-Africanist Congress (PAC) and the military wing of Swapo - have come to recognise the importance of securing the collaboration and support of churches and church bodies in what they term the "liberatory struggle". The present president of the ANC, Oliver Tambo, has to this end over the years met and consulted with numerous church leaders both in Africa and Europe, and has often appealed for the support of the church - e.g.:

- "I hope that in SA ... the Church will actually be in the forefront of the move forward ...";
- "The Church should be actively engaged in making the Christian community aware of the nature of the struggle of the liberation movement";
- "The churches must address themselves to the issue of the violence of the oppressor".

He specifically addressed himself to the Churches in South Africa, in a speech read on his behalf in June 1980 in the Netherlands on the occasion of the WCC Consultation on Racism, when he called for -

- "[An] increase [in] moral and material support to the ANC and other patriotic forces of our country;"
- "Severance of all political, economic and cultural links with the apartheid regime of South Africa;
- "[an assurance of] strict observance and enforcement of the UN Security Council arms embargo against racist South Africa;
- "member churches [to be urged] to withdraw investments from South Africa;"

- "member churches of the WCC [to be encouraged] to combat and cooperate with another at regional and local levels with the purpose of enhancing and strengthening the PCR;"
- "the education and activation of every single Christian throughout the World to raise their level of personal and collective involvement in the struggle to eradicate racism;"
- "[the] encouragement of the Church in South Africa to be fully involved in all aspects of the struggle against apartheid, for a democratic South Africa."

This was similar to statements made by Swapo -

- "The churches must affirm the aspirations of liberation or be with the oppressors ..."

And by the PAC -

- "The churches should play a major role in building awareness."

6.1.4 It has to be pointed out that the closest cooperation exists between the liberation movements, the ANC, PAC and Swapo, and the AACC, WCC and other ecumenical bodies. For example:

The Dutch Hervormde Kerk has maintained relations with the ANC for several years. In a report in the Haagsche Courant on 20 November 1982 it is said:

"De synode wil dat de kerk bovendien streeft naar overleg met bevrijdingsbewegingen, met name het African National Congress (ANC). Deze organisatie zou tot nu toe terughoudend zijn geweest in het gebruik van geweld tegen blanken."

("The synod wishes the church, moreover, to seek consultation with liberation movements, in particular the African National Congress (ANC). The organisation has apparently until now been reluctant to use force against whites.")

The Hervormde Kerk resolution referred to in this report reads thus:

"De Synode wil de kontakten met de bevrijdingsbewegingen en met name het ANC, kontinueren en versterken".

("The Synod wishes to continue and strengthen the contacts with liberation movements and in particular with the ANC.)

At the 1976 Joint AACC/WCC/PCR Consultation on the theme "The Church and the liberation of Southern Africa", the problems confronting the African liberation movements were reviewed and their priorities assessed. In its recommendations it was stated that:

"The consultation fully endorses the requests of these liberation movements and wishes to make known its *unconditional support* to their struggle against imperialism, colonialism, racism and settler minority rule. Finally, the consultation salutes the African liberation movements and those groups struggling for the total liberation of the African continent."

The then Director of Mission and Evangelism of the SACC, Mr Maurice Ngakane, attended the Consultation. Representatives of the ANC, Swapo and the PAC were also present.

More specifically, the Consultation minuted the following:

"We therefore call upon all churches, especially those in Southern Africa, to take practical steps to help those involved in the freedom struggle, the freedom fighters themselves, political prisoners, their dependants, the victims of and refugees from oppression ..."

6.1.5 In the WCC-PCR discussion document "South Africa's Hopes - what price now?", released in 1978, the authors categorically accept that violence is the only way of securing a just society in South Africa:

"... the development of the African tradition of non-violent change has now been officially snuffed out".

The document suggests that the violence of the liberation movements is justified and calls for the redefining of the WCC's approach to violence, i.e. to support it in respect of South Africa. The existing WCC stance, the PCR director claimed, was outdated. He said:

"This refusal to pass judgement on those who believe they have no option but to answer repressive violence with the violence of rebellion is reflected by the WCC's Programme to Combat Racism, which has made and continues to make grants from its Special Fund to a number of liberation movements in southern Africa, including the African National Congress and the Pan-Africanist Congress (both of them black peoples' political movements banned by the South African Government in 1960).

But can we claim to stand in solidarity with those who rebel for a just cause if we simply refuse to pass judgement on them? The new situation in South Africa demands of us far more precision in saying what we mean by a just rebellion. For as Anglican Bishop Henry Okullu of Kenya told the WCC's 1977 Central Committee, some definition of a just rebellion still awaits formulation by the churches - most of which have found no difficulty in supporting the concept of a just war. The continuing lack of such a definition can be no excuse for failure to support the struggle of black South Africans now."

The call in this document is one demanding greater support for the liberation movements.

In 1981 a consultation of church leaders was organised by the AACC jointly with the Lutheran World Federation and the WCC to discuss the question of "refugees" (a term in WCC, AACC and SACC parlance to describe persons who leave countries or areas such as South Africa or South West Africa, very often for the purpose of joining forces with "liberatory organisations"). The ANC, as well as PAC and Swapo, were invited, and they gave guidelines as to what exactly they expect of churches in the "liberatory struggle".

6.2 THE KITWE AND OTHER CONSULTATIONS

At the Kitwe Consultation held in May 1982 the AACC and the WCC/PCR consulted closely with these liberation movements in the full knowledge that they are all committed to achieve liberation by means of armed violence. In fact the PAC statement to the consultation was explicit:

"While armed struggle is the means of realizing these aims [liberation], other methods are used such as political education and popular mobilization [conscientisation and propoganda] of the people of AZANIA to support and participate actively" and

"The PAC thanks WCC and its various organs for both moral and financial assistance given over the years and hope that this will continue."

The Conference documents state that:

"The Consultation was an occasion for representatives of churches and liberation movements to share information on the current situation inside South Africa and Namibia and in the region as a whole."

To promote the acceptability of liberation movements among its constituency, the Consultation resolved as follows:

"Recognizing that Christians often have an instinctive fear and suspicion of these movements and their ideologies, we recommend:

That the following five-phased initiative be implemented:

- a) churches inside South Africa be encouraged to establish relations with trade unions, student organizations and other accessible groups in the country;
- b) African churches beyond South Africa be exposed to representatives of the various liberation movements;
- c) western countries and churches be encouraged to overcome their reserve vis-a-vis liberation movements. (The example of the British Council of Churches in providing accommodation to the ANC after their offices were bombed is to be commended);
- d) churches work towards greater solidarity and material assistance to the liberation movements;
- e) the organizers of the WCC General Assembly in Vancouver in 1983 be asked to arrange for liberation movement leaders to address the Assembly."

6.2.1 Being committed to supporting the armed struggle waged by these movements, the AACC/WCC/PCR at the same time gave continuous encouragement to the SACC and its General Secretary to support and promote the "liberation struggle". At this meeting, for example, the Consultation declared:

"Engagement

Engagement in the liberation struggle was identified as a theological task of supreme significance, and the fight against racism as part of the church's mission. Teaching and preaching in the church and life of the congregation should reflect this understanding of the implications of the Gospel in Africa today."

and

"the consultation paid special tribute to the work and leadership of the SACC ..."

It stated elsewhere in the report:

"That solidarity with the forces of liberation inside South Africa should receive the highest priority from the churches in Southern Africa and the rest of the continent. The churches must, therefore, be exposed and relate to the many non-church organizations engaged in the struggle for a society of justice and peace."

and that

"Bishop Desmond Tutu, General Secretary of SACC ... had become a

symbol of Christian resistance in this unjust oppressive and unchristian apartheid society."

6.2.2 The SACC representatives at this Consultation were the Rev. Cecil Begbie, the Rev. W. Mabuza, Mrs Mary Mxadana, Ms Theresa Mthembu and Dr Charles Villa-Vicencio of Unisa. The following are extracts from their report:

- "1. The world church is firmly committed to see radical change in South Africa. This commitment is interpreted and motivated biblically and theologically in a critical and responsible manner -- which shows the propaganda to which South Africans are exposed, concerning a communist inspired church onslaught, to be total nonsense."
5. It is recognized and fully appreciated that the SACC is ministering in an abnormal situation, ... It has been ... stated, however, that the SACC needs to ... make it clear theologically where it stands in regard to ministry in the struggle for change in South Africa. In anticipating the kind of response expected to such requests the churches of the world are apparently ready to affirm the SACC in its task."

The importance attached to the SACC and its General Secretary in its seminal role in the "liberation struggle" as understood by the AACC/WCC/PCR is stressed:

- "6. It is clear that Christians around the world, together with many people in South Africa, have come to regard *Bishop Desmond Tutu as a symbol of Christian resistance in this country*, which the government must not be allowed to destroy. The solidarity of the world church is with him as a person, but especially as this particular *symbol* -- and the urgent plea is that the SACC and the member churches do not allow this symbol to be tarnished or destroyed in order to protect any other person(s) organization or church institution. This point is to be well understood and responded to in the most responsible manner."

The report also reflects the close links between these ecumenical bodies and the liberation movements with their inherent violence thus:

- "8. There is an increased realization among all those engaged in the struggle for liberation in South Africa -- *including the liberation movements* -- of the need for an actively prophetic and pastorally responsible church. We as Christians have an obligation not to neglect this ministry and not to be intimidated by the government or a particular interest group from exercising this ministry."

6.2.3 Substantial success seems to have been achieved in the aforementioned endeavours. Illustrations abound, but special reference to the following is necessary:

On more than one occasion the ANC was invited to attend consultations with the All Africa Conference of Churches (AACC). Amongst others there was the Mindola Conference, the minutes of which record that the AACC "played host to the president of the ANC, Mr Oliver Tambo ...". The minutes further record that Mr Tambo expressed himself "on issues pertinent to the witness of AACC member churches in their declared support for the total liberation of Southern Africa".

6.2.4 According to a statement made by Bishop Tutu in January 1981, Mr Tambo spoke with, and impressed, many church leaders in Germany.

6.2.5 When the ANC headquarters in London were damaged the British Council of Churches (BCC) provided material assistance for the establishment of new offices. In this it was supported by certain Dutch churches.

6.2.6 The ANC was one of the beneficiaries of grants from the special fund of the PCR, established by the WCC.

6.2.7 The Kitwe Consultation was in line with other consultations attended by church delegates and representatives of "liberatory organisations". Reference might be made to consultations held in -

- Lusaka (1974)
- Nairobi (1980)
- the Netherlands (1980)
- Arusha (Tanzania) (1981)

6.2.8 The deliberations of the 1982 Kitwe Consultation were reviewed by the Executive Committee of the WCC, which stated its evaluation of the situation in Southern Africa as follows as part of its recommendations to the Central Committee of the WCC:

"The Executive Committee took note of the fact that Southern Africa has entered the most critical phase in its history with the intensification of liberation struggles in South Africa and Namibia, the accelerated militarization of South Africa and its attempts at destabilization of the countries in the region. The Executive Committee rejoices in the determination of the churches in Southern Africa to fulfil their continuing prophetic role in the liberation struggle and their willingness to contribute materially and spiritually to the struggle for independence and justice in Southern Africa.

The Executive Committee welcomes the emphasis upon the joint responsibility of the AACC and the WCC for making the international community fully aware of the actual situation in Southern Africa by equipping the churches theologically to deal with issues raised by the liberation struggle."

The Central Committee of the WCC in response adopted various resolutions designed to enhance the status of the "liberatory organisations" by, inter alia -

- inviting those organisations to attend the projected 1983 WCC meeting at Vancouver;
- according the highest priority to the "liberation" of South Africa and South West Africa;
- by adapting theological study plans so as to give support to the "liberatory struggle".

6.3 CONTACTS BETWEEN SACC AND OTHER BODIES

As far as the SACC is concerned, it released a press statement on 25 June 1980 in which it is said:

"The SACC does not identify with the ANC or any other political movement."

That, apparently, was to be the official public stance of the SACC.

The Commission considered it necessary to measure that statement against the proven activities of the SACC and its office-bearers.

6.3.1 The SACC has a long history of contacts with the ANC (and other similar organisations):

- Bishop Tutu has had personal discussions with Mr Oliver Tambo and other ANC leaders and appeared to be well informed about certain ANC activities.

- His predecessor, Mr John Rees, had met and held discussions with ANC leaders (e.g. in Lusaka in 1974).

At his trial during May 1983 before the Supreme Court in Johannesburg Mr Rees also testified that he made payments from the SACC's Dependents' Conference Fund No. 2 to members of the ANC and PAC. The Court in its judgment found the following:

"According to the accused most of those beneficiaries were erstwhile members of the African National Congress and the Pan Africanist Congress, both banned organisations in South Africa. Such payments were regarded as sensitive and requiring the utmost discretion as it was feared that they might attract political and legal repercussions for both the donor and the donees concerned. Such payments were first made in about 1972 or 1973 from the D.C. 2 account."

- The SACC was represented at a number of the consultations referred to above, which were also attended by ANC representatives, at which anti-South African strategies were debated and decided on -

e.g. - The 1974 Lusaka Consultation

- The 1976 Kitwe Consultation
- The 1980 Mindola Consultation
- The 1982 Kitwe Consultation
- The Director of Development of the SACC, Mr Sol Jacobs, did preparatory work for the initiative concerning "refugees" (discussed elsewhere in this report) after discussions with ANC representatives, e.g. Mrs Phyllis Naidoo in Lesotho.

6.3.2 On 17 October 1963 the Rev. A.W. Blaxall, who was General Secretary of the CCSA from 1951 to 1960 and thereafter functioned from 1961 to 1964 as a member of the Executive, and in fact was appointed a Vice President in 1963, was convicted of inter alia taking part in the activities of an unlawful organisation, viz the ANC.

6.3.3 In 1969, when the WCC resolved that it was permissible for Christians to use force to counter gross injustice and launched the PCR, which afterwards funded terrorist organisations, the SACC had to state its attitude on violence. As is mentioned elsewhere in this report the initial reaction of the SACC was to dissociate itself from the WCC action. But it did not repudiate the WCC, nor did it sever its links with the WCC, and afterwards it expressed understanding of the WCC programme. Its initial disapproval of the WCC's support for violence dwindled to virtually nothing.

At subsequent consultations by the SACC with the WCC/PCR, no protest was made at the use of funds to support terrorist organisations. In this regard reference might be made to the events of 1980, when the WCC arranged a worldwide series of consultations concerning the PCR. The South African Consultation was held in February 1980, and the résumé of the proceedings prepared by Bishop Tutu indicates general concurrence with the direction taken by the PCR, and no disapproval of the funding of terrorist organisations. This consultation was followed by an international WCC consultation held in the Netherlands in June 1980.

It was attended by SACC delegates, none of whom spoke out against the funding of terrorist organisations. On the contrary, in a report-back by one of the delegates it was stated that "the strategy of the PCR is well theologically grounded and sustained". According to press reports that delegate, Dr Charles Villa-Vicencio, said at the conclusion of the consultation that while the SACC delegates considered themselves bound to abstain from voting when it came to questions of boycotts and violence, he personally was in favour of the PCR grants.

6.3.4 In 1974, at the aforementioned Hammanskraal Conference of the SACC, after its then General Secretary, Mr Rees, reported on the intention of a number of terrorist organisations, including the ANC, to intensify the armed onslaught on South Africa, the SACC passed its well-known resolution, in the preamble of which the Conference stated "that this injustice and discrimination [of South African society] constitutes the primary institutionalised violence which has provoked the counter-violence of the terrorists or freedom fighters". This rationale for the activities of inter alia the ANC was, according to

a report made by Dr W. Kistner, the head of the SACC's Division of Justice and Reconciliation, "a response to the expectations of the liberation movements". "It was meant" (continues the statement) "to enhance the credibility of their concern for justice in the eyes of the liberation movements."

The theological arguments in the resolutions of the SACC "have to be understood against the background of the encounter with the liberation movements".

In 1978 the following statement was made before the National Conference by the Director of Justice and Reconciliation:

"(a) In evaluating the liberation movements the Church must always seek to 'de-ideologise' the revolution. For an ideology of violent revolution is as dangerous for the Christian as an ideology of blind obedience to the Government (what we called the theology of counterrevolution). The ideology of self-justifying violence (or what have been termed guerilla theologies) constantly reveals too little of critical judgment having been given to means and ends. In seeking to de-ideologise the revolution the Church must always challenge in regard to the means employed and declare that the ultimate end is to organise for peace and reconciliation in justice.

The SACC therefore expressed its solidarity with the aims of the liberation movements, but qualified its support by subjecting the concept of freedom to the human rights criterion."

Conference did not reject this statement but referred it to member churches for discussion at the next National Conference in 1979. At that Conference a change in terminology from "justifiable resistance" to "obligatory resistance" was accepted and the resolution on civil disobedience was adopted.

6.3.5 On various occasions Bishop Tutu made public statements designed to bolster the image of the ANC and to give it respectability:

- In January 1982 Mr Oliver Tambo is referred to as "a person with Christian convictions and sincerity in his desire for peace and justice and democracy in South Africa".
- Nelson Mandela is represented as being the only man who can muster the support of the Blacks of South Africa, and Bishop Tutu said that he would be the future Prime Minister of South Africa.

6.3.6 When three ANC terrorists were in April 1982 convicted and sentenced to death arising from the commission of terrorism and murder at Soekmeaar, Bishop Tutu requested the leaders of neighbouring states to ask for a pardon for the condemned men. A similar request was directed to all church leaders in South Africa.

EcuNews No. 1 of 1982 gives the following description of the funeral of a Durban lawyer early in 1982:

"About 20 000 mourners who came to bury the slain Durban attorney Mr Griffiths Mlungisi Mxenge, heard Bishop Desmond Tutu, General Secretary of the South African Council of Churches tell the oppressed Blacks that '... the victory of liberation and freedom is assured'.

Bishop Tutu was delivering his funeral oration at Rayi Township, near King William's Town, where Mr Mxenge was laid to rest. ...

Delivering his speech on a platform which had the banned African National Congress green and gold flag flying at half-mast, Bishop Tutu based his address on the Books of Daniel and St John's Revelations. ...

Resuming his oration Bishop Tutu said: 'But our liberation is going to be costly. Many more will be detained. Many more will be banned. Many more will be deported and exiled. Many more will be killed. Yes, it will be costly. But we shall be free. Nothing will stop us becoming free - no police bullets, dogs, teargas, prison, death, no, nothing will stop us because God is on our side.'."

At the same meeting and from the same platform another speaker, Dr N. Motlana said: "... the real opposition to the South African government was the outlawed African National Congress" (see EcuNews No. 1 of 1982).

6.3.7 On 21 December 1982 Bishop Tutu sent copies of a memorandum which he had received from a group of German theologians to leaders of SACC churches for consideration, stating that the document reflected "an accurate analysis of the situation in Southern Africa". In the memorandum the theologians inter alia -

"... urge firm opposition to the South African propaganda which falsely accuses liberation movements of being terrorist organisations. In our view, the official liberation movements, ANC and SWAPO, meet the conditions for the exceptional right of resistance."

In his evidence the Rev. P. Storey (then President of the SACC) conceded that SACC members had at times been in touch with the ANC but he saw nothing wrong in such "contact between Christians". He naively testified that -

"Thus far the ANC attacks have been directed mainly at strategic military targets with a minimum loss of life and those bombs which have been planted in civilian areas have been timed to go off at hours when no one has been around."

He stated that "we declare our deep understanding of those who have turned to guerilla warfare", though he also stated that he was on record as denouncing a bomb explosion caused by the ANC in Bloemfontein as "cowardly and despicable terrorism". (He testified before the Commission from 9 March to 14 March 1983.)

As to this "deep understanding" the Sunday Express of 27 February 1983 had the following apt remarks to make:

"Violence and the churches

Archbishop Denis Hurley was quoted this week as telling a Press conference in Bonn that the sabotage attacks by the African National Congress were a 'normal human reaction to what is going on in South Africa'.

It is the kind of remark that, linked to a ritual condemnation of violence, is being employed more and more frequently by churchmen.

Whatever its intention, it conveys an unfortunate message: in the eyes of the church (in this case, but not necessarily, the Roman Catholic Church) black people are not to be morally condemned if their sufferings drive them to blow up railway stations, old ladies or themselves.

If it is not actual condonation of violence, it is a refusal to adequately condemn it.

Similar comments were made by churchmen as violence mounted in Rhodesia, as it then was, and the consequences of that violence can now begin to be measured. There, as here, the means of violence rested mainly in the hands of the whites, so that black people died in disproportionate numbers. (Their leaders argued that they preferred death to Ian Smith, but those who saw the conflict know that they were terrorised into acquiescence.)

In South Africa, where the disproportion in the capacity to employ violence is much greater than it ever was in Rhodesia, the consequences must be correspondingly more dreadful.

Worse, the process of wresting power from the white Rhodesians by violence had a shattering effect on all social relationships, laying the basis for a variety of ills that now plagues Zimbabwe: lawlessness and banditry, tribal animosity, contempt for the rule of law and for the institutions of democracy, and a general callousness that expresses itself in continual atrocity and injustice.

The circumstances of Zimbabwe's violent birth were such that they also disrupted the normal processes of development, driving off both skills and capital. They created openings for an ideology which brazenly employs violence as an instrument towards socialist ends, giving to the socialist bloc the glamour of the liberator. Both the disruption of capitalist development and the introduction of socialist folly condemn Zimbabwe to many years - possibly generations - of poverty, hardship and misery.

The same argument can be made for Mozambique or Angola, or indeed, for the Soviet Union, whose people deserved better than their violent revolution has brought them. But the point is made.

When moral leaders airily dismiss resort to violence as a 'normal human reaction' they are, at best, omitting to warn that violence is not a solution but a deeper level of hell, to be avoided even at very great cost. Any person may choose martyrdom for himself: nobody should condone it for an entire nation."

Bishop Tutu frequently expressed sympathy with terrorists:

"The guerillas are our children, our brothers and our sisters."

"Most of them believe that the goal which they are determined to reach - true liberation in what they call a united Azania - can come only with bloodshed and violence. What the white community still has in its power to do is to decide whether that P.M. is going to end up there through a process of reasoned negotiation, ... or whether he will have to do so after bitter fighting and bloodshed. Thus many Blacks have said: We give up. We have tried everything peaceful and we have failed. Our last resort is to fight for the right to be human, for the right to be a South African."

He foresees that the use of force might become inevitable and in that event he sees no wrong in actively supporting it himself -

"I can say that the time might come when we can no longer hold out hope for the peaceful resolution and then make up our minds whether we are going to support the armed struggle ..."

In response to the question during a BBC interview -

"And you will not rule out the possibility of supporting the struggle?"

he replied:

"No, no, I won't. I hope it won't happen, but I cannot close that option entirely."

6.4.1 The understanding expressed by the Rev. Storey of the actions of ANC terrorists is, in the view of the Commission, in line with the understanding

expressed by SACC officials of any violence perpetrated by Blacks in the furtherance of "the liberatory struggle". Such violence is very seldom condemned in unqualified terms. An example of the SACC's attitude can be seen in the following from the pen of Dr Kistner:

"New insights emerged during these years on a violent revolt against a basically unjust political system must not be considered as violence, but as reaction to violence or a counter-violence."

Bishop Tutu dealt with the question of violence in numerous speeches and public statements. His statements are of importance, for he enjoyed tremendous publicity, and was quoted in the media much more frequently than any other SACC office-bearer. He was, moreover, in terms of the SACC constitution its principal executive officer, and was charged with inter alia the general execution of the policy of the SACC.

He hardly ever uttered an outright unqualified condemnation of violence of the sort under discussion.

As part of a lecture he posed the following question:

"Can you tell me how I can commend non-violence to blacks who say that the resistance movements in Europe during World War II were lauded to the skies and still are, but what blacks consider to be similar resistance movements are denigrated because they are black?"

On another occasion he said:

"At this stage we in the SACC are still striving for a peaceful solution of the crisis in our land. There is probably just time for a reasonably peaceful solution of our crisis ... If the government, however, is determined to balkanise South Africa, and snatch away citizenship from Blacks, then there will not be a peaceful solution, for they are declaring war on us. What are Blacks then expected to do in such a situation? Fold our hands?"

This clearly means that in his view the use of force is justified if the Government does not abandon its policies very quickly.

When Bishop Tutu speaks in terms which indicate that the use of violence may be justified to counter the "institutional violence" of the State, it is rele-

want to note the extravagance of the language employed to describe such "violence":

"The powers of evil, of injustice, of oppression, of exploitation have done their worst, and they have lost."

"All these diabolical schemes occur in your name ...",

and phrases such as "attempt to emasculate", "deliberate stepping up of the harassment of blacks", "snapping jaws of vicious police dogs" and "system of institutionalised violence ... which deliberately ... destroys Black family life" frequently appear in Bishop Tutu's speeches.

6.5 LEGAL AND OTHER AID

Of some importance in the overall picture of the SACC's real stance on violence as well as the ANC, is the fact of its extensive provision of funds for the legal defence of persons charged with offences of which violence is a component. SACC documentation shows that funds for legal defences were in general confined to so-called political crimes. The majority of these involved the use of force, and many were perpetrated by ANC terrorists.

Not only is legal aid for the trial financed by the SACC but in the event of conviction the family of the convict is given material support, and benefits such as bursary facilities are made available.

The question to which the Commission addressed itself is what the motive of the SACC is in granting aid of that sort. In his evidence the Rev. P. Storey, then president of the SACC, conceded that in part the motive for the assistance under discussion is to display solidarity with and to express understanding of the actions of those who resort to violence in their resistance to the present system. This is borne out by the selectivity displayed in the financing of legal defences. It is also in accord with statements in some Asingeni reports. It will be remembered that a very large proportion of Asingeni funds was used to finance the defence of persons charged with political offences, and that in one such report it was stated that Asingeni funds are used "to empower the powerless in their liberation struggle against the totally unjust and immoral system prevalent in our country".

The Commission accepts that the provision of legal aid is in general praiseworthy. What is of note in the present context is the motive for providing it.

Also of note is the fact that the SACC from time to time made great play of its success record in defences on terrorist charges. It is difficult to escape the inference that not only was the SACC giving would-be terrorists to understand that if they committed terrorism and violence that would be understandable or well-nigh justifiable; but it was also assuring them that if they happened to be caught, the SACC would throw in its financial weight to save them from conviction. And should a conviction nevertheless follow, there would be some alleviation of the position of the convict: he would get bursary facilities and his family would be provided for.

It should again be stressed that any act of succour for the dependants of convicts is praiseworthy, but once more it is the selectivity that cannot escape attention. The family of the thief or murderer is also frequently in need of aid, and is more often than not also blameless. But although the political offender is as much a criminal as the robber or the murderer, he receives special attention from the SACC.

In SACC comments on the matter of political offences it is sometimes said, as though this affords some moral justification for its actions, that the persons concerned are charged under the "draconian" legislation of the Government. But no less an authority than Advocate S. Kentridge S.C., in delivering an address in the United States in 1982, said:

"Persons charged with political offences in South Africa have often been shown to have been engaged in activities that in any country would be regarded as criminal, activities involving actual or potential violence against the state."

6.6 MEDIA COVERAGE OF SACC UTTERANCES

One of the factors brought out by the research conducted by the Human Sciences Research Council (HSRC) on media coverage of the SACC is the frequency with which anything said or done by SACC spokesmen was, particularly from 1970

onwards, seen as newsworthy. Among the findings reached was that SACC spokesmen frequently expressed understanding for and sympathy with those who resort to the use of violence against the existing establishment or any of its components. That this was frequently reported in the media was not challenged in cross-examination.

6.7 COMMISSION'S COMMENT

In the opinion of the Commission the disquieting feature of this is that in the conditions of tension which at times exist in this country, Blacks may gain the impression that men of God think it understandable, even justifiable, if they use violence. The fact that SACC spokesmen also condemn the use of violence by anyone, does not detract from the potential of harm in their attitude. It may possibly be that the SACC fears that it may lose credibility in the eyes of certain sections of the Black community if it were to condemn certain acts of violence in unqualified terms, or if it were to remind its adherents that it has been said that "... he who lives by the sword will perish by the sword". Whether that is so or not is difficult to say, but what needs to be said is that the SACC may cause considerable harm if it continues to display sympathy for terrorist organisations and perpetrators of violence, if it continues to hold the ANC up as being a respectable organisation, and if it at any time and place associates with the ANC or its representatives.

CIVIL DISOBEDIENCE AND POSITIVE NON-COOPERATION

7.1 THE 1979 RESOLUTION

It will be recalled that in our brief historical review of the SACC we recorded the fact that at its 1979 meeting the National Conference passed a resolution in which it expressed its belief -

"...That the South African Churches are under an obligation to withdraw, as far as that is possible, from cooperation with the State in all those areas in the ordering of our society where the law violates the justice of God.

We call upon Christian people to examine their lives and to seek to identify the ways in which each one reinforces the policy [of separate development] and props up the system.

We recommend the work of the Division of Justice and Reconciliation and request them to continue this work by examining the strategies of resistance."

In dealing with this event Bishop Tutu testified:

"Of course the SACC has passed a resolution on civil disobedience or rather the obeying of God rather than man, but the SACC as such had not (and has not) carried out that resolution."

In enlarging on what he was thinking of in his denial he added:

"We have not as SACC, you know, I mean it would be Christians, individual Christians, it would be individual denominations that would do this."

7.1.1 It seems that what Bishop Tutu had in mind was not that the SACC would play no role in giving effect to the resolution; he merely wished to convey that acts of disobedience would not be performed by SACC staff, and that that would be left to members of member churches. The Commission considers that Bishop Tutu is correct that it was not contemplated that the SACC itself would, for example, flout group areas legislation or do anything of that sort. That, however, does not detract from the significance of the fact that the 1979 resolution accepted the principle of civil disobedience, and established the moral justification for members to disobey such decrees as were considered to conflict with the law of God. Indeed Bishop Tutu could hardly dispute that the SACC had become fully involved in a campaign of civil disobedience, for

when a BBC interviewer afterwards, for the purpose of a programme styled "Heart of the Matter", asked Bishop Tutu the following question, he was given the following answer:

"What kind of disobedience, do you mean marching in the streets or going on strike? ... Well we would be trying to disobey those laws that clearly are unjust laws, like, I mean you were supposed to have got a permit for coming into Soweto because you are a white person, you should have got a permit to accompany me to church, and such laws we deem are unjust laws and should not be obeyed. And from that you begin building up a process of disobeying on a massive scale and that will almost mean nearly all the laws on the statute Book virtually that makes this country ungovernable [sic]."

7.2 DR W. KISTNER AND CIVIL DISOBEDIENCE

In the light of the purport of the above-quoted statement the Commission had some difficulty in giving credence to the evidence of Dr Kistner, given at the end of his re-examination:

"M'Lord, the SACC has never embarked upon a campaign of civil disobedience",

except if he also meant, as Bishop Tutu did, that it never itself performed acts of disobedience, or that he attached a restricted meaning to the word "campaign", for earlier in his evidence he replied as follows to questions:

"I think we are in agreement that the Council of Churches wishes to contribute towards fundamental change in South Africa. Is that correct? ... That is correct, fundamental change of a particular nature."

And later:

"The method that your Council has chosen, one of the methods that your Council has chosen to contribute towards this fundamental change, is what we can describe as acts of fundamental disobedience? ... Yes.

It encourages its people, members of the churches, to perform these acts of civil disobedience as resistance to laws, which are considered immoral by the Council? ... Yes."

Not only do these answers appear to contradict Dr Kistner's denial, but they contrast with the significance and role which he, in a report compiled in August 1979, shortly after the resolution under discussion, attributed thereto. He reported:

"The resolution can also be interpreted as being in line with the Defiance Campaign of the 1950ies [sic] which ended in the destruction of the black leadership and left a vacuum of political leadership. Partly because of this vacuum in the political leadership the S A Churches have to take a lead."

He saw it also as part of an ongoing process which started years before:

"The resolution is an extension of the resolution on conscientious objection that was adopted in 1974."

In his view it tied up with the 1978 discussions by the SACC on the concept of a "just rebellion" and the concept of "justifiable resistance":

"The new resolution has to be seen in its connection with the discussion at the previous National Conference on the concept of a just rebellion ... In a background paper ... the concept of 'justifiable resistance' was developed."

It should also be mentioned that as early as 1977 the Commission on Violence and Non-Violence of the SACC minuted its principal concern to be -

"The Commission agreed that its main task should be to study non-violent action as a means of effecting change in state and society."

The Commission on Violence and Non-Violence recorded in its November 1979 minutes

"that civil disobedience [e.g. the Fatti's and Moni's boycott] was probing the possibilities and the limits of legal tolerance in various areas, and that greater tolerance is part of the 'new image' of the Government."

Thus perforce it was being developed into an important "non violent" weapon in the "liberation struggle".

7.2.1 In order to assess the moral force which Dr Kistner considered the resolution to establish, it is necessary briefly to state that the relevant documentation indicates that to a significant degree it was his recommendation which led to the passing of the resolution. His recommendation was inspired by his belief that the concept of a "confessing church" should be accepted by the SACC. It will be recalled that in our historical review (Chapter 2 par 2.56) we described how Dr Kistner was inspired to introduce this concept,

peculiar to Lutheran thinking, into SACC theological reasoning. On the strength of his conclusion that the South African situation called for the adoption of a confessional resolution, he, in his report to the 1979 National Conference, recommended, under the heading "Strategies of resistance" -

"In view of the great suffering resulting from the policy of separate development, the question has arisen whether the South African churches are not under an obligation to withdraw as far as that is possible from cooperation with the State."

In order to appreciate the significance and intent of the 1979 resolution it should also be borne in mind that in speaking in support of the resolution Dr A. Boesak urged that the Church, which had become "a vehicle of expression of the legitimate expressions of black people", should initiate and support programmes of civil disobedience on a massive scale" (EcuNews 24/1979).

7.2.2 On the question of who would do the actual work of being "civilly disobedient", Dr Kistner, after the resolution had been adopted, reported:

"At present it is uncertain whether the churches as a whole are prepared to embark on a disobedience program.

Possibly groups may be found within the churches which are prepared to work along this line."

And one of his recommendations was -

"... that the SACC establishes closer contacts with the younger generation of black people especially in the urban areas where young people are actively engaged in preparing for fundamental change".

He had a year or two before recorded:

"In view of the diminishing tolerance level of the authorities an increase in pressure emphasis should be placed on assisting Christians in preparing in underground activity on non-violent resistance, and for sacrifices for a new order of society which guarantees respect of human dignity ..."

In accounting for this note Dr Kistner testified:

"... you have to create an understanding for the issues in the smaller groups in the churches, and that in such groups one can consider - large groups will never - or consider non-violent

resistance, in smaller groups you can, because it always means taking risks".

7.2.3 Before dealing with the way in which Dr Kistner carried out the mandate of the National Conference to plan strategies of resistance in the field of civil disobedience, it is necessary to deal briefly with the evidence of the Rev. Storey that the 1979 decision was nothing new, and that member churches of the SACC had independently resolved that on biblical grounds certain laws should be disobeyed. That would appear to be correct; the instance most frequently quoted was in relation to the church clause, introduced when Dr Verwoerd was Prime Minister, which imposed legal restraints as to which races might worship together. With one or two exceptions most churches in South Africa resolved that this constituted an unjustifiable restraint on freedom of worship, and would not be obeyed. Such actions must be contrasted however with the 1979 resolution which was designed to be of general effect and had a much more dramatic impact than was brought about by church resolutions of the type referred to by the Rev. Storey. This is borne out by what was said in Ecumenics No. 3 of 1982, which recorded that July 1979 was a watershed in church-state relations, because of Dr Boesak's "clarion call" for the adoption of a "programme of civil disobedience to actively defy the apartheid laws".

7.2.4 It is necessary to detail more precisely the sort of civil disobedience that was planned by the Justice and Reconciliation Division. From an organisational point of view matters related to civil disobedience and positive non-cooperation were to be handled by the Commission on Violence and Non-Violence.

Dr Kistner reported that the 1979 resolution -

"...can be contrary to the underlying intention if it remains merely a verbal statement and if it does not lead to some action on the part of churches and their members. The Committee therefore worked out a number of practical suggestions how churches and their members in an initial stage could practise non-cooperation with the State in areas in which the law clearly violates the will of God."

Under his direction the Commission on Violence and Non-Violence identified seven areas in which a "confrontation with the authorities" should be planned.

These related to statutory restrictions on freedom of movement and residence; on freedom of worship; on speech and publications; on association; on social welfare and service; on institutions; and education. A leaflet entitled "How to practise Positive non-cooperation" was prepared. The proposals of the Commission were duly reported to the Executive Committee. Indications of what was being done are given in the chapters dealing with the involvement of the SACC in resettlements and group areas; conscientious objections; and trade unions.

7.2.5 In considering what the real impact and consequences of the 1979 resolution were, reference might again be made to the writings of Dr Kistner. In a 1980 report he stated that at the 1980 National Conference one of the ad hoc discussion groups -

"proposed that as a sign of obedience to the Gospel and disobedience to laws that are obviously violating the will of God, the Conference should travel to Pretoria. Copies of the Freedom Charter which originated from a political meeting of Black people in Kliptown in 1955, should be attached to the doors of the most important churches in Pretoria ... An amendment was proposed to the effect that a public Church Service should be held on Church Square in Pretoria which was to draw attention to the removals and the injustice and suffering they entail to Black people."

The motions were not accepted, but -

"...the voting process showed that the awareness of the need to ... withdraw from cooperation with the State in areas where the laws are obviously against the will of God, had considerably grown since the last National Conference."

Dr Kistner also noted that those delegates who did not support the motion feared that their churches might not back them up.

The second consequence noted by Dr Kistner is recorded as follows:

"Special events and developments that followed the National Conference have a special bearing on the concept of obligatory resistance. The school boycott in the Coloured and Indian Communities intensified after the National Conference. A wave of strikes occurred in the Durban and Cape Town areas. In the Western Province cooperation developed between the students boycotting classes and the strikes of workers in factories. They undertook efforts to cooperate and to coordinate their actions and campaigns. There are indications of an emerging joint strategy of students and workers."

Whether the 1979 resolution really had all these consequences is difficult to assess; the foregoing is merely Dr Kistner's opinion. However, considering that it was his opinion one cannot but wonder why the SACC reacted so indignantly to the charge made in Parliament by the Minister of Law and Order that the SACC was promoting unrest.

As to who were to be involved in civil disobedience, Dr Kistner's report to the 1981 National Conference is clear. He said:

"What is required now primarily is low-profile organisational work to develop a network of people in the different churches at a local and regional level who can stimulate and undertake effective ecumenical action. ...

More and more responsibility will have to be taken over by small informal groups which can develop quick initiatives and which are flexible without depending from case to case on the approval of a Church body or Church Committee."

However in 1979 he reported on his frustration that while Blacks can put an end to 'apartheid',

"The problem is that the cost of doing this is so high for them."

7.3 COMMISSION'S COMMENT

Not all the churchmen were willing to display such non-cooperation as the SACC expected of them. By way of illustration reference might be made to the fact that a large number of ministers declined to follow SACC moves on service in the chaplaincy and also on their function in solemnising marriages.

That is not to say that the potential for harm in the civil disobedience campaign is not significant.

Dr Kistner himself reported and testified that participation in such acts can lead to prosecution, to violence and even to bloodshed. Dr Kistner expressed the view that the virtue in the campaign is that it presents an alternative to violence as a strategy of resistance.

In the opinion of the Commission this is dangerous thinking. The SACC would better serve the needs of the nation if it were steadfastly to preach against violence as a means of effecting change.

Participation in civil disobedience is a very dangerous operation which can easily lead to incalculable harm.

THE SACC AND MILITARY SERVICE, THE DEFENCE FORCE AND THE CHAPLAINCY8.1 THE 1974 HAMMANSKRAAL RESOLUTION

The evidential material on these matters was largely that presented by an officer of the South African Defence Force (SADF). The interest of the SADF in the activities of the SACC stems from the fact that section 3(2) of the Defence Act, No. 44 of 1957, states the role of the SADF to be, inter alia, the defence of the Republic, the prevention or suppression of terrorism and the prevention or suppression of internal disorder. The SADF claims that these functions are impinged upon by what appears to be a campaign launched and conducted by the SACC, having as its object the encouragement of resistance to military service, the inducement of member churches to withdraw their support for the chaplaincy services ordinarily rendered by them to the armed forces, and the discrediting of the SADF and its role in the eyes of the community that it is required by law to serve. In this regard the most significant action by the SACC was the passing, at Hammanskraal in August 1974, of a resolution (hereinafter referred to as the 1974 resolution), the full text of which reads as follows:

"ON CONSCIENTIOUS OBJECTION

Preamble

The National Conference of the SACC acknowledges as the one and only God Him who mightily delivered the people of Israel from their bondage in Egypt and who in Jesus Christ still proclaims that he will 'set at liberty those who are oppressed' (Luke 4:18). He alone is Supreme Lord and Saviour and to Him alone we owe ultimate obedience. Therefore, 'we must obey God rather than men' in those areas where the Government fails to fulfil its calling to be 'God's servant for good' rather than for evil and for oppression (Acts 5:19; Romans 13:4). In the light of this, the Conference:

- 1 maintains that Christians are called to strive for justice and the true peace which can be founded only on justice;
- 2 does not accept that it is automatically the duty of those who follow Christ, the Prince of Peace, to engage in violence and war, or to prepare to engage in violence and war, whenever the State demands it;
- 3 reminds its member Churches that both Catholic and Reformation theology has regarded the taking up of arms as justifiable, if at all, only in order to fight a 'just war';

- 4 points out that the theological definition of a 'just war' excludes war in defence of a basically unjust and discriminatory society;
- 5 points out that the Republic of South Africa is at present a fundamentally unjust and discriminatory society and that this injustice and discrimination constitutes the primary, institutionalised violence which has provoked the counter-violence of the 'terrorists' or freedom fighters;
- 6 points out that the military forces of our country are being prepared to defend this unjust and discriminatory society and that the threat of military force is in fact already used to defend that status quo against moves for radical change from outside the White electorate;
- 7 maintains that it is hypocritical to deplore the violence of 'terrorists' or freedom fighters while we ourselves prepare to defend our society with its primary institutionalised violence by means of yet more violence;
- 8 points out further that the injustice and oppression under which the Black peoples of South Africa labour is far worse than that against which Afrikaners waged their first and second wars of independence and that if we have justified the Afrikaners' resort to violence (or the violence of the imperialism of the English) or claimed that God was on their side, it is hypocritical to deny that the same applies to the Black people in their struggle today;
- 9 questions the basis upon which chaplains are seconded to the military forces lest their presence indicate moral support for the defence of our unjust and discriminatory society.

The Conference therefore:

- 1 deplores violence as a means to solve problems;
- 2 calls on those of its member Churches to challenge all their members to consider, in view of the above, whether Christ's call to take up the Cross and follow Him in identifying with the oppressed does not, in our situation, involve becoming conscientious objectors;
- 3 calls on those of its member Churches who have chaplains in the military forces to reconsider the basis on which they were appointed, and to investigate the state of pastoral care available to their communicants at present in exile or under arms beyond our borders and to seek ways and means of ensuring that such pastoral care may be properly exercised;
- 4 commends the courage and witness of those who have been willing to go to jail in protest against unjust laws and policies in our land, and who challenge all of us by their example;

- 5 requests the SACC's task force on violence and non-violence to study methods of non-violent action for change which can be recommended to its member Churches;
- 6 prays for the Government and people of our land and urgently calls on them to make rapid strides towards radical and peaceful change in our society so that the violence and war to which our social, economic and political policies are leading us, may be avoided."

8.1.1 A reading of the 1974 resolution leaves no doubt that, apart from the obvious hostility of the SACC towards the Government of the RSA, its sympathies and support lie with those who are engaged in violent confrontation with the forces of law and order in the RSA in general, and with the SADF in particular. The salient features of the resolution are:

- (a) that it declares that Christians are, on theological grounds, justified in refusing to take part in an unjust war;
- (b) that the armed struggle in which the SADF is engaged is an unjust one since it involves the defence by the SADF of what is described as "a basically unjust and discriminatory society";
- (c) that "this injustice and discrimination constitutes the primary, institutionalised violence which has provoked the counter-violence of 'terrorists' and freedom fighters"; and
- (d) that the propriety of secondment of chaplains to the SADF by member churches of the SACC is questionable inasmuch as it may "indicate moral support for the defence of our unjust and discriminatory society".

Inasmuch as it is stated in the preamble to the 1974 resolution "that it is hypocritical to deplore the violence of terrorists or freedom fighters while we ourselves prepare to defend our society with its primary, institutionalised violence by means of yet more violence", the justice of the terrorist onslaught on the RSA, in contrast with the morally indefensible action of the SADF in opposing that onslaught, is at the very least implied, even if not directly spelled out.

8.1.2 In this regard it is appropriate to note that Mr David Thomas, in an article in South African International, Vol. 13, p. 51, to which reference is made elsewhere in this report, expresses the view that the 1974 resolution in

effect "gave almost as much emphatic approval to the liberation movements as was given by the WCC", and that it purported to do so on theological grounds. It should also be noted that several years later Dr W. Kistner, in a report to the National Committee of Justice and Reconciliation and later in March 1977, to the Executive Committee, stated quite clearly that the passing of that resolution was motivated "as a response to the expectation of the liberation movements". In that report he also said that

"... [it], i.e. the 1974 resolution, 'was meant to enhance the credibility for their concern [i.e. the SACC's concern] for justice in the eyes of the liberation movements. The theological arguments in the resolution of the SACC have to be understood against the background of the encounter with the liberation movements".

The encounter mentioned in the last-mentioned passage was a reference to a meeting which took place in 1974 shortly before the holding of the National Conference of the SACC at Hammanskraal between the then General Secretary Mr J. Rees and several leaders of terrorist organisations in the course of which he gained the impression that the armed onslaught on the RSA was about to be intensified.

8.2 DEEP CONCERN OF SADF

In the opinion of the Commission the SADF has valid and substantial reasons for deep concern at the 1974 resolution, its motivation, intent and potential effect. Aspects giving rise to deep perturbation are:

- (a) that individuals who are called upon to perform military service are, on what purports to be theological grounds and on the SACC's stated premise that the SADF is engaged in an unjust war, encouraged to decide for themselves whether or not to respond to that call;
- (b) that the aim of the 1974 resolution, inter alia, appears to be to discredit the SADF and to bring it into disrepute, not only in the eyes of persons who are or may be called upon to perform military service, but also in the eyes of the public in general, by the expedient of representing the SADF as being a body which -
 - (i) allows itself to be used to maintain an oppressive and unjust society; and
 - (ii) unjustifiably resorts to violence against persons who, by virtue of their status as "freedom fighters", are themselves justified in

taking up arms against the established order in their own country;

(c) that member churches of the SACC are counselled to refrain from seconding chaplains to the SADF despite the fact that if this course of action were to be taken, serving members of the SADF would be deprived of the spiritual solace and pastoral care which have always been available to them.

8.2.1 In his evidence the spokesman for the SADF pointed out that, save for problems arising from the attitude of churches such as the Jehovah's Witnesses and the Christadelphians (who object to military service on grounds different from those advanced in the 1974 resolution and who must be considered to fall into a category of their own), no significant church action had been taken that was as well publicised and that had had the same dramatic effect as that taken at Hammanskraal. It was here that the concept of the "unjust war" was introduced into the South African situation. This concept purports to be the ethical basis for what has come to be known as selective conscientious objection in terms of which it is postulated that it is the right of every individual to decide for himself, according to the dictates of his own conscience, whether or not any particular war in which his country may become involved is a "just war" and, consequently, whether or not he proposes to participate in it.

8.2.2 The response of the South African Legislature to the 1974 resolution was to amend section 121 of the Defence Act by inserting a new subsection (c) in terms of which it is an offence for any person to use any language or do anything with intent to recommend, encourage, aid, etc., any person or category of persons to refuse to render military service.

8.3 ATTITUDE OF CERTAIN CHURCHES

Initially, i.e. during the period 1974-7, there was little overt support for the 1974 resolution by member churches of the SACC. There was, however, a fairly prompt response to the introduction of the amendment to section 121. In particular, reference might be made to a decision taken by the Administrative Board of the South African Catholic Bishops' Conference (the Roman Catholic Church is not a member of the SACC and has only observer status), whereby it declared itself in conscience bound to disobey the provisions of the section as amended, and indicated that it would likewise expect clergy and people of their own and other churches to do the same.

In contradistinction, however, to a statement by Archbishop Hurley of the Roman Catholic Church, in which he categorically slated the border war as being an unjust one in which it is not permissible for Christians to participate, the chaplains of the English-language churches serving in the SADF expressed their dismay at the SACC resolution which appeared to them to "encourage South Africans to refuse to serve in the defence of their country" and dissociated themselves from it. They recognised injustices, they said, at all levels of South African society, but believed "that the statement that this society is so different from others that it warrants being described as basically unjust and violent, is unfounded and ill-considered". Reference might also be made to the attitude of the Presbyterian Church of South Africa, which in 1974 resolved to dissociate itself from the 1974 resolution, and to the Baptist and Dutch Reformed Churches of South Africa, which rejected it in its entirety.

The Tsonga Presbyterian Church, on the other hand, supported the 1974 resolution, as did the Natal Synod of the Church of the Province of South Africa (CPSA) when in September 1976 it passed a resolution to that effect. The last-mentioned resolution was fortified by another passed by the Cape Town Synod of that church in October 1977, with specific reference to the "just war" concept. The provincial Synod of the Church of the Province of South Africa accepted the effect of the 1974 resolution in November 1979. After discussing the issues at its annual conference in 1974, the Methodist Church came out in support, not only of selective conscientious objection, but of pacifism as well.

8.4 CONSCIENCE IN CONFLICT

It will be recalled that the resolution of the SACC required the so-called "task force on violence and non-violence" to implement the resolution. The task force referred to was in reality a subdivision of the Division of Justice and Reconciliation of the SACC, and after his appointment as Director of that Division, Dr W. Kistner, on the instruction of Mr J. Rees, started to prepare work-studies and a case history on conscientious objection. A case history entitled "Conscience in Conflict" is of some importance. It was approved by the Executive Committee of the SACC for publication as an SACC document. It appears that the 1974 conscientious objection resolution was politically motivated. On p. 1 of the case history the SACC recorded the following:

"The same conclusion can be derived from the way in which the resolution

compares the struggle of the present liberation movements in Southern Africa with the liberation struggle of the Afrikaans Republics during the First and the Second War of Independence. The SACC National Conference states: 'if we have justified the Afrikaners' resort to violence (or the violence of the imperialism of the English) or claimed that God was on their side, it is hypocritical to deny that the same applies to the black people in their struggle today:'

The caption to part IV of the case history reads "Conscientious objection as a lever for a general rejection of the South African system". Another reference in the document which demonstrates the political motivation of the SACC is:

"The resolution of the SACC on conscientious objection had thus to be understood as a response to the expectations of the liberation movements. It is *not in the first instance concerned* about justice to be done by the Government to conscientious objectors.....

The resolution is meant to make the members of the SACC aware of the confrontation between South African Churches and the state."

A little later the SACC appointed the Rev. Rob Robertson, a well-known pacifist, whose activities in this connection will be mentioned later herein, as head of the task force.

8.5 OTHER ORGANISATIONS

The relative inaction of the member churches of the SACC, and the SACC itself, in the years immediately following on the Hammanskraal resolution, may be attributable to the effects of the above-mentioned provisions of section 121, subsection (c), of the Defence Act. In 1977, however, the concept of conscientious objection started to gain considerable support from various quarters. In New York, for example, an organisation known as the S A Liberation Committee (SALCOM) was founded by three South Africans (one of whom was a former minister of the Methodist Church), with the specific object of encouraging resistance to military service in South Africa, undermining morale, spreading dissension and persuading serving members of the SADF to desert. As an organisation SALCOM was short-lived, but its activities were continued, initially by the South African Military Refugee Aid Fund (SAMRAF), and later by the Committee on South African War Resistance (COSAWR). COSAWR, a radical organisation based in London, was established for the purpose of giving aid to South Africans fleeing the country in order to avoid military service.

In 1979 the SADF had its first confrontation with a selective conscientious objector, one Peter Moll, a Baptist and a former chairman of the Students'

Christian Association of the University of Cape Town. Moll had completed his initial period of military training in 1974 and had attended a training camp in 1975 but thereafter twice refused, on conscientious grounds, to respond to another military call-up. On the first of these occasions he was charged, convicted and sentenced to three months' imprisonment, all of which was suspended. On the second occasion he received an effective 12 months' imprisonment. Moll's example was followed by one Richard Steele, who early in 1980 received a similar sentence. Later three more selective conscientious objectors suffered the same fate.

Prior to his imprisonment Moll wrote a number of articles which were widely disseminated and publicised by the SACC. In these some of the sentiments propounded by the SACC in its Hammanskraal resolution of 1974 and by the South African Roman Catholic Bishops' Conference were echoed. Thereafter various churches, including some that had previously been disinclined to support the proponents of conscientious objection, were drawn into the general debate on the subject and passed resolutions in favour of it. After the commencement of Moll's trial in 1979 the SACC, through its then Acting General Secretary, appealed to its member churches to keep their congregations informed about the proceedings and to offer up prayers for him.

8.5.1 The SACC further embroiled itself in the matter when, through its Commission on Violence and Non-Violence, it published a news-sheet called Non-Violence News. This news-sheet, edited by the Rev. Rob Robertson, gave its full support to Moll and other conscientious objectors, particularly during their trials and after their imprisonment. During this time Moll's radical views were also published in the SACC bulletin, EcuNews, and immediately after his conviction Bishop Tutu and a number of leading church dignitaries made public statements supporting the stand that he had taken.

8.5.2 When Moll and Steele were subsequently sentenced to be detained in solitary confinement for refusing to wear overalls issued to them by the SADF a call was made on the readers of Non-Violence News to show identification with them in various ways such as sending them telegrams, contacting M.P.s, and writing letters to the Press. When the Head of the SADF decided in August 1980

not to subject Moll and Steele to further prosecution, Non-Violence News praised them for their courage and commitment, implied that the concession not to subject them to further prosecution recognised them as bona fide conscientious objectors, and appealed to the various churches to take stock of their position on conscientious objection. Bishop Tutu, who by then had become General Secretary of the SACC, also threw in his weight in this regard by sending a congratulatory letter on behalf of the Executive Committee of the SACC to Richard Steele, conveying the "joy of many of your friends and admirers at the news that you had been granted the status of a conscientious objector". It should be mentioned that by this time a number of bodies, some of which had no apparent connection with the SACC, also began to participate actively in the debate. NUSAS, for example, became involved through its Military Committee (MILCOM).

8.6 CONSCIENTIOUS OBJECTION SUPPORT GROUPS

The SACC continued its involvement in the matter of conscientious objection through its Commission on Violence and Non-Violence. When four groups, known collectively as the Conscientious Objection Support Groups, were established at Cape Town, Durban, Johannesburg and Pretoria respectively, their addresses were published in Non-Violence News and all readers were urged to join one of them. These groups were stated to be concerned with conscientious objection and with alternative forms of national service. Similarly, publicity was given to the establishment, at various centres, of "Peace Libraries", the purpose of which was to furnish conscientious objectors with such information as they might require to defend their position.

8.6.1 At a joint meeting between the Johannesburg Branch of the Conscientious Objection Support Groups, the Commission on Violence and Non-Violence and various other organisations, a document was prepared for presentation to the Government, in which the recognition of the so-called right of conscientious objection of pacifists as well as selective objectors was formulated in detail. The Rev. Rob Robertson who, as has already been mentioned, was at that time the head of the SACC task force on violence and non-violence and editor of Non-Violence News, played a leading role at this meeting.

It should perhaps be mentioned that the Rev. Robertson, in the course of his evidence before this Commission, identified himself as an ardent pacifist who

has for many years striven to popularise the concept of conscientious objection, and many of his activities have been directed towards this end. Some of these activities included the attendance of seminars on conscientious objection held at Botha's Hill and Wilgespruit during 1980 and 1981 respectively (ostensibly in his personal capacity), where he was very outspoken in his criticism of the role of the SADF. On one occasion, when addressing a meeting of approximately thirty young men who were apparently considering their own position in relation to military service, he went so far as to liken the performance of chaplaincy service to performing service in a brothel.

It was also he who extended an invitation to the secretary of the organisation known as International Fellowship of Reconciliation (IFOR), which has its headquarters in the Netherlands, to be a guest speaker at a seminar organised by the SACC's Commission on Violence and Non-Violence.

8.7 BLACKS IN THE SADF

It is opportune at this stage to revert to another issue connected with military service. That concerns the position of Blacks serving in the SADF. In an address in February 1981 to the students attending Rhodes University in Grahamstown, Bishop Tutu stated:

"South Africa as it was presently ordered was not worth fighting for and certainly not worth dying for....."

"... most authentic black leaders were on Robben Island, in exile or elsewhere ..."

"...Blacks in the Defence Force were regarded as traitors to the liberation cause."

The General Secretary's motives for this statement are entirely political. The SACC sees itself involved in the "liberation struggle" and in that context there are only two sides, viz the oppressors and the oppressed.

8.8 STATEMENT BY EXECUTIVE COMMITTEE

Despite the obvious partisanship displayed in the 1974 resolution for "'terrorists' and freedom fighters", where it was implied that these persons were provoked into defending themselves against institutionalised violence in the form of injustice and discrimination, the SACC, in a statement formulated at a meeting of the Executive Committee on 25 June 1980 and communicated to the Honourable the Prime Minister, categorically stated that -

"... the SACC does not undermine national service. We believe that all South Africans of all races have an obligation to perform national service as citizens of one country. We insist, however, on the right of every citizen to conscientious objection to military service and therefore to be allowed alternative forms of national service."

This statement, which was released by Bishop Tutu for general information, contained also a denial on the part of the SACC of any intention to identify with the ANC. Neither of these denials is consistent with the 1974 resolution, nor for that matter are they consistent with some of the utterances of, and active steps taken by, office-bearers, officials and member churches of the SACC, both before and after 1980, to promote and encourage conscientious objection and to provide, at least by implication, moral support for "liberation movements". There has certainly at no time since 1974 been any attempt by any National Conference of the SACC to water down or alter the stand taken by the SACC in 1974 and it is therefore not unreasonable to infer that it is still the official view of the SACC that the SADF is engaged in an "unjust war" in which no Christian is in conscience free to participate.

8.9 THE CHAPLAINCY

It will be recalled that the chaplaincy, a fully-fledged support service of the SADF, was also brought into contention by the 1974 resolution inasmuch as member churches were urged therein to reconsider "the basis on which chaplains are seconded to the military forces lest their presence indicate moral support for the defence of an unjust and discriminatory society ..." and to "investigate the state of pastoral care available to communicants at present in exile or under arms beyond our borders ...".

Subsequent to 1974 this part of the resolution came up again for consideration at a "consultation on moratorium" held under the auspices of the SACC Division of Mission and Evangelism and, in what was obviously an endeavour to implement the terms of the 1974 resolution relating to chaplains, a statement was issued to the effect that -

"Black Christians call on all churches in Africa to withdraw recognition of chaplains appointed and paid by the SADF and to make their own independent arrangements for pastoral care of all persons involved in the armed struggle on both sides of the border".

However, apart from requiring the General Secretary, in a resolution taken by the SACC in 1981, to "discover from the member churches what had been done with regard to the provision of chaplains to guerilla forces on the SA Borders", no further steps appear to have been taken to question the basis of the appointment of chaplains to the SADF save that during 1978 the Methodist Church had consultations with the Chaplain-General on the question of the wearing of a uniform. After discussions the matter of the uniform was dropped and has not been raised since.

As far as is known, chaplains have not yet been provided for "refugees".

8.10 CONCLUSIONS

The Commission is of the view that the 1974 resolution of the SACC strikes at the root of a system on which the SADF is dependent for its existence and performance. It is true that up to the present the number of persons who have sought to avoid military service on the basis of selective conscientious objection has been very limited and the actions of the SACC have had no significant effect on the military capability of the SADF. The Commission feels, however, that there is substance in the argument that in the situation where the SADF is locked in an armed struggle with terrorist organisations, and having regard to the fact that the manpower resources of the Republic of South Africa, unlike those of many other countries, are limited, an appreciable escalation in the number of conscientious objectors could impair the capability of the SADF effectively to fulfil its role of ensuring the safety of the RSA and all its peoples.

Equally injurious to the SADF is the creation of a climate of sympathy for those who are engaged in terrorist activities against the RSA, a climate which was to a substantial degree engendered by the terms of the 1974 resolution. Furthermore, statements such as those that have been made by office-bearers of the SACC in which the Defence Force has been represented as being the enemy of the victims of institutionalised violence and a body which functions as an instrument of oppression (rather than one whose function it is to serve and protect the population), cannot do otherwise than to tend to bring the SADF into disrepute in the eyes of certain sections of the community, and to alienate them

from it. There can be no doubt that since a sympathetically disposed civil population is the cornerstone of success in a revolutionary struggle, such an alienation would be seriously prejudicial to the SADF in the performance of its appointed task.

Although the resolutions passed by the SACC concerning the chaplaincy have seemingly borne little or no fruit, an attempt to identify the SADF with the exclusive interest of Whites is unacceptable inasmuch as it, too, has the effect of driving wedges between the SADF and sections of the community. It also needs to be stated that if churches should bring their present association with the SADF to an end, it would possibly mean not only that an effective ministry to the members of the SADF will be prejudiced but that morale in a body made up of persons drawn from all racial groups and accommodating various religious denominations will be seriously undermined.

In conclusion, the Commission notes that the Defence Act has recently been amended so as to accommodate the views of those persons who, on purely religious grounds, feel themselves in conscience unable to perform military service. It is clear from these amendments that while the State recognises that it is just to make provision for genuine religiously-inspired conscientious objectors, it does not propose to countenance the basis of opposition postulated in the 1974 resolution as being, in practical terms, a legitimate ground for refusal to perform such military service as is by law prescribed. The Commission considers that in passing the 1974 resolution and in continuing to support it in the manner and to the extent indicated, the SACC has acted in a manner inconsistent with the national interest.

THE SACC AND THE DISINVESTMENT CAMPAIGN9.1 STARTING POINT

As a starting point for the discussion which follows, reference should be made to the fact that in 1972 the WCC Central Committee, meeting in Utrecht, adopted a policy of disinvestment in Southern Africa. The WCC stated that it considered that "the effect of foreign investments in Southern Africa is to strengthen the white minority regimes in their oppression of the majority of the people of this region" and that investments in institutions that perpetuate racism "should be terminated". The "minority regimes" in respect of which it intended to implement disinvestment were those ruling in South Africa, Mozambique, Angola, Zimbabwe and South West Africa/Namibia. It urged member churches and associated organisations to do the same, and it endeavoured to persuade multinational corporations with investments in these regions to disinvest.

9.1.1 The SACC did not at that time support the WCC decision. The position was soon to change, however. In an article written in 1982 by David Thomas (who, it will be remembered, was at one time Director of Communications in the SACC) entitled "Church State Relations in South Africa" (op. cit.), it is said that -

"... only a decade ago the official policy of the SACC was anti-disinvestment, the organisation taking the classic liberal position that investment and economic growth were ... likely to help undermine apartheid. Under black leadership the SACC-block of churches was obviously taking a different line, and that could only strengthen the hand of the disinvestment lobby in the West."

Among the Blacks who questioned the initial stance of the SACC on the issue was Mrs S. Motlana, an executive member. She made no secret of her attitude.

9.2 NEW THINKING IN SACC

In the wake of the Soweto riots, the theme of the 1976 National Conference of the SACC was "Liberation". Addressing the conference on this issue, the SACC's then General Secretary dealt with the question of economic liberation in the following terms:

"Liberation and the Economy:

How will South Africans be liberated to participate freely in the

economy of this country? This has been part of an international debate for a long time, and I think that this conference is aware that the Council has for a long time been pragmatic about the whole question of overseas investment in South Africa on the grounds that investments should be used to pressure for improved conditions. But I believe the time has now arrived for the Churches in South Africa to declare themselves on the whole question of investment. This is not only the task of the Council of Churches."

"Continued investment along the present lines," he said, "is an outright support of the apartheid system and is contributing towards the obviously looming conflict in which blacks will demand their liberation." These and other circumstances prompted the 1976 SACC National Conference resolution requiring the Division of Justice and Reconciliation to undertake an "urgent and careful study of investment and disinvestment" in South Africa. The study was required for the SACC's own purposes, but also because the Evangelische Kirche Deutschland (EKD), one of its major donor partners, wished to be informed of Church thinking in South Africa, so that it could decide what its own attitude should be.

9.3 INVESTMENT IN SOUTH AFRICA

The required study led to the preparation of a report which was published under the title Investment in South Africa. It was approved by the National Conference of the SACC during 26-28 July 1977.

The report states that it is unlikely that the political authorities in South Africa will abandon "apartheid" unless some form of pressure is exerted, and it mentions the "withdrawal of economic cooperation" as one of the most frequently considered means. It sets out the possible advantages and deleterious effects of disinvestment, but concludes that the then current restrictions on the withdrawal of funds from South Africa make it difficult to pose a simple alternative of investment as opposed to disinvestment. For that reason it recommends as more feasible the approach of setting up a code of ethics or labour practices which should be adopted by business organisations operating in South Africa.

The National Conference in its 1977 resolution, which follows the recommendation of the report, accepts the necessity for the "cessation of all further loans to South Africa" unless the revised code is accepted and made obligatory. Specifically, it recommends to member churches and overseas church bodies who asked the SACC for guidance on this issue that the revised code should include pro-

visions which amount to inter alia a "refusal to invest in or assist projects which have to do with the manufacture of arms". (Cf. the 1974 Hammanskraal conscientious objection resolution, supra.)

In short, the report did not unequivocally come out in favour of disinvestment, but failed to do so probably because it was thought that exchange control restrictions might make the withdrawal of investments costly.

9.4 KÖNIGSTEIN 1977

The Kistner report was distributed amongst delegates who attended a conference which the EKD held at Königstein in October 1977. The conference theme was the "Socio Ethical aspects of the Economic relations between the Federal Republic of Germany and the Republic of South Africa". It was attended by representatives from the Netherlands, Britain, members of the EKD and member churches. From South Africa Dr Kistner, Mr John Rees, Mrs Sally Motlana and Mr Eugene Roelofse attended on behalf of the SACC. At the conference Mrs Motlana made a passionate plea for disinvestment, but the other SACC delegates showed more restraint.

Following on this conference, the EKD issued a statement on the SACC's report on Investment in South Africa in which it formulated and stated the parameters of church involvement in the question of the economy and of politics thus:

- "4. We answer the initial question whether the churches can and should be involved in questions of the economy and of politics and public responsibility with a clear affirmative. In doing so, our starting point is that the primary task of the church is to witness to the Gospel of reconciliation in Jesus Christ, ... The church is certainly not an instrument for implementing political and social theories, nor a socio-revolutionary action group, nor the representative of economic interests of whatever group it may be.
5. ..., when the church brings its message and the consequences which follow from it into the discussion with politics and economics, it is not an attempt to intervene in an alien matter and to claim competence which it does not have but rather to make its contribution to the comprehensiveness of the discussion which will only be constructive if all the arguments involved are considered."

As will be seen from what follows, this statement of principle did not find acceptance within the SACC.

9.5 DRAFT DISINVESTMENT RESOLUTION

By 1978 it was plain that several persons within the SACC were in favour of disinvestment. In addition to Mrs Motlana - a vice-president - several of

the more militant church personages were all for supporting a disinvestment campaign. It is also reasonable to suppose that the SACC was not unaware of or uninfluenced by the fact that the CI (which, it will be recalled, was until its banning in October 1977 an associate member of and a powerful force within the SACC) had in 1976 resolved to advocate disinvestment as a means of achieving a political goal.

In June 1978 a draft resolution for submission to the 1978 National Conference was prepared within the SACC. It took in the following form:

"DRAFT RESOLUTION

OVERSEAS INVESTMENTS AND LOANS

Whereas overseas investments in and loans to the Republic of South Africa and economic organisations within it are made in conformity with the normal principles of business in the free enterprise system, namely to make profit by all legitimate means, and overseas investors do not regard themselves as bound by Christian moral principles, nor by the political aspirations of people who consider themselves oppressed;

consequently they tend to operate within the terms of reference established by the existing political power structure, and any adjustments to accommodate 'humanitarian' concerns of pressures can take place only within these terms of reference;

and whereas these terms of reference, however modified from time to time, still derive from a doctrine and policy of racial separation which the Churches in the 1966 Message to the People of South Africa categorically condemned and rejected as 'a false offer of salvation', as 'depending on the maintenance of white supremacy, thus rooted in and dependent on a policy of sin' and, if thoroughly applied, 'must ultimately require that the Church should cease to be the Church',

and whereas the economic system of the Republic is based on a system of migratory labour which denies blacks their basic human and family rights and turns them into foreigners and rightless labour units in the land of their birth, and has for decades recruited and utilised the labour of surrounding Southern African territories without channelling back into them a proportionate share of the wealth generated;

and whereas in a situation of escalating conflict throughout Southern Africa, there is urgent worldwide consideration as to (i) how to bring to an end with the minimum of violence and suffering the South African system of institutionalised violence that has already led to armed struggle (border warfare, urban terrorism) and threatens to plunge the entire sub-continent into the horrors of racial and civil war, and (ii) facilitate orderly transition towards territorial integration and a just, sustainable and participatory society;

and whereas South African blacks, while not denying the value of concessions, ameliorative measures, and economic assistance to black projects - particularly in communications, leadership training and community development - test the motivation behind them; reject reliance on palliatives; reiterate their demand for justice; and challenge all men of goodwill to join their peaceful struggle for liberation and full human rights in the land of their birth;

WE, AS CHURCHES,

- are compelled to consider and decide upon the moral issues involved in economic relationships between the Republic and other countries, particularly in respect of overseas investments and loans;

- reject the view that overseas investments and loans can be relied upon to bring about effective fundamental change in the Republic, that is a meaningful redistribution of power;

- accept the argument that overseas investments and loans are being used and sought by political power structure to consolidate its own position;

- urge countries, organisations and individuals concerned for the peace and wellbeing of Southern Africa to invest increased economic resources in the neighbouring countries recognised by the international community as independent states, so that they can reduce their economic dependence on the Republic;

- resolve to make these views known to our fellow Christians wherever they may be;

- and in penitence for past failures commit ourselves to a more faithful stewardship, and a juster sharing, of the material resources and economic opportunities entrusted to us."

This would, if accepted, unmistakably have been a disinvestment resolution. It was, however, realised that the submission or adoption of such a resolution might be a contravention of the law, and the opinion of the legal adviser of the SACC was sought. He advised that the provisions of at least the Publications Act, No. 47 of 1974, and the Terrorism Act, No. 83 of 1967, might be flouted if the resolution was put or adopted, and he recommended a cautious approach.

9.6 NATIONAL CONFERENCE 1978

At the 1978 National Conference itself the disinvestment issue was nevertheless raised, and it appeared that a number of delegates were in favour of pressing for a disinvestment stance. Discussion was apparently inhibited by the knowledge of those present that they might involve themselves in illegal conduct. The lawyer of the SACC was present, and several delegates thought it "best to say nothing if we cannot say it all".

In the event two resolutions were adopted, the one concerning overseas investments and loans, and the other concerning domestic and foreign investments.

The former reads as follows:

"Whereas

The Gospel of Jesus Christ is concerned with the whole life of man, it therefore has a direct bearing on economic issues and investment policy.

And whereas

Foreign investment in and loans to the Republic of South Africa and economic organisations within it are made in conformity with the normal principles of business in the free enterprise system, namely to maximise profit by all legitimate means,

and foreign investors do not necessarily regard themselves as bound by Christian moral principles, nor by the political aspirations of people who consider themselves oppressed,

consequently they tend to operate within the framework established by the existing political power structure, and any adjustments to accommodate 'humanitarian' concerns or pressures usually take place only within this framework. (i)

And whereas

This framework however modified from time to time, still derives from a doctrine and policy of racial separation which the Churches in the 1966 'Message to the People of South Africa' categorically condemned and rejected as a 'false offer of salvation', as 'depending on the maintenance of white supremacy, thus rooted in and dependent on a policy of sin'.

And whereas

The economic system of the Republic is primarily based on a system of migratory labour, which denies blacks their basic human and family rights and turns them into foreigners and rightless labour units in the land of their birth (ii) and has for decades recruited and utilized the labour of surrounding Southern African territories without channelling back into them a proportionate share of the wealth generated (iii)

And whereas

In a situation of escalating conflict throughout Southern Africa, there is urgent worldwide consideration as to (a) how to bring to an end with the minimum of violence and suffering the South African system of institutionalised violence and the armed struggle, (border warfare, urban terrorism) which threaten to plunge the entire sub-continent into the horrors of racial and civil war, and

(b) how to facilitate orderly transition towards a just, sustainable and participatory society in South Africa; (iv)

And whereas

To an increasing extent South African blacks, while not denying the values of concessions, ameliorative measures and economic assistance to black projects (particularly in communications, leadership training and community development), reject reliance on palliatives and many even reject all further foreign investments and loans, and accepting the suffering that would ensue, reiterate their demand for justice and challenge all men of goodwill to join their peaceful struggle for liberation and full human rights in the land of their birth (v)

We, as the National Conference of the SACC

- (a) Confess that we have tended to conform to the apartheid society instead of presenting a Christian alternative.
- (b) are now compelled to consider and decide upon the moral issues involved in economic relationships between the developed and developing world and between the Republic of South Africa and its major financial partners in particular, especially in respect of foreign investment and loans.
- (c) believe that foreign investments and loans have largely been used to support the prevailing patterns of power and privilege.
- (d) urgently call on foreign countries and organisations, for the sake of justice to revise radically their investment policies and employment practices in regard to South Africa, in such a way as to benefit the total population of South Africa.
- (e) commit ourselves to a more faithful stewardship, and a just sharing of the material resources and economic opportunities entrusted to us (vii).
- (f) request member churches and observer churches of the Council to consider and support this resolution."

The latter provided:

"We, the National Conference of the South African Council of Churches confess that we have tended to conform to the apartheid society instead of presenting Christian alternatives.

Believing that

- 1. We have a responsibility to contribute towards radical peaceful change in South Africa,
- 2. and that, in South Africa specifically, ethics and economics are inextricably intertwined in relation to the apartheid policy,
- A. We call upon all churches in South Africa to examine their investment policies, and especially the basis on which they invest in business or-

rganisations to establish what influences they can bring to bear on these organisations for:

- i) improvement in business practices and in labour relations through negotiations with Black Trade Unions (whether officially recognised or not) and for equitable conditions and opportunities for all employees.
 - ii) extension of the right to family life for all workers (therefore the phasing out of the migratory labour system).
- B. We also call upon all business organisations operating within South Africa,
- i) to ensure a just participation by all in the economic sphere in South Africa by recognising and negotiating with Black Labour Trade Unions, (whether officially recognised or not), as bargaining partners in the economic process.
 - ii) to implement a housing policy and to make representation to the relevant government departments to allow all employees to enjoy a stable family life in proximity to their work.
- C. We express our solidarity, both spiritually and materially with those businessmen, particularly with small companies, who take initiatives in this regard."

and finally required the Division of Justice and Reconciliation to report thereon to the Executive thus:

"We resolve that the Justice and Reconciliation Division shall request and receive reports from churches and report on company practices in accordance with the codes of ethics and report thereon to the SACC Executive." (EcuNews 20/1978 p. 18.)

9.7 THE COMMISSION'S VIEW

It is the view of the Commission that while the first of the resolutions might be ambiguous, its statement that investment policies should be so revised as to benefit the total population of South Africa might well in the light of the preamble be interpreted to mean that the total population will not benefit by continued investment. The draftsmen certainly endeavoured subtly to convey that the Black population will not benefit from further investments.

9.8 ATTITUDE OF J AND R

A note from the pen of Dr Kistner indicates that, but for the fear of falling foul of the law, the conference may well have come out plainly and unambiguously for disinvestment. He wrote:

"In considering the study report as well as the resolution of the National Conference of 1978, account has to be taken of the fact that no open discussion of this problem is possible as a result of the security legislation."

The Division of Justice and Reconciliation immediately set to work to implement the resolution by starting to investigate the nature of the Codes and carrying out a feasibility study on effective ways of monitoring them. The divisional "Report on the feasibility of investment monitoring" states:

"The J & R Division is to recommend to the Executive Committee to employ a person with the necessary skills and expertise to stimulate and co-ordinate the task to be undertaken in the different SACC member churches with regard to monitoring the practices of firms.

The J & R Committee appoints a sub-committee which is requested to work out further details with regard to the task which a person to be employed for monitoring the practices of firms would have ...

The J & R sub-committee initially investigated the possibility of convening a workshop of interested bodies such as Inkatha, Black Trade Unions, Black Sash etc. On the question of monitoring, with the aim of attempting to set up a joint council to undertake monitoring and to educate workers as to their rights, with this in mind, approaches were made to the unions and to various bodies such as Inkatha."

9.8.1 Attendance at one of the meetings of the J & R subcommittee held on 1 November 1978 was as follows:

Dr Kistner, the Rev. D. Palos (Justice and Reconciliation)), the Rev. Fr J. Sebidi, Mr Malcolm Hopkins (CPSA), Mr E. Webster (Department of Industrial Sociology, University of the Witwatersrand) and Miss Barbara Hogan (Human Awareness Programme, SAIRR, a member of the ANC who was convicted of treason in 1983). Mr Halton Cheadle of the Centre for Applied Legal Studies, University of the Witwatersrand was unable to attend. The subcommittee considered holding a workshop to which "appropriate bodies" would be invited on a personal contact basis. They included (a) the Urban Training Project/Black Consultant Committee, (b) the Black Sash, (c) the Black Allied Workers' Union, (d) Black Social Workers, (e) WASA, (f) S A Labour Bulletin, (g) the Centre for Applied Legal Studies (Wits) (H. Cheadle), (h) the Department of Industrial Sociology (Wits), (i) the SAIRR Human Awareness Project, (j) S A Labour Development, (k) Anglo American ERP, (l) Inkatha

The goal of this workshop would be to determine "How should workers respond to the Codes".

The report continued:

"There was a mixed response from the unions. One group declined to participate on the basis that they dealt with a very limited number of companies and had already established their own international links. On the other hand, another group of unions showed interest in the project and requested that further discussion should be held. Inkatha said they welcomed any attempt to further workers' interests and said that they were not opposed to other initiatives in the field. On the whole, the response from other organizations was cautious.

The J & R Sub-committee thereupon resolved that a workshop was not feasible at this point, but determined to investigate the possibilities of setting up an independent monitoring body under the auspices of the SACC. It was decided that bodies (international and national) who had already undertaken monitoring in the past should be consulted as to the best means possible of setting up an internal monitoring body. ..."

It also "recommended"

"that a person be employed for a 3 month period to undertake a feasibility study of monitoring in South Africa (The time period can be altered depending upon the requirements of the researcher concerned) with the possibility of this initial research work being extended to the setting-up and co-ordination of the monitoring project itself. The research worker would use the facilities offered by the J & R Division and would report to the sub-committee on progress made.

Motivation for Proposal: Because the question of investment monitoring is a highly sensitive issue, it is felt that a cautious approach should be adopted and a detailed study of its implications be made. ..."

9.8.2 Subsequently and as reported elsewhere herein, Dr Kistner became involved in an overseas investigation into the application of the Codes, referred to as the "Dilemma of the Code. (111)"

Local actions on investments were co-ordinated by Dr Kistner of the Division of Justice and Reconciliation.

9.9 W C C SUPPORT

Support for the SACC in its stance to promote disinvestment and fundamental change came from the WCC in a strongly worded resolution on comprehensive sanctions against the RSA in 1980. In this resolution the Central Committee of the

WCC called on member churches and all Christians inter alia

- "- to encourage and support the South African Council of Churches and the churches in South Africa in the exercise of their prophetic ministry and their demand for a fundamental change of the present political system, and continue to express solidarity and fellowship with all those in that country who struggle for a more just society and join prayers with theirs for the peaceful achievement of justice;
- to press governments and international organizations to enforce comprehensive sanctions against South Africa, including a withdrawal of investments, an end to bank loans, arms embargo and oil sanctions and in general for the isolation of the state of South Africa;
- to cease any direct, and as far as possible indirect, financial involvement in activities which support the apartheid regime."

On 2 March 1981 the SACC responded in a letter to the WCC, Sister Churches and donor partners in which it referred them to an Executive Committee resolution taken during its meeting on 23 to 25 February 1981. This resolution reads:

"RESOLUTION ON FOREIGN INVESTMENTS:

Increased foreign investments in South Africa are an essential part of Prime Minister Botha's national strategy. So, too, are concessions and adaptations in the spheres of labour (trade union, employment, training), in sport and other amenities, which give the appearance of reform. At the same time the politico-economic system of oppression and exploitation is strengthened and refined.

The Executive of the South African Council of Churches calls on all who are concerned with foreign investments, loans and trade agreements with apartheid South Africa

1. to apply vigorously this test: Will this action facilitate or promote the establishment of full human rights for all inhabitants of a united South Africa? and
2. to base their economic decisions on commitment to that goal."

9.10 DR KISTNER AND THE EKD

Dr Kistner also tried to bring pressure to bear on the EKD to change its investment stance to one more supportive of that of the SACC. With regard to the acceptance by the EKD that German firms work toward change in South Africa in accordance with the EEC code, he wrote in August 1981:

"3. The response of EKD authorities towards the Code

I have seen a resolution by the EKD Council (as far as I remember, it was the EKD Council) which expresses the appreciation of the efforts which German firms are undertaking for bringing about change in South Africa.

This resolution does not take account at all of the findings of the study report which was already available at the time when the resolution was taken.

Apparently there is tension between different people in key positions in the EKD on the whole South African issue. This tension also finds its expression in the evaluation of the study report on the 'Dilemma of the Code'."

and suggested various possibilities which could be used to exert pressure on the EKD to change their investment stance, viz:

"4.2.3 It [is] suggested that the General Secretary writes an official letter to the EKD Council asking them to respond to the findings of the study report.

If possible the letter could indicate on the basis of a scrutiny of the report, that according to its knowledge of the situation the findings are reliable.

Possibly one could ask several persons who are well informed on this topic to state their views on the findings of the study report."

9.11 BISHOP TUTU'S ENDEAVOURS

In his evidence to the Commission the Rev. P. Storey said that the SACC had never as such resolved to support a campaign of disinvestment. He added that there was a strong division of opinion within the ranks of the SACC on the investment issue. One of the personages within the SACC who appeared to be in favour of disinvestment was its General Secretary, Bishop Desmond Tutu. He did not hesitate to take it upon himself to support disinvestment in various ways at many times. Thus when the United Reform Church in the United Kingdom wrote to him in 1982 to enquire what his attitude would be if it decided to preach disinvestment, his response was to signify approval. He did so in a telegram to that Church:

"INTERNATIONAL CABLE

THE REV A G BURNHAM
UNITED REFORMED CHURCH
244 DEANSGATE
MANCHESTER M3 4BQ
ENGLAND

GO AHEAD WITH SUGGESTIONS FOR SYNOD

LETTER FOLLOWING

REGARDS

BISHOP TUTU

6/5/82"

On 24 May 1982 the United Reformed Church reported to Bishop Tutu on the resolution in the following letter:

"THE UNITED REFORMED CHURCH IN THE UNITED KINGDOM

North Western Province Moderator: Rev A G Burnham BA

244 Deansgate, Manchester M3 4BQ
Telephone: 061-834 9771

Synod Clerk: Rev A Harrison BA
Treasurer: Mr E Morgan

Bishop Desmond Tutu
General Secretary
The South African Council of Churches
Khotso House
42 De Villiers Street
Johannesburg 2001
South Africa

24th May 1982

Dear Bishop Tutu

Thank you very much for the support you have given to our Synod in presenting our resolution to the General Assembly of the United Reform Church. Your cable of the 6th of May and your letter of the same date gave us great encouragement.

Our General Assembly met at Bristol last week and the debate was held on Thursday evening the 20th of May. You will recall that our original resolution was as follows:

'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, and more recently adopted by the Council of World Mission, and as a first step resolves

to sell its shares in companies having a significant involvement in South Africa'.

I opened the debate and quoted extensively from your letter which was received by the Assembly with great warmth recognising the authentic voice of the majority of the people of South Africa and also of Christian prophecy.

There was first an amendment to delete all the words following 'November 1979' and substitute:

'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.'

This was a technical amendment moved by our Finance department to take account of two facts. First, that it is the Trust Corporation that holds the money and second, that the Trustees have a legal obligation to serve the beneficiaries of the Trust which, in our case, are the Churches Pension Funds. This amendment was accepted without debate.

There was then a further amendment to add after '... holding shares' the following:

'except for a token shareholding when appropriate to enable representation'

This was moved by the Revd. J. Johansen-Berg who argued powerfully against the policies of your government but in favour of this different strategy. Assembly rejected this amendment by approximately 223 votes to 156.

There were many speeches from the floor of the Assembly but not a single one attempted to oppose our resolution. The feeling was clearly very strong and at the end of the debate the resolution was passed overwhelmingly.

The mood of the Assembly clearly intended our fellow Christians in South Africa to have no doubts about our abhorrence of the unjust and oppressive system under which the black peoples live.

I enclose a photocopy of the official minute of the debate. The additional words 'by an overwhelming majority' were added to the minutes at the next session.

May God continue to give you strength and hope as you continue the struggle. You have our support and prayers.

With all good wishes.

Yours sincerely

A.G.Burnham"

The following resolution was annexed to the letter:

"Investment in South Africa : Synod Resolution

On behalf of the North Western Province, the Revd. A. G. Burnham proposed and the Revd. G. Eatock seconded that:-

1. 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, and more recently adopted by CWM, and as a first step resolves to sell its shares in companies having a significant involvement in South Africa.

Mr. F.W. Brooman proposed and Mr. Ron Martin seconded the following amendment:

'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 judgment 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 Moderator asked Assembly's consent to allow the amendment to stand in place of the original resolution.

This was agreed.

A further amendment was moved by the Revd. J. Johansen-Berg and seconded by Mr. P. Woods, namely:

'to insert after 'holding shares' the words 'except for a token shareholding when appropriate to enable representation'.'

The amendment was lost.

The substantive motion was then carried by an overwhelming majority.

The Assembly agreed that the resolution should be publicized [sic] as widely as possible.

After singing a hymn the Assembly stood adjourned."

Bishop Tutu seemed to have some concern that if he were to advocate disinvestment too openly, he might be charged with what he termed economic sabotage, and he said as much at a press conference which he held on 30 March 1979, reported in the Ecumenical Press Service. By subtle means he nevertheless made his wishes known, as appears from a report in the Dutch Newspaper Trouw of 14 April 1981 (the correctness of which Bishop Tutu did not dispute while giving evidence), which says that while in Holland he called for diplomatic, political and eco-

conomic pressures to be exerted on the South African Government, but he avoided expressly calling for economic pressures (see paragraph 9.10 infra).

When interviewed on Danish television on 5 September 1979 Bishop Tutu called on foreign countries, including Denmark, to cease imports of coal from South Africa. He responded as follows to questions:

"Interviewer:

Mr Tutu, why is it that the Council of Churches is against foreign investment in South Africa?

Desmond Tutu:

The Council is critical of the role of foreign investment because it believes it is supportive of an oppressive system, and would like to have this system changed reasonably peacefully.

Interviewer:

But a lot of business abroad argues that when they invest and when they set up companies, they in fact help improve the lot of blacks by giving employment.

Desmond Tutu:

Well, it has been proved now that economic prosperity does not necessarily lead to political change, and we do not in fact look for an improvement in the South African situation. We want fundamental change. Mrs. Motlana put it very graphically - she said, 'We do not want our chains made comfortable, we want them removed.'

Interviewer:

So you think for instance that the various codes of conduct are only making the chains more comfortable?

Desmond Tutu:

Yes, I think they are ameliorative, they make improvements. They shift the furniture around in the room, instead of changing the furniture.

Interviewer:

So would you advise Denmark, for instance, to stop buying coal in South Africa?

Desmond Tutu:

Well, I find it rather disgraceful that Denmark is buying South African coal and increasing a dependence on South Africa, whereas one would hope that we could get South Africa to having a weaker position in bargaining, so that we could get this change as quickly as possible.

Interviewer:

But if we do not buy coal, for instance, a lot of blacks are going to be unemployed.

Desmond Tutu:

They would be unemployed and suffer temporarily. It would be a suffering with a purpose. We would not be doing what is happening now, where blacks are suffering, and it seems to be a suffering that is going to go on and on and on."

These statements evoked a public outcry in South Africa and led to a demand by the Minister of Justice and the Minister of Co-operation and Development that Bishop Tutu retract his statements. He refused to do so. In view of the seriousness of the matter, and the publicity which was being generated, the Executive of the SACC met with the leaders of several of its churches on 15 October 1979.

At the meeting Bishop Tutu said, according to the minutes:

"He felt it was essential to search for strategies of reasonably non-violent change and these strategies must involve international economic pressure."

The minutes further record:

"There was no agreement within the churches on the content of the General Secretary's statement in Denmark. However, he was entitled to express his own view on strategies as he had done in Denmark."

...

"The right of the General Secretary to express his own insights and to appeal to the international community was agreed, and two statements were unanimously accepted."

The one resolution was for dispatch to the two Cabinet Ministers, and the other for immediate press release. The former of these records that the meeting unanimously -

- "a. Affirms that Bishop Tutu has been called to leadership by God through his Church and is, therefore, under an obligation to express his convictions on the situation facing us in this land. Having heard Bishop Tutu's reasons for his statement, we share his belief that any retraction of or apology for his statement in this instance would constitute a denial of his prophetic calling

- b. Recognises that in the churches represented in the SACC there is a significant constituency who support the content of what he said, but who are inhibited by law from discussing it
- c. Recognises that there are others within the churches who are equally committed to fundamental change in South Africa but whose views as to the nature and extent of economic pressure for such change are different from those of Bishop Tutu
- d. Affirms the indivisible nature of the body of Christ, and, therefore, shares wholeheartedly the Bishop's belief that the world-wide Christian community is and should be involved in the struggle for justice in South Africa

'If one part of the body suffers, all the other parts suffer with it...' (1 Cor 12:26)

- e. Declares that the real issue which the Bishop is addressing is that of the need for fundamental change in South Africa. It is out of our concern to see such change take place that we believe it right to explore every strategy which can be used to achieve this end and to avoid the escalation of violence.

By fundamental change we refer to such moves as will involve at least: the total abolition of the pass laws and Bantu Education, an immediate halt to all 'resettlements' and the calling of a National Convention to find by genuine consensus a new dispensation for South Africa based on Christian justice and peace for all.

- f. Believes that the onus is on the Government to respond to this root issue in the life of our land.
- g. We will not allow any single member of the Body of Christ to be isolated for attack when we are sure that his primary commitment reflects, as does Bishop Tutu's, those values for which each of our member churches firmly stands. In this matter, therefore, the State is dealing with all the member churches of the SACC.
- h. We declare our willingness to participate in meaningful discussions on these issues with the Government."

Even before the meeting of 15 October 1979, and as soon as it could meet after Bishop Tutu's Copenhagen statement, the Executive of the SACC met, and according to the minutes the following was said:

"STATEMENTS

In the interview Bishop Tutu, the General Secretary of the SACC, gave in Copenhagen, he spoke of the need for drastic changes of government policy. The SACC both at it [sic] annual conferences and through its Executive Committee meetings has consistently urged upon the Government the need for such

changes. The Executive notes minor changes of policy and prays that these will be quickly followed by the complete dismantling of the whole structure of apartheid.

The Executive is aware of the feelings of a significant section of the black community in favour of reduced investment and selective sanctions.

Because the laws of the country do not permit a free and open debate of the investment and sanctions issues there is an intolerable situation in the black community and especially for black leaders like Bishop Tutu who are required to articulate the views of the black community.

The SACC has never advocated a policy of total economic sanctions. However, in July 1978 the National Conference stated that foreign investors should urgently reconsider whether they should radically revise their investment policy."

It will be seen that neither at the Executive meeting nor at that with Church leaders did the SACC repudiate Bishop Tutu's statement. On the contrary it recognised that he had the right to speak as he did, consistent with his prophetic calling. While technically it might be correct that the SACC has never formally resolved through its National Conference to support any non-investment campaign, it permitted its chief administrative officer, who in terms of its constitution has to carry out its policy, to speak out in favour of disinvestment. It must have known that individuals, corporations and governments hearing him speak would assume that he was expressing the views of the SACC. The SACC must have known that unless it clearly repudiated his statement soon after he made it, it would be treated and evaluated as though he had spoken with the full blessing of the SACC. The effect is the same as it would have been if the SACC had specifically authorised the Bishop beforehand to say what he said.

In any event, the Commission records that it is also clear from the interview itself that Bishop Tutu was in fact expressing the views of the SACC. It should be noted that the first question reads as follows:

"Mr Tutu, why is it that the Council of Churches is against foreign investment in South Africa?"

and the answer was:

"The Council is critical of the role of foreign investment..."

and nowhere in the interview does it appear that Bishop Tutu is purporting to express his personal views.

9.11.1 Amongst other instances where Bishop Tutu expressed himself against investment may be mentioned his address on 31 March 1981 to the British Council of Churches (BCC) where he said:

"Those who invest in South Africa must do so with their eyes open. They must not delude themselves that they are doing anything for the benefit of blacks. They must understand that they are buttressing one of the most vicious systems since Nazism."

So too in his speech in March 1981 to an agency of the United Nations, he called on the international community to exert all sorts of pressure on South Africa to bring about fundamental change, including economic pressure.

Similarly the rapport existing between the Dutch Council of Churches and Bishop Tutu on the question of disinvestment is clearly expressed in the extracts quoted below:

a. De Volkskrant 20 March 1981:

"Tutu smeekt om druk op Z-Afrika

DEN HAAG - Bisschop Desmond Tutu, de meest gezaghebbende leider in Zuid-Afrika, heeft gisteren een wanhopig pleidooi gehouden om economische druk op Zuid-Afrika uit te oefenen. Tutu liet doorschemeren dat hij een Nederlands initiatief in deze van harte zou toejuichen.

'Help, alstublieft, in godsnaam. Help in uw eigen belang, help in het belang van de wereldvrede. Voor alles moet er economische druk worden uitgeoefend op Zuid-Afrika', zei de bisschop die met opzet het woord 'boycot' of 'sancties' vermeed. 'Als ik daarvoor zou pleiten (voor een economische en/of olieboycot), dan pleeg ik volgens de Zuidafrikaanse wet economische sabotage en riskeer ik vijf jaar gevangenisstraf'."

("Tutu pleads for pressure on S.Africa

THE HAGUE - Bishop Desmond Tutu, the most authoritative leader in South Africa, yesterday made a desperate plea for economic pressure on South Africa. Tutu gave to understand that he would heartily applaud a Dutch initiative in this regard.

'Help, please, in the name of God. Help in your own interests, help in the interests of world peace. Most

of all, economic pressure must be put on South Africa,' said the bishop, deliberately avoiding the word 'boycott' or 'sanctions'. 'Were I to plead for that (for an economic and/or oil boycott), I would be committing economic sabotage in terms of South African law and risking five years' imprisonment.'")

and the response of the Dutch Council of Churches as reported in Trouw on 14 April 1981:

"Raad van Kerken verdedigt Tutu

De raad van kerken in Nederland heeft in een brief aan bisschop Desmond Tutu de secretaris van de Zuidafrikaanse raad van kerken nog eens laten weten waar deze zich tijdens zijn bezoek aan Nederland mee heeft beziggehouden.

Hij heeft gevraagd om diplomatieke, politieke en economische druk op de zuidafrikaanse regering, maar hij heeft vermeden direct op te roepen tot het nemen van economische maatregelen. Maar de raad van kerken schrijft wel dat hij Tutu's boodschap luid en duidelijk heeft verstaan en dat hij van plan is de weg op te gaan die Tutu heeft gewezen."

("Council of Churches defends Tutu

The council of churches in the Netherlands has, in a letter to Bishop Desmond Tutu, the secretary of the South African Council of Churches, again let it be known what he concerned himself with during his visit to the Netherlands.

He asked for diplomatic, political and economic pressure on the South African government, but he avoided any direct call for the taking of economic measures. But the Council of Churches has in fact written that it has received Tutu's message loud and clear and that it intends to follow the course indicated by Tutu.")

On 21 April 1982 the further actions by the general synod of the Reformed Church were reported as follows in the Dutch paper Trouw:

"LUNTEREN-De generale synode van de gereformeerde kerken heeft zich gisteren aangesloten bij oproep uit 1978 van de Nederlandse raad van kerken aan bedrijven die in Zuid-Afrika hebben geïnvesteerd, hun beleggingen in dat land terug te trekken en hun bedrijven in Zuid-Afrika te liquideren.

De synode riep de Nederlandse regering op, steun te verlenen aan het olie-embargo tegen Zuid-Afrika dat de Verenigde Naties hebben uitgevaardigd. De gereformeerde synode besloot voorts tot geestelijke en financiële hulp aan bevrijdingsbewegingen en riep de plaatselijke kerken op steun te verlenen aan het programma tot bestrijding van het racisme van de wereldraad van kerken."

("LUNTEREN - The general synod of the reformed churches yesterday joined in the Dutch Council of Churches' 1978 call to business concerns that have invested in South Africa, to withdraw their investments from that country and to liquidate their operations in South Africa.

The synod called on the Dutch government to support the oil embargo proclaimed against South Africa by the United Nations. The reformed synod also decided to give liberation movements moral and financial support and called on the local churches to support the world council of churches' programme for combating racism.")

Bishop Tutu also promoted the concept of disinvestment in numerous letters he wrote to various important persons. A single example will suffice:

a. In a letter dated 14 July 1981 to President Weatherford of the Berea College in Kentucky, USA he wrote

"Many who are concerned to see fundamental change happen in our country peacefully believe that economic prosperity will of itself erode apartheid as economic factors come to make more and more of a nonsense of our socio-political dispensation; I wish this were true.... There has been no real liberalisation of apartheid.... Economic laws don't operate in a vacuum as you know. Political decisions take precedence of economic considerations.

Well meaning people say blacks will be the first to suffer if economic pressure is applied. True they would be the first to lose their jobs. But blacks are suffering now. They would much rather suffer even greatly if it is going to end this oppressive system rather than go on endlessly suffering with no prospect of an end to their suffering....

[Some] others say such pressure does not work. Of course it does not work if applied ineffectively.... And if it will not work why have we got such vicious legislation to prevent it, and why did the Government have to take away my passport for suggesting it?...

Those who invest in South Africa must know they are supporting this vicious system which I have described as the most vicious since Nazism.

This country is described by the Reagan administration as of strategic importance and with strategic resources. It will still be so after freedom has come. We are going to be free. There is no doubt about that. The only questions are how and when. We want it to come soon and peacefully, but come it must and we will remember who were our friends when we fought for our freedom. There can be no neutrality, for to be neutral is to choose to support the status quo. We believe you are with us."

9.11.2 Bishop Tutu does not balk at even stronger and more harmful remedies, such as sanctions and boycotts. On 21 December 1982 he sent church leaders of the SACC a translated copy of a memorandum which he had received from some 14 German theologians, in which it is said that the EKD should "re-examine their earlier disapproval of boycotts and sanctions". Bishop Tutu wrote to the Church leaders that the 14 theologians are "highly respected Christians", and he considered the memorandum to be "of considerable value to us in South Africa".

9.12 CONCLUSION

Whilst the SACC feared adopting a formal resolution because of legislative prohibitions it understood to exist, it, by the conduct of its staff and office-bearers as illustrated above, in fact gave expression to its intent to promote disinvestment.

The Commission suggests that the State cannot but be concerned about this state of affairs. While it is difficult if not impossible to assess the actual consequences of the conduct described above, the potential of such behaviour is easy to visualise. A slackening in economic output may lead to unemployment, and those likely to be hardest hit are the unskilled or semi-skilled Black workers - those to whom the SACC refers as "the least of our brethren". This has been recognised by leaders such as Chief Gatsha Buthelezi, who, while striving for substantially the same political objectives as Bishop Tutu, at no stage preached disinvestment and in fact vigorously advocated investment.

THE SACC AND BLACK TRADE UNIONS

10.1 IMPORTANCE OF ORGANISED BLACK LABOUR

It was probably in 1976 that the SACC formed its perception of the importance of Black labour and Black labour forces in the RSA. Its newly appointed Director of the Division of Justice and Reconciliation, Dr W. Kistner, wrote to the Rev. James L. Knutson (Secretary for Africa and Madagascar of the American Lutheran Church in the United States of America) as follows on 15 January of that year:

"In the context of the concept of peace we also shall devote our attention to conscientious objection and to the problem of non-violence as a means of achieving institutional changes. In connection with this problems [sic] special attention will have to be paid to the possibilities of industrial and labour organisations to affect [sic] changes."

In line with these views the eighth National Conference of the South African Council of Churches (held in July 1976) adopted the following resolution:

"This National Conference of the SACC is convinced by the Gospel that the prophetic word of the Church should be directed to herself in the first instance. This includes economic matters. We believe that also in the economic field the Church is called to be an exemplary society. Therefore we call upon the member churches and organisations to

- (i) investigate whether the institutions in which they invest perpetuate economic oppression in the Southern Africa situation by -
 - (a) Discriminatory wage practices;
 - (b) Preventing the introduction of proper machinery for collective bargaining;
 - (c) Practising discrimination in the promotion of staff;
 - (d) Making excessive profits by keeping Black wages low.
- (ii) examine their own employment practices and salary scales.

And we ask the Division of Justice and Reconciliation to prepare guidelines on working for economic justice for distribution to member churches and organisations."

By 1977 the Division of Justice and Reconciliation's intention to approach Black labour with a view to effecting changes became manifest. It was reflected in the draft recommendations on investment in South Africa which were submitted to the National Conference of that year. The suggested revised Code of Ethics would, so DJR recommended and so Conference accepted, include the immediate recognition of trade unions and the encouragement to establish such unions where they did not exist. Should these requirements not be met, pressure was to be brought to bear on the authorities.

In 1978 the labour issue was indirectly touched upon by the National Conference when they discussed the system of migrant labour and amongst other things called upon foreign countries and organisations to "radically revise their investment policies and employment practices". All business organisations within South Africa were urged to "ensure a just participation by all in the economic sphere in South Africa by recognising and negotiating with Black Labour Trade Unions (whether officially recognised or not) ...".

10.2 FIRST PHYSICAL INVOLVEMENT

The first physical involvement of the SACC in the South African labour field is probably to be found when nearly 100 workers went on strike at the Fatti's and Moni's Factory in the Western Cape in April 1979. From Asingeni Relief Fund Report No. 19 (dealing with the period 1 July to the 31 December 1979) it appears that the SACC acted as mediators in that dispute. In the reports of the Asingeni Relief Fund following on Report No. 19 an interest in labour unrest was frequently expressed by the General Secretary. In Asingeni Relief Fund Report No. 20 (covering the period January to June 1980) under the heading "Labour" it is stated that there was labour unrest in the textile industry in Natal, as well as in the motor industry and in the meat industry. In these reports the General Secretary informed overseas donors and donor partners of what he termed "labour unrest in South Africa" and he sought their financial support for SACC involvement in these matters.

Bishop Tutu is reported as having said the following:

"The SACC tried to intervene in the meat dispute as we had successfully mediated in the Fattis and Monis dispute but the meat bosses had turned down our offer. They have sacked 800 workers and a few officials of the Western Province General

Workers Union are now in detention. They were asking that the black workers should be allowed their democratic right to a freely elected Workers' Committee rather than a management controlled Liaison Committee. We are being asked to give some relief to the workers as we have done with the Ford workers who were led initially by Thomazile Botha who is now in exile in Lesotho. The General Tyres workers who have been without work since November 1979 are also asking for relief."

It follows from this that approaches were made to the SACC by worker organisations for financial assistance.

10.3 RIEKERT AND WIEHAHN REPORTS

The SACC stance on Government reforms in the labour field was developed by its Division of Justice and Reconciliation. That Division examined the Wiehahn and Riekert Reports and the effects their recommendations for improving the existing labour situation would have on the Black labour force. In its critical report it said inter alia:

"10. WIEHAHN AND RIEKERT: COMMON AIM

- 10.1 It is potently [sic] clear that both Wiehahn and Riekert reinforce one another in their methods of buying off the urban black working class. The [sic] The incorporation of black workers moving into the petty bourgeois places in the division of labour, the cordoning-off of the urban black working class by tightening the influx control measure, provisions for developing the quality of life for blacks who qualify in the areas of housing and trading, provisions for handing over local authority to the local communities all these put together are likely to make the urban black working class a 'privileged' group in comparison to those black workers who are doomed to remain in undeveloped and poverty stricken Bantustans - a responsibility which the White South African government has virtually abandoned.
- 10.2 The implementation of these measures it is hoped will 'create stable, contented and happy black communities in the white area.' It is also believed that this 'apparent' move away from racial discrimination coupled with a commitment to transform urban black existence is likely to generate a peaceful political atmosphere absolutely necessary for an unbridled of a capitalist system[sic] and for silencing international critics.
- 10.3 From the above discussion it is gradually becoming clear that *the Wiehahn Riekert programme aimed at incorporating the urban black working class aims at the same time at dividing the black working class and excluding surplus redundant blacks. This is in line with government's desire to keep control of*

'manageable' numbers of blacks. Impression must be given that any move to improve the conditions of black workers is suspect."

10.4 MEETING WITH BLACK TRADE UNIONS

On 14 August 1981 a meeting between the SACC and representatives of several Black trade unions was held at Khotso House in Johannesburg. Present were representatives of the Azanian People's Organisation (AZAPO), Black Allied Workers' Union (BAWU), Council of Unions of S.A. (CUSA), General Workers' Union of S.A. (GWUSA), Motor Assemblers and Components Workers' Union of S.A. (MACWUSA), African Food & Canning Workers' Union (AFCWU), HOTELIKA, South African Black Municipal Workers' Union (S.A. BMAWU), Media Workers' Association of South Africa (MWASA), etc. Bishop Tutu, who presided over the meeting, explained its purpose. He stated inter alia that the delegates were to consider the new labour legislation which was then being debated in Parliament. He added that it was to be decided whether all present agreed on the unacceptability of the draft labour legislation. When he was asked about the involvement of the SACC in the exercise, Dr Kistner responded that since the measure would affect basic human rights, the churches had to be involved.

Bishop Tutu went on to say that the SACC had helped strikers in the past and that the churches were involved in the whole question of justice in South Africa. He explained that the Government wished to control the worker as much as possible and that the church should protest at legislation directed against the worker. The church should *mobilise and educate* the Black worker. Mr Wauchope (representing AZAPO) responded that the SACC should play the role of uniting the registered and unregistered unions and that an umbrella body was necessary. The meeting resolved -

1. that strikes were a result of low wages, inadequate bargaining procedures and completely unworkable official dispute procedures;
2. that unions would stand by their members and would be paying strike pay; and
3. that "(T)he prohibition of strike support would therefore not be obeyed and unions would support one another in that matter".

The meeting also resolved to counteract what it termed Government overseas propoganda concerning the labour situation in South Africa. The meeting felt that the impression was given outside the country that the present labour dispensation gave a Black worker bargaining power and that the new labour legislation was portrayed as containing the solutions to the country's labour problems.

That the above-mentioned meeting heralded a new era of SACC involvement in the South African labour field appears from Asingeni Relief Fund Report No. 23 of September 1981. Under the heading "Labour Unrest" Bishop Tutu made the following remarks:

"The black trade unions have shown their muscle and militancy. They have refused to be confined only to labour issues pointing out that politics is all pervasive and that they could not divorce themselves from community issues. They are the most significant force for reasonably peaceful change and the Government is aware of this and the latest labour legislation is aimed at emasculating the Unions and controlling them rigidly. The outside world is hoodwinked if it thinks that by recognising black trade unions, Government has begun to liberalise apartheid. It has done nothing of the sort. It realised that with the interest of multinational corporations in the work situation it had to do something. Legislation will attempt to undermine the unions and curb them.

The Black Unions have said they will defy any laws that intend to turn them into toothless bulldogs and the SACC has said it will want to be supportive. I hope our friends will be generous in money donations because these unions have no strike funds and the Asingeni Fund has assisted in giving relief to striking workers whose only effective weapon is the right to withhold their labour. They won't be able to do this for long unless they are supported. We have done a bit of this."

This quotation makes it clear that -

1. a show of 'muscle and militancy' by Black trade unions (obviously through strikes - including illegal strikes - and other industrial disruptive situations) was important and apparently acceptable;
2. Black trade unions should not be confined to labour issues and would enter the political field;
3. Black trade unions would not accept laws which limit them to the labour

field and would defy such laws;

4. the SACC would support defiance by Black trade unionists; and
5. in order to provide relief pay for strikers, contributions should be made from abroad.

In the minutes of the Committee on Justice and Reconciliation (25-6 August 1981) it is also noted that trade union movements are at present perceived by the SACC to be one of the most important agents of change.

A growing relationship between the SACC and some radical Black trade unions became apparent in 1981.

Boycott or strike actions by trade unions were seen by the SACC as being partly acts of civil disobedience. For example, the minutes of the Commission on Violence and Non-Violence, dated 22 November 1979, record:

"... that civil disobedience (e.g. the Fatti & Moni boycott) was probing the possibilities and the limits of legal tolerance in various areas."

10.5 FINANCIAL SUPPORT FOR BLACK TRADE UNIONS

It was also during 1981 and onwards that the financial assistance from the SACC to trade unions and their striking workers was stepped up considerably. This can be seen from the following list which was made available to the Commission by the General Secretary. It reflects payments made by the General Secretary from the secret discretionary part of the Asingeni Fund which he personally controls.

ASINGENI DISBURSEMENTS

19.1.80 - 6.12.82

<u>Date approved</u>	<u>Organisation</u>	<u>Amount</u>	<u>Reason</u>
25.11.80	MWASA (Media Workers' Association of S.A.)	R5 000	Assistance for striking journalists
30.7.81	MWASA (Media Workers' Association of S.A.)	R13 418	Grant for relief assistance

<u>Date approved</u>	<u>Organisation</u>	<u>Amount</u>	<u>Reason</u>
6.12.82	MWASA (Media Workers' Association of S.A.)	R750	Relief unemployed journalists
19.1.80	PEBCO (Port Elizabeth Black Civic Organisation)	R22 200	Assistance for striking Ford workers
24.9.80	BMWU (Black Municipal Workers' Union)	R5 000	Assistance for sacked municipal workers
7.2.81	CUSA (Council of Unions of South Africa)	R1 050	Assistance for sacked drivers
3.8.81	SAAWU (South African Allied Workers' Union)	R4 000	Assistance for Wilson Rowntree strikers
16.9.81	SAAWU (South African Allied Workers' Union)	R10 000	Bail money for strikers
1.12.81	SAAWU (South African Allied Workers' Union)	R1 0000	Grant for relief of families of strikers
18.8.82	SAAWU (South African Allied Workers' Union)	R1 000	Assistance Conference costs
27.9.82	MACWUSA (Motor Assemblers and Components Workers' Union of S.A.)	R10 000	Relief grant
15.10.82	MAWU (Metal and Allied Workers' Union)	R2 000	Transport grant for strikers
29.11.82	BMU (Black Miners' Union)	R15 500	Bail money

10.6 TRADE UNIONS AS CHANGE AGENTS

At an LWF consultation on Development Work in South Africa held in Swaziland during the period 22-27 March 1982, Dr Kistner spoke on the theme "Fundamental Political Change in South Africa - The Role of the Churches". In Part II of his published address under the heading "Resistance Movements" he refers to trade unions in this context as follows:

"Do the forces opposing the policy (of radical change) and avoiding fundamental change have any short term success or long term prospects of achieving success in their struggle against the forces of resistance? I suggest that the changes of strategy on the part of the government are a sign that it has to accommodate to pressures and that its powers are not unlimited. Some of the changes the government has introduced can

perhaps be described as cosmetic changes. However, there are other instances where the resistance movement have gained from changes. This has, for instance, happened in the case of labour legislation. The new labour legislation has given the trade unions some time and opportunity to gain strength and to organise. In spite of all the harassment which the trade unions experience, the development and growth of workers organisations that has started can no longer be undone. The trade union movement is growing in strength...

Without exaggerating one has to point out that our country is already in a state of civil war between those forces which try to prevent and those forces which try to bring about fundamental change towards a unitary South Africa safeguarding basic human rights and participation and democratic decision making processes as well as a just distribution of resources for all its citizens, irrespective of race and colour. The task and the role of the churches has to be understood in the context of this civil war situation."

This statement goes a long way towards demonstrating that the SACC's interest in and support of Black trade unions are due to the use to which they can be put in the "liberatory struggle". It also casts doubt on the statement made by some SACC spokesmen that their aid to Black trade unionists is motivated by the desire "to help the least of our brethren".

This is supported by the content of Dr Kistner's report to the National Conference of the SACC in 1982. He said:

"Efforts have been undertaken by the Division of Justice and Reconciliation to promote an understanding in the churches for the potential of the newly emerging trade unions to contribute towards fundamental change by relatively peaceful methods, to encourage ministers to participate in courses on labour issues and to make the congregations aware of the presecution[sic] to which many trade union leaders and organisers are subjected. A draft resolution has been formulated in the work - paper indicating the ways in which churches can support the struggle of trade unions for greater justice and for fundamental change of the present power structures."

Eventually the resolution in substance adopted the draft proposals.

10.6.1 As was to be expected the Division of Justice and Reconciliation took up the matter with the National Conference of the SACC and in June 1982 reported to it that:

"Particularly in the last few years the black workers and the black workers' organisations have proved to be the most powerful forces pressing for change in the South African situation. In the SACC the realisation has grown that it is necessary for the church to have contact with the workers and to be informed about the labour issues in order to be able to evaluate the responsibility of the churches in relation to these issues and to the workers in general."

The National Conference adopted the following resolution:

"Resolution No 6: Trade Unions

Addressee: SACC and Churches

1. This Conference affirms the right of trade unions to organize the workers and to demand bargaining rights. It strongly deplores the harassment and persecution to which many trade union leaders and organisers are subjected.
2. This Conference encourages the SACC and member churches of the SACC to support the struggle for justice in industrial relations and in the politically and economically deprived black group:
 - 2.1 by practising and promoting among their membership fair standards of employment in respect of remuneration, conditions of work and associations with other workers through trade union organisations locally and on a wider basis;
 - 2.2 by making available buildings for meetings for trade unions;
 - 2.3 by protesting against the victimisation of trade union leaders and organisers;
 - 2.4 by encouraging churches in other countries to make the trade unions in their respective countries aware of the harassment and oppression of representative trade unions in South Africa and to alert them to their responsibilities;
 - 2.5 by promoting pressure especially on multinational companies to accept and recognize representative trade unions;
 - 2.6 by helping employers to become aware of the grievances and the situation of the workers in South Africa;
 - 2.7 by assisting families which suffer as a result of the participation of one or more bread-winners in a strike;
 - 2.8 by contributing towards leadership training of people engaged in trade union work;

- 2.9 by organising workshops for ministers on industrial relations;
- 2.10 by encouraging ministers to take part in courses on mediation in industrial relations."

In August 1982 the General Secretary reported in Asingeni Relief Fund Report No. 25 under the heading "Labour unrest":

"There has been unrest on the mines and in industries especially the motor industry in the Cape Province. The trade union movement is the cutting edge of the liberation struggle for a more just and democratic non-racial South Africa."

10.6.2 A few words are necessary regarding the SACC's procedure for financing in labour matters. Mr Tom Manthata, a full-time SACC employee who works for the DC and DJR, would establish contact on behalf of the SACC with would-be strikers and their leaders. He would ascertain the facts as well as the strikers' views and thereafter report back to Dr Kistner or Bishop Tutu.

An example of his reports is the following:

"He stressed to the workers the moral crisis which he found to be a greater threat to the unity and leadership and he pointed out to the workers that there is no point in asking for funds when already workers were going back and that there wasn't even a hard core that they could depend on. In the end it would be funds for who and on what grounds since the number of workers on strike gives the validity and being of a striking entity and the cause."

On receipt of such a report, and if Dr Kistner made an appropriate recommendation, Bishop Tutu might make funds available to the strikers from the Asingeni Relief Fund or the General Secretary's discretionary fund. The General Secretary would then make funds available to the trade union for the strikers from the secret discretionary fund he operates, or from the Asingeni Relief Fund as can be clearly seen from the list provided above.

10.6.3 Of incidental interest is that the difficulty which the SACC has of dependence on overseas financial support is shared by some radical South African trade unions. In notes on a CUSA annual conference held at Hammanskraal in July 1982 Dr Kistner made the following observation:

"I was amazed at the degree of financial dependence of CUSA from International Trade Union organisations. This dependence was mentioned and emphasised in the report of the General Secretary and of the President as a problem that has to be overcome.

If I understood the report correctly CUSA collects approximately R4 500 from its constituency and depends to an amount of R114 000 on financial support from international trade union organisations in order to cover its current annual budget."

10.7 CHURCHES AND LABOUR

Encouragement for increasing its involvement in the labour field was given to the SACC by various organisations, including the terrorist PAC. In a contribution to the consultation on "Churches" Involvement in Southern Africa, held on 24-28 May 1982 at Kitwe, Zambia, and organised jointly by the All Africa Council of Churches (AACC) and the WCC/PCR (see AACC Newsletter Vol. 8 of 1982), it urged:

"While armed struggle is the means of realising these aims, other methods are used such as political education and popular mobilisation of the people of AZANIA to support and participate actively....

The P.A.C. has decided to extend its programme to:-

...

- (iii) organise a seminar which will bring together the whole gamut of the organised patriotic forces of liberation of our country be they political, religious, progressive trade unions, student organizations etc. to explore the possibility of bringing about a kind of unity which will enhance our national liberation struggle.
- (iv) to set up a fund to support the activities of the Workers Movement in its struggle for:-
 - (a) equality of opportunity with their counterparts with regard to employment and training.
 - (b) freedom from forced labour.
 - (c) freedom of association and right to organise."

and it -

"thanks WCC and its various organs for both moral and financial assistance given over the years ..."

The ANC, through its Political Secretary, Mr Mbeki, said the following at the

consultation concerning the role of the trade union movement:

"Of course, the trade union movement is very important, it is very central to any forward movement from our point of view. Essentially because the overwhelming majority of our people are workers either in factories or in the mines or in agriculture. They are workers, over 70% of the working class of South Africa is black. So the economy of South Africa rests on their shoulders. So they are occupying a key vital sector in the society. Naturally if you undermine that base you even undermine the military power of the regime which rests on this economy. So of course the workers are very important and therefore the trade union movement that is conscious of its political task is important."

The Consultation made the following recommendations to the Churches of Southern Africa:

"We therefore call upon the SACC to set up a task force to investigate manifestations of apartheid within the life and structures of the churches of South Africa and to address specific urgent appeals to the churches concerned."

and

"That the churches organize in-service training on the current political situation and how they can respond to it;"

and finally that -

"Churches inside South Africa be encouraged to establish relations and give support to trade unions, student organizations, student and worker protests and other accessible groups in the country;

That the churches imaintain[sic] relations, share in dialogue and give urgent consideration to the nature and extent to which support can be given to liberation movements;"

These recommendations were also issued as WCC documents and were distributed to all participants by that organisation on 15 September 1982. They included the above-mentioned recommendation that Churches inside South Africa should support trade unions.

The Commission is of the opinion that the inference may fairly be drawn that the above-mentioned support for Black workers is not so much motivated by Christian compassion for persons in need, but is considered to be an important mode of generating support for what the SACC terms the "liberation struggle".

COMMUNICATIONS AND PROPAGANDA

"The Church is in the communication business."
(The Rev. Peter Storey, former President of the SACC)

11.1 INTRODUCTION

The church, by the very nature of religion and by virtue of its existing structures and function as a recognised institution, wields an enormous influence in society. Church structures and organisations are pre-eminently designed to communicate not only with the church's constituency but with the world at large. The attitude of the church can be a decisive factor in formulating and influencing public opinion. The minutes of the World Consultation on Christian Councils' meeting held in June 1971 under the auspices of the WCC reflect the importance which that body attaches to communications in promoting its aims and objectives. In part these minutes reads as follows:

"Communications must be Improved

31. The establishment of a more effective communications-network among all councils is imperative. Such a communications-network should include:

- a) communications between the councils and their churches, and to the members of the churches;
- b) communications with regional conferences and the WCC,

Special attention is required concerning

1. the use of means of modern communication, including mass-media for church members, the local community and the nation, and
2. more creative reporting and 'feed back'.

11.2 THE DEVELOPMENT OF COMMUNICATIONS WITHIN THE SACC

Since the publication of the Message in 1968, and its follow-up programmes SPROCAS I and II, the SACC, having begun "to establish its reputation as a radical organisation", became more conscious of the necessity to communicate effectively. To effect the social change in South Africa envisaged by SPROCAS, the SACC accepted the implementation of programmes that would be aimed at the

"changing of White attitudes with intensive efforts directed at opinion leaders ...", "the utilization of the mass media involving for example *skillfully conducted opinion polls* which in themselves tend to *facilitate shifts in political opinion*", and programmes that would propagate alternative policies as well as a specific publications programme. During the 1970s the SACC had developed "a number of communications efforts on an ad hoc basis". These included EcuNews, the Communications Workshop, the Radio Voice of the Gospel (RVOG) and the Choir Resources Project, referred to in Chapter 2 above. Each Division of the SACC had its own communication needs.

11.2.1 As early as December 1971, the then Director of Justice and Reconciliation urged the Executive to provide for training in the communications field. He said:

"It is becoming increasingly clear that we need to start training persons in the field of communications. There are many opportunities for this overseas as well as in Africa. Only professionally trained people will be able to undertake this important task for the Church in the future and we are already behind time in finding persons and preparing them for this task. I suggest that initially we should send two persons overseas for 1-2 years training with the intention that they return to work as a team on an ecumenical basis both as communicators and as trainers for others in this field."

11.2.2 On 18-19 March 1971 the Executive decided that in future the press would be allowed to attend the National Conferences. This was one of the earlier steps taken to increase the exposure of the SACC to the media and the public.

11.2.3 In 1973 the then Director of Justice and Reconciliation expressed concern at the lack of communications with the clergy and laity. He said:

"Communication to the Clergy

It is vital to ensure an awakened and informed clergy. Some research is needed as to the most helpful way of communicating the concerns of the Justice and Reconciliation Division to the clergy. ...

Communication with the Laity

- (1) The possibility of a National Conference on Justice and Reconciliation - mostly on the methods of Reconciliation, with a built-in provision for following this up with a series of regional conferences, lasting perhaps for one day each. (cf. conferences of WARC), *Such a conference would include educational games and other aids towards attitudinal change.*

- (2) Fact sheets to be compiled (using amongst other resources, those of Sprocas and the Ecumenical Research Unit) and circulated... Graphic presentation will obviously be of great use.
- (3) Home groups meeting for a series of studies for a specific period.

Links between Division and Denominations

- (1) Regular transmission of minutes and other information for Justice and Reconciliation Division of the SACC to the corresponding departments of the churches at a national level."

11.2.4 At the 1976 National Conference, Archbishop Hurley, in referring to the SACC's programme for social change, said that:

"The indispensable culmination of the whole effort is communication - ... This communication should be addressed to every possible sector of the South African White population: Church sectors and secular sectors. It will take a lot of hard work because there must be an appropriate approach to each sector.

In the Church sector, the approach to governing structures will be different from the approach to gatherings of ministers and meetings of congregations and guilds... In the secular sector, ways and means must be worked out of getting the message to government at all levels, to the professions, the press, the universities (in as far as that is necessary), to industry and commerce, the farming community, the trade unions, ratepayers, housewives and the thousand and one cultural, welfare and social groups that operate around the country. This would be a mobilisation with a vengeance... No area or method of communication should be overlooked. Where applicable, an endeavour should be made to employ the most up-to-date methods of experiential learning and encounter communication."

This coincided with the views of the Director of Justice and Reconciliation who opined that the SACC had to penetrate to the grass-roots level and the local ministers to obtain support for its programme of change.

11.2.5 It was at this stage (1976) that the Executive decided to support the closer integration of the SACC's communications efforts and authorised the establishment of a Division of Communications. Nevertheless full integration and coordination of communications activities was not attained and publications and activities such as Ecumenews, RVOG and the Multi Media show were still allowed to exist independently.

11.2.6 The duties of the newly established Director of Communications were:

1. To promote as far as possible, the spread through media of the implications of the Christian life in the modern world;
2. To ensure that the SACC maintains adequate communications with its constituency, both within South Africa and overseas.
3. To assist the General Secretary in performing the public relations function for the SACC, and to make every effort to ensure that each of the SACC divisions has adequate contact with the media;
4. To report on Press and other comment on the SACC, both within its own constituency and beyond to the General Secretary and the officers of the Council;
5. To advise the Executive of the adequacy of the existing SACC communications media, and possible new channels for communication, this in no way impinging on the right of the committee of individual divisions of the "Communications Cluster" to have full jurisdiction over the efficient working of their division and its director;
6. To co-ordinate wherever possible, the work of the different communications media associated with the SACC;
7. To assist further in co-ordinating the work of the communications media associated with the SACC with that of the various divisions of the SACC and with any Church or Christian organisation which may request it;
8. To provide help and expertise, where requested, in communications skills to churches, bodies and regional councils associated with the SACC.

11.2.7 In 1977 the National Conference was informed that -

"The SACC now has at its disposal considerable expertise and talent in the communications field. The establishment of the Communications Division has meant that those in the 'Communications Cluster' no longer need to work in isolation from each other, but can be brought together to pool their talents and ideas."

and it was stated that:

"By now, the SACC can boast a fairly well-rounded communications thrust. The main area in which new ground is likely to be broken over the next year will be in evolving a 'Group Media' programme, which will involve compiling multi-media presentations to smaller groups of people."

But let it be stressed that the Communications Division of the SACC does not exist simply for the purpose and use of the SACC itself. Our aim is to serve the Church as a whole in South Africa. We probably have the most highly developed resources of any church body for doing this and our hope is that these resources will be utilised by churches as they seek to extend their own communications efforts.

Again we would emphase [sic] that our services are available to the whole Church, and our aim is to raise consciousness of the vital importance of Communications in the Church as a whole."

11.2.8 The realisation of the growing importance of effective communications within the SACC was in no small measure due to the increasing tension created by its activities to promote radical change. Because of the lack of local support for these policies, the SACC came to rely more heavily on international support which, to be effective, required the means to communicate virtually instantaneously and in a co-ordinated manner.

To that end, the SACC in 1980 redesigned its communication effort and established a new Communications Division which it hoped would "greatly improve the Council's ability to communicate". At the same time its Priorities and Objectives Committee advised the National Conference that it had identified "media development as a tool of the Church in association with bodies such as IMP (Inter Church Media Programme)" as a priority to which that conference should attend. Conference referred the issue to the Executive.

11.2.9 During 1982 the main components within the SACC responsible for communications were:

a) The Division of Communications

This Division fell under the General Secretariat which was also responsible for its financial support. It was to do publicity and promotion on behalf of the SACC and had to co-ordinate the communications requirements and demands of the other departments. It was both a service arm and a co-ordinator.

b) The various departments

These retained the responsibility for their own publicity and pro-

motion work. Specifically the DJR was also tasked with the added responsibility for international communications. As to the SACC'S views on departmental responsibility in this connection, reference is made to the following extracts from the Council's memorandum:

"The Division of Justice and Reconciliation believes an important aspect of its work is to keep South African churches and their members, as well as overseas partners of the SACC, informed on the whole question of the relocation of black people in South Africa."

"The Division of Justice and Reconciliation attempts to make the members of its member churches *aware of the changes that need to take place in South Africa*. This means that it has to *inform* these members of social, political and economic issues that conflict with Biblical conceptions of justice and fairness."

c) The General Secretary

According to the constitution this official also has the responsibility of speaking prophetically on behalf of the SACC. The Executive has however also allowed him to articulate the political demands of the Blacks - about which more later. He also promotes the change strategies formulated and designed by Dr Kistner of the DJR.

In May 1982 the staff in the Division of Communications was dismissed, but its functions were thereafter performed under the supervision of the Director of Planning.

11.3 COMMUNICATIONS STRATEGY

In its attempts to overcome the problems it experienced in ensuring an effective and integrated communications strategy, the SACC in 1981 called in the help of the Evangelisches Missionswerk (EMW), Hamburg.

The EMW was to compile a report on how the SACC could improve its communications functions. The SACC provided the necessary background information. This together with a plan for an integrated communications effort and an appropriate staff organisation, the EMW set out in a document dated September 1981 which it sent to the SACC. The document was cast in the form of a project application, for,

if found acceptable, it had to be referred to potential donors such as the Lutherischer Weltbund (LWB), World Association of Christian Communication (WACC), the EMW, etc., for funding before it could be implemented. (The EMW provided substantial funds for the SACC backed newspaper, The Voice. It is also affiliated to the EKD.)

11.3.1 Although this document has not yet been formally approved or implemented by the SACC, Bishop Tutu in his evidence admitted that, with the exclusion of the suggested communications organisation, it correctly reflected his views.

11.3.2 Summing up the SACC's attitude to the communications, the document records that -

"So far, [i.e. up to September 1981] communication at large has had a rather insignificant and sporadic status at the SACC, since there was little reflection about dimension, purpose and function of communication. Only after exposure to enormous pressure, did the SACC finally realise that communication must become of top priority in the total programme of the SACC, that it needed a concept and the Communication Division a new head who would combine professional know-how with the capability to keep up a basic communication concept and to constantly adapt it to the necessities prevailing."

The "enormous pressure" mentioned reflects the cumulative effect of public disquiet that arose concerning the handling of its administrative and financial management and control, as well as its socio-political stance in respect of the radical, fundamental change the SACC espoused, and the escalating tensions and increasing confrontation with the State occasioned by these strategies for change.

The 1981 insight of the SACC, as reflected in the views expressed by its General Secretary and conveyed to and included by the author in the communications project document, was that -

"Oppression of the black people on the one hand, their struggle for liberation on the other are escalating in South Africa. The dispute is becoming more and more embittered on both sides. The patience of the Blacks is rapidly coming to an end since their oppression is of a total nature and they are conscious of it."

In the document, the evaluation of the implications of this situation is expressed thus:

"According to Bishop Desmond Tutu, General Secretary of the SACC, *South Africa is in a state of war in the midst of a massive psychological warfare.* The strategy is to divide the forces of resistance so that resistance does not gain strength. Most probably the SACC is at present the strongest single force of resistance in South Africa where it concerns its integrating and articulating aspects."

11.3.3 The document sets out the SACC's communications strategy for participation in the perceived "massive psychological warfare":

"*Since mass media establishment is the main theatre of operations of the psychological warfare in South Africa, it is particularly important for the SACC in its above mentioned functions to be able to handle the media in an appropriate manner, particularly since very often the SACC itself is the object of attacks in the media.* The SACC has basically developed a strategy of handling the media which is to be implemented by the Communication Division. This strategy is not only directed towards the mass media establishment, but also towards many of the alternative media and communication channels which are coming up everywhere at the grassroots level among the oppressed and their supporters. This last group represents the potential allies of the SACC in its endeavour to create togetherness among people.

At the same time, the SACC realises that there is a necessity to assist the churches in articulating their reactions where necessary in the total struggle between the black majority and the white minority in South Africa so that they are a witness faithful to the Gospel for the poor and oppressed. For this purpose, the communication between SACC and member churches and organisations must be strengthened."

"And last not least - internal communication within the SACC has to be improved so that co-operation and cohesion function without fault, actions are coordinated and all that the SACC is saying and doing can be carried through together by all staff, co-workers, boards and member churches. It has constantly to be renewed as one corpus.

This indicates four different targets for the communication strategy of the SACC which are:

- the general public in South Africa, represented there through the mass media establishment in particular;
- and through the alternative media at the grass roots in sections;

- but also through the international media with their correspondents;
- and finally the SACC itself, member churches and their co-workers as well as the wide-spread net of SACC staff."

With regard to the grass roots as communications target, it will be recalled that Dr Kistner envisaged the establishment of small groups of Christians on a nationwide basis. These groups would then in the course of their "underground" activities also perform the necessary communications functions.

11.3.4 As to the thought and preparation that went into the project, and the results it is hoped to achieve, the document states:

"The project 'Communication Division of the SACC' has been thoroughly discussed within the SACC and with experts, before it was finally drawn up and presented. It looks as if this new design

- will provide the SACC with a coherent instrument of communication enabling the SACC to deal with the present situation in South Africa effectively as far as community matters [sic]. Media play a decisive role in the escalation of things in the country. However, the new design comes almost too late;
- also includes the alternative or semi-public media scenary[sic];
- makes use of new experiences from Latinamerica [sic] in the field of Communication Popular;
- realises that internal communication should be one of the points of major efforts as an essential condition for a wholesome corporative conduct of the SACC;
- flexible reactions to new and varying challenges will be possible through the new division and organisation of work in the Division;
- the individual areas of work are not so much a continuation of what existed before; partly their concept has been adapted and they are elements of a comprehensive design."

11.3.5 The main thrust of this strategy would then be to prevent the division of forces of resistance, to promote the goal of resistance, i.e. liberation, and to discredit the Government and its evolutionary policies in order to enhance the alternative the SACC propagates.

11.3.6 The continuous denigration of the Government is a component of this strategy. It includes the non-recognition of the many positive improvements Government has effected in such diverse areas as Black trade unions, with some of which, incidentally, the SACC seeks to make common cause in promoting its objectives; Black education; wage structures; health; housing; and the elimi-

nation of offensive discrimination, to mention but a few. Much progress has been made by the Government, yet the SACC dismisses these changes as cosmetic and participates in an orchestrated opposition to the Government's efforts to bring about constitutional reform.

A striking example providing the motivation of the SACC's general denigratory approach to any moves by the Government to bring about changes is afforded by the often quoted statement of Mrs S. Motlana:

"We do not want our chains made comfortable, we want them removed." (In other words, nothing short of complete political power for Blacks will be acceptable; any move falling short of an immediate and radical transformation of such power is to be rejected.)

Misleading statements, such as describing Blacks as being subjected to "perpetual serfdom" and likening the South African system to Nazism, can suffice as some examples that are often used in attempts to discredit.

11.3.7 Another component of SACC propaganda relates to its strategy of attributing to Government a lack of legitimacy (the SACC uses the term "legality"). This strategy was initiated in 1977 by Dr Kistner. In 1978, in supporting the acceptability of a theology of justifiable resistance in South Africa as being preferable to a theology of just revolution, he advised the National Conference that -

- "ii) A polarisation is now being evidenced in South African society whereby a Government which increasingly rules by edict and regards itself as a legal government, in turn attributes illegality to all forms and manifestations of opposition. The response of opposition to an increasingly totalitarian State, is the response of illegality in the estimate of that State.
- iii) In terms of international law, racism is illegal and the South African political system is a system of illegal injustice. Co-operation with South Africa is thus deemed to be co-operation with an illegal system.

These guidelines are given to stimulate discussion of the legality or otherwise of the South African system, a vital consideration in the consideration of the 'just revolution' theme and one with which the SACC is called to do battle."

After the 1979 National Conference passed the resolution on civil disobedience, referred to elsewhere in the report, Dr Kistner evaluated the effect of that as follows:

"The main result [of the Conference] was that the generally accepted principle of legality [sic] as one of the highest ethical norms has been severely shaken through the resolution on withdrawal from co-operation with the State with regard to laws that are against the will of God."

Acceptance of such a belief in the lack of legitimacy of Government would tend to ease moral and ethical objections to participation in civil disobedience activities and could affect Government's standing internationally.

11.3.8 Against this background the necessity to integrate all tasks into the Communications Division and the statement that "the Communications Division is of strategic importance for continuation of the work of the SACC" can be readily appreciated.

The very aim and objective of the SACC, viz liberation, which is to be achieved by means of a radical transformation of society, therefore of necessity dictates its communications strategy.

11.3.9 The Commission finds that the above-quoted observations substantiate the impression gained by it that the SACC realised that propaganda and communication were vital weapons in the "liberatory struggle" with which it has identified itself.

11.4 COMMUNICATION METHODS

In general the SACC employs the whole spectrum of communications facilities available to it. A few examples are provided:

11.4.1 In the historical review reference has been made to some forms of communication employed by the SACC. These included publications such as Kairos, EcuNews, occasional papers, books, booklets and pamphlets. It has published books on special subjects produced by various authors, financed publishers such as Ravan Press, contributed to journals such as SA Outlook, SA Journal of Theology, made grants to magazines such as Frontline and supported The Voice extensively. All these ventures had the common characteristic that they supported or were perceived to support SACC policy.

11.4.2 In cases where the expected support was not forthcoming, financial aid was stopped. A case in point is the Radio Voice of the Gospel (RVOG). After supporting it for a number of years, the National Conference was informed in 1979 as follows:

"Following on a request by the World Association for Christian Communication, Revelation Ntoula, Editor of the Voice, Theo Coggin, former editor of Ecunews and myself undertook an extensive evaluation of the Radio Voice of the Gospel programmes that were broadcast over Radio Lesotho last year. We were unanimous in our finding that the programmes did not adequately reflect the standpoint of the SACC, and did not deal relevantly with the burning social and moral issues with which South Africa was confronted.

The findings were presented to a joint meeting of the WACC and the Lutheran World Federation, and co-incided with the conclusions of the evaluations they had conducted themselves. The decision was therefore reluctantly taken to discontinue funding the RVOG operation, and we had to give notice that the production of Radio programmes would cease at the end of December last year. The LWF very generously agreed to liquidate the large deficit that had been accumulated on the RVOG account."

11.4.3 In support of its cause the SACC employed the television medium with the production of TV films such as This we can do for Justice and Peace and slide shows such as The Promised Land dealing with resettlements. These, like its other publications and productions, were distributed nationally and internationally. Financial support for the distribution of a film of Athol Fugard's play Marigolds in August was provided since it was thought that distribution overseas would increase awareness there.

11.4.4 The SACC's communications with regard to the steps it took in connection with this Commission are illustrative. In a letter to Mr Claire Randall, the General Secretary of the National Council of Churches in Christ, USA, dated 20 September 1982, Bishop Tutu refers to steps taken by the SACC as follows:

"May I go on in this penitential mood to ask for your forgiveness and your understanding about two further matters which I have discussed fully with Willis [Logan]. The first of these is the appointment of Dr Everett Parker as our special communications man in the U S A. My own understanding was that our communications needs were discussed thoroughly with the experts at the WACC meeting in Amsterdam. Our Dan Vaughan appears to have understood from

your communications man that it would be to our advantage if for the Eloff 'situation' we were to appoint temporary representatives in New York, London, Hamburg and Geneva and that it had been decided then that Dr Parker would be the ideal person for this position in the U S A. We took it that as the National Council was involved in the discussion, the proposal would be such as to have met with your approval since your communications man had apparently concurred with it. It may well have been thought that your communications section has its work cut out just keeping up with its normal assignments and that the additional work which Eloff Commission entailed justified having someone specially assigned to be concerned about putting the record straight in this matter, what with things like the Readers' Digest. By the way we are deeply indebted to you over what happened when the two Eloff Commission investigators came to America. They can't have recovered from what happened to them once the churches got wind of their presence. They don't know what hit them."

11.4.5 It appears to have been the policy of the SACC to counteract any such efforts as the Government might make to put its point of view. For example: Dr Kistner in substantiating a request for a grant for an Overseas Visitors Programme wrote to the Rev. Conring of the EKD on 28 August 1981 as follows:

"... we are aware of the intensifying efforts of the South African Government to influence visitors in a particular way through the services of government supported travel agencies and information bureaux..."

"In our work we experience the disastrous effects of visits of people who come to our country and who return home without having had any experiential encounter with the suffering and the growing frustration of a great number, if not the majority of South Africans, and without having undertaken an effort to obtain an insight into the underlying causes of this situation. We are also aware of the damage that is done by visitors after their return, in most cases probably unintentionally, by superficial reports and statements on South Africa.

This matter has been discussed extensively between Bishop Tutu and myself. We are both of the opinion that the office for advison [sic] overseas visitors which we envisage should be church related, but should not be bound to any organisation that is very well suited for such work."

Dr Kistner and Bishop Tutu

"... were of the opinion that an application for a grant from this fund would be justifiable since most of our overseas visitors come from the Federal Republic of Germany and since the South African issue is one of the most crucial issues on which political education from a church perspective is required."

According to Dr Kistner the envisaged visitors' office should work in close co-operation with the Rev. Pfafflin of the Centre for Development Related Education because he attempts to

"awaken from a Christian perspective a responsibility among travel agencies and firms organising journeys into foreign countries."

and elsewhere he states:

"Such co-operation in political education and development education could be a very good expression of the partnership between the EKD and the SACC that has been emphasized on many occasions. It could highlight the joint responsibility for more justice and peace in the social and economic order which can be brought about only by changes in South Africa and in Germany and in other countries."

Dr Kistner was informed that it may be possible to obtain support

"...from a fund for political education which is available to churches in Germany for the political education and information of German citizens."

At the end of his letter, he, in respect of the funds he seeks with which to counter the perceived effect of the visitors programme, asks

"...,whether it would be possible to receive financial support for the office from the fund for political education of German Citizens to which we have referred."

11.4.6 In order that visitors should learn the SACC point of view, Dr Kistner made out a case for and formulated the following plan:

"Overseas visitors whose journeys to South Africa are sponsored by Government supported travel or information agencies.

Recently a 'delegation' of church people from South Africa whose journey to Europe was approved by a Government supported South African agency was received by prominent German Church officials.

Dr Wille and several church officials have expressed their reservations against receiving visitors whose

journey is sponsored by an agency supported by the South African Government. The Bishop of Berlin has refused to receive the 'delegation'.

Dr Wille did get into serious troubles with EKD authorities as a result of his protest. The same applies to Dr Hoerschelmann. Dr Wille has been threatened by the travel agency with a court case.

Recommendation

It is suggested that indirect support be given by the SACC to Dr Wille and Dr Hoerschelmann in the following way:

The SACC could write a letter to the EKD Council describing the difficulties it has with Church visitors coming through travel or information agencies supported by the South African Government. It could be said that receiving such visitors as official church representatives can raise suspicions in its constituency. Moreover it is very difficult for the SACC to arrange contacts with relevant people in South Africa, if they travel through a Government sponsored firm. On the other hand this [sic] people give reports in Germany stating that their findings are based on consultations with well informed people from all different groups and institutions in South Africa.

It is suggested that the SACC could ask the EKD that this matter be discussed between the two church organisations. The SACC could propose:

1. That no visitor from an EKD related church in Germany is received by the South African Council of Churches as an official church representative, if he or she travels through a travel agency or information agency that is supported by the South African Government.
2. It is suggested that visitors from Germany be regarded as church visitors only, if their visit has been announced by an official letter from the EKD."

This plan, aimed at limiting a free flow of ideas and open communication and information, was accepted. The SACC is serious in its attempt to establish and maintain an information monopoly, especially in its donor partner circles, in which it wishes to be heard to the exclusion of all others.

11.4.7 The SABC is perceived as an information threat to the SACC:

"The South African Broadcasting Corporation (SABC) (incl. Radio Bantu) are the main propaganda instrument of the South African government. In its programmes the SACC and other groups criticizing the SA-system are discredited in very aggressive -or sometimes sublime - ways. It is furthermore SABC's endeavour to brainwash, the neighbouring states with their considerable South African refugee population." (EMW document, supra)

The SACC considered measures to counter the effect the SABC was perceived to have:

"The SACC would like to reach them [neighbouring States, refugees and groups criticizing South Africa] in particular with alternative programmes - both spiritual and news programmes. Since Bishop Tutu can no longer travel outside South Africa - his passport was confiscated - and since his frequent and outspoken statements are no longer reported in the international media as at the time when he and his statements at the occasion of foreign visits found considerable attention in the foreign media - the SACC is looking for some other possibility - particularly in order to reach those South Africans who live in exile." (EMW document, supra)

11.4.8 Some examples of different methods used or contemplated by the SACC in different fields to put its message across are contained in a document titled "Tasks emerging from a journey of W. Kistner to the Federal Republic of Germany (January 6 - 23, 1982)". These examples speak for themselves:

"a. Theological research on boycotts

A book is in the process of being published with contributions on theological aspects of the boycott issue. This book could be helpful for the South African Churches.

b. Propaganda booklet on South Africa sent to German Schools

A booklet on South Africa canvassing support for South African government policy in a very subtle way, has been sent to every school in Germany. Efforts are undertaken in Germany to counteract this propaganda. Assistance may be needed from churches in South Africa.

A contribution would be helpful for a response to the way in which the name of Rev Sam Buti is used in the booklet."

c. The Trade Union issue - Newsletter

The Evangelisches Missionswerk intends to publish a documentary paper on the trade union issue in South Africa and on the repression to which black trade unions are exposed. The paper is to have a similar form as the 'Homeland News'.

Photos are required for this publication.

d. The Voice

Ms Karin Willms is very worried about the future of the Voice. Ms Willms has not received any copies of the Voice for a considerable time. As a result she is not in a position to give any information on the quality of the paper.

According to the experience of Ms Willms the SACC should be careful not to advance funds to the Voice in emergency cases since it may be difficult to recover the money.

e. SACC-Division of Communication

Mr B. Khumalo was in Germany recently. On this occasion he together with Ms Willms worked out a proposal for the development of the Division of Communications.

Ms Willms has not received a response to this proposal.

f. Visits of German Church leaders to SACC in order to express solidarity

On various occasions the question was raised whether it would be a help to the SACC if prominent German church leaders could make a visit to the SACC in order to express their solidarity with this organisation.

As a rule I expressed the view that it may be advisable to wait until the right moment has come for such a visit e.g. in case findings of the Commission are disclosed which could be favourable to the intention of the state to paralyse the SACC."

The intention to achieve an information monopoly is apparent.

11.5 THE SACC AND PROPAGANDA

In his evidence before the Commission General Coetzee averred that the main strategy the Council uses to achieve its objective is psychological warfare, popularly known as propaganda, which on the one hand amounts to the conditioning of the White ruling classes to accept eventual Black majority Government in a unitary state, and which on the other hand is aimed at building up individuals and organisations that oppose the present order. He contended that the SACC's activities can be broadly classified into two propaganda categories: propaganda of the deed and propaganda of the word. Each of the areas identified for propaganda were, so he alleged, carefully selected with regard to its usefulness in supporting the SACC's objective of liberation.

11.5.1 In his evidence to the Commission on 17 May 1983, Bishop Tutu somewhat indignantly denied an allegation made by General Coetzee in his submission to the Commission that the SACC had mobilised and maintained international pressure as part of its endeavour to achieve fundamental change in the South African system. He testified:

"The SACC is accused of having a major strategy viz this psychological warfare through propaganda to condition the white power structure eventually to accept black majority rule in a unitary state. There are several emotive words here - those that I have underlined, psychological warfare, propaganda, condition, used for the purpose already described, which is to find anything that will discredit the Council. This assertion is untrue and there is no evidence yet adduced to support this serious allegation for what the Police put forward as evidence is too cynical to be true."

11.5.2 However, after the contents of a number of speeches made by him in the United States of America and Europe were put to him, in all of which he called for international pressure to be exerted on South Africa on the diplomatic, political and, above all, economic fronts, he said:

"...the Commission would realise that I am not the SACC, that is one thing, Second, is that we have not mobilised it because we are singularly unsuccessful in getting people... to do some of the least of the things that we suggest, and thirdly we have not been able to maintain a pressure, because it was not here, I mean we have not succeeded, and therefore what I say here is true."

11.5.3 In view of the fact that there was abundant evidence before the Commission that Bishop Tutu was indefatigable in his efforts to get the international community to bring pressure to bear on South Africa to effect fundamental changes, it is necessary firstly to deal with his suggestion that he was doing this in his individual capacity and not as General Secretary of the SACC.

There does not appear to be any formal resolution of either the National Conference or the National Executive of the SACC authorising its General Secretary to endeavour to mobilise or maintain international pressure, but:

- (a) The members of the Executive, the leaders of member churches and the National Conference were clearly at all relevant times aware that Bishop Tutu was engaged in a campaign of the type under discussion. The substance and in many cases the full text of his speeches were regularly published in EcuNews, and most of the time he received extensive media coverage.

(b) It was most of the time reported or recorded that when he was called on to speak he was more often than not identified as "the General Secretary of the South African Council of Churches". By way of example reference is made to the fact that in the publication recording his speech on 23 March 1981 to the United Nations Special Committee against Apartheid, he was described as the "General-Secretary of the South African Council of Churches" and the same was done in a publication of his address on 31 March 1981 to the assembly of the British Council of Churches.

(c) At no time did the SACC question the right of Bishop Tutu to speak as he did; on the contrary it appears clearly to have accepted that it is the role of the General Secretary to speak prophetically on behalf of the Black community. It will be recalled that after the Danish coal episode the Executive of the SACC had to determine Bishop Tutu's status when he speaks in public, and at the meeting held on 12-13 September 1979 it was minuted that -

"... there is an intolerable situation in the black community and especially for Black leaders like Bishop Tutu who are required to articulate the views of the black community."

Having regard to all the circumstances it would be correct to say that the SACC so fully identified itself with and participated in the "liberatory struggle" that when Bishop Tutu purported, as he frequently did, to articulate the views of the Black community, he was performing an accepted SACC function. Regarding his statement "we are engaged in a glorious liberation struggle ..." which he made to the national conference on 6 May 1980, Bishop Tutu answered the following question thus:

"... when you talk of 'we' here, I take it you refer to the organisation you are addressing as well, the SACC? ... Yes."

He went on to say that participation in the liberation struggle is part of the role the Church has to play - "it is the Ministry of Jesus Christ".

(d) It is furthermore a fact, as was testified to by Bishop Tutu, that the SACC "is very much in the business of putting across various points of view and which seeks to inform people who seek to shape public opinion"; it follows that in making speeches of the type under discussion Bishop Tutu was fulfilling an SACC function. It is accordingly the view of the Commission that when Bishop Tutu made the speeches and statements referred to in this chapter, he did so as General Secretary of the SACC, and with the SACC's blessing.

11.6 PROPAGANDA STYLE AND THRUST

The propaganda efforts were made on a number of fronts, and the style and content of what was presented was tailored to suit the audience before which he found himself:

11.6.1 The international community

The audiences before which Bishop Tutu appeared abroad included the United Nations Special Committee against Apartheid (23 March 1981); certain press reporters in the Netherlands (20 March 1981); television audiences in London, Copenhagen, the Netherlands and Denmark (September 1979). He was to have attended a dinner gathering in Washington DC of top American Blacks, but he was unable to do so, for his passport had been withdrawn. However, a speech was recorded in South Africa and the recording was played at the gathering (May 1981).

A typical example of the style and content of his speeches or addresses to audiences such as the above is afforded by the following quotation from his UN speech:

"And therefore it is in the interests of the international community to participate with us in our struggle to see that bloodshed is avoided or minimised, and to say that when we become free, not if we become free, when we become free we will know who were our friends, we will know who participated with us in helping us to attain our goal of freedom, and in the post-liberation period this will have an enormous influence on whom we do business with. We say we are not threatening anybody, we are merely making a statement of fact. The natural resources of our

country, which have been described by so many as being of strategic importance, belong to all of us, even we who are the voteless ones today. And we will have an important role in the determination how these resources are going to be used.

And therefore we believe it is very much in the interests of the world that they help to resolve the situation and to resolve the situation quickly."

Of moment are the ominous undertones:

- "when we become free we will know our friends".

- "in the post liberation period this will have an enormous influence on whom we do business with".

11.6.2 Significant is the role which he assumed of speaking on behalf of the South African Blacks.

Illustrative of this role is his address to the UN Special Committee against Apartheid, 23 March 1981, in which he said:

"I come as one who can rightly say at this point, for this one purpose that I speak on behalf of millions in expressing on behalf of those many, a deep and very warm word of appreciation for all that you, your Excellency, and the Special Committee that you lead, stand for and have done and continue to do in striving to eradicate what I believe to be one of the most vicious systems since Nazism. Those who are voiceless, those who are without a vote, those who are without power in my country are deeply appreciative of the solidarity that your Committee and those who sit on it have demonstrated down the years. And, therefore, please accept from me, on behalf of those many victims of this pernicious evil in the world, the expression of thanks and please, on their behalf, convey it to your several Governments who have indicated that they regard *apartheid* as a system that should be eradicated."

When asked whom he had in mind when saying "we", he replied that "it is all those who seek to get a new dispensation in South Africa". When, where and by whom he was given the mandate to speak on behalf of those wanting a new dispensation in South Africa, he did not say. He could certainly never have thought that the "we" included the members of, for example, Inkatha, the Zulu group led by Chief Gatsha Buthelezi. For in a speech delivered in Bonn on 27 March 1982 the Chief, referring to the SACC, said:

"When they [some German church groups] have a hot line to a small Christian group in Johannesburg who have sided with secular political organisations in opposition to Inkatha, then my agony deepens ...

... there is something very wrong with the process of Christian decision-making which brings pressure to bear on organisations by withholding relief in life and death situations amongst peasants. In all the vociferous opposition to my involvement in the lives of these people, the clamour of the Christian protest often rings the loudest. The joint screening committee of the South African Council of Churches blacklists Inkatha as a suitable recipient for Christian aid. Inkatha is a mass movement of over 360 000 people."

There is at least one indication that Bishop Tutu was not really concerned with the question of whether he was in fact articulating the views of the Blacks. In the 22 December 1977 issue of the Rand Daily Mail Bishop Tutu was quoted on what he thought the views of Blacks on certain questions were, and what they might choose to do in certain circumstances. According to the report he responded:

"But you never go round in a liberation struggle asking the so-called ordinary people what to do. It is the leaders, the more politicised people, who take the decisions."

11.6.3 Unmistakable is the implied plea for disinvestment, in regard to which he admitted that he was correctly quoted as follows in an article of 28 March 1981 in The Washington Post:

"The international community should use pressure to persuade those in power in South Africa to come to the negotiating table. There are those of us who still believe there is an outside chance of peaceful change, but we are losing our credibility.

Asked by a reporter to comment on the sort of pressure required, he replied: 'If I said I supported economic pressure when I get home I could be charged with economic sabotage, that means five years in gaol. I would like to go to gaol for something more exciting.'

In evidence he was asked:

"Is that you, Bishop? ... It sounds like me.

The point is the same attitude towards the necessity for economic pressure is expressed

here as in your speech? ... For the threefold pressure, political, diplomatic but above all economic."

The call for disinvestment is even clearer in his March 1981 speech to the British churches:

"Those who invest in South Africa should please do so with their eyes open, they must not delude themselves that they are doing anything for the benefit of Blacks. Please let us at least get rid of this humbug. They must understand that they are buttressing one of the most vicious systems since Nazism. At least they should know that that is what they are doing. This is what Blacks feel. This is why Blacks felt let down when a major denomination in this country seemed reluctant in its attitude about what I call economic pressure. We felt terribly let down.

The appearance of change is a Government attempt to hoodwink the international community. There is a crisis approaching in South Africa, the call is: please act now for tomorrow will be too late. Act now. Apply pressure, political, diplomatic but above all economic, persuade them that all interests would be best served by negotiation. The April 1981 election will be the last all-White election. We shall have a Black Prime Minister in five to ten years, we will be free, there is no doubt about that, we can only debate how and when."

The Commission considers that the analogy with Nazism and the emotions which Bishop Tutu intended thereby to arouse are singularly unfortunate and misleading.

11.6.4 When he was preaching to the converted he was particularly strident. In his Washington after-dinner speech (the occasion was hosted by Trans Africa) he referred to the "bonds of blackness, victimisation and religion" which South African Blacks shared with "you my soul brothers and sisters", and stated that apartheid is "blasphemously evil".

On that occasion he called on "our black brothers and sisters" in the sports and artistic fields not to visit South Africa, and he even appealed for the aid of Black trade unionists:

"Let your labour unions help ours and let them use their muscle to assist us to be free."

11.6.5 The South African community, where the audience is largely White or Coloured

Bishop Tutu was very frequently called on to address gatherings of Whites or mainly Whites in South Africa, and the main emphasis was invariably on - to use a word from the parlance of the Division of Justice and Reconciliation - conscientising. The Commission has perused approximately a hundred of Bishop Tutu's South African speeches to such audiences, and the keynote is mostly an appeal to the conscience.

A typical example is the following:

(to the Pretoria Press Club, 4 August 1980)

"You are watchdogs for the nation especially for the little men and women who can be manipulated and treated shabbily by those who have power. You have an almost religious duty to come out on their behalf to be like the church of Jesus Christ, the voice of the voiceless speaking up against the abuse of power and standing up for those who are the victims of oppression, exploitation and injustice."

The Commission noted the following features of the speeches:

11.6.5.1 The ominous threat to those (particularly Non-Whites) who do not follow the Bishop's political path:

"Make no mistake about it, if you go over to the other side, then the day of reckoning will come. This is not a threat, it is just the plain truth. Blacks will never forget that you were traitors to the liberation struggle. They will not forget when they are free in a genuinely democratic and non-racial South Africa which is coming whatever anybody else may try to do or tell you - and when that happens they will remember that Coloureds and Indians deserted us and delayed our liberation with all that it will have meant in the high cost of human suffering caused by the injustice exploitation and oppression which are the essence of Apartheid. That is the first thing."
(Speech delivered on 29 March 1982)

11.6.5.2 In almost every speech the dire warning is sounded that if Whites do not bring about fundamental changes rapidly, violence is bound to occur. At times it comes perilously close to sounding like a threat:

"I must issue a warning as soberly and as responsibly as I can. If the present order of things continues in this land, then as sure as day follows night we will have a bloodbath in this beautiful country - part of the alternative too ghastly to contemplate."
(Speech delivered on 1 December 1978.)

"... if we continue as we are then there is no doubt whatsoever that we will have the alternative too ghastly to contemplate with people driven to desperation and using desperate means to realise their longing to be accepted as human beings too."
(Speech delivered in July 1979 at a gathering at the SA Institute of Race Relations.)

"... Most of them believe that the goal which they are determined to reach - true liberation in what they call a united Azania, can come only with bloodshed and violence ..."
(Speech delivered on 6 March 1980 - "The Black mood today".)

"Isn't it better to have lost something voluntarily and to assist in bringing about change - political powersharing - in an orderly fashion than to see this change come with bloodshed and chaos when you stand to lose everything."
(Speech to the Black Sash - "Change or illusion".)

"Thus many Blacks have said ...

'Our last resort is to fight for the right to be human, for the right to be a South African! Thus it is that South Africa is facing the prospect of a civil war again'."

"If the Government is determined to balkanise South Africa and to snatch away citizenship from Blacks, then there won't be a peaceful solution, then they are declaring war on us. What are Blacks then expected to do in such a situation? Fold their hands?"
(Speech to Students of the University of the Witwatersrand 18 March 1980.)

"... Blacks will find it difficult to forgive certainly difficult to forget what Whites have done or are doing to them in this vicious policy of uprooting people and dumping them as if they were potatoes or just things, in some inhospitable and arid place."
(Speech delivered on 31 March 1980 - "SA on the way to 2000 AD".)

"South Africa has only 2 options: either whites hold on to what they have, dig in their heels and refuse to share with everybody else and then the bloodbath is inevitable (Mr Vorster called it the alternative too ghastly to contemplate and Mr P W Botha spoke of the need to adapt or to die - they were saying much the same thing) and refusing to share, they will lose all as Die Burger once put it: The second is to try to negotiate a settlement with those whom the Blacks regard as their authentic leaders and you are just being ostrichlike if you think that you can exclude Oliver Tambo, Nelson Mandela etc. etc. ... whether you like it or not, the ANC will have to figure in what is going to happen in this country in the future. ... True security and peace will come only when we have political powersharing in an undivided South Africa." (Speech delivered to Polstu, Stellenbosch, in June 1982).

11.6.5.3 The warning alluded to is often coupled with the element of urgency:

"Time is short, desperately short"
(Polstu speech, June 1982.)

"I urge whites to take sides - and to join us who are on the winning side because our cause is just and moral and righteous. I invite whites to make friends with Blacks whilst there is still time. Tomorrow may be too late."
(Speech to Natal University students, 1981.)

11.6.5.4 He frequently urges his audience to move towards socialism:

"Capitalism is exploitative and I can't stand that." (25 March 1979)

"To the white community in general I say - express your commitment to change by agreeing to accept a redistribution of wealth and a more equitable sharing of the resources of our land. Be willing to accept voluntarily a declension in your very high standard of living."
(Speech to the Black Sash 10 March 1980)

11.6.5.5 His Black liberation theology (as to which see Chapter 5) which holds that God is on the side of the oppressed - i.e. the Blacks, in his view - and which gives biblical backing for his taking part in the "liberatory struggle" is often expressed, e.g.:

"We are committed to Black Liberation because thereby we are committed to white liberation. You will never be free until we Blacks are free."

So join the liberation struggle. Throw off your lethargy and the apathy of affluence. Work for a better South Africa for yourselves and ourselves and for our children. Uproot all evil and oppression and injustice of which Blacks are victims and you whites are beneficiaries, so that you won't reap the whirlwind. Join the winning side. Oppression, injustice, exploitation etc all these have lost, for God is on our side - on the side of Justice, of Peace, of Reconciliation, of Laughter and Joy, of sharing and compassion of Goodness and Righteousness."

(Speech to Students of the University of the Witwatersrand 18 March 1980)

"You have an almost religious duty to come out on their behalf to be like the church of Jesus Christ, the voice of the voiceless speaking up against the abuse of power and standing up for those who are the victims of oppression, exploitation and injustice."

(Speech to Pretoria Press Club 4 August 1980.)

11.6.5.6 The inevitability, according to Bishop Tutu, that within five to ten years South Africa will have a Black Prime Minister, is frequently mentioned:

"I want to put forward as my considered opinion that we are going to have a Black Prime Minister in South Africa within the next 5 to 10 years."
(Speech at Natal University 29 April 1980)

He confidently expects Nelson Mandela (who, as is mentioned in Chapter 6 of this report, is the former leader of the ANC, and who was sentenced to life imprisonment for acts of sabotage) to be that Prime Minister:

"We need Nelson Mandela because he is almost certainly going to be the first Black Prime Minister." (29 April 1980).

11.6.5.7 The truly political objective of his propaganda is plain:

"The name of the game is political power-sharing." (20 August 1980)

"There is nothing they can do to me ultimately that will stop our liberation struggle." (29 March 1982)

In that struggle all who do not fully support Bishop Tutu's adherents are "oppressors":

"My friends in a situation of injustice and oppression as we have remarked before, there are only two groups, - the oppressor and the oppressed. There are no in between. Its like pregnancy. You can't be half pregnant. You are either pregnant or not. You are either oppressed or you are an oppressor."
(29 March 1980)

In this context he claims for example that Blacks who wear the army uniform -

"... are regarded as traitors to our liberation cause." (Address to Natal University students, 1981).

Incidentally, in relation to where one stands in the struggle between the oppressors and the oppressed, Bishop Tutu was asked where he would place Chief Buthelezi. The answer was "in my view he is in the system".

11.6.5.8 He at times endeavours to show terrorism and support for the ANC to be understandable:

"Those people Whites call terrorists happen to be our children, our brothers, our fathers. When your brother commits murder he is no less your brother for that. Most Blacks support the ANC in its goal of a liberated South Africa which will have to be a genuine democracy."
(Adress to Natal University students, 1981.)

11.7 LOCAL BLACK AUDIENCES

When Blacks - or in SACC parlance, "the oppressed" - are addressed, the tone, style and content are different. Particularly when funeral orations are delivered, a tendency to become inflammatory, even inciting, becomes noticeable. Stress is also laid on politicising Blacks, making them aware of what SACC spokesmen perceive their condition to be.

11.7.1 EcuNews, Vol. 1/1982, reports one such occasion as follows:

"About 20 000 mourners who came to bury the slain Durban attorney Mr Griffiths Mlungisi Mxenge, heard Bishop Desmond Tutu, General Secretary of the South African Council of Churches tell the oppressed Blacks that "... the victory of liberation and freedom is assured".

Bishop Tutu was delivering his funeral oration at Rayi Township, near Kingwilliamstown, where Mr. Mxenge was laid

to rest. Rayi is Mxenge's home township; but he has practised as a lawyer in Durban, ever - since he qualified in the 1960's....

Delivering his speech on a platform which had the banned African National Congress green and gold flag flying at half-mast, Bishop Tutu based his address on the Books of Daniel and St John's Revelations. He said both books had in common that they "were written in a time of great suffering and persecution."

After an analysis of the two books and showing their significance in a situation of suffering people Bishop Tutu then said:-

'Hey, my brothers and sisters - only four years ago, we were in this town of Kingwilliamstown having come to bury that stalwart Steve Biko - under the altar Steve, Mohapi and so many others ask "How long Lord?" And the Lord says: "Wait a little. A few more of your brothers and sisters must still be killed.."'

'Four years ago we did not know that we would be standing here to say the praises of yet another son of Africa who had been killed so brutally as Griffiths Mxenge was last week.

Hey, you must know that the victory of liberation and freedom is assured. Our God and the God of freedom and liberation will lead us out of bondage. He will lead us out of oppression and suffering and exploitation. We shall be free. About that there is no doubt.'

He then asked the mourners to affirm their faith in 'our coming freedom'. There was a tumultuous roar of approval from the big crowd. There were echoes of the loud shouts of 'WE SHALL BE FREE' which could be heard far and wide across the plains of the rural area.

Resuming his oration Bishop Tutu said: 'But our liberation is going to be costly. Many more will be detained. Many more will be banned. Many more will be deported and exiled. Many more will be killed. Yes, it will be costly. But we shall be free. Nothing will stop us becoming free - no police bullets, dogs, teargas, prison, death, no, nothing will stop us because God is on our side...."

11.7.2 The above-quoted text is an example of identification with the ANC which is often expressed in such speeches.

11.7.3 When giving evidence Bishop Tutu was asked whether the following excerpts from speeches made by himself and Tom Manthata on the Regina Mundi occasion were not inflammatory:

"But even we can be provoked beyond endurance" -

and elsewhere:

"They have said we have tried all the peaceful methods and they have failed. We are forced by the utter injustice and oppression here at home to go away and to use force to counter force. We have been forced to use violence to counter violence, the violence of apartheid, the violence of forced removals, the violence of matchbox houses, of an education for serfdom."

He did not unequivocally accept that the description given by the Prime Minister to this speech as being inflammatory was correct, although he said:

"I mean if I am being inflammatory, then he is being inflammatory himself, and he will raise my ire too."

11.7.4 Addressing the (Black) National Forum (NF) meeting which was arranged by Azapo, on the topic of "Unity and Liberation" on 11-12 June 1983, he described his role as speaker thus:

"Despite that 'I'm not a politician' ... I tell you who are gathered here this morning that all I do and say are determined not by this or that political ideology. No, I act as I act and speak as I speak purely and simply from the perspective of a Christian leader obeying the injunctions not of some political agitator but the imperatives of the gospel of Jesus Christ. I base what I do and say as far as possible on what the scriptures demand."

Pleading the case for unity in the liberation struggle before the NF he declared:

"Unity is always a crucial matter in the business of the liberation struggle, but never more so than now when we may be caught in a *spiral of violence* which will lead this beautiful land inexorably to a bloodbath, the so-called alternative too ghastly to contemplate. We are meeting only a few days also before June 16th and all it says about the violence of apartheid."

He identified apartheid as the "primary and provocative violence to which all other violence such as the violence of hunger, the legalised violence of detention, the violence of the migratory labour system and the escalating violence is attributable". In the extract that follows, the word violence is used thirteen times to play on the emotions of the gathering with a view to

promoting unity:

"Friends, we are meeting at a very solemn and critical time - after the *violence* in Pretoria, Maputo and Bloemfontein and evenmore shatteringly after Thursday when three Blacks who had thought they were striving for a new kind of South Africa were hanged. I myself have said time without number that I am opposed to all forms of *violence* - that of those who wish to uphold the vicious and unjust and totally immoral and evil system. I have also said that the *primary and provocative violence* is that of apartheid, the *violence* of a deliberately inferior educational system intended to prepare our children for perpetual serfdom in the land of their birth, the *violence* of hunger and malnutrition in their bantustans deliberately created as ghettos of poverty and misery, unlimited reservoirs of cheap labour, the *violence* of forced population removals when over 2 million Blacks have been uprooted from their homes and dumped in the poverty stricken bantustans bereft of their South African citizenship by a *violence* that has turned them into aliens in their motherland; we are talking about the *violence* of the migratory labour system which forces men to live an unnatural existence in single-sex hostels, with deleterious consequences for Black family life; I refer to the *violence* that caused the death of Saul Mkize, of harassing squatters at K.T.C. camp and Crossroads; I refer to the legalised *violence* of detention without trial and of arbitrary banning etc. I have said many times before that this *institutionalised structural violence* of South Africa is making many blacks desperate as they despair of peaceful change, for until 1960 since 1912 their political groups have struggled valiantly to bring about change through peaceful means. But what has been the result? A growing intransigence on the part of the authorities, replying with teargas, police dogs, police bullets and death; an *escalating violence* that has shut out the possibility of peaceful negotiation through the dangerous time wasting sham of the so-called constitutional proposals. Many Blacks have despaired of peaceful change. I have warned that when people become desperate, then they will use desperate methods."

This address was substantially a repetition of portion of the Bishop's report to the 1983 National Conference (20-24 June) on which occasion he dealt with inter alia the topic "Violence and change". In this part of his speech he referred to "violence" no fewer than 20 times.

11.8 LETTER TO SENATOR KENNEDY

Not only by speeches but by letters and personal interviews did the General Secretary endeavour to generate overseas support for the "liberatory

struggle". Thus, for example, in 1981 he wrote a letter to Senator Edward Kennedy in which he urged him "to call your Administration's bluff on its constructive engagement policy". He added:

"I am sure that you are aware that the situation in our country is deteriorating more rapidly than when I met you in September."

11.9 MEDIA COVERAGE

In the preceding subparagraph the importance of media coverage in the matter of communications is mentioned. In the opinion of the Commission, media coverage of SACC actions is not unimportant in the context of assessing its impact on the community, and of evaluating the extent to which SACC propaganda reaches the reading public. In this regard the Commission had the advantage of the Content Analysis on media coverage of the SACC carried out by the Human Sciences Research Council, and the evidence given thereon by Dr Conradie. It is at once necessary to state that the Commission is aware of those shortcomings in the analysis to which attention was drawn by the cross-examination of Dr Conradie. Making due allowance for that, the following facts can nevertheless be found:

11.9.1 While relatively little concerning the SACC was reported in the period 1966 to 1969, there was a 100- to 150-fold increase in coverage on the SACC in the period 1970 to March 1978 (the time when Bishop Tutu became General Secretary). From March 1978 onwards the frequency increased a hundred-fold.

11.9.2 A discernible pattern in the period 1970-8 is that SACC utterances together with newspaper reports constituted the major sources of what was read by the public. To a significant degree the SACC was getting its message through via the Press.

The subjects on which the SACC and its spokesmen were most frequently quoted in this period, were the WCC and violence. Most of the reporting in this period by EcuNews was on the Government and military service, both of which frequently came under fire.

11.9.3 In the last period, from March 1978 to July 1982, pronouncements by the SACC itself together with newspaper comment still constituted the major source of what was printed. The SACC was continuously getting its message through via the Press.

While in the second period the attitude of churches or some of them constituted important subject matter in newspaper reporting, the third period is characterised by more prominence being given to Government pronouncements and views on the SACC.

Pronouncements on the SACC in the last period tended, by and large, to be more negative than positive, but frequent publication of what the SACC was saying of itself, its work and its objects, seemed to have a beneficial effect for the SACC as far as reporting perceptions were concerned. In other words, the SACC was gaining more favourable press coverage. A strong desire to boost its image was noticeable.

The subject matter most frequently reported or commented on, concerning the SACC, was the "apartheid policy" of the Government; and violence. As to the latter, SACC spokesmen were more often than not reported to be against violence of any sort, but expressed understanding of violence being resorted to against symbols of the State. In this regard the Commission considers it necessary to record that it studied several newspaper clippings relied on in the report, and found that the report correctly evaluated the position.

The fact that almost anything connected with the SACC quickly became newsworthy was observed by the Commission. By way of example reference might be made to the prominence given by the Rand Daily Mail in its issue of 22 November 1982 to an action of Tom Manthata, of the Division of Justice and Reconciliation of the SACC. On the front page is a photograph of him addressing some inhabitants of Orlando West. He is described as the Secretary of the Soweto Civic Association, which operates under the umbrella of the Soweto Committee of 10 headed by Dr Nthato Motlana. He is shown urging the persons present to defy the West Rand Administration Board, and he assures them that if need be free legal representation would be available if they report to Khotso House (the SACC headquarters).

The fact that almost anything connected with the SACC was thought to be newsworthy was clearly a valuable asset to the SACC in its propaganda campaign. Its leaders knew that whenever any of them made a pronouncement, delivered a speech or addressed a meeting, that would be reported. Also in countering attacks made by Government spokesmen the SACC could rely on full coverage. Thus when in September 1981 the Minister of Law and Order's speech in Parliament strongly condemned certain SACC actions, an answering press statement by the Rev. P Storey was almost fully reported.

11.10 ROLE OF DJR

The Division of Justice and Reconciliation saw communications as an important part of its work. In "The South African Churches in a Revolutionary Situation" (supra, at pp. 94-5) Dr Kistner is quoted as saying:

"Our division is conscientizing both South Africans and people abroad. For instance, we place special emphasis on conscientizing others about the homelands, migrant labour problems, and resettlements - issues that people don't like to think about. We try to make them aware of the terrible suffering that resettled people experience. Ideological justifications are used to make people blind to the suffering.

The word 'homeland' itself has an ideological significance. People outside the RSA need to see through this, to realise that the authorities are not concerned with giving Blacks a home where they can develop their full potential, but to have reserves of cheap labour and keep Blacks from participating in decisions affecting their lives. Others fall prey to the 'national security ideology'. So part of our work has been setting up a Study Commission on Faith and Ideology".

11.11 INTERNATIONAL AND LOCAL SUPPORT

In its propaganda activities, the SACC is strongly supported by international ecumenical agencies and councils. One example will suffice. The AACC/WCC/PCR consultation on Churches' Involvement in Southern Africa, held at Kitwe during May 1982, declared:

"Conscientisation

Aware of the massive negative propaganda campaign

being waged by South Africa's racist regime and its allies, we recognize the need to counteract all the distorted information with intensive public education on the Southern Africa situation. In this endeavour however, we would like the churches to constantly be aware that the South African regime is escalating its aggression and propaganda against the liberation movements as it was proved by the Namibian church through killings, frame ups of individuals and so on. We would like to appeal to the African churches to increase their vigilance. We recommend:

That the AACC and national Christian Councils utilise existing educational centres (such as Mindolo) and where necessary establish new centres in order to establish programmes, courses and consultations which provide teaching on such issues as racism and at which centres people can be exposed to the realities of racism.

Such programmes and consultations ought to address themselves explicitly to the nature of white racism and programmes of action against this racism. They ought to seek to bring liberation to both the victims of such oppression and the oppressed themselves. These programmes need to be directed to both clergy and lay persons

To this end it resolved -

"That the WCC and the AACC explore ways and means of communicating findings, reports and information not only to ecumenical institutions which are often unable to disseminate such information any further - but also as widely as possible to individuals, church and non-church groups and organizations everywhere by:

Creation of a Communications network with the function of increasing awareness and understanding of church inside and outside the region about:

- apartheid as a system affecting the entire African continent,
- the apartheid regime and militarization as a threat to world peace, and
- the nature and dimensions of the liberation struggle against apartheid.

The network is to work to improve the qualitative and quantitative information flow from liberation movements to churches, solidarity groups and the general population in South Africa and Namibia, frontline states, Africa and abroad, in order to gain their support and solidarity;

Also

"That the liberation of South Africa and Namibia be given the highest visibility at the WCC Assembly at Vancouver in 1983."

and it resolved -

"That the WCC and the AACC encourage churches and individual christians around the world to show solidarity with the South African Council of Churches (SACC) which has become the object of a vicious and uncompromising attack by the South African government."

The support the SACC received for its various propaganda projects from EMW, LWF and WACC and other bodies has been referred to elsewhere in this report.

Not only the SACC but also its General Secretary received significant international propaganda support. After the General Secretary's passport was withdrawn, his absence on the international scene was soon felt by those supporting him. To illustrate this, reference can be made to the 1981 EMW project application for the Communications Division of the SACC, mentioned earlier, in which it was recorded that -

"... his passport was confiscated and since his frequent and outspoken statements are no longer reported in the international media as at the time when he and his statements at the occasion of foreign visits found considerable attention in the foreign media - the SACC is looking for some other possibility ... to reach those outside the country".

The effect of this absence from the international scene was also commented on by the AACC/WCC/PCR Consultation at Kitwe, 1982, where the following AACC resolution was adopted:

"In order to affirm justice and to enable Bishop D Tutu to exercise his rightful role as both a national and international church leader call on the South African Government to restore his passport forthwith believing that his participation in international conferences and debate can only contribute toward a peaceful resolution to the South African conflict."

In 1983 the demand for the General Secretary's return to the international scene increased visibly. The Star, 5 July 1983, reported:

"The refusal of the Government to grant a passport to Bishop Desmond Tutu, the general secretary of the South African Council of Churches,

has aroused strong protests from church circles in Britain and the United States.

The United Church of Christ has called upon President Reagan 'to interest himself in the current investigation of the South African Council of Churches'.

And in London last week 30 Anglican Bishops - including two former Archbishops of Canterbury, the Dean of St Paul's and the principal of King's College - protested to the South African Government about its refusal to let Bishop Tutu out of the country."

In the opinion of the Commission it follows from the above-mentioned resolutions, statements and reports that the physical absence of Bishop Tutu from the international scene resulted in a decrease in international anti-state propaganda.

11.12 CONCLUSION

In summary: It is no exaggeration to observe that the SACC is involved in "massive psychological warfare", and it is a fact that it chooses propaganda as one of its very important weapons in the "liberatory struggle".

THE SACC, RESETTLEMENTS AND COMMUNITY DEVELOPMENT

12.1 INTRODUCTION

The Commission found numerous indications that the SACC was greatly concerned at what it considered to be injustices and hardships occasioned by population removals and group area operations. It was untiring in its efforts to resist these actions and to give succour to persons affected thereby. A brief description of what the SACC did in this regard follows.

12.2 TASK OF DJR

"In order to achieve a greater impact on SACC member churches", it was decided during 1978 that the Division of Justice and Reconciliation should in its work concentrate on specific topics. As part of its "conscientization work on regional and local level in the member churches", two of the important topics identified which would be helpful in achieving "greater impact" were the homelands issue and "The Group Areas Act".

For this reason, then, administratively the resettlement issue was dealt with by the Division of Justice and Reconciliation, which assigned much of the work to a Task Force.

12.3 NATIONAL CONFERENCE 1975

By way of illustration of SACC actions in this regard reference might be made to a resolution taken by the National Conference of the SACC in 1979 on the recommendation of the Division of Justice and Reconciliation:

"7. The National Conference of the SACC resolves that in view of the immediate national crisis which exists as a result of:

- i) the dispossession of the people of the land through resettlement into the Bantustans;
- ii) the direction of the Government as illustrated in the Riekert report which deepens the division between urban and rural people and seeks to perpetuate the according of all privileges to a few at the expense of the many;

- iii) the citizenship policy;
- iv) the economic and social policies which have created a situation of extreme poverty, hunger to the point of starvation, and hopelessness, and which have destroyed the fabric of both family and community life for the larger part of South Africa's people;

This conference requests the Home and Family Life division in conjunction with the Division of Justice and Reconciliation to organise urgently a series of regional consultations and practical programmes, preferably through the Regional Councils of Churches, to focus the attention of Churches, Government, power groups and people on the current rural disaster."

and it recommended that:

"15c) In view of the huge and complicated scale of removals and resettlements and the churches' need for information and interpretation, it is recommended that Dr Margaret Nash be asked to compile a dossier on these matters for study and appropriate action both by the Council and by the member churches.

It is also recommended that the ICA field worker be released for an agreed period to visit the ThabaNchu Kromdraai area in order to work out suggestions how the churches could help the people living there."

12.4 IMPLEMENTATION

The Division of Justice and Reconciliation in August 1979, having already focused on resettlements as a priority issue to achieve impact, formulated the following strategy to give effect to the resolution:

- "1.
- 2. *Efforts are to be undertaken to publicize and make known as widely as possible within the member churches of the SACC as well as in overseas churches the extent of the resettlements and the suffering and uprooting and homelessness they cause to hundreds of thousands of people in Southern Africa.*
- 3. The regional consultations envisaged in resolution 7, should be started without delay, even if a comprehensive collection of data on the extent of resettlements is not yet available. For the timebeing [sic] the numerous reports on the individual resettlement areas that have been publicized in newspapers and magazines especially during the last four months, should be made use of. Probably by the month of November or December 1979 a book is to be published by Ravan Press on several resettlement areas, especially Crossroads.
- 4. Efforts are to be undertaken at ecumenical co-operation in different regions between the individual SACC member churches with regard to areas in which resettlements have been carried out or in which resettlements are planned. *Concerted action of the different local groups and churches on a regional or a national level should be aimed at in order to mobilise opposition to removals.*

In this connection the resolution of the SACC pertaining to non-collaboration with the authorities is of great importance and is to be implemented, by organising and preparing a confrontation with the authorities.

5. Negotiations should be initiated with the authorities from case to case with the aim to avert further removals. It should however be realised that such negotiations have a chance of a relative success *only if a removal that is being planned and the suffering it will imply for the people concerned, has been publicized sufficiently in South Africa and abroad, so as to make the South African authorities hesitant to do further damage to their image.*
6. Co-operation is to be sought with the Division of Inter-Church Aid with regard to relief work and self-help schemes in areas in which people have been resettled.
7. In attempts to organise local and regional groups with a view to averting removals or resettlements, *one should be aware of the extent to which local communities and committees have been infiltrated by a network of informers and of the extent in which key persons in the churches on the regional or local level co-operate in the implementation of the homeland policy.*
Support from outside groups and of agencies will therefore be necessary for any effective actions on the local or on the regional level.
8. A consultation should be envisaged with church leaders on a common strategy that churches could follow with regard to removals and resettlements planned by the South African government.

In 1980 the National Conference endorsed a 1979 resolution and inter alia:

'instructed the Executive to go on producing the informative and educational material on black uprooting so urgently needed by all who are concerned for justice and peaceful change in South Africa.'

12.5 METHODOLOGY

The prime endeavour of the Division was to prevent resettlements and the operation of the Community Development Act (which superseded the old Group Areas Act), and the means employed appear to have been mainly the following:

As much publicity as possible was given to what the Division and the SACC considered to be the "unjust and harmful" features of resettlements and community development projects, and of the manner in which these were implemented. As part of this propaganda effort -

- films were made, series of colour slides were prepared, for example The Promised Land, and photographs were taken, which together with comment, were sent to overseas ecumenical partners of the SACC for dissemination;
- the writing of booklets, such as Black Uprooting from 'White' South Africa, by M. Nash, was commissioned by the SACC, and these were widely distributed in South Africa and abroad;

- press clippings and adverse media comments were sent abroad to ecumenical partners of the SACC for further dissemination; and
- spokesmen of the SACC, notably Bishop Tutu, spoke about and strongly condemned resettlements and community development schemes whenever the opportunity presented itself;
- individuals abroad were from time to time asked to assist in the publicity effort. For example, reference might be made to a letter written by Dr W. Kistner on 7 November 1979 to Dr Berglund of the Church of Sweden Mission in which he said that it would be helpful for people of the Batlokwa tribe if what had happened to the Makgata community could be publicised as widely as possible in Europe:

"I am sending you a number of reports and newspaper clippings on this incident and hope they will reach you."

12.5.1 Direct approaches were at times made to the Government to cease resettlements and the implementation of community development projects.

The April 1980 minutes of the Justice and Reconciliation Committee include the following:

"HOMELAND POLICY:

The J & R Committee discussed the need for the SACC to consider a joint policy and strategy in consultation with the member churches with regard to church sponsored community projects in the homelands. A policy and strategy is needed that takes account of the suffering and the needs of the people in the homelands, and that protects support from churches to community projects against being used for reinforcing the homeland policy and for promoting the aim of the authorities to achieve the international recognition of the homelands."

12.5.2 Collaboration with other bodies which also showed concern about resettlements and community development projects, such as the Black Sash and the Institute of Race Relations, was sought. Close co-operation on this issue has been established between the SACC and the Catholic Bishops' Conference.

12.5.3 Whenever the Division learnt of intended resettlements or community development schemes, it made contact with the communities concerned, and after consultation considered whether there were legal grounds on which the implementation of the schemes might be resisted or delayed; and it provided the communities with advice and such financial assistance as might be necessary to resist the intended resettlements or schemes.

12.5.4 Confrontation with the authorities was also decided upon:

"That the resolutions of the SACC pertaining to non collaboration with the authorities is of great importance and is to be implemented by organising and preparing a confrontation with the authorities."
(Division of Justice and Reconciliation resolution, 22 August 1979.)

The strategy was, according to the evidence of Dr Kistner, to be accompanied by negotiations with the authorities to cease resettlements. As to that the relevant minutes record:

"Negotiations would only have relative success if a removal that is being planned and the suffering it will imply has been publicised sufficiently in South Africa and abroad so as to make the South African authorities hesitant to do further damage to their image."

12.5.5 If, notwithstanding all efforts, resettlements were put into effect, the SACC usually requested its regional councils and parishes close to the areas to which communities were moved to devote attention to the needs of the resettled communities and to give such assistance as was in their power to provide.

THE SACC AND EDUCATION

13.1 MOTIVATION FOR INVOLVEMENT

The motivation for the involvement of the SACC in the field of education appears to be twofold.

In the first instance the SACC considered and frequently publicly stated that the educational system and facilities for the education of Blacks were inadequate. Recent moves by the Government to bring about substantial improvement in the education of Blacks were decried and said to leave much to be desired.

In the second instance it was said:

"We recognise that getting a proper education is part of the liberation struggle". (Asingeni report)

"We in the EOC [Educational Opportunities Council, as to which more later] are firmly convinced that education has a pivotal role in our liberation struggle ... When the new South Africa dawns we shall need all the trained personnel we can get". (description by Bishop Tutu of the aims of the EOC)

"The church has a prophetic responsibility to interpret the liberating message contained in the scriptures, and this division [African Bursary Fund, ABF] aims at demonstrating this responsibility" (report of the ABF to the 1980 National Conference).

13.2 ABF

The establishment in 1969 of the ABF appears to have been the first significant step taken by the SACC to provide facilities for the education of Blacks. The intention was to assist by providing bursaries mainly for Blacks in rural areas, who, it was considered, received a particularly inadequate education. Initially priority appears, according to the minutes of a meeting on 9 November 1972, to have been given to "Dependants Conference Children", i.e. to the children of families of political detainees. Consideration was however given to the possibility of spreading the benefits of the scheme.

The first 12 bursaries were awarded in January 1970. In 1981 new grants totaling 836 were made. Taking into account previous grants which were carried over, the ABF helped a total of approximately 2 000 students in 1981. Bursaries were granted to pay for school books, school funds and, where necessary,

boarding expenses. For day scholars the bursaries amounted to R50 to R100 per annum, and for boarders they were for a maximum of R350 per annum.

In 1972 the ABF began with the grant of bursaries for study at universities. In 1981 bursaries for 106 students were granted. Their value was R1 200 per annum for studies in medicine and engineering, and R1 000 per annum for other courses.

The ABF also started with a bursary scheme for technical studies, but very few grants for these purposes have been made to date.

The ABF furthermore became involved with what became known as the "Turret" project. After the 1976 disturbances a large number of students decided that they would not return to the State schools when they were reopened. Turret College, which is essentially a correspondence college, began to offer an education for those students. It was realised, however, that it would be expensive to study in this way, and the ABF devoted its attention to the initiation of a separate fund to enable students to complete their studies through the Turret project.

13.3 EDUCATIONAL OPPORTUNITIES COUNCIL

The creation of the Educational Opportunities Council (EOC) brought about a new dimension in the SACC's involvement in educational issues. It appears that certain organisations in the United States had expressed their willingness to contribute funds to enable Blacks from South Africa to study in that country. The American Institute for International Education (IIE) also set up its South African Education Programme (SAEP), a programme concerned with the award of scholarships to persons wishing to study in the United States of America and with the selection of beneficiaries. The SACC had expressed its desire to take part in these matters, and in March 1980 its Executive agreed to the creation of an Education Opportunities Committee, better known as the Tutu Committee, to arrange for scholarships for Blacks enabling them to study overseas.

This Committee grew into and was superseded by the EOC, which had its own constitution, dated 18 February 1981, and whose objectives were set out as follows:

"To co-ordinate efforts on the part of organisations and individuals involved in black education and development, and to liaise with such organisations;

to assess the educational needs of black people in South Africa;

to assist the development of black-based (but non-racial) organisations in the field of education and training;

to promote programs of non-formal compensatory education at primary, secondary and tertiary levels;

to direct students to further study in the USA, Western Europe, South Africa and other countries;

to encourage South Africans who have been educated outside South Africa to return home to provide the needed leadership for the education, training and development of their fellow South Africans;

to work for a just allocation of resources and equitable educational opportunities for all South Africans."

In the constitution reference is made to a trust described as the Educational Opportunities Trust, which was going to be registered, and the trustees of which were to include Bishop Desmond Tutu. The relevant trust deed was in fact registered on 3 March 1981. In terms of the constitution of the EOC the Trust was responsible for the administration of all moneys which accrue to the EOC. According to the evidence given by Bishop Tutu the idea underlying the registration of the Trust, and its close association with the SACC, was to give the EOC credibility. It seems to be clear that the SACC would be in control of the EOC.

The refusal of the SACC to subject its fund-raising activities in respect of its affiliate, the EOC, to the provisions of the Fund-raising Act, is reflected in the minutes of that organisation's emergency meeting held on 17 June 1982. By that time the SACC had already received and channelled funds from the Ford Foundation to the EOC. The minutes record the following:

"Another question was whether the EOC would be open to investigation by the Eloff Commission. The answer was that it would be, insofar as it legally received its funds via the SACC. In this respect it had to be noted that the Commission would investigate anybody, if it wanted to make a thorough job, that had the remotest link with the SACC. Hence the EOC was not immune to this. *To the question whether the SACC was exempt from the Fund-raising Act it was responded that it was not, but that it had exempted itself on the grounds that it was not answerable to secular authority.*"

In terms of the Constitution of the EOC provision was made for the establishment of regional boards whose main function was to serve as selection panels for the choice of candidates for scholarship awards administered by the EOC.

13.3.1 As far as the EOC is concerned, the American Government was the main contributor to scholarships for Black South Africans. Part of the US Government funds was administered by IIE. In the EOC minutes of a meeting on 9 June 1982, at which was discussed the possibility of disengagement of the EOC from the SACC because of possible recommendations that this (the Eloff) Commission might make, it is recorded that the US Government would be considered as "hostile" in relation to the SACC. The minutes state further:

"Secondly there was an ideological problem in that the Reagan administration which would necessarily be the chief contributor to the programme beginning this year, would not wish to be thought a supporter of the SACC."

13.3.2 Another noteworthy feature of the EOC was that it appeared to be concerned that persons receiving educational facilities under its auspices should be educated along lines that fit in with the thinking of the persons in control (which included its chairman, Bishop Tutu). At a meeting on 17 July 1982 it was recorded:

"A question was raised whether ... there was anything to be gained in alerting figures like Mr Steve Solarz that the money which was approved by congress for the good cause of educating Black South Africans, is now being used to indoctrinate scholarship recipients into certain political and economic outlooks, e.g. free enterprise, etc ..."

DEVELOPMENT AND SERVICE PROJECTS

14.1 INTRODUCTION

The Commission considered it necessary to give a brief sketch of what the SACC is doing in the field of development and service.

The organisation of these matters falls under the Development and Service Department of the SACC, the function of which is set out in Chapter 1 hereof.

14.2 VARIOUS PROJECTS

In his evidence Bishop Tutu gave details of 132 projects initiated and administered by the SACC in the areas of agriculture, home industries, health and child care, informal education, general development and culture. In the memorandum of the SACC it is stated that various new projects are under consideration. There is no reason to doubt that commendable work is being done and planned by the SACC in this regard. Financial control relating to these projects is dealt with elsewhere.

Specific mention should be made of the following endeavours:

14.2.1 Unemployment

"This project began in 1978 under the auspices of the Division of Mission and Evangelism. It was, and continues to be an attempt by the churches in South Africa to combat the rising tide of unemployment and to provide a ministry to the unemployed across racial, religious and donominational [sic] boundaries.

The aim of the project is twofold:

- o to generate awareness of the problem of unemployment
- o to help the churches recognise the vital importance of its [sic] continued ministry, both spiritual and material, to the unemployed and the poor.

The Director of Development has visited many churches and other concerned bodies throughout South Africa to talk about the problem. Resource material in the form of posters and pamphlets have [sic] also been made available."

14.2.2 Project Development

"The work of project development and the development of human

resources has been undertaken in the following areas:

- o organising unemployment training courses and seminars on rural self-employment projects
- o involving people in the planning and creation of self-help schemes in rural areas
- o maintaining links with other regional and local groups engaged in employment programmes
- o organising emergency food for the many people affected by unemployment
- o mobilising and coordinating support to persuade authorities to relax or suspend large scale rent increases during this period of economic recession."

14.2.3 Research programmes

"During 1980 a special research project was commissioned. This project enlisted the active support of economists and other concerned people at various universities. The main purpose of the research programmes is:

- o to establish more precisely who are the unemployed and underemployed
- o to increase the understanding of the causes of unemployment and underemployment
- o to critically evaluate government policies that effect [sic] unemployment levels
- o to identify constraints on the creation of more employment
- o to propose measures that will help to create full employment within the foreseeable future
- o to provide the South African Council of Churches National Unemployment Commission with a report on possible ways of combatting unemployment
- o to provide suitable and relevant material for publication and distribution."

14.2.4 The Inter Church Aid work

"The first Director of Inter Church Aid (ICA) undertook a survey of church welfare work being carried out in South Africa. He visited a number of rural areas such as Limehill in Northern Natal, and Sada and Illinge in the Ciskei. His survey showed that malnutrition was rife in these areas. In the light of the findings of his survey the Council believed that there were two ways in which the division of ICA could respond to the needs in the areas:

- (a) by providing subsistence relief for the people, and
- (b) by encouraging self-help projects to attempt to improve the standard of living of the people.

Inter Church Aid responded in both ways, but predominantly in doing relief work. Funds for the relief work and the establishment of

projects were obtained from overseas church resources. In an effort to decrease Inter Church Aid's dependency on overseas funding the Christian Council inaugurated the national 'Week of Compassion' in 1966.

From 1970, during the second phase in the development of ICA the emphasis shifted from relief work to creative self-help projects. Overseas funding was obtained to initiate new self-help projects and to improve existing projects. In line with this new development the director of ICA undertook a study tour of development programmes in Southern Africa in 1972. The purpose was to help churches with their understanding of their role in relating to rural development.

During this time the division of Inter Church Aid launched two ventures: Devcraft and the South African Technology Development Group.

14.2.5 Devcraft

In September 1970 member churches and missions expressed a need for help in the production and marketing of handcrafts. In June 1971 a consultant, Mr D. Appleton, was appointed to undertake a three month study of the problem. His report indicated, inter alia, that if churches wished to make a solid contribution to assist with marketing, Inter Church Aid should launch a company using the best business methods to aid both the production and the marketing of handcrafts.

On the basis of the Appleton Report, Devcraft (Pty) Limited was launched on 1 May 1972 with a loan grant of R25 000 from the Chairmans' Fund of the Anglo American/De Beer Group. A subsidiary Company, Devcraft Distributors (Pty) Limited, was also launched to undertake the marketing operation. The Devcraft operation was later sold.

In 1971 the Division of Inter Church Aid was approached by a Mr M. Fransman to take over the administration and supervisory function of the 'Group for Self-Help Technology'. ICA agreed to do so because of its desire to provide a service to the churches and missions already active in the field of rural development. The functions of SATDG was firstly, to provide resource material on low cost technology, and secondly, to assist rural projects. However due to financial difficulties SATDG never functioned adequately. Eventually its name was changed to the South African Council of Churches Accounting Services (Pty) Ltd (SACCAS) which ceased to function as the SACC's financial arm from approximately May 1980 owing to inefficiency."

LEGAL DEFENCES AND POLITICAL DETAINEES

15.1 GENERAL

It will be seen from Chapters 16 and 17 hereof that by far the greater proportion of SACC funds was during the period 1975-81 devoted to the financing of legal defences. No less than R1 725 704 was in that period paid from the Asingeni Relief Fund and the Legal Cost Trust Fund to Bowens, the lawyers of the SACC, for payment to various legal firms who conducted cases financed by the SACC, and to attorney Shun Chetty (as to whom, see Chapter 20 hereof). Yet a relatively small number of persons (save for the lawyers concerned) benefited by the activities of the SACC in this regard. The reasons therefor appear to the Commission to include the following:

15.1.1 Many of the trials dragged on for many months and in one case for more than a year.

15.1.2 Large wastages occurred in the handling of the Funds concerned; as will be seen from Chapter 20 hereof, Mr Shun Chetty was overpaid by the SACC to the extent of at least R91 000, and his indebtedness was simply written off. It also appears that when Mr Shun Chetty refused to comply with the requirement of the SACC that firms doing legal work for it should have their accounts scrutinised by Bowens, saying that he would not submit to that sort of examination by a White firm, the SACC accepted the situation. The Commission does not have grounds for finding that Mr Chetty misused the consequent lack of control over his accounts, but it does conclude that the SACC was neglectful in not insisting on some means of ensuring that Mr Chetty's charges were within normal limits.

15.1.3 In general the cost of legal services was high.

15.2 "POLITICAL" CASES

Legal defences were generally financed for what were described as "political cases", but in one or two instances it is difficult to find a political connection with the case, or indeed any understandable reason for the interest of the SACC in the matter. Reference might for example be made to a 1980 case in Botswana where the SACC financed the defence of a group of

Blacks from South Africa who were charged with attempted bank robbery and the illegal possession of fire-arms. In his evidence Bishop Tutu said that it was his information that the persons concerned were refugees, and the SACC had a concern for the lot of refugees. He added that his information from the attorneys of the SACC was that it was a political matter, but the Commission was never told why it could have been thought to be a political matter. Bishop Tutu's understanding of political offences was:

"Those offences which usually happen out of a deep grievance against the social, political and economic dispensation in this land ... and usually the offence will come under the rubric of one or other of our so called security legislation."

15.3 SOWETO DISTURBANCES

In the months after the outbreak of the Soweto disturbances legal defences were financed for a variety of cases: public violence, possession of explosives, attendance at prohibited gatherings, robbery, assault, house-breaking, looting, malicious injury to property, sabotage, arson and stone-throwing. The justification for the provision of aid in defending these cases was said by Bishop Tutu to be the SACC's understanding of -

"... a sense of very deep grievance against the political dispensation, the structures, the injustice of apartheid, and it would be that political concern which would be the milieu in which these acts were perpetrated or alleged to have been perpetrated, it was by people who were trying to give expression to a very deep sense of frustration, perhaps at not being able to have other outlets for their expression of their aspirations, of their hopes, of their longings."

15.4 MOTIVATION FOR ASSISTANCE

In the course of giving his evidence the Rev. Storey based the motivation for providing finance for defence in political cases on the view that "... people are being moved to this sort of action".

He did, however, respond as follows to the following question put by the Chairman:

"Would it then be correct to say that at least part of the motivation in providing finance for the defence of these offences that we are talking about, is to display sympathy with them and solidarity for the persons concerned? ... Yes, not necessarily with their actions, but recognising the ideals behind their actions, yes I would say that."

He also testified as follows:

"Now, this agreement [referring to the so-called FELCSA agreement] is demonstrative of the promotion and furtherance of a political objective rather than compassionate care in respect of an individual, which is basically the point I want to make to you, and it appears to me that the solidarity of the SACC as demonstrated with regard to the legal aid for political offenders, lies not so much with the individual but lies with the motive with which the individual has committed the offence? ... Yes, let me say I have already said in my response immediately after tea, that the motive, the motivation is very very important."

15.4.1 A feature which the Commission found remarkable concerning the granting of assistance was that it was on 22 August 1977 resolved by the finance committee of the Ecumenical Trust Fund that any person who decided to give evidence for the State would receive no assistance from the SACC. The relevant minutes record:

"There was a lengthy discussion on whether to support the family of people who had given State evidence. It was agreed that as soon as it was known that a person had given State evidence, all grants to that person would be stopped."

Apparently Christian compassion ceases when a person acts in a manner which is not to the liking of the SACC.

15.4.2 In his evidence Bishop Tutu further justified the granting of finance in certain trials because -

"We believe fervently in the right of people to the best defence possible."

On being asked why selectivity was displayed by the SACC in financing legal defences, Bishop Tutu said that the resources of the SACC did not permit it to ensure the provision of a proper defence in all cases. Both he and the Rev. Storey testified that a factor which weighed with the SACC in deciding to confine legal aid mainly to political cases was that persons charged with such offences faced possible prescribed sentences and the Rev. Storey added that political cases often presented special difficulties calling for the employment of skilled counsel.

The Commission is satisfied that, having regard to all the circumstances, a fundamental reason for selecting mainly political offences for the provision of financial aid is to display solidarity with the persons concerned. There

are numerous other accused persons who face prescribed sentences - a person found guilty of murder faces the death penalty if mitigating circumstances cannot be found. There are numerous involved cases where the services of skilled counsel are required which the SACC would never consider proper for its assistance. It is also relevant that in most of the terrorist cases where SACC finances are provided the State at no cost to the accused finances the appointment of pro Deo counsel.

The strong political motivation in the SACC action is unmistakable.

15.5 FELCSA AGREEMENT

In the context of the involvement of the SACC in legal defences it is necessary to refer briefly to the agreement mentioned in Chapter 23 (paragraph 20.3.1.1) hereof, known as the FELCSA agreement. The SACC was involved in this agreement to the extent that its then General Secretary Mr J.C. Rees was party thereto, and the SACC had to play a role in the implementation of the agreement. The object of the agreement was to use the services of Mr Shun Chetty to defend persons charged with pass law offences. In a letter dated 29 November 1976 the understanding of the overseas partners of the SACC in concluding the agreement is set out as follows:

"Cheti's[sic] task would be to attend and assist at a number of trials of petty offenders - contraventions of the pass laws etc. At such trials he would raise legal questions, drawing attention to points of law which the presiding judge or magistrate would conveniently overlook in order to dispose of the case quickly and proceed to the next. By this process the smooth and easy running of these cases, which normally goes against the defendant, would be interrupted and the courts would find that they did not have things all their way. Cheti's *disruptive intervention* would be based entirely on points of law - for which South Africa displays considerable respect."

The Commission finds it disquieting that the SACC - through Mr Rees and his successor, the Rev. Thorne - was prepared to be party to such an agreement designed to make use of the technique of disruptive intervention of the legal administration.

15.6 CONCLUSION

SACC spokesmen at times said that legal defences were financed by the SACC where the "draconian" legislation of the State was concerned. The Commission considered the substance of the charges brought against persons who received SACC aid. It considers that what the persons were charged with would

constitute offences in the legal systems of most Western countries. This, incidentally, accords with the view expressed by Advocate S. Kentridge, S.C., who acted as senior counsel for the SACC in this inquiry, in a lecture given by him at an American university in 1982:

"The South African government justifies its security legislation, including those criminal procedure statutes to which I shall refer, on the ground that South Africa faces a serious threat of subversion from within and outside its borders. The existence of this threat may be fully accepted. Persons charged with political offences in South Africa have often been shown to have been engaged in activities that in any country would be regarded as criminal, activities involving actual or potential violence against the State."

The Commission concludes that the allegation under discussion, namely that persons who receive SACC finance for legal defences often face charges brought in terms of "draconian" laws, is untrue.

15.6.1 Financial assistance was provided by the SACC for -

- (a) the families of persons who were convicted or banned for political activities. Monthly allowances were paid, and subsidies were granted for the educational needs of the children;
- (b) visits by relatives to persons convicted of political offences; and
- (c) bursaries for the convicted persons themselves.

It appears to the Commission that this support, on which large sums of donor moneys were expended, not only assisted few, but was also motivated largely by political considerations rather than Christian compassion as alleged.

CHAPTER 16

SACC FUNDS: SOURCES AND ORIGIN

16.1 INTRODUCTION

The SACC is overwhelmingly dependent on its ability to raise, mobilise and obtain financial support to keep its programmes going, as it has since its inception been unable to create and establish a reliable income-generating capability from its constituents.

Fund-raising is a very important ongoing SACC activity. Without sufficient funds, it would have to scale down its activities and programmes considerably.

16.1.1 For the purpose of its investigation into and report on financial matters, the Commission confined itself to the period of seven years from 1975 to 1981 inclusive.

16.1.2 The books of account of the SACC indicate that income and expenditure are divided among the various Funds administered by it (approximately 16 Funds); and the so-called "Trust Funds". The latter are dealt with separately from the SACC's own administered funds, except for three which are closely linked to SACC activities. These are the Legal Cost Trust Fund (LCT), the Ecumenical Trust Fund (ETF), and the Revolving Development Fund (RDF). At the end of 1980 the balances of the LCT and ETF were transferred to related SACC Funds. The RDF was until 1979 dealt with as part of SACC Funds, and thereafter the SACC continued to be directly involved in their administration. The details of income and expenditure of the SACC which are found in later chapters, accordingly include the three last-mentioned Trust Funds.

The main funds and expenditure of the SACC are dealt with later.

In terms of the SACC Constitution the Deputy General Secretary has in each financial year to prepare a draft budget of revenue and expenditure for presentation to the Finance Committee, a permanent subcommittee of the Executive Committee of the SACC. If approved by that body the budget is required to be considered and ratified by the Executive Committee. In practice the budget is approved subject to the availability of funds. Thereafter the budget is submitted to potential overseas donors (for "almost all of the funds to meet the expenditure budget of the SACC is received from abroad" - SACC Memorandum) who indicate to what extent they are prepared to provide funds. These funds are either provided for specific programmes when they are referred to as "designated funds", or they are of a general nature and uncommitted from the donors' point of view. If they fall in the latter category they are known as "undesignated" funds. Latterly, owing to financial mismanagement the Evangelical Church in Germany (EKD) has specifically provided mainly "designated" funds in respect of Asingeni and RDF for which they request separate bank accounts to be maintained. Danchurchaid, a Danish Church Organisation, has provided funds mainly on a designated basis, as has the Inter Church Coordination Committee for Development Services (ICCO) which is also required to satisfy the Netherlands Government of the entitlement of recipients to the funds applied for. In certain instances agreements between the SACC and overseas donors are entered into to regulate certain questions concerning projects.

While there is insufficient reason to doubt the averment made in the SACC Memorandum that the SACC determines its own priorities, it would appear that the SACC is well informed as to which projects potential donors are likely to support, and to what extent.

The SACC uses mainly the following approaches to potential donors or "donor partners" (SACC wording): correspondence, personal overseas visits by senior functionaries to solicit funds, invitations to influential potential donors to visit the RSA and the use of contracts as a form of funding.

Initially in the early 1970s Mr Rees, after his appointment as General Secretary, was unable to secure overseas funding for the SACC. His introduction to

donor agencies was effected by Dr Beyers Naudé of the Christian Institute (CI). Mr Rees testified in his own defence on charges of fraud in the Supreme Court in May 1983 as follows:

"Mr Rees, ... You've already told his lordship you came back empty-handed. Did you very shortly thereafter travel to Europe? ... I did, m'lord.

How did that come about? ... A member of the Executive ... the Reverend Doctor Beyers Naude, ... he offered an overseas trip ... to my wife and myself, m'lord, to travel abroad with the purpose of familiarising myself with the donors and with the purpose of raising money for the S.A.C.C.

Now, you speak of donors. Donors individual or donor agencies? ... Donor agencies, m'lord. I beg your pardon.

Did you take advice from Doctor Naude? ... I certainly did, m'lord.

Letters of introduction and such like? ... The whole trip was planned for me by Doctor Naude and his wife.

Did you and your wife then in April/May 1971 travel in Europe, central Europe, Scandinavia and Britain? ... We did, m'lord.

Did you indeed then meet with the donor agencies? ... A very wide spectrum of them, m'lord.

Did you succeed in raising funds for the activities of the South African Council of Churches? ... I did, m'lord.

On a substantial or on a trivial scale? ... In comparison with the budget as it was then, it turned out to be substantial."

Such personal approaches were often highly successful, as is inter alia evidenced by the statement in a letter dated 13 April 1981 sent to Bishop Tutu by Danchurchaid. It reads:

"... in financial terms your visit paid off. A few days ago we concluded our negotiations with Danida [a Danish Government agency] concerning the allocation of the 1981 appropriations for humanitarian and educational assistance to Southern Africa and we managed to more than triple the SACC share compared to last year"

Another example of the results obtained through the personal approach is provided by a letter from the Church of Norway dated 23 December 1983 which advises the SACC that 250 000 Norwegian kroner or \$42 000 (approximately R45 000) will

be transferred to the SACC. It reads in part: "Please advise us the way you want it transferred. Made possible through the visit of your fine Deputy General Secretary".

Similarly Bishop Tutu personally approached the International University Exchange Fund (IUEF), soliciting funds, about which more later.

Former members of the SACC staff who are employed by overseas church agencies such as Dr A.I. Berglund, Africa Secretary of the Church of Sweden Mission (CSM), were also used to induce their agencies to maintain their financial generosity towards the SACC. This was especially the case with the provision of funds to Asingeni by the CSM when in Sweden eyebrows were raised at the administration of that fund. Eventually the CSM withheld payments to Asingeni for two years. The SACC has similar contacts in the British Council of Churches (BCC), for example, the Rev. Brian Brown, the Africa Secretary of the BCC and former administrative Director of the CI. Mr Barney Pityana, a Black consciousness exponent, at present an Anglican theological student in England on whose behalf Bishop Tutu solicited funds from the IUEF, can serve as another example. He was a member of a working party which produced a report "Facing the Facts - The United Kingdom and South Africa" in 1982. This report was published for the Central Board of Finance of the Church of England. Likewise Dr Kistner, of the Division of Justice and Reconciliation, has many contacts within the EKD who also are in a position to enlist financial support for the SACC.

In the last few years the overall budgets of the SACC have usually been discussed at meetings specially arranged by the WCC/CICARWS. The 1980 budget, for example, was discussed at a WCC organised consultation in Copenhagen in September 1979. The donor partners jointly consult on the funding of the overall budget, each committing its organisation to a particular overall amount or programme or part thereof.

The SACC also obtains funds by entering into contracts with its overseas donor partners. Such an agreement exists for example between it, the EKD and FELCSA regarding the establishment and application of funds from the Revolving Development Fund (RDF) and between it and ICCO.

Being so heavily dependent on overseas funding, the SACC needs to present and market its projects to the donors in an attractive manner. By way of illustration reference might be made to a letter Bishop Tutu wrote on 1 November 1979 to Mr Tom Draisma of ICCO in which he responded to ICCO's draft request for support which had to be submitted to the Netherlands Government for funding.

The following excerpts from ICCO's draft illustrate the point:

"The target group ICCO is asking support for (and who is only a part of the group the SACC reaches through its programmes) consists of persons who are either detained, banned or restricted, banished or those who are convicted of a political crime and sentenced and imprisoned or are released and unable to obtain employment. The target group also includes the relatives of above mentioned persons. All these persons are victims of the apartheid policies of the South African Government."

"- Asingeni Fund.

This fund was established as an outreach of the churches to provide compassionate relief in a crisis situation arising out of internal dissension. The fund provides aid in the form of grants to individuals and organisations engaged in relief work."

"[Moneys provided to the SACC for Dependants' Conference (DC) work should]

"... be seen as a substantial help for activities directed to changes in social, political, educational economic and cultural patterns."

Responding, Bishop Tutu in the above-mentioned letter, replied:

"I should say that the programme application is alright except for one or two small points. On Page 2 under Asingeni Fund, you speak much more of compassionate relief which we give through this fund. But you should stress much more the fact that this is a fund that has provided much of the money for the legal defence of people charged with political offences. So that is an important item and a large part of the disbursements from the Asingeni are for this purpose."

Shortly after Bishop Tutu took over as General Secretary in 1978, Mr Rees wrote to him stating inter alia:

"I understand discussions are taking place concerning revamping and restructuring Asingeni and I must state that I agree entirely because the pulling power of Asingeni is certainly waning."

In the following year in Asingeni Report 19, Bishop Tutu announced the "revamping" of Asingeni in the following terms:

"But, our mandate tacitly involved assisting the victims of the apartheid system and to empower the powerless in their liberation struggle against the totally unjust and immoral system prevalent in our country. We are now making this tacit commitment more explicit in the assistance that we have been called upon more and more to provide. I am sure that those who have supported Asingeni will continue to do so as we enter into a more positive phase."

This approach seemed to have paid off in that contributions received in 1981 exceeded those received in 1980 by some R300 000.

Bishop Tutu in evidence before the Commission, dealing with the import of an application for funding for a project to The Evangelisches Missionswerk (EMW), said of the wording and content of that application:

"...this is the kind of document that the staff person produces in order to place before the relevant Committee in order to persuade them to make money available or not available. I will have to say that on the whole you are more likely to get that money if your application can be shown as not too conservative. I think that that is important to know. I would say basically the things that the lady says would be true up to this point, but that we must also understand that she is seeking to persuade a Committee to make money available.

On what do you ... I find it very interesting, your observation that one of these type of project applications have better chances of success if they are not so conservatively worded. Why is this so? ... I would say that people are concerned for the right kind of change. If you produce in any sphere I think, even when you are applying for a community development project, if you put forward something that merely is ameliorative for instance, well it may get grants. But people are much more concerned for instance with a project that helps people to become more fully human in that they can take responsibility for their own environment which I think is a good thing, so that a more forward looking and more pungent application is likely to carry more weight than one that says: Well we want to give them soup kitchens."

Concerning methods employed locally, it appears that no great effort was put into raising funds or obtaining an increased financial contribution from churches. The only venture of note is the SACC's yearly "Month of Compassion" fund-raising activity which raised R42 946 contributing 0,25% to the total budget or constituting 0,20% of the total local donations obtained during the period 1975-81.

16.3 SOURCES: INCOME OF THE SACC

The income of the SACC for the seven-year period from 1975 to 1981 (inclusive), including LCT, ETF and RDF, was R17 958 048. Of this amount -

- R17 475 013 came in the form of donations;
- R 200 732 was interest earned on short-term investments of surplus funds and loans to staff members;
- R 52 707 represented affiliation fees from member churches and organisations; and
- R 229 596 came from diverse sources such as rentals; administration charges for trust funds; and other unimportant sources.

Overseas donations received represented more than 97% of the SACC funds.

A further R2 338 118 was received by "Trust funds", giving a total income of R20 296 166 for the seven-year period 1975 to 1981.

16.4 DONATIONS RECEIVED

The donations received in each of the years under discussion were -

1981	R3 471 617
1980	2 622 560
1979	2 690 773
1978	3 396 615
1977	2 949 442

1976	1 697 549
1975	<u>646 457</u>
	R17 475 013

16.4.1 The aforesaid donations came from -

<u>Source</u>	<u>Amount</u>	<u>Percentage</u>
West Germany	R8 904 787	52,6
WCC	1 733 812	10,3
The Netherlands	1 021 953	6,0
Switzerland	882 222	5,2
Denmark	748 888	4,4
United States of America	593 727	3,5
Sweden	504 336	3,0
Great Britain	501 862	3,0
Canada	205 172	1,2
Norway	152 934	0,9
Finland	31 062	0,2
Multinational sources	984 831	5,8
Other small foreign sources	28 616	0,2
Foreign sources not specified	96 771	0,6
Sundry sources (local and foreign)	317 229	1,9
Local sources	<u>209 853</u>	<u>1,2</u>
	16 918 055	100
Other amounts which cannot be related to specific donations and are, e.g., transfers from and to various SACC Funds	<u>556 958</u>	
	R17 475 013	

16.4.2 Donations received in 1981 came from

<u>Source</u>	<u>Amount</u>	<u>Percentage</u>
West Germany	R1 553 421	44,7
Denmark	593 190	17,1
WCC	241 511	7,0
The Netherlands	226 364	6,5

<u>Source</u>	<u>Amount</u>	<u>Percentage</u>
USA	187 771	5,4
Multinational sources	174 461	5,0
Great Britain	106 808	3,1
Sundry sources (unidentified)	53 643	1,5
Local Sources	53 661	1,6
Other foreign sources (less than R100 000)	<u>280 787</u>	<u>8,1</u>
	R3 471 617	100

16.4.3 When it is stated in paragraph 16.4.1 above that local donations constituted 1,2% of the whole, it should be borne in mind that it was not possible to determine the country of origin of the "sundry" donations of R317 229. If it is assumed that at least half of these donations were from local sources, the percentage of 1,2% can be stepped up to 2,2%. If, however, the income of the Trust funds of R2 338 118, which was received virtually entirely from foreign sources, is included, contributions from local sources are reduced to a mere 1,8% of the total income.

ORIGIN OF FUNDS

16.5 The West German donors:

They provided R8 904 787 or 52,6% of the total funds, excluding trust funds received, over the seven-year period.

The donors are:

	R	%
Evangelical Church in Germany (EKD) and related organisations	R7 622 214	85,6
Federation of Evangelical Lutheran Churches of South Africa (FELCSA)	882 639	9,9
Ökumenischer Rat der Kirchen	89 834	1,0
Missionswerk in Hamburg	77 000	0,9
Evangelical Lutheran Churches of South Africa (ELCSA)	58 152	0,7
Various smaller bodies	<u>174 948</u>	<u>1,9</u>
	<u>R8 904 787</u>	<u>100%</u>

The EKD is a federation of 17 largely independent territorial Lutheran, Reformed and United Churches in the Federal Republic of Germany and West Berlin. It appears to have very ample funds available, judging by the volume of contributions to the SACC, and by the fact that it is a major contributor of funds to the WCC, of which it was a founder member and is at present an associate member. Its financial position may be due to the system of church taxes in Western Germany, where such taxes are computed and collected by the State revenue offices, and then passed on to the churches and religious bodies. Other minor sources of income are voluntary donations and government subsidies.

It is relevant to note the view taken by the EKD of its Churches Development Service (KED), according to an EKD pamphlet (1975):

"The Christian faith faces a supreme test today - its commitment to development policy in the conditions now prevailing in the world. At the same time the Church's commitment in this field helps us to a deeper understanding of what Christian faith means in today's world. The churches are becoming the champions of justice in the world. They do not wait until the social problems of their own peoples have been solved before turning to the social needs of other peoples. They strive for change in the distribution of wealth and property wherever the present distribution is a hindrance to the full participation of all groups in the life and development of society. They resolutely oppose oppressive structures in which people are persecuted or discriminated against. They reject the search for profits as the sole motive force for social development and they seek to promote measures which will lead to greater equality between the rich and poor nations."

Regarding the Diakonisches Werk of the EKD, it said:

"The Church's task is to bear witness to all men of God's love for the world in Jesus Christ. One form of this witness is Christian service which cares especially for human beings who are in physical need, spiritual distress and suffering from social injustice. It also seeks to remove the causes of such need and suffering. It has an ecumenical dimension, being directed to both individuals and groups, both near and distant neighbours, both Christians and non-Christians."

The Protestant Central Agency for Development Aid is another EKD official body concerned with development projects in the Third World. The special funds for its work come from the Federal Ministry of Economic Co-operation, although the EKD bears the costs of administering these funds.

16.7 THE WORLD COUNCIL OF CHURCHES

The inaugural meeting and establishment of the WCC took place in Amsterdam in 1948. The latest available membership figure of the WCC is 295 Protestant, Orthodox and Anglican churches in more than 90 countries (figures supplied by the SACC to the Commission's accountants). The vast majority of non-Roman Catholic Christians are represented in the WCC. According to its constitution, the WCC is "a fellowship of churches which confess the Lord Jesus Christ as God and Saviour according to the Scriptures and therefore seek to fulfil together their common calling to the glory of the one God, Father, Son and Holy Spirit". The work of the WCC is directed by an Assembly which meets every seven years; a Central Committee which is composed of 120 members chosen by the Assembly and which meets every 18 months; and an Executive Committee. The staff of the WCC is organised into three programme units under the General Secretariat. Working relations between for example the EKD and the WCC are also conducted through the EKD Office for Foreign Relations and through the EMW, the Churches' Development Service and various departments of the Diaconal Agency (Diakonisches Werk) and the EKD Church Office.

16.7.1 The WCC's Programme to Combat Racism (PCR)

One of the more controversial programmes which has consistently caused attention to be focused on the WCC is its Programme to Combat Racism (PCR). This programme has, apart from direct financial aid to Liberation movements (ANC, PAC, Swapo, etc.), a supportive socio-political content which is aimed at bringing about the international isolation of the Republic of South Africa. Some of the more important anti-South African resolutions during this programme's first twelve years were adopted by the Central Committee of the WCC and relate to -

- investments and bank loans (1972)
- White migration (1972)

- bank loans (1971)
- comprehensive sanctions (1980)

The relevant resolutions are quoted below:

16.7.1.1 "RESOLUTION ON INVESTMENTS AND BANK LOANS (UTRECHT, 1972)

The World Council of Churches, in accordance with its own commitment to combat racism, considering that the effect of foreign investments in Southern Africa is to strengthen the white minority regimes in their oppression of the majority of the people of this region, and implementing the policy as commended by the Uppsala Assembly (1968) that investments in institutions that perpetuate racism should be terminated:

- 1) instructs its Finance Committee and its Director of Finance to sell forthwith existing holdings and to make no investments after this date in corporations which, according to information available to the Finance Committee and the Director of Finance, are directly involved in investment in or trade with any of the following countries: South Africa, Namibia, Zimbabwe, Angola, Mozambique and Guinée-Bissau, and to deposit none of its funds in banks which maintain direct banking operations in those countries;
- 2) urges all member churches, Christian agencies and individual Christians outside Southern Africa to use all their influence, including stockholder action and disinvestment, to press corporations to withdraw investments from and cease trading with these countries.

In the context of the multiple strategies recommended at Addis Ababa, the Central Committee is aware of and appreciates proposals to achieve racial justice in Southern Africa through reform (e.g. the preliminary statement by the Council of the Evangelical Church in Germany). The Central Committee is nevertheless convinced that the policy of withdrawal already commended by the Uppsala Assembly needs to be implemented now.

16.7.1.2 RESOLUTION ON WHITE MIGRATION (UTRECHT, 1972).

The policies of the white minority regimes in Southern Africa in encouraging white migration to these countries are aimed at perpetuating and strengthening the existing racist structures. For instance, in South Africa, the large influx of skilled personnel results in unemployment and also in keeping the black population at the lower end of the job scale. In some instances, like the Cabora Bassa and Kunene schemes, such migration is a part of long-term plans to give added support to the present regimes against the increasingly successful struggle of the movements for liberation.

The Central Committee therefore requests all member churches and the staff of the Programme Unit on Justice

and Service to mount campaigns to discourage white migration to South Africa, Namibia, Zimbabwe, Angola, Mozambique and Guinée-Bissau which perpetuates and aggravates racial discrimination in the labour market.

16.7.1.3 RESOLUTION ON BANK LOANS (WEST BERLIN, 1974)

- 1) instructed the Finance Department to communicate doc. 31 (revised) of the World Council of Churches, with supporting documents, to the European American Banking Corporation and its members, namely:

The Deutsche Bank, West Germany
The Société Générale, France
The Midland Bank, U.K.
Amsterdam-Rotterdam Bank, N.V., The Netherlands
The Société Générale de Banques S.A., Belgium
The Creditanstalt-Bankverein, Austria

and to solicit assurances that they will stop granting loans to the South African government and its agencies. It instructed the Finance Department to report the results to the Executive Committee and authorized the Executive Committee, if satisfactory assurances are not forthcoming, to ensure that no WCC funds are deposited with those banks;

- 2) urged all member churches, Christian agencies and individual Christians, to use all their influence to press these above-mentioned banks and the other banks participating in the loans to cease granting loans to the South African government and its agencies.

16.7.1.4 RESOLUTION ON COMPREHENSIVE SANCTIONS AGAINST SOUTH AFRICA (GENEVA, 1980)

The Central Committee calls upon the World Council, its member churches and all Christians:

- to declare that apartheid is a sin which as a fundamental matter of faith is to be rejected as a perversion of the Christian gospel (this may be expressed in terms of a covenant, status confessionis or equivalent commitment);
- to encourage and support the South African Council of Churches and the churches in South Africa in the exercise of their prophetic ministry and their demand for a fundamental change of the present political system, and continue to express solidarity and fellowship with all those in that country who struggle for a more just society and join prayers with theirs for the peaceful achievement of justice;
- to press governments and international organizations to enforce comprehensive sanctions against South Africa, including a withdrawal of investments, an end to bank loans, arms embargo and oil sanctions and in general for the isolation of the state of South Africa;
- to cease any direct, and as far as possible indirect, financial involvement in activities

which support the apartheid regime.

- In view of the above and following upon the recommendations of the world consultation on racism in June 1980 in the Netherlands, the Central Committee also calls upon its member churches to condemn:
 - a) the concept of Bantustans and the consequent artificial creation of an urban/rural division of the black population and the use of a black middle class as a buffer;
 - b) the 'constellation of Southern African states' as envisaged by the South African regime;
 - c) the increased repression of people who oppose the system (e.g. detention without trial, torture and killings);
 - d) the systematic withdrawal of South African nationality and the benefits of citizenship from black people."

16.7.2 The WCC contributed R1 773 812 or 10,3% over the seven-year period:

1981	R241 511
1980	195 395
1979	495 124
1978	329 816
1977	245 762
1976	109 025
1975	<u>117 179</u>
	R1 733 812

16.8 UNTFSA

The SACC records indicate the foregoing as emanating from the WCC itself or from its own funds. It was not possible to determine the sources of all the WCC funds. In regard to at least one contribution of \$200 000 it was clearly proved that it came from the United Nations Trust Fund, and it was so recorded in a letter received by the SACC from the WCC.

The original letter has not been produced to the Commission. Documents purporting to be copies thereof were found by the investigating team. In one instance a copy was found in the SACC banking file and in another instance in the SACC donor file on the WCC. These documents are quoted below and show a

discrepancy as far as the source of the grant of \$200 000 is concerned.

"150, ROUTE DE FERNEY . 1211 GENEVA 20 . TELEPHONE:
(022) 98 9400
TELEX: 23 423 OIK CH . CABLE: OIKOUMENE GENEVA

WORLD COUNCIL OF CHURCHES

PROGRAMME UNIT ON JUSTICE AND SERVICE

Commission on Inter-Church Aid, Refugee
and World Service

9th November, 1981

Mr. Matthew I. Stevenson
S.A.C.C.
P.O. Box 31190
Braamfontein, Tvl.
South Africa

Dear Mr. Stevenson,

I am writing to inform you about the latest transfer I have just made and related to the SACC programme. The funds are amounting to US\$ 25,283.- and they are coming from the Generale Diakonale Raad, of the Netherlands. The funds are designated for the following projects:

Theological Department of SACC -	US\$ 3,083.-
Asingeni Relief Fund -	" 14,800.-
African Bursary Fund -	" 7,400.-

Could you please acknowledge receipt by returning to us the enclosed receipt slip as usual ?

I want to add that when I made the transfer amounting to US\$ 245,288 in July 1981, I forgot to indicate the names of the donors. Then these funds came from:

US\$ 200,000.-	<i>for Dependents Conference from U N Trust Fund</i>
" 25,288.-	<i>for Education Fund from the Church of Norway,</i>
" 20,000.-	<i>unearmarked from the Algemeen Diakonale Bureau, Netherlands.</i>

You acknowledged receipt for these funds on the 25th of August, 1981.

With best wishes,

Yours sincerely,

Michel Monjol
Admin. Assistant
Africa Desk."

The other letter reads as follows:

"150, ROUTE DE FERNEY . 1211 GENEVA 20 . TELEPHONE:
(022) 98 9400
TELEX: 23 423 OIK CH . CABLE: OIKOUMENE GENEVA

WORLD COUNCIL OF CHURCHES

PROGRAMME UNIT ON JUSTICE AND SERVICE

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Could you please acknowledge receipt by returning to us the enclosed receipt slip as usual ?

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US\$ 200,000.-	<i>for Dependents Conference from W.C.C.</i>
" 25,288.-	for Education Fund from the Church of Norway,
" 20,000.-	unearmarked from the Algemeen Diakonale Bureau, Netherlands.

You acknowledged receipt for these funds on the 25th of August, 1981.

With best wishes,

Yours sincerely,

Michel Monjol
Admin. Assistant
Africa Desk."

When this glaring discrepancy was pointed out by the auditor Wessels, the following cross-examination was put to him:

"Well now I just want to put it to you, I understand from Mr Stevenson they got that letter with the statement that this had come from the United National [sic] Trust Fund. Now the SACC had had no

contact with the United Nations Trust Fund. They had dealt only with the WCC; they did not regard those UN Trust Funds as being donated directly to them and Mr Stevenson personally when in Geneva, had pointed out that this was incorrect and that they would correct it and hence the second letter. Well of course that is obviously nothing that you could know but Mr Wessels, what I do want to put is these two letters were both in the files of the SACC. .. That is correct.

Yes, and it is not as though that first letter was torn up or destroyed, it was there. ... That is correct."

At this stage the administration of the SACC was disorganised to a great extent.

UNTFSA Aims and Objectives

16.8.1 The suggestion that the SACC did not "regard those UN Trust Funds as being donated directly to them" does not accord with the aims and objectives of that fund known as UNTFSA. The purpose of the fund is stated to be the following:

"1. The United Nations Trust Fund for South Africa established in pursuance of paragraph 2 of General Assembly resolution 2054 B (XX) of 15 December 1965, is made up of voluntary contributions from States, organisations and individuals, Governments of countries acting as hosts to refugees from South Africa, and other appropriate bodies, to be used for the following purposes:

- (a) Legal assistance to persons persecuted under repressive and discriminatory legislation of South Africa;
- (b) Relief to such persons and their dependants;
- (c) Education of such persons and their dependants;
- (d) Relief for refugees from South Africa;
- (e) Relief and assistance to persons persecuted under repressive and discriminatory legislation in Namibia.
(UN publication A 36/619 dated 30 October 1981)"

16.8.2 The amount of \$200 000, the date of payment as per UN report and the date of dispatch by the WCC to the SACC all coincide to such an extent that there can be no doubt that the money originated from UNTFSA and was intended as direct support for the SACC. The replacement of the original letter specifying the UN Trust Fund as donor with the second letter specifying the WCC as donor, was clearly an attempt by the SACC and the WCC to conceal the true

source of the funds.

In the report of the Secretary General of the UN Trust Fund (30 October 1981) it is stated:

"The Committee has continued to encourage direct contributions to voluntary organizations engaged in providing assistance to the victims of apartheid and racial discrimination in South Africa and Namibia. It has been informed that direct contributions were made to the International Defence and Aid Fund for Southern Africa by the Byelorussian Soviet Socialist Republic, Canada, Denmark, Finland, the German Democratic Republic, India, the Netherlands, Norway, Saudi Arabia, Sweden, the Ukrainian Soviet Socialist Republic, and the United States of America, and by the European Economic Community. Direct contributions were made to the World Council of Churches by Denmark and Greece."

16.9 UNKNOWN SOURCES

It should be noted that the SACC has used the WCC as a channel, as is illustrated by the following letter written on 25 February 1976 by Mr John Rees, formerly General Secretary of the SACC:

"As regards the whole question of the three rehabilitation projects which are before you, there seems to be some mistake in this area. This was discussed in great detail with Mr Randriamamonjy and these are to be separately funded by interested donors in respect of the Dependants' Conference work which you support, and are not to appear in any way on the project for 1977. In discussion with Mr Randriamamonjy and interested donors, I have to advise you that it was agreed that money would be made available. Mr Randriamamonjy had been in contact with the New York set-up and they were more than happy to make funds available and we insisted that they should be forthcoming through your goodselves. Therefore, please, I reiterate, do NOT list these projects in the Geneva Project Book. This would be detrimental to all of us."

16.10 IUEF

Approaches were made not only to overseas church organisations and local donors but also to organisations such as the International University Exchange Fund (IUEF) while it still existed. The IUEF was an organisation which, inter alia, gave direct financial support to the ANC, which it recognised as "the leader of the national Liberation movement which is spearheading the South African Liberation struggle"; to the PAC, another terrorist organisation; and to Swapo which it said was the "sole liberation movement in Namibia". The activities of

the IUEF included programmes aimed at generating skilled manpower resources for the "governments of the future liberated Zimbabwe, Namibia and South Africa". It was a particularly hostile organisation, clearly committed primarily to an educational programme in support of the revolutionary overthrow of the existing order in South Africa.

The unchallenged evidence before the Commission was that Bishop Tutu on two occasions called on the IUEF at its headquarters in Geneva to discuss funding. On the first occasion it was agreed that the IUEF would endeavour to raise funds for the SACC for its "Special Training and Education Programme", designed to give financial support for teachers in the RSA who were boycotting their jobs within the "Bantu Education" system, and for other educational purposes. The money was channelled to the SACC via the WCC to disguise the source as being the IUEF.

On a second occasion in August 1979, Bishop Tutu, according to an IUEF memorandum, arrived in Geneva with his annual "shopping list". Among the projects for which the SACC required funds was one to support teachers at various centres, including the Crossroads squatter camp; donations were also requested for the Ecumenical Trust Fund and Dependants' Conference. A matter specifically raised and agreed to on this occasion was that since the two funds were receiving donations from a United Nations agency for the same scheme, and since knowledge of that fact might well prejudice the chances of the SACC of continuing to obtain funds from that agency, the fact of financial support for the schemes from the IUEF was not to be disclosed to the UN agency. The books and records of the SACC do not disclose whether the funds from the UN agency referred to were in fact received.

Bishop Tutu denied claims made by the Prime Minister, Mr P.W. Botha, that the SACC received money from the IUEF or had links with that organisation. On 1 June 1980 the Sunday Times carried the following report:

"Bishop denies Botha's cash claims

The general secretary of the South African Council of Churches, Bishop Desmond Tutu, said yesterday he had visited the offices of the International University Exchange Fund (IUEF) where he had met the South African Security Branch agent, Captain Craig Williamson...

But he denied that the SACC had ever received money from the IUEF or had links with that organisation."

It is obvious that the above denial was misleading. On 15 November 1982 Bishop Tutu wrote to the Financial Mail as follows:

"It is interesting to note that Major Craig Williamson admitted that during my conversations with him when I believed him to be what he then claimed to be, all I talked about was getting funds for the normal programmes of the SACC. When I was asked whether the SACC had had any dealings with the IUEF I admitted that my own children had received and were receiving scholarships from this organisation. I had forgotten at the time that the SACC had received about 70,000 Swiss Francs more than 2 years previously. There would have been nothing to hide because the IUEF was not a proscribed organisation and in any case I had acknowledged my own personal involvement with it."

As far as the IUEF is concerned, it is of interest to note that their ideological aims for the RSA were so radical that the former General Secretary of the SACC, Mr John Rees, testified on the following lines before this Commission:

"So when you referred earlier to the World Student Christian Federation you mean the International University Exchange Fund? ... That is correct, I beg your pardon.

Can we amend the record accordingly? ... Please do that, that is the organisation to which I was referring. Mr Eriksson (from the IUEF) and I had met on one occasion, I do not recall whether it was in Geneva itself or at some other World Council of Churches meeting, and we had had a discussion, and during that discussion I became dissatisfied with his attitude towards me personally and that of the SACC. *He was postulating a much more radical stance than I knew the member churches of the SACC were prepared to follow, and I believed that if I was to accept any funding from him, I would be compromising my responsibility towards the member churches, and that is why I chalked him up as it were in my mind for non-acceptance of funding.*"

The present General Secretary apparently finds no difficulty in accepting funds from this body and in allowing these to be channelled through the WCC so that they can be represented to the South African public as being "church monies".

This organisation was established in 1964 in the Netherlands. Its membership consists of "de verschillende reformatorische kerken (via hun organen voor zending en werelddiakonaat) en een aantal christelijke organisaties" ("the various reformed Churches (through their organs for missionary work and world charitable services) and a number of Christian organisations").

ICCO provides support for a variety of development projects in the Third World including South Africa. Together with three other organisations NOVIB, the Roman Catholic CEBEMBO and the humanist bureau HIVOS, ICCO is funded by the Netherlands Government.

Whilst initially and until recently it had to submit all applications for funding to the Dutch Government, since 1980 it can unilaterally decide to support development projects with the proviso that it has to report export on a yearly basis to its Government. With regard to politically sensitive matters, the guidelines for considering a project as agreed between the Dutch Government and ICCO are:

"De MFO's (Medefinancierings-organisaties) dragen de volledige verantwoordelijkheid voor de uitvoering van hun programma. U wilt zich echter rekenschap geven van de mogelijkheid dat de Nederlandse regering volkenrechtelijk verantwoordelijk kan worden gesteld voor de uitvoering van het medefinancieringsprogramma. U zult zich dan ook onthouden van steunverlening aan activiteiten, die ten doel hebben de politieke onafhankelijkheid van een staat te ondermijnen of een wettige regering ten val te brengen met onwettige middelen. Deze wettigheid respectievelijk onwettigheid zal niet uitsluitend worden bepaald door de opvattingen van de regering in het betrokken land, doch getoetst worden aan internationale standaarden".

"U heeft zich bereid verklaard zelf het initiatief te nemen tot overleg met mij in geval u twijfelt omtrent de interpretatie of de toepassing van de thans getroffen regeling alsmede omtrent mogelijke nadelige gevolgen van een projektfinanciering voor het ontwikkelingsbeleid van de Nederlandse regering, zoals u dat bekend is uit officiële beleidsuitingen. In deze gevallen zult u niet tot projektfinanciering uit rijksmiddelen overgaan, voordat dit overleg tot de noodzakelijke helderheid heeft geleid".
(ICCO: Werk Maken van Ontwikkeling - by Aat Kik, Allerwegen 13e jaargang No 2 - 1982 p 42)

("The JFOs (Joint Financing Organisations) take full responsibility for the execution of their programme. However, you should realise the possibility that the Dutch Government could be held liable under international law for the execution of the joint financing pro-

gramme. Accordingly you will refrain from supporting activities aimed at undermining the political independence of a state or bringing down a lawful government by unlawful means. Such lawfulness or unlawfulness will not be determined exclusively by the views of the government in the country concerned, but will be tested against international standards."

"You have expressed your willingness to take the initiative in consulting with me if you have any doubt about the interpretation or implementation of the arrangement now made as well as about possible adverse consequences of project financing for the development policy of the Dutch Government, as you are aware from official statements of policy. In these cases you will not undertake project financing from government funds before consultation has produced the necessary clarity." (ICCO: Werk Maken van Ontwikkeling - by Aat Kik, Allerwegen, 13th Volume, No. 2 - 1982, p. 42))

ICCO accepts that donors influence the policy of the Third World partners and has attempted by means of various meetings (so-called Reverse Consortium) to achieve a situation of power-sharing between it and its Third World recipient partners. The motivation of this initiative was put thus:

"Wij vinden het namelijk onjuist dat donors wel invloed kunnen uitoefenen op het beleid van hun partners in de ontwikkelingslanden en deze partners dat niet zouden kunnen op ons". (Aat Kik, op. cit. p. 30)

("In our view it is not right for donors to be able to exercise an influence on the policy of their partners in the developing countries whereas those partners cannot influence us." (Aat Kik, op. cit. p. 30))

Aat Kik, author of the above-quoted work and the internal secretary of ICCO, describes the policy of ICCO (in Chapter VI) in respect of South Africa thus:

"De taak van ICCO - vooral afgeleid van die van de partners overzee - is vandaag aanmerkelijk complexer en zwaarder dan bij de enthousiaste start in 1965. Het optimistische ontwikkelingsgeloof van die dagen heeft plaats gemaakt voor twijfel aan het effect van financiële hulp. Een gevoel van onmacht groeit bij het zien van zó weinig voortgang en de neiging ontstaat om naar heel andere middelen te grijpen bij zulke gigantische weerstanden. Intussen moeten we enerzijds een samehangend en konsekvent beleid voeren en anderzijds, rekening houdend met enorme lokale verschillen, geweldig differentiëren. Zo moeten we ons in het ene deel van Afrika niet laten verleiden tot een aandeel in armoedebestrijding, maar moeten we groepen steunen die het Apartheidsysteem, dat die armoede veroorzaakt en in stand houdt, in de wortel aanpakken."

("The task of the ICCO - especially as derived from that of the partners overseas - is considerably more complex and difficult today than at the enthusiastic start in 1965. The optimistic faith in development of those days has given way to doubts regarding the effect of financial aid. There is a growing sense of powerlessness in the face of so little progress and a tendency is developing to grasp at completely different means in the face of such gigantic opposition. On the one hand we have to maintain a coherent and consistent policy in the interim and on the other hand take account of enormous local differences - differentiate tremendously. Thus in one part of Africa we should not allow ourselves to be misled into participating in combating poverty, but should support groups that are striking at the root of the Apartheid system, which causes and maintains poverty.")

"Betrokken bij bevrijding

Langs de weg van het aanvankelijk zo onschuldig lijkende ontwikkelingswerk is ICCO op steeds meer plaatsen betrokken geraakt bij bevrijdingsprocessen. Soms als gevolg van een eigen bewuste keuze, soms tegen wil en dank.

Zo heeft ICCO steeds duidelijker moeten kiezen t.a.v. de situatie in Zuidelijk Afrika. Wie daar samen met partners werkelijke ontwikkeling wil bevorderen, kan niet anders dan deelhebben aan de bevrijdingsstrijd en deel zijn van een bevrijdingsbeweging. Als (inter)kerkelijke organisatie is die keuze ICCO niet gladjes afgegaan, maar de partners in Zuidelijk Afrika lieten ons weinig ruimte voor kompromissen.

Steun aan het werk van de Zuid-Afrikaanse Raad van Kerken o.l.v. bisschop Desmond Tutu is geen vrijblijvend stukje lotsverbetering van (toevallig) achtergestelden. Het is een protest tegen sociaal en economisch onrecht, gebaseerd op een systeem waarin het ene ras zich boven het andere stelt. In het verlengde daarvan past dan ook stellingname tegen dat systeem van Apartheid door bijv. deel te nemen aan een boycot-actie met groepen als de Werkgroep KAIROS; Steun aan activiteiten van het ANC (African National Congress) in de landen rondom Zuid-Afrika is veel meer dan neutrale hulp aan vluchtelingen. Het houdt de erkenning in van het 'Freedom's Charter' van het ANC dat een maatschappij schetst met principiële gelijkberechtiging van alle mensen, ..."

("Involved in liberation

Through development work that initially appeared so innocent ICCO has become involved in liberation processes in an increasing number of areas. This has sometimes been the result of a deliberate choice and sometimes it has happened whether ICCO wanted it to or not.

Thus ICCO has increasingly been compelled to make an ever more clear-cut choice regarding the situation in Southern Africa. Anyone who wishes to promote real development there in co-operation with partners can do no other than participate in the liberation struggle and be part of a liberation movement. As a religious and interdenominational organisation ICCO has not found the choice easy, but the partners in Southern Africa have left us little room for compromise.

Support for the work of the South African Council of Churches under the leadership of Bishop Desmond Tutu is not merely an incidental little effort to improve the lot of people who just happen to be disadvantaged. It is a protest against social and economic injustice based on a system in which one race sets itself above the others. By extension this also involves taking a stand against the system of Apartheid, for instance by participating in a boycott action together with groups such as the Working Group KAIROS; support for activities of the ANC (African National Congress) in the countries around South Africa is far more than neutral aid to refugees. It includes the recognition of the "Freedom's Charter" of the ANC, which envisages a society where all people are given equal treatment as a matter of principle.")

ICCO's political involvement is not restricted to support for Southern African "liberation movements". For example Aat Kik states:

"In de Pacific krijgt de vraag naar ontwikkelingsperspektief een heel geladen karakter vanwege de sinistere nucleaire spelletjes van de grootmachten in dit gebied.

Steun verlenen aan het werk van de Raad van Kerken in de Philippijnen (NCCP) houdt in dat je (indirekt) betrokken raakt bij processen van verzet tegen de heersende structuur van uitbuiting en onderdrukking.
...

In de Pacific hebben de gezamenlijke kerken financiële hulp van ICCO o.a. gebruikt voor een vormingsproces rondom de kernwapenproeven in dat gebied. Niet alleen leidt dat proces tot directe politieke aktie in de Pacific, maar de kerken daar vragen ICCO zich ook in eigen land in te zetten voor de strijd tegen kernwapens en kernenergie."

("In the Pacific the quest for development perspective takes on a rather emotive character owing to the sinister nuclear games being played by the great powers in this region.

Support for the work of the Council of Churches in the Philippines (NCCP) means becoming involved (indirectly) in processes of opposition to the prevailing structure of exploitation and oppression.

In the Pacific the combined churches have used financial assistance from ICCO for purposes that include the process of [opinion] forming regarding the experiments with nuclear weapons in this region. Not only has this process led to direct political action in the Pacific, but the churches there are requesting ICCO to devote itself to the struggle against nuclear weapons and nuclear energy in its own country.")

On ICCO involvement in "liberatory processes" in general he says:

"Die toenemende betrokkenheid bij bevrijdingsprocessen vroeg nogal eens om andere reacties van ICCO dan uitsluitend het financieel steunen van projecten. Niet zelden werd gevraagd dat we stelling namen t.b.v. in de knel geraakte partners. Ook werd in toenemende mate door relaties in de Derde Wereld van ons verwacht dat we attent zouden reageren op processen van onderdrukking en uitbuiting. De omstandigheden leidden ertoe dat we grondig moesten nadenken over een aanvullend beleid t.b.v. publieke stellingname."

("Increasing involvement in liberation processes has on occasion required other responses from ICCO than mere financial support for projects. We are often called upon to take a stand on behalf of hardpressed partners. Furthermore, we are increasingly required by relations in the Third World to react promptly to processes of suppression and exploitation. Circumstances are forcing us to give thorough consideration to a supplementary policy as regards taking a public stand.")

A mature partner relationship, he states, is characterised by a "minimum aan structuur-verschillen tussen de partners" ("a minimum of structural differences between the partners"). As donor and recipient are in agreement with regard to the objectives pursued, for example, involvement in the "liberation struggle", manipulative moves become unnecessary.

ICCO channels its support to the SACC through the WCC.

In this connection the remark made by the Chairman of the SACC's Finance Committee in a letter to the Deputy General Secretary dated 7 December 1979, viz:

"Obviously, if any of the donors are co-operating with bodies such as unfriendly governments, then this fact would need to be investigated and a decision taken as to whether the S.A.C.C. could continue to receive funds from such sources"

is equally apposite to Government in determining its relationship towards unfriendly organisations.

16.11.1 As the WCC declined permission to the Commission to inspect its financial dealings with the SACC, it could not be established to what extent funds purporting to come from the WCC in reality emanated from other sources.

It might also be mentioned that funds such as those obtained from ICCO and Danchurchaid are regularly channelled to the SACC via the WCC.

The Commission is of the view that the evidence proves that at least part of

the funds forwarded by the WCC to the SACC originated from the UN Trust Fund, the IUEF and ICCO.

16.12 The Netherlands

Funds amounting to R1 021 953 or 6% were received by the SACC from the Netherlands during the seven-year period.

The contributors from this country were:

(a)	Algemeen Diakonaal Bureau	R449 985	48,9%
(b)	De Gereformeerde Kerken in Nederland	208 561	20,4%
(c)	Interchurch Co-ordination Committee for Development Projects (ICCO)	136 207	13,3%
(d)	Reformed Church of Netherlands	85 000	8,4%
(e)	St Unie School en Evangelie	29 100	2,9%
(f)	Bisschoppelijke Vastenactie	25 413	2,5%
(g)	Other smaller donors	36 877	3,6%

16.12.1 Contributions from the Netherlands were relatively small up to and including 1977, but in 1978 and 1979 they increased substantially and doubled in 1980 when ICCO became a donor.

16.12.2 Donations from ICCO included sums specifically solicited and received from the Netherlands Government. In 1980 those funds were destined for the following:

Asingeni Fund	R48 994
L C T	24 801
D C	48 994
General Secretariat	<u>24 801</u>
	R147 590

16.13 Switzerland

Funds received totalled R822 222 or 5,2%.

Donations from this country increased from R40 000 in 1975 to R257 000 in 1978 and then gradually decreased to R97 000 in 1981. 88,2% of the donations came from Hilfswerk der Evangelischen Kirchen der Schweiz (HEKS) and the rest from various donors.

The 1980 donations from HEKS were earmarked for the following:

ABF	Sfr	80 000
Asingeni		80 000
Domestic Workers Project		40 000
D C		<u>80 000</u>
		R280 000

16.14 Denmark

A total of R748 888 or 4,4% of the SACC's income over the period originated from Denmark.

98,5% of the donations from Denmark were made by Danchurchaid; the balance was noted as being from a Danish bank which was probably not the real donor.

Danchurchaid received the contribution given in its name from a Danish Government agency known as Danida. According to a letter written by Danchurchaid to the SACC it was expected, subject to confirmation by the Danish Parliament, that the following would be contributed in 1981:

Asingeni	US	\$115 000
D C		220 000
African Bursary Fund (ABF)		130 000
SACC administration		<u>75 000</u>
	US	\$540 000

The letter concludes with the statement that the funds would "as usual" be transferred to the WCC:

"In spite of this indirect method of transfer, we would hope that - for the benefit of the Danish State auditors - you could list these amounts separately in your 1981 audited accounts as originating from 'DANIDA/Danchurch-aid via WCC'."

The SACC for reasons unknown to the Commission never complied with this eminently reasonable request during the period 1975-81 except for 1981 when the Commission was already in possession of the relevant material.

16.15 United States of America

This source contributed R593 727 or 3,5% over the period.

The important donors in this country were -

(a) National Council of Churches in Christ	R302 155	50,9%
(b) American Lutheran Church	138 011	23,2%
(c) Ford Foundation	28 044	4,7%
(d) American Embassy	26 988	4,6%
(e) Mennonite Central Committee	26 823	4,5%
(f) Board of Global Ministries	23 094	3,9%
(g) Other smaller donors	<u>48 612</u>	<u>8,7%</u>
	R593 727	100%

16.15.1 The Ford Foundation donation was made in 1979. The American Embassy donations totalling R26 988 were made in 1981 for the Dependants' Conference.

16.16 Sweden

Some R504 336 or 3% was received from this source over the period 1975 to 1981.

The most important donors were -

(a) Church of Sweden Mission	R331 912	65,8%
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(b) Lutherhjælpen Uppsala	100 923	20,0%
(c) Luterska Vaerlsdfoern	59 933	11,9%
(d) Other smaller donors	<u>11 568</u>	<u>2,3%</u>
	R504 336	100%

Donations from Sweden varied from year to year and reached a peak of R174 928. In 1980 and 1981, however, only approximately R40 000 per year was received from the Church of Sweden Mission. Owing to financial mismanagement by the SACC, contributions for Asingeni were withheld for two years.

16.17 The United Kingdom supplied R501 862 or 3,0%.

The largest contributors were -

(a) Christian Aid	R372 908	74,3%
(b) Unknown contributor	62 929	12,5%
(c) British Council of Churches	36 827	7,4%
(d) Other smaller donors	<u>29 198</u>	<u>5,8%</u>
	R501 862	100%

Of the foregoing the organisation styled Christian Aid was the only consistent contributor.

16.18 Canada

R205 172 1,2%

The only regular contributor from this country was the United Church of Canada, which donated R61 891 in 1977, but gradually decreased its contributions to R16 847 in 1981.

16.19 Norway

R152 934 0,9%

The Church of Norway was the only fairly consistent contributor from Norway. In 1981 the relatively substantial amount of R58 031 was for the first time received from Norwegian Free Church Aid.

16.20 Finland

R31 062

0,2%

This amount was donated by the Finnish Government in 1981 for Asingeni, Dependants' Conference and African Bursary Fund.

16.21 Multinational

R984 831

5,8%

This group is so termed because the countries of origin of the donations could not be determined.

The Lutheran World Federation (LWF) was the largest contributor. It is a world-wide organisation with 95 member-organisations all over the world, representing the majority of the Lutheran Churches in the world.

Other multinational organisations which contributed are Amnesty International, Christian World Service, World University Service and Women's World Day of Prayer.

16.22 Other small foreign donors

R28 616

0,2%

Donations in this group are of relatively small amounts intermittently received, including R15 759 from Australia, of which R8 826 was for the Ombudsman Fund; R7 713 in 1980 and 1981 from New Zealand; R3 307 in 1981 from Greece for the DC; and R1 289 in 1976 from Lesotho.

16.23 Foreign sources not specified

R96 771

0,6%

The countries of origin could possibly be determined, but the records of the SACC were at the time of investigation not in such a state that the details could be ascertained.

16.24 Sundry

R317 229 1,9%

Donations in this group were from foreign and local sources. By reason of the large volume of small amounts involved and the state of the books of account of the SACC it was not practicable to determine the countries of origin.

16.25 Local donors

R209 853 1,2%

The above-mentioned amount was received as follows:

1981	R53 661	1,6%
1980	32 535	1,2%
1979	5 192	0,2%
1978	35 040	1,2%
1977	29 170	1,0%
1976	28 927	1,7%
1975	<u>25 328</u>	<u>3,9%</u>
	R209 853	1,2%

The most important donors were -

	<u>Donor</u>	<u>Amount</u>	<u>For which Fund</u>
(a)	"Month of Compassion"	R42 946	Inter Church Aid
(b)	Anglo American Group Chairmans Fund	40 000	Home and Family R30 000; Administration R10 000
(c)	S.A. Catholic Bishops' Conference	22 950	Administration R11 000; DC R5 000; ICA R4 500 and Communications R2 450
(d)	R. Tucker Trust	15 105	Asingeni
(e)	Estate M.M. Marshall	13 970	African Bursary Fund
(f)	Methodist Church	8 040	RDF R5 930; Communications R2 000; ABF R110
(g)	Association for Self Help	7 177	Inter Church Aid

(h)	Premier Milling Co.	<u>5 000</u>	African Bursary Fund
		R155 188	
(i)	Other (less than R5 000)	54 065	Various

16.25.1 The "Month of Compassion"

Donations were received in response to campaigns organised by the ICA division of the SACC.

16.25.2 Only two of the above-named donors, viz Anglo American and the S.A. Catholic Bishops' Conference, made regular contributions. The above-mentioned donations of R15 105 and R13 970 were clearly once-only contributions.

16.25.3 The paucity of contributions from member churches was a matter of concern to the SACC as is evidenced by the following extract from Finance Committee Minutes of a meeting held on 7 August 1978:

"It was agreed to ask the Executive Committee to set up a sub-committee to explore how the Churches can be approached to step up their contribution to the SACC in a phased progression so that eventually they will be paying at least 50% of the administration budget."

16.26 FOREIGN GOVERNMENTS

It became apparent during the investigations that the SACC was also receiving substantial amounts of money from the Governments of the following countries, either directly or through government/church agencies for its various programmes:

1. The Netherlands
2. Denmark
3. Sweden
4. Finland

The reports of the SACC only disclosed these facts in its 1981 financial statements issued during September 1982, after the investigations of the Commission had been in progress for some time and it had already obtained that information.

When Mr Rees testified before the Commission he stated that during his period of office the SACC decided that it had to "be careful from what sources it received funding". It, for example, refused to accept funds, which were offered on two occasions, from the Labour Party in Great Britain, and from anti-apartheid organisations. He also had misgivings about accepting grants from the IUEF. If what Mr Rees said was true, then it would seem that his successor in office had no such scruples. The Commission in any event finds it odd that Mr Rees should pretend that he was concerned about the receipt of what he elsewhere in his evidence described as "tainted money", if one bears in mind the tenor of his letter of 25 February 1976, part of which is quoted in paragraph 16.11.4 above.

THE SACC's INCOME AND THE APPLICATION OF ITS FUNDS17.1 INCOME

The income for the period 1975 to 1981 could be allocated to the following:

1.	General Secretariat	R	%
	(i) General Administration	1 284 032	7,3
	(ii) Operational Fund	532 754	3,1
	(iii) Communications	<u>350 887</u>	<u>2,0</u>
		<u>2 167 673</u>	<u>12,4</u>
2.	Church and Mission		
	(i) Mission and Evangelism	159 146	0,9
	(ii) Theological Education	154 326	0,9
	(iii) Choir Resources	64 847	0,4
	(iv) Ecumenical Education Officer	<u>5 000</u>	<u>0,0</u>
		<u>383 319</u>	<u>2,2</u>
3.	Development and Service		
	(i) General Development	352 901	2,0
	(ii) Inter-Church Aid/ Revolving Development	2 618 864	15,0
	(iii) Home and Family Life	169 227	1,0
	(iv) Women's Programme	153 615	0,9
	(v) Unemployment project	<u>114 732</u>	<u>0,7</u>
		<u>3 409 339</u>	<u>19,6</u>
(4)	Justice and Society		
	(i) Asingeni Relief Fund (incl. LCT)	4 425 642	25,3
	(ii) Dependants' Conference (incl. ETF)	4 212 079	24,1
	(iii) African Bursary Fund	1 959 396	11,2
	(iv) Justice and Reconciliation	<u>260 139</u>	<u>1,5</u>
		<u>10 857 256</u>	<u>62,1</u>

(5) Total donations	16 817 587	96,3
Other income	<u>657 426</u>	<u>3,7</u>
Total Income 1975-81	<u>R17 475 013</u>	<u>100%</u>

17.1.1 The donations received by the SACC to meet the expenditure of the four departments clearly indicate that the activities of the SACC are overwhelmingly concentrated in the Department of Justice and Society.

During the seven-year period 1975 to 1981 an amount of no less than R10 857 256, i.e. 64,55% of the donations totalling R16 817 587, was earmarked for the Department of Justice and Society, as against R3 409 339 (20,27%) for the Department of Development and Service, R383 319 (2,27%) for Church and Mission, and R2 167 673 (12,88%) for the General Secretariat.

Disbursements by (a) Development and Service and (b) Justice and Society are, therefore, of primary importance.

Accordingly the Commission has not considered it necessary to deal with the income and related expenditure of the other two departments, General Secretariat and Church and Mission, in this report.

17.2 APPLICATION OF FUNDS

Development and Service

(i) General Development Fund

Payments from this fund over the period 1975-81 aggregated R437 331, as compared with income of R352 901.

Payments were made up as follows:

Donations and grants	R112 604
Administration costs	<u>324 727</u>
Total	<u>R437 331</u>

Under donations and grants the following disbursements were, for example, made:

1975			
Sept.	E. Sikakane	R10 000	Edendale Lay Centre Project loan
Oct.	Tugela Tractors	13 537	Two tractors for Dalisu Project
Oct.	Africa Housewife League	2 000	Initial grant transit camp
Apr.-Aug.	Border Council of Churches	18 800	Administration
May-July	N. Cape and W. Tvl Council of Churches	5 875	"
June	Transkei Council of Churches	2 000	Pre-school project

After 1978 the General Development Fund became responsible not only for its own administration costs but also for those of the Revolving Development Fund.

(ii) Inter-Church Aid/Revolving Development Fund

This division is responsible for the administration of the General Development Fund (since 1978) and the Revolving Development Fund.

Inter-Church Aid administers projects in the field of agriculture, home industries, health and child care, informal education, and general development including the provision of boreholes for water supplies.

Most projects of the Division of Inter-Church Aid are funded out of the Revolving Development Fund.

Revolving Development Fund

Expenditure for the period 1975 to 1981 amounted to R2 543 661 as compared with the income of R2 618 864, and was made up as follows:

(i) Grants

1975	R246 518
1976	192 061
1977	248 732
1978	676 332
1979	331 840

1980	241 749
1981	<u>493 497</u>

R2 430 729

(ii) Administration Costs
(1975-7)

Administration levies	R97 931	
Other	<u>15 001</u>	<u>112 932</u>
		<u>R2 543 661</u>

With regard to grants made, the investigating accountants found in the course of other investigations that for the period 1975 to 1979 incomplete financial and other documentation precluded any possibility of satisfactory control of funds granted for projects. An improvement in documentation was noted after 1979.

The auditors of the SACC commented as follows, in a report on the Revolving Development Fund dated 21 August 1979:

"We have reported on the use of the funds in the notes to the receipts and payments accounts. As can be seen from these notes many of the projects have not submitted financial reports in respect of the project and in the absence of such reports, we have not been able to satisfy ourselves that the funds have been utilized for their specified purposes."

The following donations of R10 000 or more were made during the period 1975 to 1981:

	PROJECTS	DATES
1.	Helwel	1975-81 R126 037
2.	Dalisu	1975-81 124 833
3.	Community Care Centre	1976-81 108 234
4.	Moletlane People's Project	1977-81 88 298
5.	Edendale Lay Ecumenical Centre	1975-81 81 991
6.	Cape Flats/Veritas/Cafda Pre-School Centre	1976-81 68 834
7.	Children Care Centre	1976-81 49 820
8.	Kwa Zamokhule Handcraft	1977-81 49 587
9.	EDA Resource Book	1981 33 050

10.	Inter-Church Training Centre	1978-81	32 500
11.	Association for Self Help	1975-6	30 975
12.	Imizamo Community Project	1976-81	28 040
13.	Zamanpele Community Health	1975	26 028
14.	Mzimholophe Transit Camp	1979-81	25 234
15.	Society for Care of Physical and Mentally Handicapped	1979-81	25 000
16.	Quambelaville Educational Program	1976-8	22 840
17.	Emseni Old Age Home	1975-81	22 662
18.	Vusisizwe Community Development	1978-9	22 500
19.	Zikhulizwe Home Industries	1978-80	21 800
20.	Khula Projekte	1978-80	21 250
21.	Kagiso Self Help Scheme	1979-81	20 500
22.	Sunday River Project/Quaker	1975-80	20 147
23.	Transit Camp Project	1977-80	19 000
24.	Lekoa Inter Church	1976-9	18 930
25.	Tswasana Co-operative Farm	1978-9	17 812
26.	Lethabana	1979-81	17 182
27.	Sunvalley Sewing Project	1976	16 800
28.	Ravensmead Project	1978-81	15 925
29.	Borleke Development Project	1976	15 000
30.	Zingisa Educational Scheme	1980-1	15 000
31.	Bridgeman Memorial Fund	1976-81	14 256
32.	Grasland Farm Project	1977	13 700
33.	Transvaal Bantu Blind	1976-8	13 420
34.	Ekombo Health Education	1977-8	13 000
35.	J213 (Faulty reference)	1976	12 665
36.	S A Black Social Workers	1979-81	12 500
37.	Manyeding Agricultural Project	1976	12 020
38.	Isinamwa Community Development	1976-8	11 881
39.	Velani Agricultural Project	1981	11 215
40.	Christian Centre in Namibia	1976-9	11 060
41.	Syferkuil Agricultural Project	1975	10 500
42.	Black Community Program	1975	10 000
43.	Chatsworth Community Centre	1979	10 000
44.	Church Agricultural Programme	1979	10 000

45.	Pietermaritzburg Ministers	1979-80	10 000
46.	Pietermaritzburg Study Centre	1980	10 000
47.	Pella Mission Station	1980	10 000
48.	St Brendan's Project	1978	10 000
49.	Soweto Women	1979	10 000
50.	Tiakeni Textiles	1981	10 000
51.	Atlegang Sewing Project	1981	10 000
52.	Market Theatre Foundation	1981	10 000
53.	Association for Rural Advancement	1981	<u>10 000</u>
Total grants of R10 000 or more			R1 442 026

(iii) Home and Family Life

Expenditure under this heading is mainly comprised of salaries, conference costs, travel and motor car expenses.

A donation of R7 500 was made to the Wits Council of Churches in 1980 for expenditure in connection with advisory bureaux at Soweto, Katlehong and Kwa-Thema.

The Fund's accumulated deficit amounted to R43 913 on 31 December 1981.

(iv) Women's Desk

Expenditure in this division was largely related to "Domestic Workers' Programme", Black Women's Legal Status and other programmes of a similar nature. The main donors were HEKS of Switzerland and the EKD who gave R99 030 in the period 1975-81, representing 64,5% of total donations received.

It has since been decided to incorporate the work of Women's Programme into the Division of Home and Family Life.

(v) Unemployment Project

The principal donors to this project, in respect of which R114 732 was received, were the EKD and the United Church of Canada, which provided

R92 199. Expenditure incurred included donations to the National Unemployment Programme and the Albert Street Feeding Scheme, salaries and travelling expenses.

JUSTICE AND SOCIETY

17.3 ASINGENI

(i) ASINGENI RELIEF FUND, INCLUDING LEGAL COST TRUST FUND

Expenditure from this fund amounted to R3 873 712 over the period 1975-81 as compared with income of R4 425 642, and was made up as follows:

Donations, legal costs, etc.	R3 483 363
Administration	166 946
Pilgrimage	205 820
Loans written off	17 333
Audit fee	<u>250</u>
	<u>R3 873 712</u>

Expenditure aggregating R3 767 276, representing 97,3% of the above-mentioned total, was analysed by the investigating accountant as follows:

Payments to Bowens (attorneys)	R1 247 618
Regional offices and other transfers	553 640
Payments to S. Chetty (attorney)	478 086
Payment advices not on files	83 953
Payments to J.C. Rees	239 180
Cash cheques	159 943
Reasons and advices inadequate	119 249
Legal costs to other parties	66 614
Other payments	482 866
Legal Cost Trust Fund:	
Legal aid mainly via Bowens and Shun Chetty	295 441
Administrative levies	<u>40 686</u>
	<u>R3 767 276</u>

Payments made to Bowens, Shun Chetty and other legal practitioners represented over 55% of total disbursements made over the seven-year period.

The following are details of payments made to Mr J.C. Rees:

"Ex Asingeni" or "Asingeni"	R54 800	7 cheques
No reasons given	39 300	8 "
"Relief"	32 800	7 "
"Bail"	8 719	6 "
"Relief injured prisoners"	22 950	1 "
"Legal fees bail relief"	12 000	1 "
"Grants to families"	8 500	1 "
"Bail, legal fees"	8 000	1 "
"Relief, food, bail, rental"	7 500	1 "
"Relief, food, bail"	6 800	1 "
"Families Tembisa"	5 600	1 "
"Grants for attendance of post mortems"	5 000	1 "
"Scholarships"	5 000	2 "
"Expenses met by him"	5 841	1 "
"Grants"	4 000	1 "
"Relief Baragwanath Hospital"	4 000	1 "
Legal Trust fund to Asingeni	<u>5 000</u>	<u>1 "</u>
	235 810	42
Sundry other payments	<u>3 370</u>	<u>5</u>
	<u>239 180</u>	<u>47 cheques</u>

The investigating accountants' conclusion as regards the expenditure of R239 180 made to Mr J.C. Rees was that the lack of supporting documentation made it impossible to verify either the application of the funds or the actual beneficiaries.

Payments in the form of "cash" cheques aggregated R159 943.

Because of inadequate information the investigating accountant was unable to identify the recipients or the purpose of these disbursements. Nearly all the cheques were signed by Messrs J.C. Rees and E. Mbatha, a former chief accountant.

Other payments made were classified as follows:

Reasons and advices inadequate	R119 249
Payment advices not on files	83 953
Other payments	<u>482 866</u>
	<u>R686 068</u>

In respect of the above, problems were also encountered owing to the fact that disbursements were not always supported by satisfactory documentation.

Payments covering a wide range of activities were made, e.g.:

Reasons and advices inadequate

July 1976	Black Parents ' Association	R 6 486	No reason
	Sached Trust	20 000	"
Oct. 1976	Cape Town relief	5 000	"
Oct. 1976	Black Parents' Association	3 000	"
Dec. 1976	L. Motlana	1 200	Transfer to Washington State Univer- sity
Jan. 1977	Dr H. Motlana	4 000	Ex Asingeni
Jan. 1977	Mrs S. Motlana	3 000	Ex Asingeni
Jan. 1977	P. Magubane	3 000	Relief Fund
Feb. 1977	Alan Hendrickse	5 000	Relief Fund
Feb. 1978	Soweto Teachers' Trust	10 000	Asingeni
Nov. 1979	Mdali	10 000	Asingeni
March 1981	Black Municipality Workers' Union	5 000	Asingeni

Payment Advices not on file

March 1979	A. Makoena	R4 000
May 1979	Seramani loan	3 000
June 1979	African Vision loan	10 000
July 1979	New Africa Mark loan	20 000

Dec. 1979	Voice Ecumenical Fund	30 000
Dec. 1979	Pasca	1 000
Sept. 1980	Black Municipality Workers Union	5 000
Sept. 1980	C. Mayson	1 000
Oct. 1980	N. Nkondo	1 000

Other payments (many of which were incapable of being verified)

<u>Date</u>	<u>Paid to</u>	<u>Amount</u>	<u>Reason</u>
1976			
July	Black Parents' Association	R 3 197	Ex Holland
Aug.	T. Zuma	4 400	Bail 44xR100 to Chetty
Sept.	M. Henderson	2 500	Resistance in Cape Riots
Oct.	Phanani	4 016	Vehicle for Phanani
Nov.	Central Methodist Church	2 000	Soweto Relief
1977			
Jan.	S. Maroney	1 000	Bill for food to Modderbee
Nov.	Black Community Program	1 500	Buses to funeral of Biko
Dec.	Soweto Teachers' Trust	10 000	Relief to teachers
1978			
March	R. Cebekhulu	1 060	Partial hire bus for Sobukwe's funeral
March	A. Buthelezi	3 310	"
March	V. Sobukwe	1 300	Expenses Sobukwe funeral
Oct.	W.P. Council of Churches	20 000	Crossroads rent arrears
Nov.	Dios Manzini	5 000	Relief for refuge students
1979			
Feb.	L. Mabasa	2 000	Assistance banned person
April	Ravan Press	10 000	Loan

July	W.P. Council of Churches	3 000	Assistance sacked workers (Fatti's and Moni's)
July	Cons. Textile Mills	2 430	Blankets for needy
Aug.	Society Precious Blood	1 000	Assistance injured priest
Aug.	Bishop Tutu	2 000	Educational expenses M. Nzamane
Nov.	W.P. Council of Churches	10 000	Crossroads rental arrears
Dec.	Council of Swaziland	2 000	Legal defence fund
1980			
Jan.	Adams Church	1 000	Relief for Lesotho refugees in Bethlehem
Jan.	Godfrey Pitje	3 200	Loan for bail tribal dispute Nobo
Feb.	S.A. Institute Race Relations	1 500	Central Archive records labour cases
Feb.	Webber, Wentzel and Co.	1 600	Maintenance sacked workers (Nels')
March	Percy Qoboza	2 000	Assistance Administration Mandela campaign
March	Actstop	5 000	Grant for working against eviction of Indians and Coloureds
March	The Rev. D.C. Veysie	5 400	Research for plural society
March	Ipopeng Bursary Fund	10 000	Loan fund run by Dr Ramphela for funeral pupils
July	W.P. Council of Churches	5 000	Relief striking meat workers
Sept.	T.J. Masetela	7 057	Assistance overseas studies
Oct.	Prof. M. Bam	9 000	National University Lesotho
Nov.	Prof. M. Bam	11 000	Assistance with scholarship daughter
Oct.	Cosas Congress of S.A. Students	1 000	Donation
Nov.	MWASA	4 000	Relief for journalists on strike

1981			
Jan.	S.A. Outlook	8 500	-
Feb.	CUSA	1 050	Assistance for sacked drivers
	M.K. Harris	65 601	Khotso film
Aug.	SAAWU	4 000	Assistance striking workers
Aug.	F. Chikane	2 000	Loan, bail Kagiso students public violence
Oct.	V. Sobukwe	4 000	Loan and grant
Dec.	SAAWU	10 000	Relief families of striking workers
Dec.	Pilgrimage	201 599	

In a submission to the Commission the SACC stated:

"The Asingeni Relief Fund was established as a discretionary fund with the consent of the donors. Since its inception the discretionary use of the fund has been vested in the General Secretary of the SACC"

"The Oxford English Dictionary defines discretionary as done or used at a persons discretion, freedom to act according to ones judgement."

"In 1979 the Executive Committee of the SACC decided that a small advisory committee should be established to assist the General Secretary in administering the fund. In 1981 the advisory Committee was disbanded. Bishop Tutu explained the reasons for this decision in the Asingeni report no 23:

"The Asingeni Fund is wholly discretionary with a high level of confidentiality. The committee members would be guilty of contempt of court if they were ever to be subpoenaed to disclose the anonymous recipients of Asingeni grants. So it was decided that I would make periodic disclosures to our Council lawyer who as a court official would not be guilty of contempt and would say that he has satisfied himself through the disclosures that nothing untoward had happened."

"In spite of the fact that the Asingeni Relief Fund was established as a wholly discretionary Fund, only about 20% of the fund is used in this way. The remaining 80% was used for legal costs mainly mentioned and paid through the Trust Accounts of the Councils lawyers, Bowns."

It should be noted that in subsequent years the ratio tended to vary and the discretionary portion exceeded that mentioned in the above report.

17.4 DEPENDANTS' CONFERENCE (DC) INCLUDING ECUMENICAL TRUST FUND (ETF)

Expenditure over the period 1975-81 amounted to R4 188 691 as compared with

the income of R4 212 079.

Dependants' Conference

Donations made	R3 315 767
Administration costs	<u>375 435</u>
	R3 691 202

Ecumenical Trust Fund

Donations made	R 479 890
Administration levy	<u>17 599</u>
	R4 188 691

Towards the end of 1980 the Ecumenical Trust Fund was transferred to the Dependants' Conference Fund.

DEPENDANTS' CONFERENCE (DC)

The investigating accountant examined in detail payments of R3 323 029, i.e. 90% of the total expenditure of R3 691 202 from DC funds. The balance of R368 173 was made up of small amounts.

The main items of expenditure were as follows:

(a) Maintenance of families of political detainees R1 822 913

According to the SACC approximately R58 000 was paid during November 1981 to about 874 families. At that time the basic scale for one dependant was a minimum of R50 plus R5 for each additional dependant to a maximum of R80 for a family of 7 or more.

(b) Grants to Regional Councils R711 579

Border (East London)	R232 274
Transkei (Umtata)	219 161
Eastern Cape (Port Elizabeth)	96 723
Cape Town (Mowbray)	82 481
Other	<u>80 940</u>
	<u>R711 579</u>

(i) The following statement appeared in the 1978 audit report:

"Proper books and records were not kept by certain branches of the Dependants Conference and as a result annual financial statements have not been prepared for the 1977 or 1978 financial years."

(ii) The 1979 audit report contained the following qualification:

"We are not able to report on the financial position of the Dependants Conference at 31 December 1979 or on the results of its operations for the year then ended as certain branches have not kept proper books and records with the result that annual financial statements have not been prepared for the 1979 financial year."

(iii) The audit reports for 1980 and 1981 contained no comment on or reference to regional offices of the Dependants' Conference.

(iv) According to the following extract from the minutes, the administration of the funds of DC regional offices and the qualifications by the auditors were discussed at a meeting on 26 February 1981 of the DC National Council:

"Mr Potter, independent investigator into SACC's finances, had given DC a clean bill of health. He recommended we make block grants to Councils. Any qualification by the auditors would affect the regional council, not SACC. ... Regional Councils would have the responsibility for proper administration of DC monies."

(c) Cost of administration R438 051.

Salaries of head office and regional office staff were included in the above, as well as cost of motor transport.

(d) Payments to J.C. Rees: R83 350.

In some cases there were no payment advices on the files and in others supporting documentation as to the reason for payment was inadequate. Particulars were as follows:

(i) No reasons given	R33 000	6 cheques
(ii) No advices on files	26 100	4 cheques
(iii) "Grants"	12 600	3 cheques
(iv) Payment of moneys to detainees' families	6 000	1 cheque
(v) "DC 2"	3 000	1 cheque
(vi) Other	<u>2 650</u>	6 cheques
	<u>R83 350</u>	

(e) Reasons for payment and supporting details inadequate: R72 917.

The lack of sufficient information, as well as the issuing of cash cheques, made it impossible to ascertain the reason for payment. Furthermore, it was impossible to ascertain whether payment had been made to the intended payee, for example:

June 1975	Die Studiegroep	R3 000	No reason
July 1975	Mr T. Pengelly	1 920	DC 2
Sept. 1975	Cash	6 500	No reason
Sept. 1975	Cash	2 500	No reason
Nov. 1975	The Rev. Dumeni	3 000	To cover expenses
Jan. 1976	Breakthrough	6 000	DC 2
March 1976	W. Kistner	3 000	Advance DC 2 for J and R
April 1976	Institute of Black Studies	2 500	No advice
April 1976	L.M. Collyer	450	No advice
May 1976	Cash	300	Gen. Sec. Discr. (Bail)
May 1976	Cash	200	"
Aug. 1976	G. Nunwana	2 400	DC 2
Feb. 1977	Transfer to Washington State University	400	No advice
Oct. 1977	Cash	9 000	No advice

Nov. 1977	The Voice	7 000	No advice
Jan. 1978	Cash	1 000	No advice

(f) Other payments: R57 910.

The following amounts were, inter alia, expended under this heading:

March 1975	S. Motlana	500	Grant
March 1975	H. Dolowitz	3 000	for Turfloop Investigation
March 1975	Shun Chetty	5 000	Grant
April 1975	Bowens	10 473	Members of SASO, BPC etc trial
Sept. 1975	Fuller Moore & Son	1 000	Legal Cost - Gwentshe
Nov. 1975	Robert Sobukwe	984	S. Ntwasa
Dec. 1975	D. Tutu	450	Grant
June 1976	Cash	2 000	Black People's Convention
March 1977	Mr Marius Schoon	4 000	Ex DC 2
April 1977	G. Collyer	1 900	Released prisoners
Oct. 1977	Mrs N. Biko	450	Special Relief
Nov./Dec. 1977	Dr Beyers Naudé	1 800	(3 cheques x R600) Grants
Nov. 1977	Raymond Tucker	900	Special Relief Prison feeding
Nov. 1977	Robert Sobukwe	600	Discretion grant

(g) Projects: R31 189

Extract from DC Annual Report 1977/78:

"Projects

The whole idea behind these is to enable people to stand on their own feet - to get them off the monthly grants. To date just under 100 people are involved in 27 projects - welding, poultry, woodwork, soft goods selling, vegetable selling, ploughing, a cafe, brickmaking etc etc. In most cases it is too early to judge if these projects will get firmly established: unfortunately we have several instances of earlier projects which came to grief for a variety of reasons (internal quarrels in a group, abuse of equipment, inability to get necessary licences, lack of proper management - and no doubt lack of supervision on our part)."

Extract from 1979/80 Annual Report:

"Projects

We are sad to report that most of these have ended in failure. In some cases the members did pay back some or all the agreed proportion of the Capital advanced by DC and in a good number of cases monthly grants were suspended. However, most projects have not enabled their members to be selfsupporting which was the intention of course and as a result we have repossessed various vehicles, knitting machines, welding equipment, etc etc. and we have also had to re-instate the persons concerned on monthly grants."

It is of note that less than 1% of DC funds were allocated to rehabilitation projects.

17.5 ECUMENICAL TRUST FUND

According to the financial statements of the Ecumenical Trust Fund the total amount expended during the period 1975 to 1980 under this heading amounted to R497 489.

The following larger payments were made:

Jan. 1975	Urban Resources Centre	R4 000	No reason
Aug. 1975	S. Chetty and Co.	1 000	S. Cooper
Dec. 1975	R. Sobukwe	2 000	Grant ETF Minutes 5/12/75
Dec. 1975	S. Chetty and Co.	1 000	Bail Yvonne N. Kraai
1975	Wilgespruit Fellowship centre	23 000	(Monies held in trust)
Jan. 1976	R. Sobukwe	2 444	Butterworths ... grant
March 1976	Idamasa Youth Project	10 000	No reason
July 1976	C. Keyter	5 000	Research project
May 1975	Wilgespruit Fellowship Centre	6 000	(Funds requested)
May 1975	S. Chetty	550	Steve Biko case
Sept. 1975	Bowens	4 000	SWA case
1977	Young Christian Workers	1 375	Grant
Oct. 1978	Cash	405	Oct allowance for Modderbee detainees
Nov. 1978	Cash	500	Nov. allowance for Modderbee detainees
- 1978	Mary Shinnars	2 400	Travel Bethal (4xR600)
Sept. 1978	Santam Bank	940	Loan Aubrey Mokoena
Jan. 1979	M. Shinnars	600	Travel Bethal Trial

April 1979	S. Chetty	<u>1 312</u>
	Total	R66 526
1976-80	Transfer to DC Offices Transkei	58 267
	Transfer to DC Offices Border	6 362
	Transfer to DC Offices East Cape	6 449
	Other	<u>7 014</u>
		<u>R144 618</u>

17.6 AFRICAN BURSARY FUND

Income for the period 1975-81 amounted to R1 959 396, as compared with expenditure amounting to R1 985 872. Expenditure was made up as follows:

Donations made:	1975	R59 952
	1976	110 910
	1977	140 536
	1978	259 790
	1979	391 205
	1980	335 315
	1981	<u>419 101</u>
		R1 716 809
Administration levies		132 185
Salaries		<u>136 878</u>
Total		<u>R1 985 872</u>

Payments were usually made direct to schools and universities. The donations totalling R419 101 for 1981 were made up as follows:

Payments to universities	40,0%
Boarding fees to schools	39,0
Books	16,0
School fees	1,8
Examination fees	1,7
Sport	0,7

Other, e.g. writing materials 0.8
100,08

The following were the numbers of recipients of awards from 1970 to 1981:

1970	12
1971	46
1972	284
1973	354
1974	228
1975	295
1976	468
1977	493
1978	1 090
1979	631
1980	912
1981	836

According to the SACC, the African Bursary Fund supported a total of close on 2 000 students in 1981.

17.7 JUSTICE AND RECONCILIATION

Expenditure from 1975 to 1981 was R215 225 as compared with an income of R260 139. Expenditure was made up as follows:

Salaries	R123 604
Travelling expenses	28 760
Publication expenses	18 797
Resettlement and uprooting	16 023
Administration levy	12 821
Conference expenses	9 641
Donations	1 000
Other costs	<u>4 579</u>
	R215 225

Costs in connection with publications on Resettlements, Racism, Foreign Investments, Uprooting, etc., were included above.

Travelling expenses included costs of visits overseas and attendance at conferences and lectures as well as costs for overseas visitors.

17.8 TRUST FUNDS

The Finance Committee, in its report for the year ended 31 December 1976, for the first time defined trust funds as follows:

"Funds deposited with the Council by an independent body or funds given for a definite purpose, which cannot be used for a different purpose without the consent of the donor."

Amounts received for Trust Funds direct, and not included in income listed in paragraph 17.1, amounted to R2 338 118 and were made up as follows:

Project	Receipts	Period
Wilgespruit Fellowship Centre	R310 072	1975-81
Voice Ecumenical Trust Fund	367 480	1977-81
Satcic	244 022	1975-8
Asati (Assoc. of S.A. Theol. Inst.)	92 889	1975-9
ELC Capital Fund	342 633	1975-6
Soweto Teachers' Trust	117 793	1977-80
Theological Education Fund	59 674	1975-8
Sabswa	41 135	1975
Federal Theological Seminary	36 124	1975
Radio Voice of the Gospel	25 291	1975-6
General Secretary Discr. Fund	21 343	1977-8
Resettlement Trust	18 449	1976-81
Ecumenical Research Unit	19 501	1975-6
University Bursary Fund	19 301	1975
Independent Church Scholarship	16 706	1976-9
Special Trust	8 653	1975

New Motor Vehicle	5 334	1979
Church of Province, Courses	2 048	1978
Africa Acts	328	1976-80
African Churches Infor- mation Service	885	1979-80
Christian Education Fund	175	1977-9
Communications TV	162	1976
Health Educator Transkei	130	1975-80
Centre for Study of Communism	22	1975-6
Churches Agricultural Project	23 288	1979
Children's Day Care Centre	23 264	1978-80
Zikhulise Home Industries	11 632	1978-80
Ekombe Health Centre	11 326	1978-80
Dalisu Health Project	11 632	1978-80
Transkei Council of Churches	29 451	1978-80
Mafeking Council of Churches	23 589	1978-80
Pretoria Council of Churches	23 552	1978-80
Wits Council of Churches	21 244	1978-80
Vaal Triangle Council of Churches	21 325	1978-80
Northern Transvaal Council of Churches	19 175	1978-80
Zululand Council of Churches	13 538	1978-80
Staff Housing	102 253	1975-81
ICA Water rig	72 473	1977-81
NCTE Scholarship (National Committee for Theol. Educ.)	39 495	1977-81
JSC Training Project	35 673	1978-81
African CEI Trust	26 777	1977-81
WAAIC (Women's Ass. of African Indep. Churches)	15 266	1977-81
Independent Church Women	17 601	1976-81
Marriage Guidance	10 534	1976-81
All Africa Conf. of Churches	7 747	1975-81
Post-Ordination Theolo- gical Training	6 746	1977-81
Courses for Church leaders	6 329	1976-81

Study Tour of Africa	5 555	1976-81
Boat people	5 107	1979-81
Churches forced to move	1 717	1975-81
NCTE Reserve	1 679	1979-81

FINANCIAL PROCEDURES AND CONTROLS

18.1 INTRODUCTION

This chapter is based on the following source material:

- (a) The report of the investigating accountants appointed by the Commission, Messrs Theron van der Poel, dated 8 October 1982;
- (b) the written submission by the SACC, dated 23 April 1982;
- (c) the annual financial statements of the SACC for the seven years ended 31 December 1981, audited by Messrs Pim Whiteley and Close (referred to as Pim Whiteley), Chartered Accountants, Johannesburg; and
- (d) oral evidence given at public hearings held by the Commission.

18.2 RECENT HISTORY

In its written submission to the Commission the SACC stated:

"A description of the financial accounting procedures of the SACC must start with the recent history of the finance department and the role of South African Council of Churches Accounting Services (Pty) Limited (SACCAS).

In 1978 the National Executive agreed to the transfer of the financial accounting function of the SACC to SACCAS. The company is 75% owned by the SACC and 25% by Transfer Administrators (Pty) Ltd. The SACC Executive nominated four of the SACCAS directors. The Chairman of the SACCAS Board is Mr A.E. Wentzel, nominee of Transfer Administrators (Pty) Ltd. In this capacity Mr Wentzel acted as financial adviser to the SACC and was invited to serve on the Finance Committee. Mr Wentzel gave a considerable amount of his time to the setting up and management of SACCAS. The motive for the transfer of the financial accounting functions to SACCAS was to ensure that the funds of the Council would be properly looked after, and to improve financial reporting, especially the comparison of expenditure against budget on a regular basis. The systems would be computerised. At the same time it was intended to provide a computer bureau service to small Black businessmen. The company would also serve as a training ground for Black accountants, in keeping with the role and policy of the SACC.

In practice, SACCAS had the virtual control of all SACC funds. It received all funds and made all payments on behalf of the SACC. It operated the control signature on the cheques drawn against SACC accounts.

SACCAS presented computer printouts to the Finance Committee, comparing budget against actual expenditure for each division. The day to day running of SACCAS was in the hands of Mr E. Mbatha.

The ideal of a semi-independent company that would provide the SACC with an efficient control of its funds and regular reporting to the management of the SACC was however not realised.

While sacrificial efforts were made by Mr Wentzel, and some members of the SACCAS staff performed efficiently, it soon became apparent that -

- (a) SACCAS was not able to train Black accountants to the high level expected in the original proposal. It was also not able to attract staff of the calibre required to manage the work.
- (b) SACCAS failed to attract the small Black businessman, for whom the computer bureau would also be operated.
- (c) Owing, possibly, to the failure to implement correct procedures, the control over cheques drawn on the SACC bank accounts left much to be desired. This became evident at the trial of Mr E. Mbatha.
- (d) The hoped for reporting pattern for efficient control of expenditure against budget did not materialise. The computer printouts sometimes arrived too late to have anything but historical interest, and the presentation of the information was not easily read by the directorate staff for whom it was also intended.

While the transfer to SACCAS of the responsibility for accounting for SACC funds had been made in good faith, with the hope that this accounting would be more satisfactorily performed, in practice it led to the SACC finding itself in a position where it had de facto poor control over its own funds. This situation was a contributing factor to the material irregularities in the books of account of the SACC, reported by the auditors on the 1979 accounts.

As a result the Executive of the SACC, meeting on the 27 and 28 November 1979, decided that it would re-establish its own finance office and would transfer the entire accounting functions back to its own organisation."

It is of interest to note that the arrangement in terms of which SACCAS took over the responsibility for maintenance of the financial accounting functions of the SACC was formalised in an agreement between the two parties entered into on 4 April 1977. This agreement specified, inter alia, the following:

- "7.1 (a) The Employee [SACCAS] undertakes to employ competent and qualified staff for the purpose of the functions delegated to it in terms of this agreement but
- (b) acknowledges that it is aware that the Employer [SACC] has particular obligations to the Black community of the Republic of South Africa and all other things being equal the Employee will endeavour to employ initially qualified Black persons, ..."

18.3 FINANCE OFFICE

The finance office operates under the General Secretariat of the SACC. The office is under the control of a finance officer and her staff consists of one bookkeeper, one accounts clerk, one data capture clerk and one administrative secretary.

The accounting records are being maintained manually although there is an intention to computerise these. The finance office is responsible for the receipt and deposit of funds, for the disbursement and recording of transactions, and for reporting on a periodic basis to the Deputy General Secretary and Finance Committee.

18.4 FINANCIAL CONTROL

According to the written submission of the SACC the following are the more important overall controls over finances:

18.4.1 "Budgetting procedures

An annual expenditure budget is drawn up each year, and efforts are made to solicit funds from overseas donor partners and others to meet the budget. The expenditure budget is compiled on the basis of approved programmes, present and anticipated staff quotas and other costs and is approved with the proviso 'subject to available funding'.

The approval process requires an initial scrutiny by the Finance Committee, and the final approval of the Executive Committee. The draft expenditure budget then becomes the official expenditure budget of the SACC for that year.

Where insufficient funding, or additional funding, has been received for any department or programme, a supplementary expenditure budget may be submitted to the Executive for approval."

18.4.2 "Authorities for expenditure

Authority for expenditure is implicit in the acceptance of the expenditure budget by the Executive Committee. Expenditure outside the budget, of an amount more than R500, must be approved by the Finance Committee.

In terms of paragraph 12.4 of the Constitution, the Deputy General Secretary is responsible for the safe custody of the funds of the Council and the maintenance of all financial records. In terms of the procedures of the Council he is required to report through the General Secretary to the Finance Committee and the Executive Committee on the state of the Council's funds."

18.4.3 "Discretionary funds

The two main discretionary funds are the Asingeni Relief Fund and the General Secretary's Discretionary Fund, both of which may be expended in the sole discretion of the General Secretary of the SACC.

Expenditure from the Asingeni Relief Fund is to be incurred within the broad parameters laid down in the establishment of this Fund. While a budget is normally set for the Asingeni Relief Fund, the actual expenditure pattern is controlled by the amount of income received from donor partners for this purpose.

The Director of the African Bursary Fund has a discretionary fund of R5 000 which is to be expended at her discretion in terms of the purpose for which the fund was set-up."

18.4.4 "Bank signatories

The approval of signature authorities on the SACC's banking accounts is given by the Finance Committee.

All cheques drawn upon the Council funds must be signed by two authorised signatories, 'A' signatory (normally a divisional director or senior staff member) and the control 'B' signatory which is anyone of the General Secretary, the Deputy General Secretary or the Finance Officer.

Cheques may also be signed by any two of the control signatories.

Apart from some Dependants Conference and African Bursary Fund cheques, which are machine signed, other SACC cheques are handwritten and presented for signature with accompanying certifying documentation. The documentation may take the form of a certified invoice, a copy of the minutes of a meeting of the relevant division, correspondence authorising the release of funds or some other form of voucher.

Cheques are normally prepared by the Finance department and passed through the Finance Officer to the Deputy General Secretary for authorisation."

18.4.5 The foregoing controls and procedures were not, however, consistently adhered to during the seven-year period as is apparent from the reports of the auditors, Pim Whiteley, on the respective annual financial statements of the SACC and the report to the Commission of the investigating accountants, Theron van der Poel.

The reports of the auditors, Pim Whiteley, on the SACC annual financial statements are dealt with in the following chapter of this report.

There were, however, several instances of adverse reports by the auditors on the records of bodies associated with and administered by the SACC.

The following is an extract from a letter from the auditors dated 17 August 1979 which records the results of their investigation into the S.A. Theological College for Independent Churches (SATCIC) for the year ended 31 December 1977 and the three months ended 31 March 1979:

"2. Cheques

The SATCIC cheques are not printed with a crossing and therefore it is the responsibility of the preparer or the cheque signatories to cross the cheques. However, from our scrutiny of the cheques we found that very few cheques were in fact crossed and all cheques were bearer (i.e. 'or bearer' had not been crossed out.) In conducting our investigation we found a few instances where a crossed cheque appeared to have been cashed. This led us to believe that the crossing had been made once the cheque had been returned directly to SATCIC. We therefore have serious doubts as to whether all crossed cheques were in fact crossed prior to being banked. ... we ... classified cheques into those where the payee cannot be positively identified and those where the payee can be positively identified (based on the evidence on the face of the cheque). This classification revealed the following:

1. <u>Year ended 31st December, 1977</u>	R
Payee positively identified	6 961,88
Payee not identified	<u>27 428,73</u>
Total cheque payments	<u>34 390,61</u>

We would also mention that of the R10 844,11 disclosed in 1 above [not reproduced here], only R4 666,93 could we positively identify as having been banked by the payee. For the balance of R6 177,18 there was no evidence to positively indicate that the payee had received payment.

2. <u>Period 1st January to 31st March, 1979</u>	
Payee positively identified	2 206,14
Payee not identified	<u>9 985,82</u>
Total cheque payments	<u>12 191,96</u>

Again we would mention that of the R5 846,11 disclosed in 1 above [not reproduced here], only R2 149,44 could we positively identify as having been banked by the payee. For the balance of R3 696,67 there was no evidence to positively indicate that the payee had received payment."

18.5 FINDINGS OF THE INVESTIGATING ACCOUNTANTS

As a result of their investigation of the financial books and records of the SACC for the seven-year period 1975 to 1981, Theron van der Poel reported that in their opinion the books and records had not been maintained satisfactorily. They did observe an improvement in their maintenance from 1980, but nevertheless considered that at the end of 1981 they were still being maintained in an

unsatisfactory manner. They cited the following as indicative of the position:

18.5.1 Financial statements and general ledger

- (a) Numerous correcting and adjusting journal entries were made by the auditors at the end of each financial year. For example, 139 journal entries were passed in order to correct and finalise the 1981 financial statements. The number of adjustments required in previous years was even greater.

The financial statements for the year ended 31 December 1981 were not available for tabling at the National Conference in June 1982 and at 15 September 1982, when the final adjusting entries were processed in the general ledger, the Finance Committee had not approved those statements, mainly owing to differences of opinion with the auditors over their proposed audit opinion. The 1981 revised report was finally accepted by the Finance Committee on 28 September 1982 and recommended for acceptance to the Executive Committee.

- (b) It was found that not all year end adjusting journal entries had been recorded in the books and accordingly in many cases the figures reflected in the audited financial statements for the period could not be agreed with the appropriate general ledger accounts.
- (c) The following audited financial statements were not available by the date of completion of the investigation.

	<u>Years ending 31 December</u>
Legal Cost Trust Fund	1980 - 1981
Ecumenical Trust Fund	1980 - 1981
African Commercial Education and Industrial Trust	1978 - 1981
Inter-Church Aid - Revolving Development Fund	1980 - 1981

- (d) The ledger for the four months 1 January 1980 to 30 April 1980 could not

be located.

18.5.2 Cheque "contra" account :

A "contra" account is maintained in the SACC general ledger in which various unusual receipts and payments which relate to each other are contra'd.

The "contra" account acts as a conduit and the various transactions are not reflected in the SACC's financial statements. The following are examples of the type of transactions recorded in the "contra" account

1981

(i)	Paid to: Evangelical Lutheran Churches in SA	R15 185,67
	Received from: Danchurchaid	15 185,67
(ii)	Paid to: FELCSA Northern Diocese	10 000
	Received from: Danchurchaid	10 000
(iii)	Paid to: NCTE Bursary Fund	3 500
	Asati Bursary Fund	3 500
	NCTE Reserve Fund	1 000
	CCID	2 000
	TEEC	20 000
	Received from: Church of Sweden Mission	30 000

1980

Paid to: Namibia Council of Churches	30 000
Received from: FELCSA	30 000

1979

(i)	Paid to: Shun Chetty	26 000
	Received from: FELCSA	26 000
(ii)	Paid to: Border Council of Churches	5 000
	Received from: Danchurchaid	5 000

1976

(i)	Paid to: Black Community Programmes	20 077
	Received from: HEKS	20 077

The lack of descriptions for individual items made it extremely difficult to ascertain reasons for many of the items being applied against each other. The

investigating accountants concluded that the state of this account was unsatisfactory and it was not clear to them that all amounts were being correctly applied against each other and that the account was in fact necessary. For example, an uncleared credit of R13 696,72 in 1981 for the Wilgespruit Fellowship Centre was eliminated by passing a credit to "general Administration grants made" at the financial year end.

18.5.3 Trust accounts

Trust account balances were, in order to maintain these separately from general funds, invested with African Bank. At the end of each financial year journal entries were required to agree Trust account balances and funds held by African Bank. At the 1981 financial year end adjustments were required to some 27 trust account balances to agree these with African Bank and a net amount of R20 799,93 representing unexplained differences was written off as "bad debts" in order to agree the balances. These adjustments indicate that the books were not being maintained satisfactorily.

Lack of descriptions and cross-references between receipts, cash books and the general ledger made it extremely difficult and time consuming for the investigating accountants to trace the sources of trust fund income. They observed that income and expenditure in the audited financial statements of the Ecumenical Trust Fund and Legal Cost Trust Fund differed materially from the figures contained in the books.

18.5.4 Loans written off

The investigating accountants reported that control over loans made was most unsatisfactory. Various amounts advanced as loans were subsequently written off as "grants made".

For example, a loan to C. Koza, a former employee, in the amount of R6 771,59 was written off as "grants made". There were several instances where payments out of various funds were described on cheque requisitions as loans but were recorded in the books as "grants made". It was clear that accounting control over the recovery of loans made was unsatisfactory.

18.5.5 Cash cheques and cheque requisitions

There were numerous instances of cheques made out to "cash or bearer" being paid out of the various Trust Funds. The ultimate recipient of the cash could therefore not be identified. Reasons for payments were frequently not given or insufficiently detailed on cheque requisition forms, and in some cases cheque requisition forms could not be located.

18.5.6 "Bail moneys"

Substantial amounts were paid out particularly to Mr J.C. Rees, to provide bail for the release of prisoners. It appeared that detailed records of these were not maintained and that no financial control was exercised to ensure repayment of these moneys. Thus amounts paid for bail moneys, subsequently refunded, were not always accounted for to the SACC.

18.5.7 Donations received

From 1980 correspondence with donors was filed but for periods prior to that the relevant documentation was not available. However, even for 1980 and 1981 the files were not complete, and letters were referred to in correspondence which had not been retained on file. The investigating accountants were completely unable to check the details shown on the schedule of donations included in the 1980 financial statements. In the case of 1981, they found several errors with regard to details of donors and the amounts, and these were subsequently corrected. However, the schedule of donations included in the 1981 financial statements differed by R10 780 from the correct total, reflecting the unsatisfactory maintenance of these records.

Donations received from foreign governments or their agencies were not reflected as such until 1981 when the Commission's accountants had commenced their investigation.

Prior to 1980 separate receipt books and cash books were maintained for the Dependents' Conference. In 1978 and 1979 donations of R14 850 and R16 520 were recorded, but these could not be traced to the SACC ledger or financial statements.

The Commission finds that the exercise of control by the SACC over its finances, financial books and records has been lax. In 1976 donations received increased substantially by R1,0 million to R1,7 million and in 1977 recorded a further substantial increase to some R3,0 million at which level they have been more or less maintained in subsequent years. One would have thought that this growth in availability of funds, with the need to spend these in accordance with needs and donors' wishes, would have prompted the SACC Executive to realise the need for stricter financial discipline and stewardship. As will be seen from the following chapter which deals with the reports of the auditors, there was a deterioration in the maintenance of financial records from 1977, which became more marked in 1978 and following years.

Efforts were made to improve the situation with the appointment of Mr M.I. Stevenson as Deputy General Secretary in 1980, and while there was some improvement, by the end of 1981 the situation was still described by the investigating accountants as being unsatisfactory.

There seem to the Commission to be several reasons for the failure of the SACC to maintain the necessary levels of financial discipline:

- (a) The transfer of the financial accounting functions of the SACC to SACCAS (see paragraph 18.2) in 1978 appeared to have been made with good intentions with a view to "ensuring that the funds of the SACC would be properly looked after and to improve financial reporting" (SACC submission). The transfer was also made since it was hoped that "the company would also serve as a training ground for Black accountants, in keeping with the role and policy of the SACC" (SACC submission). Mr E. Mbatha, the Chief accountant of SACCAS (who was subsequently charged with theft but acquitted), and his staff were insufficiently experienced to handle the volume of transactions and maintain the financial discipline of accounting control that was required.

The SACC Executive could not have expected the transfer of financial

accounting functions to SACCAS to be the solution to their accounting control difficulties since SACCAS was a new operation, insufficiently experienced in the accounting and reporting requirements of the SACC. Although Mr A.E. Wentzel, the nominee for the minority shareholder in SACCAS, apparently put in considerable efforts to set up SACCAS, he did not provide the accounting leadership that was required by the SACC at that time.

The auditors Pim Whiteley, in their report dated 31 August 1979, alerted the SACC to their misgivings in regard to the employment of untrained Black staff:

"In the past, we have issued management reports in which certain improvements were suggested, but as there has not been anyone qualified to implement these suggestions, no effective improvement has occurred. The Council is committed to the policy of employing black accountants and clerks in SACC Accounting Services (Pty) Limited, the company which provides the financial and secretarial services to SACC and its Associates. This policy of employing relatively untrained persons responsible for the implementation of adequate controls and procedures has not been successful due to their inexperience and lack of formal training, and consequently they are not equal to the task."

- (b) The increase in availability of funds from overseas, particularly from West Germany, had led to an expansive attitude of mind. There was no longer a need to husband finances and there appeared to be no limit to the funds which overseas donors could make available, provided that the necessary project could be put before them. This attitude led to the more extensive granting of staff loans, many of which have since been written off or provided against; the financing of the trip to Israel, the "Pilgrimage of Hope"; and in general a more casual attitude to expenditure.
- (c) One must question whether the background and training of Bishop Tutu were adequate to equip him for the task of handling the administration of the finances of the SACC. His talents and gifts lay in other directions, and it was perhaps unfair of the SACC Executive to expect him to take over the administration and financial responsibilities previously handled by Mr Rees. This seems to have been realised by the SACC

Executive by early 1980 with the appointment of Mr M.I. Stevenson as
Deputy General Secretary responsible for administration and finance.

AUDIT REQUIREMENTS AND FINANCES

19.1 AUDIT REQUIREMENTS

The South African Council of Churches is an unincorporated body set up and governed in terms of its Constitution. As such it is not subject to the rules and regulations of a statute such as the Companies Act regarding appointment of auditors, responsibilities of auditors, and the duty to lay audited accounts annually before its members.

The Constitution provides, however, for the appointment of auditors without laying down any specific requirements as to their responsibilities. The specific requirements of the Constitution with regard to appointment of auditors are as follows:

In terms of paragraph 9.1.1 of the Constitution, regarding Permanent Sub-Committees -

"There shall be a Finance Committee which shall be a sub-committee of the Executive Committee responsible for the Finance and Administration. The President shall be the Chairman of the Finance Committee and failing him a vice-President and failing them a person elected by the meeting. The Finance Committee shall be comprised of:

- 1) Four members of the Executive Committee, appointed by it for the purpose.
- 2) The General Secretary, Deputy General Secretary (Administration) and members of the Praesidium, ex officio.
- 3) Four members appointed by the Executive Committee skilled in matters of finance of whom if possible two shall be Ministers of Religion and one shall be a person learned in law.
- 4) Not more than four persons co-opted from time to time by the Finance Committee."

and in terms of paragraph 9.1.2. -

"The Finance Committee shall be responsible for advising and giving effect to decisions of the National Conference, the Executive Committee and the General Secretary on matters of Finance, Administration and shall report to them fully and regularly. In particular it shall be the function of the Finance Committee:

...;

- 7) To recommend the appointment of an auditor who shall examine the books and records of the Council and report thereon to the National Conference."

The Finance Committee is accordingly basically responsible for the appointment of auditors and for setting their terms of reference.

19.2 AUDITORS

The SACC has since 1973 been audited by the same firm of auditors. Originally, Messrs Howard Pim and Hardy, the name of the firm was changed in 1975 (after merger with Messrs Whiteley Brothers, Gurney, Close and Co, Gurney, Nottcut and Fisher and J.E.P. Close & Co.) to Pim Whiteley and Close and in 1982 (after merger with Messrs Goldby Compton and MacKelvie) to Pim Goldby. For ease of reference the auditors are referred to as "Pim Whiteley".

19.3 AUDIT RESPONSIBILITIES

The auditors in a letter addressed to the General Secretary on 29 June 1976 requested guidance as to the scope of the audit and the form of accounts required. In his reply of 27 August 1976 the General Secretary stated "we could give you individual advice on the various funds which we have asked you to audit indicating to you the extent that we require it to be audited". It does not appear that such advice was given formally.

Informal arrangements therefore existed for many years and Pim Whiteley conducted their audits on the basis of a full scope audit as if the SACC's annual accounts were subject to the requirements of the Companies Act.

The growth in funds received by the SACC which occurred from 1975, and the increasing diversity of trust funds, divisional funds and administered funds which were set up to deal with special purpose gifts, were a cause of concern to Pim Whiteley. In addition, insufficient evidence to support payments from certain funds such as the Asingeni Fund was making more difficult the issue of an unqualified opinion on the annual accounts. This led to discussions between the SACC and Pim Whiteley which culminated in the issue of a letter dated 12 March 1981 to the SACC, which sought to set out the terms of their engagement as auditors to the SACC.

The following are relevant extracts from that letter:

- "1) Included in the financial statements of the Council at 31 December 1979 were Trust Funds, Administered Funds and Divisional Funds. We understand that during the 1980 financial year Administered Funds have ceased to exist and consequently only Trust and Divisional Funds will appear in future financial statements.

Our audit responsibilities will not extend to the Trust Funds. We shall accept the Council's classification of a fund as a Trust Fund and thereafter our sole responsibility will be to ensure that the balance on the Trust Fund as disclosed in the books of the Council, is represented by cash.

Although the Council is not governed by the requirements of the Companies Act, 1973, you have requested that we conduct our audit of the Divisional Funds in terms of that Act.

- 2) For the purpose of our audit we understand that the General Secretariat will be classified as a Divisional Fund of the Council.

In addition to our responsibilities set out above, it is a specific requirement that we satisfy ourselves that receipts and payments are properly allocated to the respective Divisional Funds.

Included in the Divisional Funds is the Asingeni Relief Fund. We understand that this fund, with effect from, 1 January 1980, will be split into the legal fund and the discretionary fund. As the nature of a discretionary fund does not lend itself to audit, our audit responsibilities will not extend to the Asingeni Relief Discretionary Fund. However we will audit the Asingeni Relief Legal Fund.

As can be seen from the foregoing, our function as auditors is to examine and report on the annual financial statements of the Council. The maintenance of the accounting records, the preparation of the annual financial statements and the safeguarding of the assets are the responsibilities of the National Conference through the Executive Committee.

Our auditing procedures will include such tests of transactions and of the existence of assets and liabilities as we consider necessary. The nature and extent of our tests will vary according to our assessment of the Council's accounting and internal control systems.

Our audit will be designed to enable us to express our opinion on the annual financial statements and should not be relied upon to disclose defalcations or other irregularities, although their disclosure, if they exist, may well result from the audit tests we undertake. You will appreciate that as our audit responsibilities do not extend to the Trust Funds or to the Asingeni Relief Discretionary Fund, our audit opinion will be qualified to this extent."

Although the letter from Pim Whiteley is dated 12 March 1981, there is a letter of engagement dated 23 October 1980 referred to in the minutes of the Finance Committee meeting held on 28 January 1981. The minute reads as follows:

"PIM WHITELEY AND CLOSE - LETTER OF ENGAGEMENT

Letter of engagement dated 23 October 1980 having been circulated was discussed during which was noted the Committees confidence in Bishop Tutu's discretion regarding Asingeni Fund. The General Secretary and Deputy General Secretary were requested to consult with Messrs Pim Whiteley and Close regarding the interpretation of 'trust accounts'

and audit coverage of the Asingeni Fund. That consideration be given to the formation of the Asingeni Legal Fund which would constitute by [sic] approximately 80% of the present budget whilst the remaining 20% could be transferred to the existing Discretionary Fund."

It is believed that the letter of 23 October 1980 was a draft and was superseded by the letter of 12 March 1981.

19.4 AUDITORS' REPORTS

The seven-year period under review can, for convenience, be split into two phases. The first phase covers the three years from 1975 to 1977, during which period the SACC experienced a rapid increase in income, from R646 457 in 1975 to R2 949 442 in 1977. This was a period of deteriorating efficiency in accounting disciplines. The second phase, covering the four years from 1978 to 1981, saw complete break-downs being experienced in financial controls and procedures. Annual income during this second phase varied from a low in 1980 of R2 622 560 to a high of R3 471 617 in 1981.

Coincidentally, in respect of the years 1975 to 1977, Mr E.F.G. Tuckey, a senior partner in the firm Pim Whiteley, was responsible for the audit of the SACC. On his retirement in 1977, Mr P.C.W. Hibbit, a newly admitted partner in the firm, took over responsibility for the audit and has continued to handle it since then.

19.4.1 The period 1975-7.

- (a) The auditors evidently experienced difficulty in completing their audit in respect of the year ended 31 December 1975, for, in their letter dated 18 June 1976 addressed to Mr J.C. Rees, they state:

"We enclose for your information a list of outstanding matters which were discussed with Mr A.E. Wentzel on 15 June 1976. Mr Wentzel subsequently phoned our Mr Heilig to confirm that the audit should be discontinued so as to permit the books to be completed. Bearing in mind that the annual meeting is provisionally scheduled for 25 July 1976, we shall require at least two weeks for audit purposes prior to releasing our opinion. We shall be grateful, therefore, if you will bear this in mind and contact us as soon as the outstanding items have been attended to."

Included in the two-page list of outstanding items were the following,

indicative of the neglected state of the records at that time:

"(i) Dependants Conference - Head office

- (a) The computerised listing of amounts paid since August 1975 has not been reconciled monthly with the bank statements.
- (b) We have been unable to obtain sight of correspondence and for authorities for the payments effected.

(ii) Southern African Theological College for Independent Churches.

The cash book has been incorrectly written up. Various deposits have not been entered and the cash book has not been reconciled with the bank statements during the year.

(iii) South African Council of Churches

Although the books have been written up to date no year-end schedules have been prepared as in previous years, except for debtors. We require year-end lead schedules together with completed draft accounts for audit purposes."

A further letter was sent by the auditors to the General Secretary on 26 July 1976:

"We report that further to our letter dated 18 June 1976 we were advised by Mr Mbatha on or about 14 July 1976 that all the necessary year-end schedules and reconciliations requested had been attended to.

We regret to advise you that this is not the case and there are still many areas requiring immediate attention before we can finalise this audit. As explained to Messrs Wentzel and Mbatha we have commitments to other clients during August. We enclose a further list of year-end requirements needing attention and shall be obliged if you will advise us when the necessary work has been completed and the draft accounts completed. As can be appreciated from the nature of our comments, it is extremely doubtful that we will be able to issue an unqualified audit report, and we consider that it has taken far too much time in finalising the 1975 financial statements. We suggest that additional and skilled staff is required."

The audit report in respect of the year ended 31 December 1975 was finally signed on 16 November 1976. The National Conference of the SACC had been held in August 1976, at which draft financial statements had been presented. The auditors' report is, probably for this reason, couched in less formal terms than is usually the case and commences with the following:

"Introduction

Financial statements were presented at the conference held at Hammanskraal in August 1976. These statements have been adjusted

in several respects, and the statements now submitted differ from them in form and content. The present statements were completed in November 1976, and after discussion with members of the Finance Committee, it has been decided that at this late date, no useful purpose will be served by attempting to present detailed historical figures for the year 1975. The statements have therefore been drawn to give a general view of the financial position of the council and its activities."

The report goes on to outline the SACC's activities and to state in regard to Trust Funds that the SACC does not exercise direct control of these funds but holds and invests moneys on their behalf. Note 5 to the financial statements and the schedule setting out Trust Funds indicates that certain Trust Funds had been audited, representing R162 476 or 27,7% of Trust Fund balances of R585 951 at 31 December 1975. Certificates of balance in respect of cash held by banks in respect of other Trust Fund balances were obtained by the auditors.

The report concludes as follows:

"General

- (a) We have been unable to verify donations which, by their nature, cannot be verified prior to recording in the books. The schedule of grants and donations received is included as schedules 2 and 3.
- (b) We report that the control on debtors was unsatisfactory and some invoices were lost during the year.
- (c) A transfer of R7 982 from Port Elizabeth Branch of the Dependents Conference to Johannesburg has not been accounted for and is still under investigation.
- (d) The books were not timeously written up during the year and we experienced difficulty in obtaining the information and explanations that we required.

Conclusion

Subject to the above remarks, we report that in our opinion the financial statements fairly present the state of affairs of the South African Council of Churches at the 31 December 1975, and its income and expenditure for the year then ended."

The content of the report indicates neglect in maintenance of the books and records, and this is supported by the Finance Committee's report in which the reason for the delay in the submission of audited financial statements is said to be the serious problems encountered by the Finance Division as a result of staff problems and the work falling into arrears.

- (b) A marked improvement then took place and the auditors were able to sign their opinion on the 31 December 1976 accounts on 28 March 1977, some 4½ months after signing their opinion on the 1975 financial statements. While their report contains the standard reservation concerning verification of gifts and donations which by their nature cannot be verified prior to recording in the books, the opinion is otherwise unqualified.

The Finance Committee's report comments on the marked improvement in financial record keeping and attributes this to assistance of "professional people". It also states, however, that although the books and records are in a satisfactory position, control over expenditure and budgets needs to be improved. The report also states that the Finance Committee has now defined Trust Funds as -

"Funds deposited with the Council by an independent body or funds given for a definite purpose, which cannot be used for a different purpose without the consent of the donor."

The financial statements were signed on behalf of the National Conference by Mr N.V. Matterson, Chairman, Mr J.C. Rees, General Secretary, and Mr E. Mbatha, Chief Accountant. Mr Rees left the employ of the SACC shortly after signature of this report in March 1977.

It is of interest to note that, although the auditors did not refer to this in their opinion, not all Trust Funds held by the SACC had been subject to audit. Total year-end Trust Fund balances were R271 124, of which R120 332 (or 44,4%) had been subjected to audit. Schedule 1 attached to the financial statements indicates with an asterisk those funds which had been audited, by implication indicating that the other funds had not.

- (c) The report of the Finance Committee for the year ended 31 December 1977 states that with effect from 1 March 1977 all record keeping for the Council and its associates had been undertaken by SACC Accounting Services (Pty) Limited (SACCAS) and the services of independent professional assistance had been dispensed with.

The change-over to SACCAS, the variations in the position of General Secretary and the fact that independent professional assistance had been dispensed with, had had an adverse effect on record keeping and the improvements noted in the 1976 report had not been maintained. The Finance Committee also reported that with the growth of the SACC's activities it had become appropriate to computerise the financial records. A mini-computer had been acquired by SACCAS and the SACC's financial records would be computerised in stages from 1 July 1978. It was hoped to have completed this task by the end of that year. The financial records were considered by the Committee to be, in general, in a satisfactory condition, although certain of the controls over expenditure needed improvement.

The auditors' report, which was signed on 7 July 1978, contains no indication that certain Trust Funds were not audited, but a note on Schedule 1 to the financial statements indicates that certain of these had been subject to audit, and by implication, the others had not. Year-end balances of Trust Funds audited aggregated R202 468 (or 37,3% of total Trust Fund balances under control of the SACC of R542 208 at 31 December 1977. Their report contains the standard reservation on grants and donations not being capable of verification prior to recording in the books and then goes on to state:

"Proper books and records have been kept by the Council and we have verified the existence of the securities.

In terms of Clause 7B(ii) of the Constitution no expenditure in excess of R250,00 may be undertaken without prior authority of the Finance Committee. This clause was contravened on numerous occasions during the year, but subsequent authority from members of the Finance Committee was generally obtained.

Disbursements made during the year were not always supported by satisfactory documentation for audit purposes and we have accepted the approval of members of the Committee for such disbursements being included in the records."

A review of the auditors' working papers, however, shows that the financial records had deteriorated quite significantly. Final notes made by the partner responsible for the work include the following comments:

- "(1) Payments are not properly authorised and in many instances no supporting vouchers are available.
- (2) Payment is frequently made by uncrossed cheques.
- (3) A vehicle costing R1 600 cannot be verified.
- (4) No controls exist to ensure that all revenue from St Ansgars property has been received.
- (5) No fixed assets register is maintained.
- (6) Asingeni Relief Fund - no supporting vouchers for a considerable number of payments of high amounts."

The foregoing comments appear to have been resolved by obtaining approval of members of the Finance Committee for inclusion in the financial records of such disbursements. This one can only deduce from the audit report, but there is no reference to this in the comments contained in the working papers and there is no record of a minute of the Finance Committee giving detailed authorisation of the disbursements in question. It is surprising that the auditors did not take a stronger line in their opinion, but it is of interest that the auditors, either by accident or by design, failed to express an opinion on the financial statements on which they were reporting, merely stating that the books and records were in agreement with the financial statements and reflected the financial position in accordance therewith.

19.4.2 The period 1978-81

- (a) The report of the Finance Committee for the year ended 31 December 1978 states that they have persisted in the use of Black accountants and clerks in SACCAS, although it was realised that the majority of staff lacked in-depth commercial experience and shortcomings in their work were evident from time to time. Computerisation of the records had commenced in July 1978 and was virtually completed by 31 December 1978.

The report refers to the problem which had arisen in regard to the South African Theological College for Independent Churches (SATCIC), a body sponsored by the SACC but on which it did not have board representation. In terms of its constitution the SACC acted as its treasurer and was supposed to countersign cheques. Mr E. Mbatha, a SACCAS employee, had been the SACC's nominee for carrying out the obligations as Treasurer.

For a considerable period SATCIC had operated a bank account which was not strictly in accordance with its constitution and since the financial year-end it had been ascertained that certain cheques had been fraudulently negotiated on this account. At the instance of Mr E. Roelofse, who had uncovered certain irregularities, the SACC arranged for a detailed audit to be conducted in respect of the period 1 January 1978 to May 1979 and endeavoured to exercise proper controls as Treasurer. The auditors' report indicated inadequate control over SATCIC's finances and they had been requested to investigate prior years. In view of this experience the SACC had requested the auditors to prepare an in-depth report on the Council's own records and controls for the 1978 financial year.

With regard to Trust and other funds the Finance Committee states that it concurred with the auditors' comments in their report and that they were satisfied that the General Secretary was controlling the Asingeni Fund adequately.

The auditors' report, which is dated 23 July 1979, for the first time clearly states that their audit responsibilities did not extend to the trust funds except for certain of these which were indicated on Schedule 1, aggregating R211 954 (or 31,9%) of total year end trust funds balances of R633 437. Their report goes on to state:

"Administered Funds

We have reported separately to the respective committees for the 'Administered Funds' with the exception of the following on which we are not able to report for the reasons indicated.

Dependants Conference

Proper books and records were not kept by certain branches of the Dependants Conference and as a result annual financial statements have not been prepared for the 1977 or 1978 financial years.

Inter Church Aid: Development Fund and General Fund

We are currently conducting a special investigation into the receipts and payments of the Inter Church Aid Development Fund. This investigation also affects the General Fund and we have therefore not as yet expressed an opinion on the annual financial statements of either Fund for the year ended 31st December 1978.

Divisional and other Funds

We have not been able to examine adequate supporting documentation

for the majority of disbursements made by the Asingeni Relief Fund as these disbursements are at the discretion of the General Secretary. Consequently we are unable to express an opinion on such disbursements.

In respect of the remaining funds and items of income and expenditure we report as follows:

'Although the income and expenditure account includes all the income recorded in the books and records of the Council and while we have no reason to believe that there has been any unrecorded income, we are unable to express an opinion in this regard because certain income, due to its nature, cannot be verified prior to entry in the records.

In terms of Clause 7(b)(ii) of the Constitution, no expenditure in excess of R250 may be undertaken without prior authority of the Finance Committee. This clause was contravened on numerous occasions during the year, but subsequent authority from members of the Finance Committee was obtained.

Disbursements made during the year were not always supported by satisfactory documentation for audit purposes, and we have accepted the approval of members of the committee for such disbursements being included in the records.'

Their report nevertheless concludes that proper books and records have been kept by the SACC and that the financial statements at 31 December 1978 are in agreement with them. It does not, however, express an opinion as to whether the financial statements fairly present the financial position and income and expenditure for the year.

The auditors' findings in their limited review conducted at the request of the Finance Committee (referred to earlier), the terms of which had been agreed with Mr A.E. Wentzel and Mr E. von Wahlert, General Treasurer of Bread for the World, on 4 June 1979, were contained in their letter of 31 August 1979. Attached to the letter are detailed comments on the records of the SACC and certain of the Funds. Their covering letter gives a sombre picture of the state of affairs then existing.

"In terms of our letter dated 15th June, 1979 we report that we have undertaken a review of the important systems of internal controls and accounting procedures in operation at the South African Council of Churches (SACC), (incorporating trust funds, administered funds and divisional and other funds, and at Devcraft (Pty) Limited, Devcraft Distributors (Pty) Limited, SACC Accounting Services (Pty) Limited and the SACC Pension Fund.

Having completed our limited review, it is our opinion that a full investigation into all controls and procedures would be of no further benefit as we believe that the problem stems from the implementation rather than the potential of controls and procedures. Accordingly, it would not benefit the Council to devise new systems unless there could be reasonable assurance that these systems would be implemented.

In the past, we have issued management reports in which certain improvements were suggested, but as there has not been anyone qualified to implement these suggestions, no effective improvement has occurred. The Council is committed to the policy of employing black accountants and clerks in SACC Accounting Services (Pty) Limited, the company which provides the financial and secretarial services to SACC and its Associates. This policy of employing relatively untrained persons responsible for the implementation of adequate controls and procedures has not been successful due to their inexperience and lack of formal training, and consequently they are not equal to the task.

As the Council is responsible for substantial sums of money, it is essential that its financial affairs are controlled by a suitably qualified financial manager who would be in a position to both train the existing staff and also ensure that proper financial controls are implemented. The appointment of such a person would, in our opinion, achieve far more than a full investigation into all controls and procedures at this point of time.

Resulting from our review we have the following general comments to make which apply to both the S.A.C.C. and its associated bodies.

1. The most serious weakness is that payments are frequently made without adequate supporting documentation. It may not always be possible to obtain third party documentation in support of payments, but in such cases the cheque signatories should call for full details of the payment and these details should be attached to the cheque requisition. This lack of supporting documentation resulted in us qualifying a number of our audit opinions.
2. As mentioned earlier, in most cases the procedures themselves are satisfactory but frequently the procedures are not adhered to. We quote the African Bursary Fund EZE project as an example. In terms of the project agreement a separate bank account should be maintained for monies received from EZE which would assist in the control over such funds. However, at the commencement of the project such a bank account was not opened and as far as we are aware the matter has not as yet been rectified.
3. The control over loans is weak and this is evidenced by the very large provision for bad debts that was required in the S.A.C.C. 1978 annual financial statements.
4. During the course of our year end audit we put through numerous correcting journal entries (e.g. 64 in The Voice, 48 in S.A.C.C.) which is a most time consuming exercise. The majority of these adjustments would not be necessary if:
 1. Accounts were analysed during the course of the year, and
 2. Inter fund and inter company current accounts were agreed during the year.

As far as inter company and inter fund transactions are concerned, there does not appear to be any system which ensures that entries are posted to both sets of accounts. We would suggest that any such entry should be responded to immediately and in order to ensure that this has taken place, the current accounts should be agreed at regular intervals during the year.

This would not only help reduce the number of audit hours, but would also assist in the production of more reliable financial information.

We have reported separately on the Inter Church Aid Development Fund and the South African Theological College for Independant Churches. However, we have not reported on the Dependents Conference as certain branches have not maintained adequate records of their operations, and accordingly we do not think it would serve any useful purpose

reviewing these operations. We would also mention that we have not completed either the 1977 or 1978 audits of the Dependants Conference because of the lack of underlying information and would appreciate the opportunity of discussing with you the extent to which you wish us to be involved in resolving these problems."

- (b) The auditors found themselves in an invidious position in early 1980. They were aware of the correspondence between Mr E. Roelofse, the SACC and SACCAS, and this added to their own sense of disquiet. They consulted their attorneys, Webber, Wentzel and Co., as to their position and as to whether, in terms of section 26(3)(a) of the Public Accountants' and Auditors' Act, 1951, the state of records and lack of response of the SACC to their audit qualifications did not constitute a material irregularity in terms of that section. Webber, Wentzel and Co. advised in their letter of 11 April 1980, that in their view the irregularities which had taken place and which were taking place were not only "material" but were also likely to cause financial loss to the undertaking they were auditing. An opinion was then sought from Mr A.J. Swersky, S.C., who, although he reached his decision with "some hesitation", concurred with the view of Webber, Wentzel and Co. On 25 June 1980 a letter was addressed by the auditors to the President of the SACC, reporting a material irregularity in terms of the Public Accountants' and Auditors' Act and giving the required notice of thirty days. The following is an extract from their letter:

"MATERIAL IRREGULARITY IN TERMS OF SECTION 26(3) OF THE PUBLIC ACCOUNTANTS' AND AUDITORS' ACT - ACT 51 OF 1951 AS AMENDED"

1. Arising from our audit of the books and records for the year ended 31 December 1979 we have reason to believe that in the conduct of the affairs of the South African Council of Churches a material irregularity has taken place or is taking place which may have caused or is likely to cause financial loss to the Council or its members or creditors.
2. The material irregularity consists of certain breaches of the constitution of the Council, the details of which are:-
 - 2.1 A failure to keep proper books of account and records on the part not only of the Council but also on the part of certain branches of the Dependants Conference. The defects complained of are set out in the annexed schedule marked 'A'.
 - 2.2 There has been a failure to implement a proper system of control to prevent not only the unauthorised spending of funds but also to ensure that expenditure is properly accounted for.

By way of example we mentioned the following:-

- 2.2.1 The Inter-Church Aid Development Fund has not ensured that the financial controls, required in terms of the grants received by that fund, have been implemented;
- 2.2.2 Our tests revealed that numerous cheque payments are not supported by adequate documentation. In our limited test check there were no supporting vouchers for cash cheques drawn to the value of approximately R25 000. R20 000 of this amount was purportedly used for refilling the franking machine but there are neither supporting documents from the Postmaster nor is there evidence to indicate that this expenditure has been controlled internally;
- 2.2.3 The Council issues numerous uncrossed bearer cheques and cash cheques; this is tantamount to paying cash. As receipts are not obtained for these payments it has not been possible to ensure that the intended payee in fact received payment.
3. You should note that the examples given in schedule 'A' of this letter are not to be regarded as a comprehensive list of all the defects which we have found and we reserve the right to vary or add to this list in due course should the need arise."

Schedule 'A' attached to the above letter reads as follows:

"The respects in which the books of account of the South African Council of Churches and certain branches of the Dependants Conference are defective are as follows:-

1. Statements were not sent to debtors and there was no system for the collection of amounts due. In addition, in a number of cases no attempt has been made to determine whether the amount advanced will be required to be repaid or ought to be treated as a grant.
- 2.1 The trust funds control account was not reconciled to the total cash held in trust.
- 2.2 Bank balances were not properly reconciled to the bank accounts in the general ledger. In particular, long outstanding reconciling items were not investigated or cleared.
3. A fixed assets register is not maintained.
4. In respect of certain branches of the Dependants Conference the books of prime entry have not been properly written up."

This letter was obviously received with some alarm by Bishop Tutu, General Secretary, who responded on 1 July 1980 as follows:

"Further to our President's letter of the 26th June regarding the above, we wish to advise you of the steps taken:-

1. That recognising certain administrative failures we have appointed a Deputy General Secretary (Administration) who has responsibility for all administration procedures and financial control. This is in the person of Mr Matthew I. Stevenson.
2. We have established a Department of Finance, consisting of a Finance Officer who is a qualified Chartered Accountant, together with two senior Bookkeepers who are presently studying for B.Com. degrees, and a Secretary to the Department.

3. We have recommended the closure of the company known as the South African Council of Churches Accountancy Services, having withdrawn from them all records and books of account, together with securities as from 1st June, 1980.
4. We have appointed Mr Tim Potter, the immediate past President of the Transvaal Society of Chartered Accountants to undertake an independent investigation. Such investigation is presently underway.

We have written to all major donors enclosing a copy of your letter of the 25th and advising them of the steps taken, requesting their confirmation that the steps are adequate and that they should advise this together with a statement of donations made during the financial year ending 31st December 1979 direct to your offices."

In the event the matter was not reported to the Public Accountants' and Auditors' Board, the auditors having accepted the above explanations from Bishop Tutu. The reports of Mr T.S. Potter, who conducted an independent investigation at the request of the SACC, are dealt with later in this report.

The auditors' report on the financial statements for the year ended 31 December 1979 was dated 25 July 1980, that is, after submission of the letter reporting the material irregularity.

The opinion was the harshest issued up to that time on the annual audits of the SACC. It concluded by declining to express an opinion on whether the income and expenditure account fairly presented the results of the SACC's operations for that year. The full text of the report is as follows:

- "1. We have examined the annual financial statements set out on pages 3 to 15 and have verified the existence of the securities. The annual financial statements at 31 December 1979 are in agreement with the books and records of the South African Council of Churches and reflect its financial position in accordance therewith.
2. The financial statements incorporate certain funds as set out in Schedules 1 and 2 on which we comment as follows:

2.1 Trust Funds

Except for the accounting functions indicated on Schedule 1, our responsibilities do not extend to the trust funds, which include funds deposited with the Council or given for definite purposes, and consequently we express no opinion on such funds.

2.2 Administered Funds

Inter Church Aid Development Fund

Generally, projects sponsored by the Inter Church Aid

Development Fund are not controlled by formal reporting procedures and consequently we are not able to express an opinion on whether the funds granted for the majority of these projects have been used for their specified purposes.

2.3 Divisional and other funds

2.3.1 Dependants Conference

We are not able to report on the financial position of the Dependants Conference at 31 December 1979 or on the results of its operations for the year then ended as certain branches have not kept proper books and records with the result that annual financial statements have not been prepared for the 1979 financial year.

2.3 Divisional and other funds

2.3.2 Asingeni Relief Fund

Since the majority of disbursements are in the absolute discretion of the general secretary we have not called for any record or documentation relating to such disbursements. Consequently we do not express an opinion as to whether such disbursements have been made for the purposes for which the fund was created.

3. In respect of the remaining funds, the income and expenditure account and the balance sheet we report as follows:
 - 3.1 In our opinion proper books and records have not been kept by the Council, for the reasons outlined in our report to the President of the National Conference dated 25 June 1980.
 - 3.2 We are unable to express an opinion as to whether all income received has been reflected in the books because certain income, due to its nature, cannot be verified prior to entry in the records.
 - 3.3 Numerous disbursements were made by way of uncrossed cheques payable either to bearer or cash. No receipt is obtained for these disbursements and thus we have not been able to satisfy ourselves that payment has been made to the intended recipient.
 - 3.4 Cheque and cash disbursements made during the year were not always supported by documentation satisfactory for audit purposes.
4. Because of the material nature of the items mentioned in paragraph 3 above we are not able to express an opinion on whether the income and expenditure account fairly presents the results of the Council's operations for the year ended 31 December 1979. Furthermore, because of the possible misallocation between balance sheet and income and expenditure account we are not able to verify that all assets have been recorded.
5. Subject to paragraph 4 and to the ultimate realisation of the long term loans for their net book value of R196 647, in our opinion the balance sheet fairly presents the financial position of the Council at 31 December 1979."

Of the total trust funds of R591 637 at 31 December 1979, balances of funds audited represented R255 885 or 43,3% of these.

(c) The report of the Deputy General Secretary (Admin.) to the 1981 National Conference in relation to the year ended 31 December 1980 states that at the end of May 1980 SACCAS ceased to have responsibility for maintaining the books and records of the SACC. Owing to staff problems the SACC had to rely heavily on temporary staff from an employment agency, resulting in numerous misallocations due to unfamiliarity with the books. The report states that there had been, nevertheless, some progress. Documentation and authorisation had improved greatly, particularly in 1981, though not sufficiently to eliminate the auditors' qualification on the 1980 financial statements.

The auditors' opinion which was dated 6 May 1981 was similar in content to that on the 1979 financial statements and they again declined to express an opinion on the income and expenditure account. The following is the text of their report:

- "1. We have examined the annual financial statements set out on pages 3 to 18 and have verified the existence of the securities. The annual financial statements at 31 December 1980 are in agreement with the books and records of the South African Council of Churches and reflect its financial position in accordance therewith.
2. The financial statements incorporate trust and other funds as set out in Schedule 1. Our audit responsibilities do not extend to these funds, which comprise funds deposited with the Council or given for definite purposes, and consequently we express no opinion on such funds.
3. Included in Divisonal Funds is the Asingeni Discretionary Fund. Since the disbursements from this Fund are in the absolute discretion of the General Secretary We have not called for any record or documentation relating to such disbursements. Consequently we do not express an opinion as to whether such disbursements have been made for the purposes for which the fund was created.
4. We are unable to express an opinion as to whether all income received has been reflected in the books because certain income, due to its nature, cannot be verified prior to entry in the records.
5. Numerous disbursements were made by way of uncrossed cheques payable either to bearer or cash. No receipt is obtained for these disbursements and thus we have not been able to satisfy ourselves that payment has been made to the intended recipient.
6. Cheque and cash disbursements made during the year were not always supported by documentation satisfactory for audit purposes.
7. Owing to the lack of supporting documentation in respect of staff housing loans, we are unable to satisfy ourselves on the allocation of receipts and payments between long term loans of the Council and the staff housing trust fund.

8. Because of the material nature of the items mentioned in paragraphs 4 - 7 above we are not able to express an opinion on whether the income and expenditure account fairly presents the results of the Council's operations for the year ended 31 December 1980. Furthermore, because of the possible mis-allocation between funds of the Council and trust funds we are not able to verify that all assets have been properly recorded.
9. Subject to paragraph 8 and to the ultimate realisation of the long term loans for their net book value of R132 820, in our opinion the balance sheet fairly presents the financial position of the Council at 31 December 1980."

(d) The auditors' working paper files for the year ended 31 December 1981 indicate that a considerable number of adjustments were required to the books as a result of their audit but these were not as numerous as for the 1980 accounts. The following other comments were made on their files:

"Staff and other loans

Due to very poor internal control it is not possible to determine whether all loans that were actually made are included or that all repayments have been taken into account. Therefore it is not possible to come to a conclusion on loans.

Travelling, Dependants Conference R24 315

From discussion with Anne Hughes this expense is grossly overstated as DC staff do very little travel. From a scrutiny of the account it appears as if there has been a misallocation in that some items of travel in fact should be reflected as grants and donations made.

Trust funds

During 1980 audit considerable effort was put into reconstructing the trust accounts and reconciling the bank accounts with the trust accounts.

A debtor of R64 738,26 was raised (African Bank Cash Transfer A/c) which represented the amounts owed by the Trust Funds to SACC. A preliminary investigation suggests that these transfers were not made and that the above exercise is going to have to be undertaken again. In addition it would appear as if disbursements have once again been made from divisional funds with no subsequent re-imburement from the deposit accounts at African Bank (and possibly vice versa).

Ecumenical Trust Fund (ETF)

ETF was placed into suspension during 1980. Owing to the difficulties with which the SACC has been confronted in Transkei the council decided to use ETF as a front for its work in the Transkei.

It would seem as if this intention was not clearly communicated to clients staff and that the bookkeeping treatment was not thought through.

Client has reclassified the expenditure to DC but no account has been taken of:

- 1) The opening balance of R21 278,54

- ii) The overdraft of R11 745,65 that existed at 1.1.1981 and has now been brought into the books.

ETF has always been closely associated with DC and with client's concurrence the above amounts (totalling R33 024,19) have been debited to DC (grants and donations made).

Fixed assets

Based on the fact that:

- i) no fixed asset registers are kept
- ii) a physical inspection could not be carried out on furniture and fittings or audio visual equipment
- iii) not all licences and 3rd parties could be found
- iv) expenditure is being charged to fixed assets and vice versa
- v) sales are not recorded

I conclude the amount reflected in the books and records is not necessarily a true reflection of actual fixed assets on hand which are the property of the SACC.

Bank reconciliation statement

We have spent + 4 days attempting to reconcile the bank account. The client's reconciliation cannot be relied upon as amounts have been tippexed out and the outstanding cheque listing does not cast. Although it is unsatisfactory to have a difference of R111,60 in my view we have spent more than enough time trying to identify the problem and have accepted the difference."

Clearly a most unsatisfactory situation existed despite some eighteen months having elapsed since the auditors had taken the serious action of reporting a material irregularity, likely to cause loss to the undertaking, in June 1980.

The auditors' report which was issued on 14 July 1982 was heavily qualified and they found themselves unable to express an opinion as to whether the income and expenditure account fairly presented the results of the SACC's operations for the year ended 31 December 1981. Their report is quoted in full in view of the seriousness of the matters mentioned.

- "1. We have examined the annual financial statements set out on pages 3 to 17. Other than the restrictions noted in 2 below, our examination has been made in accordance with generally accepted auditing standards.
2. In terms of our letter of engagement, our audit responsibilities do not extend to the trust and other funds as set out in Schedule 1, nor to the Asingeni Discretionary Fund. Accordingly, we do not express an opinion on such funds.
3. We have been unable to satisfy ourselves that:-
 - 3.1 All assets have been recorded, because of the possible

- misallocation of payments between assets and expenditure, and the possible misallocation of funds between those of the council and trust funds;
- 3.2 Items of revenue and expenditure shown on pages 6 to 11 have been properly classified because of possible misallocations of such items within the funds;
 - 3.3 Payment has been made to the intended recipient in those cases, principally for grants and donations, where disbursements have been made by way of uncrossed cheques payable either to bearer or cash, and for which no receipt is obtained;
 - 3.4 Certain cheque and cash disbursements, which were not supported by documentation satisfactory for audit purposes, were properly made on behalf of the Council;
 - 3.5 Receipts and payments in respect of staff housing loans have been properly allocated between long term loans of the Council and the staff housing trust fund.
4. We are unable to express an opinion -
 - 4.1 As to whether all income receivable has been reflected in the books, because certain income, due to its nature, cannot be verified prior to its entry in the books;
 - 4.2 As to the ultimate realisation of the long term loans for their net book amount of R76 721.
 5. Because of the material nature of the items mentioned in paragraphs 3 and 4 above, we are unable to express an opinion as to whether the revenue and expenditure account fairly presents the results of the Council's operations for the year ended 31 December 1981.
 6. Subject to paragraphs 2 to 5 above, we report that the annual financial statements on pages 3 to 17 are in agreement with the books and records of the Council and that in our opinion the balance sheet fairly presents the financial position of the Council at 31 December 1981."

19.5 INDEPENDENT INVESTIGATION BY MR T.S. POTTER

On 11 June 1980, Mr T.S. Potter, a senior partner in Alex Aiken and Carter and the then immediate past president of the Transvaal Society of Chartered Accountants, was requested by the General Secretary of the SACC, Bishop Tutu, to undertake an investigation into certain aspects of the SACC's affairs. It is not clear whether Bishop Tutu informed him of his suspicions regarding Mr Rees, particularly in relation to cheques signed by Mr Rees after Bishop Tutu's appointment as General Secretary. The failure to do so may well have been critical to the approach ultimately adopted by Mr Potter in his investigation. His instructions referred to rumours and queries raised with regard to the 1978 audited financial statements of the SACC and allegations that funds of the SACC had been misappropriated. He was requested to investigate and report on -

- "(a) The audited financial statements, in particular in regard to the qualifications raised by the auditors for the 1976 to 1978 financial years.
- (b) The financial control of projects in respect of which the Council has direct responsibility and control."

On 1 August 1980 he issued a preliminary report to the Executive Committee of the SACC which concluded by stating that he had found no evidence in the course of his limited review that any of the funds of the SACC had been misappropriated or used for private enrichment. He pointed out, however, that -

- (a) the SACC had been somewhat lax in not obtaining formal accounting for grants made through Inter Church Aid Development Fund to projects;
- (b) proof of payment or other supporting evidence could not be provided for a substantial amount of money disbursed out of the funds of the Asingeni Relief Fund; and
- (c) the financial administration and record keeping of the SACC during the period 1976 to 1978 was generally unsatisfactory.

With regard to the Asingeni Relief Fund he had discussed with Mr J. Rees, former General Secretary, the reasons for drawing large sums of cash. Mr Rees had explained that this was done to assist persons who did not operate bank accounts and in certain instances to assist individuals where it would not have been in their interests if their identity had been publicised. Mr Rees had said that for his own protection he had kept records of all grants made and these had been lodged with the SACC's attorneys, Bowens, for safekeeping. After the 1978 audit had been completed he had withdrawn the records from Bowens and destroyed them.

The auditors were not aware of the existence of these records and it is not clear why they were not advised of their existence. Since they were destroyed, it is not known to what extent they might have assisted the auditors in verifying payments made.

Mr Potter concluded in relation to disbursements from the Asingeni Relief Fund that the auditors were fully justified in referring to the lack of adequate

supporting documentation for the majority of disbursements from the fund in 1976, 1977 and 1978. Nevertheless, he did not believe that this implied that such disbursements were not properly made, since he had found no evidence in his limited review to suggest that any of the funds were misused. In his opinion the SACC should not have allowed normal considerations of internal control to be overridden by placing this large fund under the sole administration of the General Secretary and he (Mr Rees) had been unwise to accept that responsibility.

In view of the adverse report by the auditors on the 1979 financial statements, Mr Potter was requested by Bishop Tutu on 22 August 1980 to continue his investigations with particular reference to the 1979 operations. His final report to the Executive Committee on the outcome of his investigations was issued on 19 February 1981.

The main conclusion arrived at was:

"The financial administration and record keeping of the Council, which was mainly entrusted to South African Council of Churches Accounting Services (Proprietary) Limited (a separate company established in 1976), was generally unsatisfactory during 1979, as it had been in the preceding years. Despite this I have found no evidence of improper payments or self-enrichment in any of the operating divisions of the Council."

In the course of his investigations, however, he came across evidence to suggest that a senior member of the staff of SACCAS (Mr E. Mbatha) had taken advantage of the weaknesses in the controls that existed at the time to misappropriate a substantial amount of the SACC's funds, between June 1978 and February 1980. As soon as this matter was discovered Mr Potter prepared a separate report which was immediately placed in the hands of the police.

In addition, a junior employee of the SACC, entrusted with drawing cash for the purpose of filling the franking machine, appeared to have used part of these funds for his own purposes.

In the course of his further investigations Mr Potter had given, he stated, particular attention to the three areas of the SACC's activities specifically referred to in the 1979 auditors' report, namely -

Inter-Church Aid Development Fund

Dependants Conference

Asingeni Relief Fund

The concern of the auditors with regard to the Inter-Church Aid Development Fund related to the question of accountability. Whilst the procedures established by the SACC for the approval of grants to projects were satisfactory, difficulties arose once a grant was made, in that the persons managing the various projects frequently did not provide a full accounting as to how the moneys were subsequently spent. Mr Potter reported:

"In my opinion the responsibility of the Council does not extend to ensuring that the moneys granted are properly spent and that, having decided that a particular project should be supported, based on satisfactory budgets and application forms, the Council should merely ensure that the funds granted are duly received by the persons responsible for the project.

This suggestion has been accepted by the Executive Committee and the auditors will be requested to approach their audit from this point of view in future."

However, in terms of a memorandum of agreement between the KED, SACC and FELCSA regarding the Revolving Development Fund (RDF), which is the third largest recipient of funds, the SACC is required to provide a detailed audited annual statement of the RDF within six months of the end of each financial year. The agreement provides for the related audit fees to be payable out of the RDF, as is the case with audit fees involved with reporting on grants for projects and programmes financed by RDF. The Executive Committee in accepting Mr Potter's suggestion has failed to comply with this obligation.

The Commission is moreover of the view that where projects were funded with SACC moneys, the SACC should endeavour to ensure that such funds are properly accounted for in terms of the motivation underlying the particular projects. This should be the case particularly in view of the nature and origin of the funds provided to the SACC.

As regards the Dependants' Conference, Mr Potter stated that the problem faced by the auditors related to inadequate accounting by certain regional offices, as a result of which the auditors were unable to express an opinion on the affairs of the Dependants' Conference as a whole. Approximately 80% of the funds

granted by the Dependants' Conference were in respect of regular monthly subsistence payments to unemployed or underemployed persons and these payments were made from Johannesburg and he was satisfied that they were generally well controlled.

Most other grants, however, were paid by the various regional offices from funds supplied by the Johannesburg office on a quarterly basis. Each region submitted a quarterly application specifying in general terms the funds required for the following three months together with a report on the funds expended during the preceding period. This provided the Johannesburg office with an overall control over expenditure by the regions. The problem during 1979 was that certain regional offices did not keep proper records locally to account in detail for their expenditure. Mr Potter reported:

"The Executive Committee has now decided that the regional Councils of Churches must take responsibility for these regional offices. From the point of the view of the Council itself, moneys remitted to regional offices will in future be treated as grants to the regional Councils, each of which is required to prepare its own audited financial statements and will be required to account for these funds in the same way as any other grants it may receive.

This will avoid the need for the Council to account in detail for funds over which it has no control."

He observed that throughout the existence of the Asingeni Relief Fund considerably more than half of the grants made, and in 1979 and 1980 approximately 80% were in respect of payments to attorneys for legal services. Although the decision as to whether to provide these services should be provided was at the discretion of the General Secretary, he was satisfied that all payments made to legal firms could be substantiated and fully supported by documentation.

Prior to March 1978 a substantial proportion of the other grants by the General Secretary were made in cash, and no records were available to account for this expenditure. Nevertheless, he had found no evidence to suggest that any of the funds were misused.

For the period since March 1978 he had come across only one instance where cash had been drawn to make disbursements. In all other cases the payee was clearly indicated on the cheque and the cheques were either restrictively crossed or endorsed. In addition, since October 1979 a subcommittee had been formed

by the Executive Committee and, although the General Secretary still had the ultimate discretion, in practice he referred applications for grants to the other members of the subcommittee for their approval.

In view of the discretionary nature of the Asingeni Relief Fund, the auditors did not call for any record or documentation relating to its disbursements and accordingly did not express any opinion as to whether the disbursements had been made for the purposes for which the Fund was created. Mr Potter said:

"The Executive Committee has decided to overcome this problem by accounting for the Fund in two parts in future. The auditors will be requested to examine, and express an opinion on, the major part relating to legal services in the normal way, whilst the balance will remain as a totally discretionary fund, not to be accounted for in detail but nevertheless under reasonable control as exercised by the sub-committee."

He concluded that the Executive Committee appeared to be fully aware of its responsibilities as custodian of public funds and had taken reasonable steps to ensure that in future the financial affairs of the Council were properly controlled. On the strength of his investigations, he was reasonably confident that the two identified cases which had led to financial loss to the SACC were isolated instances and that, despite the weaknesses apparent in the systems and controls during the past few years, there had been no general misuse of funds or abuse of position.

On 20 August 1981 Mr Potter wrote to the SACC as follows:

"I understand that your committee may now be in possession of information obtained from outside the records of the Council, and not available at the time of my investigation, which suggests that there may indeed have been a substantial misappropriation of the Council's funds. I write to enquire whether it would be appropriate for me to be advised of the position and whether, in the circumstances, my report of 1 August 1980 and my subsequent report of 19 February 1981, should be withdrawn."

In the event neither of the reports was withdrawn, on the advice of the Rev. P. Storey.

19.6 CONCLUSIONS

19.6.1 The auditors' reports over the seven-year period 1975-81 indicate

clearly that the SACC was not the easiest of clients. Pim Whiteley's view of what was required of them as auditors gradually evolved over the period until about October 1980 when they committed the terms of their engagement to writing and agreed these with the SACC. In the earlier years they could perhaps be faulted for not having expressed their concerns sufficiently positively. This applies particularly to the 1977 audit when they should perhaps have qualified their audit opinion more heavily and expressed their concerns more effectively. In subsequent years, however, there was no question that they brought home to the SACC the seriousness of the deficiencies in financial and procedural controls.

The Commission is satisfied that, in relation to their annual audits, Pim Whiteley on the whole did all that could be expected of them professionally to bring home to the senior management of the SACC and the National Conference the seriousness of the shortcomings in record keeping and controls.

19.6.2 In regard to the independent investigation by Mr Potter, it seems to the Commission that he took a more lenient view of many of the shortcomings in the financial administration of the SACC. The unfortunate effect of the wording of his report of 1 August 1980 was to provide unwarranted satisfaction to the SACC that matters were not perhaps as serious as the auditors had led them to believe. There is no question that his report was capitalised on by the SACC.

For example, Mr M.I. Stevenson in reporting to the 1981 National Conference claimed that Mr Potter's final report had indicated a "clean bill of health" for the staff and the SACC itself - with one exception, that of the pilfering by a junior member of staff of the franking machine cash. Bishop Tutu on various occasions also referred to the "clean bill of health" given by Mr Potter. His report did not in fact find that the auditors had been incorrect in respect of any of their qualifications over the period 1976-9. He was able to suggest, however, various means to eliminate the need for certain of the qualifications for the future, such as that relating to Trust funds where he recommended that these should be audited.

Whether he was correct or had sufficient basis for expressing the view that no funds of the Asingeni Relief Fund had been used improperly is, however, question-

able. Mr Potter claimed that no evidence was produced to him that such funds had been improperly used; the discussions with Messrs Barrett, Rees and Wentzel did not lead to tangible evidence that funds had not been used improperly. Subsequently Mr Rees was convicted of misappropriation of some R296 000 of the SACC's funds over the period 1975-8, which fell within the period in respect of which Mr Potter had carried out his investigation. In his evidence before the Commission Mr Potter stated that he had not examined any cheques or vouchers in carrying out his work leading to his report of 1 August 1980 and that the report was the result of studying auditors' reports and having discussions with the auditors, Messrs Wentzel, Barrett, Rees and certain other SACC officials. The investigation conducted by Mr Potter appeared to the Commission to have been superficial. The Commission moreover found it difficult to understand how Mr Potter could have contented himself with saying that no evidence of improper use was produced to him, and why, against the background of rumours of misappropriation, he had not himself conducted a thorough investigation.

An examination of cheques drawn by Mr Rees would have alerted him to the fact that these were paid into some of Mr Rees's many personal accounts, and ought to have alerted him to the probability of improper use.

The Commission also considers that the time he allowed himself to perform the investigation and to prepare his report (40 hours) was in all the circumstances inadequate. The Commission accordingly found the positive nature of certain of the comments contained in his report to be extraordinary in the circumstances.

It would seem that the SACC in quoting selectively from Mr Potter's report acted opportunistically using the report to their best advantage. In giving evidence Mr Potter, in response to a question whether he should not, in the light of the circumstances, have withdrawn his report, stood by it.

While his report was for the most part factually based, it tended to play down some of the more serious problems which had led to the qualifications in the auditors' reports, and this may have resulted in a relaxation of the SACC's endeavours to rectify the financial controls and procedures. Certainly the auditors' report on the 1981 financial statements issued some sixteen months

after Mr Potter's final report contained very similar qualifications to those in their 1980 report, although there was evidence of some improvement in the financial records of the SACC in 1981.

THE SHUN CHETTY AFFAIR

20.1 INTRODUCTION

In the following pages the Commission deals with this matter in some detail since it affords a vivid insight not only into the deplorable state of the financial administration and controls of the SACC, but also into the remarkable way in which the matter was handled by the SACC Praesidium, the Executive Committee, and its attorney Mr O.J. Barrett of the firm Bowens.

20.2 CHETTY'S FLIGHT

Mr Shun Chetty was an attorney who, until he fled the RSA in 1979 and his name was struck off the roll of attorneys for professional misconduct, appeared in a large number of criminal cases for which the SACC provided funds.

As far as the public was concerned, the media reported Mr Chetty's flight, advancing various reasons in follow-up reports such as his failure to pay income tax (14 August 1979, The Citizen) (admitted by Mr Chetty); a vendetta which he alleged the State and Police were conducting against him (14 August 1979, The Argus) and allegations by Bishop Tutu that he had not accounted for some R17 000 advanced to him by the SACC (15 August 1979, Rand Daily Mail).

The media also splashed Mr Chetty's statement made to their representatives in Gaberones that "he was an activist who financially assisted and advised blacks to seek refugee status in neighbouring African States" (19 August 1979, Sunday Times), and that he "also declared his support for the banned African National Congress" (19 August 1979, Sunday Tribune).

Similarly Mr Chetty's challenge to Bishop Tutu "to prove that he still owes money to the Council" received prominence in the Sunday Express of 19 August 1979.

According to the report Mr Chetty said:

"My financial dealings with them [the SACC] involved hundreds of thousands of rand over the years as they financed a number of trials, but I am distressed that Bishop Tutu has seen fit to deal publicly with a matter he and I have been discussing privately for 18 months."

He went on to say that the allegation made by Bishop Tutu -

"...does not surprise me in view of the confused state of the administration of the SACC and the manner in which they administer their affairs."

The SACC promptly dissociated itself from a reported declaration by Mr Chetty that he was a political activist.

The relationship between the SACC and Mr Chetty was "an entirely professional one", the report continued, quoting a statement released by the SACC.

The public was merely told [according to the Rev. Storey] that "the matter would be cleared up" (Rand Daily Mail, 20 August 1979).

How the matter was cleared up remained unknown to the general public. That it was "cleared up" appears from an article published in the SACC-controlled weekly The Voice for the period 21-27 January 1981, which reported the following:

"Shun Chetty cleared

Bishop Desmond Tutu, General Secretary of the South African Council of Churches has cleared well-known lawyer Shun Chetty, who fled the country in 1979, of the allegation that he owed the SACC R17 000....

'As far as SACC funds are concerned, we are satisfied with the accounting I have received from Shun Chetty,' the statement ended."

It is important to look in some depth at the background and behind-the-scenes happenings that resulted in the clearing of Mr Chetty to the satisfaction of the SACC of any indebtedness to them.

There is little doubt that Mr Chetty's hasty and unlawful departure from the RSA, together with his various disclosures, came at a most inopportune moment for the SACC. Not only were they under pressure regarding their management and control of SATCIC and St Ansgar's Mission as a result of the Ombudsman's disclosures, but they were also the object of considerable media attention in respect of their relations with their overseas donors. At the same time the

SACC had taken the first tentative steps to sort out its administrative and financial muddle.

That the SACC was therefore vitally interested in sorting out the Chetty matter satisfactorily is understandable, particularly in view of the allegations and counter-allegations mentioned above.

This is reflected in the following:

(a) A statement, dated 11 September 1979, in which Bishop Tutu recorded the following relevant facts:

- "1. When I took over as General Secretary, the Asingeni Relief Fund was in deficit to the tune of nearly R500 000 ...
2., I put forward certain guidelines for the operation of the Fund - there would be no cases funded without my express approval; ...
3. Nearly all matters were settled through Bowens where our lawyer would scrutinise accounts and reports and then advising us whether the charges were reasonable or not, before we instructed him to settle or not. The exception was the firm Shun Chetty & Co. I had inherited a situation where this firm was paid directly and not through Bowens when Mr Chetty produced his Asingeni Reports and accounts. I couldn't alter an arrangement that had been operating for 3 years (since 1976) without being exposed to a damaging suggestion of being a token appointment with control in the hands of whites. And only those who have visited Europe and the United States will know the seriousness of this matter and such an accusation.
4. As it happens Mr Chetty jibbed at the new Asingeni Relief Fund modus operandi and I learned subsequently that he wrote a damaging letter to overseas friends complaining that he would not be able to operate under these conditions and that funds should be paid to him directly. I took him to task about what I called a stab in the back. A reconciliation took place in which I asked him to send in his reports at shorter intervals and to abide by the new conditions. This he promised to do ...
5. ...
6. I wrote to Mr Chetty recently pointing out that despite repeated requests he was still going ahead with cases without my prior approval and that I was making the last payments to him condoning his ignoring my previous instructions. He wrote back a nasty letter saying he was withdrawing his application for assistance in the various matters. I was still keen to have a happy working relationship with him because he was in a position to damage our relations with our overseas friends. He then pointed out that he had sent

in his latest report and accounts. I discovered that it was unavailable in the house and asked him what the amount we owed him was. He said it was R32 000. In view of the large amounts that he had been receiving in the past and his long association with the SACC, I did not regard this as particularly noteworthy. (Though I had been sufficiently worried about the level of his charges to have passed them on to Dependants' Conference who had referred them to Bowens who confirmed our layman's disquiet. Mr Chetty had already indicated that he did not want to be vetted by a white.) So I authorised payment of this amount as I had no reason to suspect that it could be other than the right amount. So when I received a copy of the report and saw that we had made nearly a double payment, I knew I was to see Mr Chetty at another meeting and would raise the matter of the R26 000 and the R16 000.

7. I had already asked him on a few occasions about the R17 000 loaned to him last year. He alleged that it had been repaid through his adjusting his Asingeni Account accordingly but this had not come to my knowledge.
8. The meeting I had hoped for did not materialise because Mr Chetty fled the country a few days before then."

From the foregoing it emerges that Bishop Tutu saw that Mr Chetty was influential enough to damage SACC relations with their overseas friends and that were he to insist on Mr Chetty's accounts being scrutinised by the SACC's attorneys, this would expose Bishop Tutu "to a damaging suggestion of being a token appointment with control in the hands of whites".

(b) The draft statement prepared by Mr Barrett for the Rev. P. Storey for the Executive Committee meeting of 12 September 1979, recorded further reasons compelling the SACC to clear up the matter apropos of Mr Chetty's flight and utterances :

"We, ourselves, face difficulties of circumstantial inference. Our detractors are certainly going to try to draw some link between our activities and those revelations by Shun Chetty and are going to try their utmost to link the financial assistance we provided to Shun Chetty for the purpose of defending accused to the financial assistance he gave people to cross the border. I don't want to minimise the problem at all and I think we should give very serious consideration to it. It is unfortunately all too easy to build up a circumstantial picture which, to say the least, will be uncomfortable for us no matter how untrue. Our detractors may say that we either willingly connived with Shun Chetty to assist people to escape across the border or that we were purposely careless with the stewardship of our money so that it was made easy for him to obtain the funds for those purposes. There is no doubt that we treated Shun Chetty on a different basis to all

other attorneys. His accounts were not checked by our attorneys, we made no attempt to reconcile his accounts and it is certainly unusual in an attorney and client relationship to assist an attorney when he experiences cash flow problems. As you see the picture begins to take shape in one's mind and I believe that it is this sort of deduction that we are going to have to face. Not only are there moral aspects to this question but legal implications as well. We are going to have to give explanations to our donors, the Law Society and to the press and I believe that it is necessary to give immediate consideration to these problems."

(c) Another reason for the SACC's interest in satisfactorily resolving the Chetty issue is set out in paragraph 21.3.1 et seq., infra. Chetty stated that he would not submit his accounts for scrutiny to a White firm. The SACC apparently did not press the point, and none of his accounts was so scrutinised. It continued to finance cases defended by Mr Chetty on a very extensive scale. In the period under discussion at least R516 147 was paid to him for this purpose: As far as the SACC was concerned, Mr Chetty's position was clearly a special one, for its records indicate that special grants were made to him from time to time in amounts varying from R5 000 to R6 000. Mr Chetty also occasionally received loans from the SACC when he experienced cash flow problems.

The SACC's auditors, Messrs Pim Whiteley and Close, were appointed to reconcile payments made and billings received.

In their first report, dated 2 October 1979, an amount of R50 835,07 was described as unaccounted for. During November 1979 a further report known as "the draft report" was prepared. In it Mr Barrett changed certain amounts on the basis of "fresh evidence" allegedly received which effectively reduced the unaccounted for difference to R22 942. Finally, on 20 February 1980, the auditors, acting on a declaration by the General Secretary that he had been satisfied that a sum of R25 000 had been satisfactorily accounted for, this being based on a letter to that effect dated 21 December 1979 provided by Mr Rees at the behest of Mr Barrett, concluded that the SACC was indebted to Mr Chetty in an amount of R2 057,95. A letter was written to Mr Chetty to that effect, and the "satisfactory conclusion" of this investigation was published in The Voice under the caption "Chetty cleared".

However, on proper investigation by the Commission's accountants a completely different picture emerged. When Mr Chetty fled the RSA in August 1979 he was indebted to the SACC in an amount of at least R91 319 (it could even have been more). That much was established by the accountant Mr Wessels. His evidence to this effect was not challenged by counsel for the SACC (who conducted his cross-examination with the assistance of an accountant specifically retained by the SACC), except in relation to six items. The Commission accordingly considers it unnecessary to set out Mr Wessels' analysis except in regard to the six items. And even in regard to those items it is significant that the SACC ultimately chose not to call the accountant referred to, nor indeed any other witness, to back up what was put in cross-examination. We intend nevertheless briefly to deal with and evaluate Mr Wessels' response to the points put to him.

By way of explanation for the résumé that follows it should be mentioned that, as part of the exercise conducted by him, Mr Wessels prepared a list containing details of SACC payments to Mr Chetty and the amounts for which he had accounted to the SACC.

20.3.1 Firstly it was suggested that an amount of R17 000 which Mr Wessels described as a loan to Mr Chetty should not have been viewed as such but as a payment to him in regard to another matter, described in the documentation as the FELCSA agreement.

20.3.1.1 At this stage it is necessary to state what the FELCSA agreement, also referred to as the FELCSA-LWF-MacDermot agreement, was all about. It was an agreement negotiated between the International Commission of Jurists through its General Secretary Niall MacDermot, the Lutheran World Federation (LWF) represented by Dr Calle Hellberg of its head office in Geneva, the SACC represented by Mr John Rees, its General Secretary, and FELCSA represented by Dr Karl-Heinz Schmale, to obtain and use the services of Mr Shun Chetty in respect of pass law offences in South African courts. This agreement was negotiated between 1976 and 1977. For overseas and South African liaison purposes a member of the Quaker head office staff in Geneva acted as communications link

using an American, Mr Frank Loescher, to act as "nuntius" or messenger in regard to the South African contact.

The understanding of the overseas partners involved in negotiating the contract with the SACC, FELCSA and Mr Chetty - its raison d'être - is set out in a letter dated 29 September 1976, which the said Mr Loescher delivered by hand to Dr Karl-Heinz Schmale in Johannesburg and which reads as follows:

"Dear Frank,

I have just returned from a most pleasant encounter with Dr Hellberg of the Lutheran World Federation, who wished to pass on to me by word of mouth, rather than by any indirect means, the messages he would like you to take for him to Namibia and South Africa...

In Johannesburg he has two messages for Karl-Heinz Schmale, General Secretary of the Federation of Evangelical Lutheran Churches in South Africa (FELCSA):

1. Niall MacDermot, General Secretary of the International Commission of Jurists, has asked for LWF to help FELCSA to employ an Indian lawyer from Durban, whose name is Cheti[sic]. Cheti's task would be to attend and assist at a number of trials of petty offenders - contravention of the pass laws etc. At such trials he would raise legal questions, drawing attention to points of law which the presiding judge or magistrate would conveniently overlook in order to dispose of the case quickly and proceed to the next. By this process the smooth and easy running of these cases, which normally goes against the defendants, would be interrupted and the courts would find that they did not have things all their own way. Cheti's *disruptive interventions* would be based entirely on points of law - for which South Africa displays considerable respect. LWF is prepared to support Cheti for a trial period of 6 months to one year and all that Hellberg needs is a cable from Schmale saying simply 'OK' - nothing more."

Subsequently on 1 July 1977 Messrs Rees, Schmale, Thorne and Bell, representing the SACC and FELCSA, wrote to Dr Calle Hellberg of the LWF in Geneva in the following terms:

"Dear Calle

I do hope you are well.

We are writing to you jointly, ie Rev John Thorne, General Secretary, SACC; Rev Fred Bell, General Secretary, FELCSA; Dr Karlheinz Schmale, ex General Secretary, FELCSA; Mr John Rees, ex General Secretary, SACC. The purpose of the four of us writing this letter is to indicate to you that

that which was previously held in confidence by Karlheinz Schmale and John Rees has now been transmitted to John Thorne and Fred Bell.

Following our last discussions, we were able to set up with Mr Shun Chetty, a well known attorney, with practices in Durban and Johannesburg, the whole scheme. The choice of Chetty was based on the fact that it was the name mentioned by Niall McDermott of the International Commission of Jurists, and so, knowing that his work and approach were acceptable to the International Commission of Jurists, Karlheinz Schmale and John Rees approached him with the whole scheme. We discovered that he was already aware of it, since he had apparently been the recipient of correspondence from Niall MacDermot, so the task was made much easier.

Having written the letter to you on the 3rd November, we awaited some sort of response but none was forthcoming. Unfortunately on November 25th, when Diakonia House was raided, the confidential copy of this letter in the possession of Karlheinz Schmale was seized. It has not been returned. It is our opinion, however, that this is of little consequence.

Knowing that there was general approval of the idea, and because a crucial stage had been reached in Mr Chetty's practice, where he had to make a decision to remain in Johannesburg or withdraw to Natal, we approached him formally to ask whether it was possible, with effect from the 1st March 1977, for the envisaged scheme's appointment on a year's experimental basis in both Durban and Johannesburg. After three or four consultations and meetings with his staff, he agreed to implement the scheme and we from our side offered to help in the difficult situation regarding office accommodation. We were able to secure this for him and since then, in both Durban and Johannesburg, the scheme has been working. It is costing R8 000,00 per month. This covers salaries of two professional assistants, a secretary in each case and a proportional amount of the rental in respect of the two offices run.

At this juncture, although it is still early within the year's period, we can say that the matter has been a resounding success, in that he has been unable to cope with the work load.

We understand that it is your desire to dispatch to this country a person to come and see for himself, and in terms of the letter to arrange for this, we would like to suggest that this be done and we would welcome the visit of such a person, more to tie up the administrative side than anything else. It would be good for such a person to sit with Mr Chetty and learn first hand the problems, joys and frustrations.

From our side, we wish to confirm that this can only be continued if funds are channelled through FELCSA and it is possible that in the long run the Council would have to bow out, since it is becoming a focus of attention in respect of the considerable funds that it has disbursed from the Asingeni Relief Fund.

We are seeking your co-operation in this matter and advise you that our friend and colleague Karlheinz Schmale will be in Germany from the 4th July and we hope that you will be able to speak to him. We asked him whether he was prepared, if necessary, to come to Geneva to fill you in on all the finer details. Suffice it to say that R12 000,00 has been expended, which has been borne in part by FELCSA and in part by the Council. Your re-imbusement of this amount would be appreciated."

In the Praesidium minutes of 12 September 1979 this agreement, viewed by the overseas partners as leading to "disruptive interventions", was referred to and the reason for FELCSA's channelling the payment in terms of the contract to Mr Chetty through the SACC was explained thus:

"The reason why the money came through the SACC was in order to make it an ecumenical venture ..."

20.3.1.2 The only justification for ever suggesting that the payment of R17 000 was a FELCSA payment was that when the SACC was called upon to inform its auditors what the position regarding the payment was, it relied (a) on a vague letter Mr J.C. Rees wrote in December 1979 suggesting to Mr Barrett, who had been called upon by the SACC to handle the matter and to assist its auditors to prepare the required account, that it might be a FELCSA payment; and (b) on Mr Chetty who allegedly claimed, according to Mr Barrett who interviewed him in New York during November 1979, that it was a payment in terms of the FELCSA agreement. See paragraph 20.4.4 infra.

20.3.1.3 The indisputable facts are, however, the following:

- (a) The letter written by Mr Rees to Mr Chetty, dated 2 February 1978, under cover of which the R17 000 payment was sent, states:

"I also enclose a further cheque in the sum of R17 000 which it must be understood is a *loan* to you which will be repaid to us in future ..." (Rees's own emphasis)

- (b) The payment advice dated 1 February 1978 which was made when the payment under discussion was requisitioned, records the reason for the payment to be "loan to him" (Chetty).

(c) In fact, subsequently in 1979, the SACC wrote off the R17 000 as a loan.

When Mr Rees was called upon by the Commission to explain the fact that in the light of the foregoing, his suggestion that it might have been a FELCSA payment was difficult to understand, he conceded that his recollection was erroneous. It is equally clear that, if Mr Chetty in fact advanced a similar contention to Mr Barrett, that contention was unfounded. We shall later revert to the difficulty we experienced in understanding why Mr Barrett did not, in the light of documents available to him, point out to both Mr Chetty and Mr Rees that the payment could not have been anything but a loan. For the present, however, it is necessary merely to record that Mr Wessels was clearly correct in viewing the payment under discussion as a loan and not a FELCSA payment.

20.3.2 The second point on which Mr Wessels was challenged concerned a further advance recorded in favour of Mr Chetty in an amount of R32 000, which it was suggested might be a further payment in terms of the FELCSA agreement.

The evidence in this connection was that the payment in question was made to Mr Chetty on 14 August 1978 by means of an SACC cheque. The payment advice recorded the reason as "Asingeni". Neither of the books of account of the SACC or FELCSA indicates this to have been a part payment in terms of the FELCSA agreement, nor was there anything to connect it with the FELCSA agreement, and the Commission is satisfied that the suggestion under discussion is without foundation.

Furthermore, the payment of R36 000 referred to in the Praesidium minutes of 12 September 1979, which was made in February 1978, supports the view expressed by Mr Barrett to Bishop Tutu in a letter dated 3 December 1979, that all was square between the SACC and Mr Chetty at the time Mr Rees handed over to Bishop Tutu.

Consequently the suggestion that the R32 000 was paid to Mr Chetty in addition to the retainer of R26 000 which he received during July 1979 in terms of the FELCSA agreement (vide the above-mentioned Praesidium report) would have resulted in an overpayment over the period of 17 months since 1 March 1978 of some R7 000. Apart from this, the Praesidium Minutes stated in paragraph 5

that the contract would run for two years only, which meant that unless renewed, the contract lapsed in February 1979 and therefore the overpayment on acceptance of the above-mentioned figures would be R22 000 in the light of the fact that no mention is made that the contract was renewed.

20.3.3 The third proposition put to Mr Wessels was that it might be considered that Mr Chetty had fully accounted for R8 000 which he had received from the SACC to provide food for detained persons, and that Mr Wessels' view that he had merely accounted for R4 000 could be disputed. There was, however, nothing to support this suggestion, and Mr Wessels was clearly correct in the conclusion reached that if Mr Chetty had accounted for more than R4 000, that would have been reflected in documentation or records of some sort.

It must be noted that the food suggestion originated from Mr Barrett, who had a "hazy recollection" in this regard.

How Mr Barrett, who had possession of the Asingeni reports, specifically Report No. 8, could have missed Mr Chetty's report attached thereto, in which he accounted for R4 000 in respect of food moneys received, is difficult to understand.

20.3.4 The fourth proposition put to Mr Wessels related to an item of R16 000 made up of the balance due to the SACC by Mr Chetty in respect of bail moneys advanced to him from time to time by the SACC, and for which he had, according to Mr Wessels' finding, not accounted to the SACC. The fact of this payment was picked up by Mr Wessels from documentation in the possession of the SACC, particularly a letter written by Mr Rees, a copy of which, incidentally, was also in possession of Mr Barrett. In that letter, dated 1 April 1977, Mr Rees recorded that Mr Chetty had indicated to him in one of his reports that he had to account for the amount in question.

The point put by Counsel for the SACC to Mr Rees was that it was insufficient to conclude that Mr Chetty was bound to refund the amount of R16 000 solely on the basis of what is noted in the letter. It was suggested that in none of Mr Chetty's reports to the SACC was it noted that such amount was expended on

the payment of bail.

In regard to the first of these contentions Mr Rees's own evidence to the Commission confirmed the fact that he wrote the letter on 1 April 1977. In addition it appears from an aide-memoire prepared by Mr Barrett after he had interviewed Mr Chetty that the latter allegedly conceded to him (Barrett) that he (Chetty) should account in some amount, but maintained that that amount should only be for R6 000 and not R16 000. It does not appear that Mr Chetty gave any reasons for the reduction, although Mr Barrett mooted a possible typing error as an explanation. As to the second contention it appears to the Commission that the state of Mr Chetty's records was such that no inference should be drawn from the absence therefrom of reference to the bail moneys. Furthermore it appears that the R16 000 was not a once-only payment, but the balance outstanding in respect of amounts received over a period of time which Mr Chetty advised Mr Rees he would repay or account for.

It also appears that Mr Rees, on whom Mr Barrett also relied in support of his contention that the amount of bail should be reduced from R16 000 to R6 000, had no documentation from which he could have refreshed his memory as to the correct position, as he had left the SACC with effect from 1 March 1978 and the "bail" file(s) could not be traced!

The Commission concludes that also in regard to this item Mr Wessels was correct. (See also paragraph 20.4.5.3.)

20.3.5 The fifth proposition put to Mr Wessels was that account should have been taken of the possibility that Mr Chetty might have done work after 16 July 1979 (which was the date of his last billing) in respect of which he might have had a claim against the SACC. This contention has no merit; there was no suggestion in any documentation that Mr Chetty had any such claim or that he had mentioned the possibility of the existence of such a claim when interviewed by Mr Barrett. Furthermore the "investigations" carried out by Mr Barrett and the auditors were restricted to the period 28 June 1976 to 13 July 1979 (vide Pim Whiteley report dated 20 February 1980). Payments or billings for work done subsequent to 13 July 1979 would therefore have no relevance to or bearing on the end result.

20.3.6 Lastly it was suggested to Mr Wessels that from the list of payments to Mr Chetty, two payments of R10 000 each should have been excluded. These represented deposits paid to Mr Chetty by the SACC to cover the costs of a civil action instituted and conducted by Mr Chetty against the State on behalf of the family of the late Steve Biko. It appears that the action was settled on the basis of an undertaking to pay a certain capital amount, and costs.

The point made by Counsel was that if Mr Chetty had submitted a bill for taxation for an amount in excess of R20 000, it might have appeared that the SACC, which had committed itself to finance the Biko action, might have been considered to be obliged to pay Mr Chetty an amount in excess of the R20 000 deposited.

In the opinion of the Commission the answer is a simple one. It is the answer also given by Mr Wessels, namely that according to a written statement obtained from Mr Barrett the agreement between the SACC and Mr Chetty was that if an award of costs was made against the State in the Biko case, the R20 000 would be refunded. The award was made, and it follows that Mr Chetty became obliged to repay the whole amount of R20 000. These were accordingly properly included on the list of payments to Mr Chetty.

Another way of looking at the matter is that Mr Chetty could not claim anything in excess of R20 000 from the SACC unless he submitted a bill of costs. He did not submit one, nor is he likely to do so.

The sixth point thus has no merit.

An astonishing, and to the Commission, rather disturbing feature was the manner in which the SACC and Mr Barrett subsequently tried to recover the two cheques of R10 000 each from the Attorneys, Notaries and Conveyancers Fidelity Guarantee Fund. This amount of R20 000 was included in the list of payments amounting to R516 147 which the SACC's auditors reconciled with accounts rendered and moneys satisfactorily accounted for by Mr Chetty and in respect of which they issued a report on 20 February 1980 stating that the SACC owed Mr Chetty R2 057 (an "unexplained difference").

On 14 July 1980 Mr Barrett, on behalf of the SACC, lodged a claim against the above-mentioned fund for the R20 000 citing the same cheque numbers and dates as were contained in the list of payments on which the auditors brought out their above-mentioned report which cleared Mr Chetty and in which this amount had already been accounted for to the satisfaction of the SACC. Mr Barrett wrote to the Fund saying he sought their guidance as to whether he should exhaust his legal remedies or whether the Fund would waive this requirement. The Fund refused so to waive, and on 2 September 1980 Mr Barrett wrote to the SACC asking whether or not he ought to proceed with the claim against the Fund. He was told to "pursue the matter and claim accordingly" in a letter from his client dated 9 September 1980.

On 25 January 1982 the Secretary of the Fidelity Fund replied to Mr Barrett that "the Board of Control decided that should Mr Chetty authorize in writing the payment of this claim from the trust moneys held on his behalf by the Fund, the Board of Control will consider your clients claim ... I shall, therefore, be pleased if you will obtain such written consent from Chetty".

This request was conveyed by Mr Barrett to Mr Chetty's attorney, Mr John Brand of the firm of Lister & Tucker, on 1 February 1982. On 4 March 1982 the latter informed Mr Barrett that "our client declines to furnish you with the written consent requested by the Law Society".

Knowing full well that Mr Chetty had refused the request for written consent, Mr Barrett refrained from mentioning this in a letter which he wrote to the Fund on 10 May 1982, and in which he stated, inter alia:

"On reflection it appears to us that there would be no purpose served in obtaining Mr Chetty's consent as suggested by the Board as Mr Chetty no longer stands possessed of the funds or the control of the funds ... [and] ... it appears to us that the decision is one that has to be made either by the Law Society of the Transvaal or your Fund".

On 3 August 1982, having been subpoenaed to appear before the Board of Control of the Fund, Mr Barrett withdrew the claim. Whether or not his client, the SACC, was consulted is not known. Suffice it to say that a member of the Board of Control had, during the inquiry, indicated that in his opinion "the facts

were not represented correctly and I think the Council of the Transvaal Law Society can deal with that aspect".

20.4 THE ROLE OF MR BARRETT

When Mr Chetty left the RSA he was obliged to account to the SACC in the sum of at least R91 319. The Commission finds it inexplicable that the SACC and Mr Barrett, shortly after Mr Chetty's departure, set about inducing its auditors to prepare a final account showing that Mr Chetty, far from being a debtor, was a creditor of the SACC in an amount of R2 057,95.

20.4.1 According to the evidence before the Commission Mr Chetty fled the RSA in August 1979. A great deal of publicity surrounded his departure and his reasons for leaving. Among the matters canvassed by the press was a statement, apparently made by Bishop Tutu, to the effect that Mr Chetty was, when he left the Republic, indebted to the SACC in an amount of R17 000. In subsequent press reports Mr Chetty was quoted as saying that it was untrue that he owed the SACC money.

Shortly afterwards (September 1979) Mr Chetty wrote a long letter to Bishop Tutu complaining bitterly of the latter's press statement, saying that while it was correct that the SACC had on one occasion lent him R17 000 in order to enable him to pay counsel's fees, that indebtedness was brought into account and subtracted in an account subsequently rendered, and requested him to state publicly that there was at least a dispute concerning the matter. He complained of the harm done by Bishop Tutu's statement, which, he said, was hardly merited in view of all that he had done. He concluded by reminding Bishop Tutu of a previous incident where he had acceded to a request made by the Bishop to retract "the memorandum I sent to the German churches".

20.4.2 Bishop Tutu discussed Mr Chetty's letter with Mr Barrett, who on 28 September 1979 in a letter confirmed his telephonic advice to Bishop Tutu to "keep his options open" and to tell Mr Chetty that he would again communicate with him later concerning the financial matters. Bishop Tutu thereafter replied to Mr Chetty on 28 September 1979 and intimated that in regard to the R17 000 he had said no more to the Press than that "you had not yet accounted for this, i.e. you had not yet billed us for it". He complained about a gibe made by Mr Chetty regarding the administrative situation of the SACC, and said that he

was deeply distressed "by your remark that you were assisting people financially to skip the country. That is going to give considerable ammunition to our enemies who will believe that we 'acted in collusion with you'. It was an unfortunate remark which has serious implications for those left behind."

20.4.3 In the mean time the auditors of the SACC, a firm then known as Pim Whiteley and Close, were called in to endeavour to reconcile the Shun Chetty position. On 2 October 1979 they submitted a first report in which they concluded that Mr Chetty was required to account to the SACC in an amount of R50 853,07, made up by "payments not accounted for - R21 853,07" and "Loans - R29 000,00". Included among the loans listed was one of R17 000 to which reference has already been made. When the SACC was informed of the report and its implications Mr Barrett in a letter dated 9 November 1979 suggested to Bishop Tutu that Mr Chetty (who, it appeared, had kept virtually no books of account) should be approached to assist in the reconciliation of the figures. Mr Barrett suggested that Mr Chetty's co-operation could possibly be obtained by pointing out that -

"... the SACC has been placed in rather an awkward position and would be very reluctant for it to come out that Shun Chetty had failed to account for monies or had misappropriated monies if this was not the case".

Bishop Tutu's reaction was to instruct Mr Barrett on 13 November 1979 to "deal with this whole matter". He recommended that Mr Barrett should proceed either to America or Great Britain to discuss matters with Mr Chetty. Mr Barrett promptly traced Mr Chetty to New York where he interviewed him towards the end of November 1979.

20.4.4 It is clear that when this interview took place Mr Barrett was, owing to the inadequate records maintained at the time by the SACC, inadequately equipped to ascertain the correctness or otherwise of Mr Chetty's version concerning all the amounts that he had received from the SACC. For example, the R32 000 payment mentioned in paragraph 20.3.2 hereof could not have been discussed at all since it was only unearthed by Mr Wessels in 1982. Mr Chetty allegedly gave explanations to Mr Barrett in respect of various aspects of his dealings with the SACC, but what is particularly noteworthy is what Mr Chetty

allegedly said in relation to the R17 000 payment mentioned in paragraph 20.3.1 hereof. According to Mr Barrett, Mr Chetty claimed it was a payment in terms of the FELCSA agreement. The Commission finds it strange that Mr Barrett did not at once point out to Mr Chetty that that was incorrect, particularly inasmuch as Mr Chetty had, in his first long letter to Bishop Tutu, himself said it was a loan, and had not suggested that it was a FELCSA payment.

It is even stranger that Mr Barrett, knowing as he did that Mr Chetty had two months earlier categorically denied that the R17 000 was anything but a loan, did not bother to obtain an affidavit from Mr Chetty after the latter's apparent volte face. The excuse that no typist was available to type such an affidavit is quite extraordinary. After all, Mr Barrett could personally have recorded the facts in affidavit form. As it is, even the notes Mr Barrett allegedly took on that occasion are now said to be missing.

In his evidence before the Commission, Mr Peter Hibbit, a partner in Pim Whiteley, auditors to the SACC, said that written instructions had not been received in relation to the work they had been requested to carry out on the Shun Chetty account:

"... the way I understood it was that we were to attempt to reconcile the payments that had been made by the Council of Churches with reports submitted by Shun Chetty, to see to what extent he had accounted for the payment that had been made to him"

As far as Pim Whiteley were concerned, they were carrying out an arithmetical exercise which would result in a written report to the Executive Committee of the SACC. The report stated:

"We must point out that our findings are based upon documentation available to us which is not in all cases complete."

Under cross-examination Mr Hibbit was asked:

"I mentioned just now that your findings were based upon documentation available to you. Did you examine the books of account?"

Of the South African Council of Churches? - Yes.

I personally did not, no.

Did any of your staff examine the books? As far as I recall ... we only used the reports submitted by Shun Chetty. We did not make use of the Council's books and records.

Surely that is a surprising admission in view of the fact that you could not then be certain that you had brought to account all payments that had been made by the SACC? - Well, the way that we understood it was that this listing that we were presented with was a full listing. We were informed that these were the cheques that had been paid and that it really was not necessary for us to try and verify that. The Council through their own staff had satisfied themselves that this was a full listing of the cheques."

It is clear from the above that Pim Whiteley had a different understanding of what was required of them from Bishop Tutu who had expected an audit (paragraph 20.8). In the light of the subsequent use which was made of their report it is questionable whether they exercised the necessary care in establishing the facts which formed the basis for their report. It appeared to the Commission that they had placed themselves in a position where it was relatively easy for Mr Barrett to lead them by the nose.

20.4.5 On his return to South Africa Mr Barrett spent many hours with Pim Whiteley in an effort to get the Chetty account settled. All the evidence indicates that he was set on persuading the auditors to show Mr Chetty to be in the clear.

20.4.5.1 He endeavoured, for example, to persuade them that the transaction concerning the sum of R17 000 was not a loan but a payment in terms of the FELCSA agreement. Understandably they were initially not prepared to accept this, for not only did the SACC books reflect it to have been a loan, but it had in fact been written off as such during 1979. In addition to this, all the available documentation proved that it was indeed a loan. In their draft amended statement dated 28 November 1978 the auditors continued to reflect the transaction as being a loan and nothing else.

20.4.5.2 Mr Barrett endeavoured to convince the auditors that, since Mr Chetty allegedly disputed having received the amount of R16 000, referred to in paragraph 20.3.4 hereof, it should be omitted from the statement. Pim Whiteley

did not, however, omit it altogether in the amended second draft statement, but recorded, on Mr Barrett's insistence, that Mr Chetty was liable to account for R6 000, not R16 000. This amount of R6 000 originally appeared in the draft dated 28 November 1979. In Mr Barrett's office this figure was blanked out with correcting fluid and a figure of R1 600 was substituted on the basis that the R6 000 had included R4 400 advanced in respect of bail in a case known as Mabopane.

20.4.5.3 In the course of the deliberations between himself and Pim Whiteley, Mr Barrett also dealt with a cheque dated 1 November 1976 in an amount of R6 000.

This cheque had been listed as a payment made to Mr Shun Chetty because it had been described on the cheque advice as a payment made to him from the Asingeni Fund which constituted part of the R516 147 he had to account for.

In respect of this cheque Mr Barrett claimed in his aide-memoire, which was allegedly prepared after his meeting with Mr Chetty in New York, that it included an amount of R4 400 paid to Mr Chetty for bail for 44 accused in the Mabopane case, each having had to pay R100 bail. The sum of R4 400 referred to here is incidentally the same R4 400 which was subtracted by Mr Barrett from an amount of R6 000 listed as bail moneys not accounted for and referred to in the preceding paragraph. This is the amount of R6 000 Mr Barrett reduced to R1 600.

The fact of the matter is, however, that Mr Chetty never received the amount of R6 000. The former General Secretary, Mr Rees, had altered the name of the payee, originally Chetty, to his own name "J.C. Rees" and had paid it into one of the 51 private accounts operated by him.

This was one of the transactions in respect of which Mr Rees was in May 1983 charged with and convicted of fraud.

Photostats of both the front and the reverse sides of this particular cheque were found in Mr Barrett's file marked "Working papers Shun Chetty" (exhibits Bowens 6-7 numbers 24/25.) On these photostats the alteration of the name of

the payee is clearly visible as set out above, and Mr Rees's address and account number appear on the reverse.

In the light of the foregoing it is clear that the R6 000 payment should thus not have featured as a payment in respect of which Mr Chetty had to account, unlike the sum of R4 400 which he did in fact receive from the SACC to pay bail in the Mabopane case and did account for. In any event Mr Chetty had already accounted for the R4 400 in his third report dated 28 February 1977, and it could therefore not again have been subtracted from the R16 000 bail which Mr Rees reported as outstanding in his letter dated 1 April 1977, and which Mr Barrett caused to be reduced first to R6 000 and later to R1 600. No reference was, however, made to it in the list. But in the draft amended account Mr Chetty was shown to have accounted for the amount of R4 400, and that was shown twice over, viz -

- (a) as a specific deduction against the bail moneys of R6 000 outstanding (p. 3 of the draft report). This is the figure Mr Barrett had altered with correcting fluid in his office to R1 600 as already stated, and
- (b) as a general deduction listed on p. 2 of the draft report against the overall amount of R516 147.

In other words, Mr Chetty was given the benefit of the same credit twice, as well as the benefit of not being debited with the amount as a payment made to him. This inexplicable error was repeated in the final account.

20.5 The draft amended account prepared by Pim Whiteley on 2 October 1978 concluded with the finding "that Shun Chetty is required to account to the Fund (Asingeni) as follows:

Payment not accounted for	R5 942,05
Loan	<u>17 000,00</u>
	R22 942,00".

On receipt of the draft Mr Barrett discussed the matter with Mr Rees. He testified to the Commission that Mr Rees had informed him that the R17 000 payment might not have been a loan, but a payment in terms of the FELCSA agreement.

He then, on 3 December 1979, wrote Bishop Tutu a letter in which he said inter alia:

"...

As discussed with you, it appears that the R17 000 which appears as the third last item on p.2 of the draft report relates to the Felcsa agreement ...

I have spoken to John Rees about this in an endeavour to clarify the position but it seems that he is no longer able to remember the incident with absolute clarity. He does, however, agree that this was the most likely reason for the payment and that it is his clear recollection that all payments in terms of the FELCSA agreement had been made and properly vouched for prior to his handing over to you.

He probably mentioned that all was square with regard to the FELCSA account when you took over and I wonder whether you have any clear recollection of this.

I think it is necessary for you to satisfy yourself that the R17 000 is not a loan but is in fact in respect of the Felcsa agreement and once you have done so that you write a letter to the auditors advising them that you have looked into the R17 000 payment and that you are satisfied that it has been properly spent."

It is to be noted that Mr Barrett's recording of the fact that it was Mr Rees's clear recollection that all payments in terms of the FELCSA agreement had been properly made and that all was square in regard to payments in terms of the agreement is corroborated by the minutes of the Praesidium meeting of 12 September 1979.

Bishop Tutu on 13 December 1979 replied to Mr Barrett as follows:

"We are unable to provide you with the documentation or assurances(sic) that you require with regard to the R17 000 as well as + R6000. I suggest that you discuss this matter with Mr John Rees. Let him provide you with the assurances[sic] and we would be willing to accept this and hope that it would then serve to clarify matters and bring this whole case to a successful close."

As suggested by Bishop Tutu, Mr Barrett again approached Mr Rees, who on 21 December 1979 wrote as follows:

"I have no clear independent recollection of this particular payment, but in endeavouring to reconstruct the circumstances operating in those days ... I am able to say that from a reconstruction of the events of those days I was satisfied that Attorney Shun Chetty had accounted to me satisfactorily in respect of all payments which had been made to him and in particular in regard to payments which were made in respect of an agreement known as the Felcsa agreement. I can only assume that the payment of R17 000 was made in respect of that Felcsa agreement and I would like to state that at all times Mr Chetty's accounting to me was meticulous and detailed and I was completely satisfied that he had adhered to the terms of that agreement. The only reason that I can think that the payment is designated as a 'LOAN' to Mr Chetty is that in order to assist him financially I advanced him that sum prior to his formal presentation of the final accounting in terms of the Felcsa agreement. I would like to state that the final accounting in respect of the Felcsa agreement was presented to me and transmitted to Felcsa and was in every way completely satisfactory."

20.6 It is necessary at this point to refer to what was at the time passing between Mr Rees and other SACC executives and between Messrs Chetty and Rees:

20.6.1 On 12 September 1979 Mr Rees (and Mr Barrett) attended a meeting of the Praesidium of the SACC. The R17 000 payment was discussed on the basis of its being a loan. No suggestion was then made that it was a FELCSA payment, although Mr Rees sketched the whole background to the FELCSA agreement and the payments made in accordance with it, viz R36 000 in February 1978 and R26 000 in July 1979. These payments were discussed and minuted.

20.6.2 Soon after the Praesidium meeting of 12 September 1979, in fact on 9 October 1979, Mr Rees wrote a letter to the Rev. P. Storey, President of the SACC, in which he said inter alia:

"I have explained to both Mr Barrett and latterly to Mr Wentzel that I can clearly remember making the first advance against projected counsel's fees in the sum of R17 000. I think the blue requisition slip bears witness to this."

Both the blue requisition slip and the cheque for R17 000 are exhibits before the Commission and corroborate this statement by Mr Rees.

20.6.3 On 23 October 1979 Mr Chetty wrote to Mr Rees complaining inter alia that Bishop Tutu's tendency "to get into the media so readily" had caused him (Chetty) considerable embarrassment; that it would greatly assist him (Chetty) to regain some of his self-esteem if he were shown to be in the clear with the SACC; and

"... what I want is a letter from you clarifying the position which I may show to key people here" (the letter was written from abroad).

It will be recalled that Mr Rees informed Mr Barrett some two months later that the R17 000 payment could have been a FELCSA payment.

20.6.4 On 14 January 1980 Mr Rees wrote to Mr Chetty to say:

"I hope now that the misunderstanding which arose has been settled. I have been co-operating with Oliver Barrett in trying to set everything in order and to finalise the matter and I am sure that it will work out in a manner satisfactory to all."

20.6.5 Afterwards he appeared to be worried about his role in this affair. When a newspaper commented on the outcome of an application to reinstate Mr Chetty on the roll of attorneys, he wrote asking Mr Barrett to -

"... enlighten me how we should approach this matter as I have in many respects put my neck on the line saying that it was all clear".

Mr Barrett responded on 25 September 1980 to this mixed metaphor in the following fashion:

"2. More importantly perhaps I think one must draw a clear distinction between Shun Chetty's indebtedness to the S.A.C.C. and his indebtedness to any other creditor. Isn't it correct that when you 'put your neck on the line' you were doing so in respect of the financial position of Shun Chetty viz a viz[sic] the Council and not in respect of his dealings with the public in general."

20.6.6 The inference is inescapable that Mr Rees at all times knew full well

that the R17 000 was a loan, and never believed it could have been a FELCSA payment. It seems probable that in order to oblige the SACC, Mr Barrett and Mr Chetty he was trying to make out that it was a FELCSA payment, and he was even willing to state that in writing.

20.6.7 On receipt of Mr Rees's letter of 21 December 1979, Mr Barrett first telephoned Mr Matt Stevenson, the Deputy General Secretary, who declared himself well satisfied with the content of that letter. On 2 January 1980 Mr Barrett sent a copy thereof to Bishop Tutu. He wrote that it appeared from Mr Rees's letter that -

"... he has no clear independent recollection as to what the position was with the cheque for R17 000. I wonder whether you are able to throw any light on this. The position now would seem to be that if you are satisfied with what is contained in John Rees' letter you ought to let the auditors know that you are satisfied with regard to the expenditure of the five cheques (four other payments were also discussed) and they will then be able to issue an amended final report on all the Shun Chetty/ Assingeni payments".

In reply Bishop Tutu on 16 January 1980 wrote to Mr Barrett to say -

"I am happy to accept John's statements. I know absolutely nothing about the R17 000 except that it was outstanding. So I would be willing to write to our auditors accordingly.... Thank you very much for sorting out a messy business so ably."

True to his word, Bishop Tutu wrote to the auditors on 18 January 1980 telling them that -

"With regard to cheque no 003852 for R17 000 dated 1.1.1978 the funds were in terms of an agreement to pay a retainer to Mr Chetty for action in Pass law cases. My predecessor was satisfied with the meticulous and detailed reporting that Mr Chetty provided and he adhered strictly to the terms of the agreement. The payment was designated a loan only because it was an advance payment before Mr Chetty made the formal presentation of his final accounting which was completely satisfactory. I look forward to receiving your final audit."

It is interesting to note the use by the General Secretary of the word "audit".

Pim Whiteley and Mr Barrett, in their evidence before the Commission, described in entirely different terms the exercise in which they had been engaged - viz, the extent to which Mr Shun Chetty had accounted to the Fund for these moneys.

20.6.8 As a result of the foregoing explanation the auditors, on 20 February 1980, brought out a final report in which the reference to a payment of R17 000 was omitted entirely. Their report was qualified by statements indicating that it was in part based on assurances given on behalf of the SACC, and that they had not seen supporting documentation.

20.6.9 On 21 January 1980 Mr Barrett wrote Mr Chetty saying inter alia:

"We have been instructed to write to you to confirm that our client is of the view that all funds paid to you by our client for services rendered were properly paid and there does not appear to be any one payment which has not been properly accounted for."

This portion of the letter and a confirmatory affidavit by Mr Barrett were used by Mr Chetty in an application which he made to the Supreme Court in September 1982 for the setting aside of the order striking him off the roll of attorneys. The object was clearly to prove that Mr Chetty was altogether in the clear as far as the SACC was concerned.

20.7 THE ROLE OF BISHOP TUTU

It seems to be reasonably clear that Bishop Tutu was anxious to have Mr Chetty shown to have accounted fully to the SACC, and was very grateful for the role played by Mr Barrett in the "messy business". One may wonder how he could ever have believed that the R17 000 might not be a loan in view of the fact that -

- (a) in the letter of September 1979, referred to in paragraph 20.4.1 hereof, Chetty himself said it was a loan ("... first of all the money was loaned some years ago ..." and "... some time after the money was borrowed ...") and
- (b) at an executive meeting of 12-13 September 1979, attended by inter alia Bishop Tutu, it was stated, according to the minutes:

"Other matters which gave rise for concern were deposits of R12 000 and R17 000 made in January and February 1978 which were loans which did not appear to have been adequately accounted for"

The Commission has no reason, however, to doubt Bishop Tutu's integrity in this connection. It assumes in his favour that he was not sufficiently aware of the niceties involved; that he had his hands full with the administration of the SACC and with endeavouring to clear up the maladministration that he had inherited; and that he relied on what was conveyed to him by Mr Barrett and Mr Rees.

20.8 COMMENT ON MR BARRETT'S ACTIONS

As for Mr Barrett, he was clearly aware that the SACC and Bishop Tutu were very anxious to have Mr Chetty shown to be in the clear. In the light of all the circumstances it is difficult to accept that his conduct was proper and in particular that he did not realise that Rees was guilty of prevarication in holding out that the R17 000 was a FELCSA payment. There can be no doubt that he played a major role in getting Pim Whiteley to present the final Chetty report in the way described above.

It needs to be pointed out that all Mr Barrett's and the auditors' alterations and amendments to the Chetty account during the course of their "investigations" had the effect of reducing Mr Chetty's indebtedness to the SACC.

20.8.1 Finally on 30 July 1980 Miss Ann Hughes wrote a memorandum to Mr Barrett which included the following:

"I am not sure if you will thank me for sending you this, but as I found them per chance in a file Elizabeth Storey had handed on to me (not of Shun Chetty's papers) I thought you might not have had copies before ...".

The copies attached were a letter dated 2 February 1978 by Mr Rees to Mr Chetty in which Mr Rees wrote "I also enclose a further cheque in the sum of R17 000 which it must be understood is a loan to you which will be repaid to us in future ...", and a cheque requisition slip in Mr Rees's handwriting citing the reason for the R17 000,00 cheque as "loan to him", i.e. Mr Shun

Chetty. These facts were confirmed by Mr Rees in evidence before the Commission. Even at this stage, when again faced with incontrovertible proof that the R17 000 was not a FELCSA payment but was a loan throughout, Mr Barrett took no steps to save the situation, or to protect the interests of the donors and his client the SACC.

20.9 POSSIBLE "COVER-UP"

At an early stage in the inquiry the Commission intimated that documentary evidence and evidence led up to that stage prima facie indicated a "cover-up", and invited the SACC to deal with it. When giving evidence later Bishop Tutu argued that if it was ever intended to quieten Mr Chetty it would have been easy for the SACC to have written off all his debts.

This argument ignores the steady build-up of public disquiet in respect of alleged financial maladministration.

Thus, for example, by 2 May 1980, Bishop Tutu and Mr Matt Stevenson were reported in the Rand Daily Mail to hold the view that -

"... speculation about the SACC's financial affairs was creating an impossible climate for them to work in".

The same report also recorded the fact that the Rand Daily Mail had been conducting an investigation:

"The Rand Daily Mail has been conducting an investigation into the auditors' report and matters raised at the recent trials of Bishop Isaac Mokoena, a former chairman of the SA Theological College for Independent Churches.

Bishop Mokoena faced charges of fraud relating to SATCIC funds in Roodepoort and Johannesburg and was cleared on both occasions.

The SACC ombudsman, Mr Eugene Roelofse, has been pressing for an inquiry for several months since submitting a memorandum to Bishop Tutu on November 26 last year."

The argument advanced also ignores the serious qualifications continued in the report of the SACC's auditors on the 1978 financial statements; the effect of

the watchdog role played by the media following on disclosures by the ombudsman and the evidence in the Mokoena case; and the fact that Mr Chetty was at that time demanding to be cleared. Merely writing off his debts would not have cleared a person who was considered by Bishop Tutu to be influential enough to damage relations between the SACC and its overseas friends. Handling the matter in the way Bishop Tutu suggested would have been neither prudent nor feasible in all the circumstances.

In spite of the interest displayed by the media from time to time in the Chetty affair, the general public at no stage had any inkling of the concerted effort that was being made to clear Mr Chetty. This was a state of affairs that was somewhat at odds with the General Secretary's claim that the SACC conducts its business in an open and transparent manner.

A few months after the Chetty affair was disposed of, Bishop Tutu found himself able to address the National Conference of 1980 as follows:

"We are tired of the innuendos and suggestions etc. relating to our finances. We want to lay to rest forever this unpleasant albatross....

We have always operated with integrity and above-board and we want this integrity and transparency vindicated". (EcuNews Bulletin 12 of 1980 p. 17).

The fact of the matter is, however, that the circumstances surrounding the SACC finances concerning Mr Chetty were far from being open and transparent. In view of the fact that the conduct of those involved and especially that of Mr Barrett in this and other matters elsewhere referred to may well have to be dealt with by other disciplinary bodies the Commission deems it wise to make no findings other than to record the facts as done above.

FINANCIAL IRREGULARITIES

21.1 INTRODUCTION

In this chapter the Commission discusses those specific instances of irregularities which were taken up by the SACC, and the case of Mr J.C.Rees, which was not taken up by the SACC, but where he was nevertheless prosecuted and convicted of fraud and theft of SACC moneys. The Commission gave consideration to the question whether it could find that apart from the instances mentioned hereunder there were any other cases where irregularities had been committed. Its conclusion is that it cannot point to other specific instances, but it has to point out that the financial controls and systems of the SACC were such that the possibility cannot be excluded that additional irregularities may have been committed. In this regard it will be convenient to summarise the findings recorded elsewhere in this report; and part of the evidence. The case of Mr Chetty has been dealt with in a separate chapter.

21.2 NON-VERIFIABLE PAYMENTS

In regard to the Asingeni Fund, payments of at least R600 000 were not properly accounted for, owing to the lack of supporting documentation; to the fact that many payments were made by cash cheque; and that reasons and advices for payments were inadequate.

21.2.1 In regard to the Dependants' Conference (DC) there was a lack of supporting documentation and/or lack of adequate advices in regard to a number of payments, amounting to some R156 000.

21.2.2 During the five-year period ended 31 December 1979 the various "trust" funds were audited only to a limited extent. The following table gives the year-end balances as an indication of the event to which trust funds were, or were not, audited:

Financial year	Year-end balances	Amount audited	%	Amount not audited	%
1975	585 951	162 476	27,7	423 475	72,3
1976	271 124	120 332	44,4	150 792	55,6
1977	542 208	202 468	37,3	339 740	62,7
1978	633 437	211 954	31,9	421 483	68,1
1979	591 637	255 885	43,3	335 752	56,7

21.2.3 From 1980 onwards, the auditors had in terms of their letter of engagement, no responsibility to audit any of the "trust" funds. The Revolving Development Fund also became a "trust" fund not subject to audit. The income received for the various "trust" funds for 1980 was R679 439 and for 1981 R611 371. Of these amounts, R472 147 and R554 693 were reimbursive payments to the RDF. The omission to audit these funds was in conflict with the agreement, alluded to elsewhere in the report, between the SACC, FELCSA and the KED.

21.2.4 Other legal or discretionary payments made by the General Secretary both from the Asingeni Fund and the General Secretary's Discretionary Fund were also not subjected to audit.

No independent audit opinion was in fact expressed on substantial portions of Asingeni disbursements. The known incident (of Mr Rees) illustrates that no less than R296 500 was lost from this fund alone, owing to dishonesty.

21.3 COMMENT

From the foregoing it is clear that the disbursement of significant amounts of funds entrusted to the SACC cannot be verified. The Commission can accordingly not say that all funds have been satisfactorily accounted for or that all the stated beneficiaries actually received the benefits.

21.3.1 It is in this context again appropriate to refer to a remark by a senior staff member of the SACC, Mrs Motlana, at the April 1979 staff retreat, to the effect that Bishop Mokoena was "unfortunate as he just happened to be the one found out".

Her remark indicates that there was a feeling prevalent among the staff that

irregularities were taking place, and that all was not well with the financial administration of the SACC.

21.4 KNOWN INSTANCES OF IRREGULARITIES

The case of Bishop Mokoena is the first in chronological sequence.

He was, it will be recalled, Chairman of the Board of the South African Theological College for Independent Churches (SATCIC), an organisation over which the SACC had a measure of control, who served as the SACC's Director of Theological Education, and for whose appointment the SACC was responsible. According to SACC documentation it was recorded that he had committed a series of frauds in connection with the operation of the bank account of SATCIC, and on being confronted with this, he eventually in 1979 confessed his guilt to Bishop Tutu. The SACC after some time laid a criminal charge, in consequence whereof Bishop Mokoena was prosecuted. He was, however, acquitted on 16 October 1979. He was again prosecuted in January 1980, but was again acquitted. It is neither necessary nor desirable for the Commission, which has not called on Bishop Mokoena to appear before it to testify, to make any findings in this regard. It is, however, clear that the moneys involved were unaccounted for. The SACC was slow in taking protective steps in this matter. Mr Roelofse went through his by now well-known uphill battle to move the SACC to take steps. After more than a year had elapsed since his first report regarding the alleged frauds committed by Bishop Mokoena, Mr Roelofse indicated to the SACC that a second staff member may be involved in crime and expressed his disquiet regarding the SACC's slowness in taking the necessary and obvious steps. At a meeting it was recorded that further evidence against Bishop Mokoena and one Mthiya had been unearthed. No charges were preferred against Mthiya.

21.4.1 According to SACC documentation it was also established that a certain Samuel Maseaou, the operator of a franking machine of the SACC, had committed fraud or theft involving at least R2 500 over a six-month period. He was dealt with pastorally, confessed his guilt, and was merely dismissed from his post. No steps were taken to recover the money stolen and no charges were pressed.

21.4.2 A certain Mr E. Mbatha was the chief accountant of a company styled South African Council of Churches Accounting Services (Pty) Ltd (SACCAS) which was controlled by the SACC and which, under contract with it, performed its ac-

counting services for a period of approximately two years. When facts were unearthed indicating that Mr Mbatha had probably committed a series of frauds, a criminal charge was laid against him. In October 1981 he was found not guilty. It should be pointed out that the Magistrate did not find that he was in reality not guilty, but that his explanations for what he had done and why he had done it might reasonably be true. It was partly due to the poor state of the records of SACCAS and the SACC that the Magistrate was unable to find that Mr Mbatha's guilt had been adequately proved.

21.5 THE REES CASE

Mr J.C. Rees, General Secretary of the SACC until March 1978, was in May 1983 charged with fraud, alternatively theft of SACC funds, and he was on 25 May 1983 convicted on 29 counts involving R296 500. He was sentenced to a term of imprisonment of 10 years suspended conditionally for 5 years, and to the payment of a fine of R30 000 or 6 years' imprisonment.

It is necessary to mention a number of matters connected with the SACC's approach to the question whether Rees should be charged or not, and in connection with some of the findings of the trial judge (Mr Justice Goldstone).

21.5.1 It appears from SACC documentation that during an audit investigation, and during the investigation by Mr A. Mills, the police officer probing the Mbatha matter, facts were unearthed indicating that Mr Rees had taken certain amounts of SACC funds and had paid them into a number of private building society and bank accounts. The matter was reported to the Praesidium of the SACC, which at its meeting of 10 April 1981 instructed Mr O. Barrett of the firm of Bowens, attorneys for the SACC, to investigate the matter and to report back to the Praesidium. Mr Barrett interviewed Mr Rees, and conducted some investigations, after which he had to report to the Praesidium at its meeting held on 13 April 1981. He reported that Mr Rees had admitted payments into the 51 accounts and had given an explanation for this. Part of the explanation related to an alleged fund which Mr Rees claimed to have operated. This could only have been the fund which Mr Rees in his trial referred to and relied upon. We wish to point out that the Court found it to have been proved beyond reasonable doubt that that was false - there was no fund of the sort claimed by Mr Rees. However, to revert to the Praesidium meeting, the minutes recorded:

"Mr Barrett affirmed that such a fund existed and that it appeared what Mr Rees claimed it to be. He was satisfied from the disclosures he had had and the somewhat scanty documentary evidence he had been able to scrutinise that Mr Rees had not committed a felony."

21.5.2 A matter for serious comment is the fact that when Mr Barrett reported as set out above, he was also Mr Rees's attorney. That fact was known to members of the Praesidium, but it is nevertheless difficult to understand how Mr Barrett thought he could act. In evidence before the Commission he stated that his function was to assess and then advise on whether Mr Rees's explanation was reasonable or not. What makes the situation worse is that, according to Mr Barrett, he was committed to convey only the substance but not the detail of Mr Rees's explanation to the Praesidium, so that he had perforce to be the arbiter of whether Mr Rees's story might hold water. As a result of Mr Barrett's findings it was decided not to prosecute Mr Rees.

The fact that he was nevertheless prosecuted was largely brought about by what was unearthed and established by the investigations carried out at the behest of this Commission.

21.5.3 The National Conference unanimously passed the following resolution in 1982:

"At this time of their personal distress, conference assures John Rees, his wife and family of their love, concern and prayers."

21.6 CONTEMPORANEOUS EVENTS

It is necessary to refer to some other contemporaneous events. On 5 March 1979 Mr Rees wrote as follows to Bishop Tutu:

"Dear Desmond,

I am constrained to write to you in the light of continuing disturbing talk concerning my role in the SACC.

Whilst in the U S A, I was confronted by certain longstanding American friends who chided me for having handed over a badly run - badly organized administration to you. I felt I could put this down to rumour frailty.

However since my return to S A, I discover that this sort of talk has become the order of the day in many Church circles. Furthermore I am told by sniggering people that I have really done you in.

Further this talk has now spread to Europe and into circles where, on behalf of the SACC I fought major battles in respect of funding, and the ability of the SACC to determine its own direction. It is now stated that I endeavoured to undermine the coming into office of a Black General Secretary ...

... there is one thing that I could not tolerate and that is the insinuation that I have defrauded the Council of money. This is so totally abhorrent to me that I am prepared to seek legal advice on it. But perhaps even more serious for me personally is the allegation that I left the Council in a mess. This of all allegations is disgusting.

I am therefore demanding that the next Executive places on record the fact that I never left the Council in a mess - or badly financed and that to the contrary all was well."

21.6.1 At this stage, Bishop Tutu knew that Mr Rees had in March 1978 withdrawn R60 000 of SACC moneys without his (Bishop Tutu's) authorisation. Bishop Tutu asked for an explanation but found it "unacceptable". He also knew that Mr Rees had given him the assurance that the SACC donors would provide funds for the overdrawn Asingeni fund, but that these assurances were unfounded. In the Rees trial he testified as follows:

"Did you attempt to substantiate Mr Rees' assurances that funds were forthcoming? --- I said the ASINGENI FUND was very desperately badly overdrawn, and that there was the assurance of funds from some of you - our donor partners reacted in the way that we have come to expect from them, remarkably generously, and nobody there to my recollection, was able to concede that he had made promises."

Surprisingly he did not inform the Executive that it did not appear that the donors had no knowledge of such undertakings prior to his visit to provide funds with which to redeem the Asingeni overdraft.

21.6.2 By letter dated 9 March 1979 the General Secretary responded as follows to Mr Rees's above-mentioned letter:

"Thank you for your distressed letter which I placed before the Executive Committee meeting. I want to convey my own personal sympathy that you are being clobbered from every side, which is true, I suppose, of all of those of us who are trying to do God's will in this disturbed country. As a result of all our troubles and your letter, the Executive asked me to send you a copy of the resolution which it passed at its last meeting, which follows:

'This Executive of the SACC re-affirms its unstinting appreciation of the services [sic] rendered as General Secretary by the former incumbent of that office, Mr John Rees; it remembers his loyalty and dedication to the SACC and its work, witnessing to the Christian calling to disregard race and it recalls that both at the time of his resignation and subsequently after he had filled in briefly, following the unexpected resignation of his immediate successor, the Rev John Thorne, Mr Rees handed over

the affairs of this Council, financially and structurally, to the complete satisfaction of the Executive.

It also affirms its complete support of and confidence in the present General Secretary, Bishop Desmond Tutu.'

It was also decided to quote again the resolution which was passed at the Executive Committee meeting of 30th November and 1st December 1977 ('Mr Rees was thanked very much for having taken over the work after the resignation of Mr Thorne') and 14th and 15th March 1978 ('Mr Rees was thanked for all he had done during the period when the SACC had no General Secretary'), when you were relinquishing your position as General Secretary, which was affirmed very warmly and strongly."

21.6.3 With regard to the statement in the resolution that "Mr Rees handed over the affairs of this Council, financially and structurally, to the complete satisfaction of the Executive", it is relevant to note what Bishop Tutu deposed to when giving evidence in the Rees trial:

"I was very unhappy right from the beginning at the state of the financial administration. ... I kept silent notwithstanding ..."

It is today clear that when Mr Rees left the SACC its administration and financial management were chaotic. Bishop Tutu knew that this was the position from the time that he assumed office as General Secretary but he remained silent and did not even inform the Executive or Mr T. Potter of what he knew regarding Mr Rees's conduct.

21.6.4 The judgment in the Rees case contains the following concerning Mr A. Wentzel, chairman (until recently) of the Finance Committee of the SACC:

"A further relevant aspect, in this context, is the role of Mr Alan Wentzel. As already mentioned, he was a member of the finance committee of the SACC. He was a member of the Legal Costs Trust fund and chairman of SACCAS. He was, and still is, the close friend and financial adviser of the accused. The African Bank, said the accused, as I have already mentioned, was 'the realisation of a dream'. He opened accounts with that institution because the SACC was one of its sponsors. Wentzel was its managing director. At that time, too, it is common cause, all extraordinary expenditure from the Asingeni fund required Wentzel's authorisation. He gave that uncritically if not unquestioningly. That appears clearly from the evidence and documents relating to count 43 i.e. EXHIBITS S.A.C.C. 97A, B and C and EXHIBIT (NNN). The latter is the minutes of the finance committee meeting held on 13th April 1978, some three weeks prior to the R22 950 cheque having improperly been requisitioned by the accused, even on his own version, Wentzel was in attendance at that meeting. I have already read portion of those minutes and I repeat the following passage where it was recorded inter alia that

'Concern was expressed that the Asingeni Relief Fund is R300 000 overdrawn. It was noted that the responsibility for this fund rests with the general secretary. It was agreed that wider

control of this fund is desirable.'

At that date the general secretary for over a month had already been Bishop Tutu. That notwithstanding, Wentzel, according to the accused, was a party to the Legal Costs Trust Fund loan to Asingeni and was aware that the money was used to enable the cheque for R22 950 to be issued on a requisition of the accused, who was not authorised to do so at all. When Wentzel left the African Bank and went to the Southern Trident Building Society, so too did all the funds of the accused. Finally, when the accused, in the second half of 1978, spent some months in the United States of America, it was Wentzel who was given a power of attorney to operate on the accused's accounts and did so. At its very lowest, it seems to me that the role of Wentzel should cause eyebrows to be raised. According to the accused Wentzel, until very recently, knew nothing about Actipax or about a secret fund. That, if true, makes his conduct all the more strange. How could he have justified the transfer of vast funds from the SACC to private accounts of the accused? And, he knew about that, it is quite clear a considerable time before the police investigation brought it to the attention of the SACC."

It is of interest to note the following extract from the report of Mr Potter:

"I discussed this matter with Mr Allan Wentzel who acted as financial advisor to the Council during that period. He substantiated what Mr Rees had told me and stated that at Mr Rees' request he had satisfied himself at the time, in general terms, that the monies of the Fund were being properly spent for the purpose for which they had been donated. I understand from Mr Wentzel that it has not been necessary for him to fulfill the same control function since Mr Rees' retirement."

21.6.5 The fact that the SACC specifically decided not to lay a complaint, and, according to evidence given by the Rev. Storey, was not likely to seek retribution, even though the Court's finding meant that Rees had not only committed fraud but theft from the SACC, was an important mitigating factor.

21.6.6 "It is in the general public interest that offenders should be brought to justice and suitably punished", said the Judge in regard to the fact that Mr Rees was eventually in fact charged. He referred to the fact that part of the motivation of the SACC in not laying a charge was that it "had a deep resentment of the attitude of the State authorities and particularly the police, who they saw as waging a vendetta against their organisation. They perceived the police enquiry into the conduct of the accused as yet another facet of that vendetta". In this regard the Commission cannot but remark on the ambivalence of the SACC which in fact decided to have Mbatha and Mokoena prosecuted.

21.6.7. The judgment, supra, dealt with the role of the SACC thus:

"In the first place, there is the fact that the SACC placed what I consider to have been an unfair responsibility upon the accused. I

referred in my judgment to the concept of discretionary funds. I can fully understand that concept in the context of the church community, where it is controlled by a priest or minister. However, I find that its uncontrolled and wholesale extension to a paid official of a national organization, with funds running into millions of rands, is quite irresponsible. I have already indicated that it is quite unfair to the person invested with that power. Crime prevention should be the responsibility of all caring members of society and the avoidance of temptation is too often lost sight of as one of the most effective methods of crime prevention. The careless motorist who leaves a tempting parcel on the seat of his locked motor vehicle should bear at least some of the blame when that vehicle is unlawfully broken into and a robbery committed."

21.6.8 A mitigating factor found by the Court was that a substantial amount of the money stolen was not misappropriated for personal gain - Mr Rees used certain of the money taken "in the interest of people he considered in need or worthy of support". The Court did not find it possible to determine exactly how much was used by Mr Rees for personal enrichment. Without comment it referred to the fact that Mr Rees placed a figure of R42 000 on the amount he took for himself.

21.6.9 Of some importance in regard to the discussion by the Commission on the quality of financial controls by the SACC, and its remedial recommendations, is the fact that it emerges from the judgment that the crime was made possible by the wide discretion given to the General Secretary in the administration of some SACC funds, the insistence on confidentiality, and the absence of a complete audit.

21.7. SACC REACTION TO THE REES JUDGMENT

In conclusion mention should be made of the manner in which the SACC and certain of its office-bearers reacted to the judgment in the Rees case.

21.7.1 The conviction of Mr Rees led to the following resolution of the Executive of the SACC:

"This Special Meeting of the Executive Council of the SACC sitting together with leaders of its member Churches

- (a) Ratifies the resolution passed by the expanded Praesidium on 20th May 1983;
- (b) Recognises the responsibility the Council bears for giving Mr Rees sole discretion over large sums of money;
- (c) Recalls the Council's efforts to be open to examination - for example in appointing a Mr T. Potter and the Schreiner Commission;

- (d) Records that several meetings were held with Mr J.C. Rees to hear his explanations;
- (e) (i) Believes that Mr Rees deceived the very body he built by (sic) so significantly;
- (ii) Deceived its office bearers and displayed a lack of christian trust in the structure of the SACC and
- (iii) By his actions contributed towards the situation which led to government appointment of the Eloff Commission;
- (f) Resolves to take appropriate steps to recover its funds from Mr J.C. Rees;

undertakes to consider ways and means of bringing a church brother to repentance and to making restitution to the SACC and

undertakes to report on this matter to the National Conference of the SACC in June 1983."

21.7.2 On 27 May 1983 the Rev. Storey gave written notice of his resignation as President of the SACC.

21.7.3 At its National Conference held during June 1983 Dr Manas Buthelezi was elected President as successor to the Rev. Storey.

21.7.4 Mr A. Wentzel resigned as financial adviser.

21.7.5 A secretary (Mrs Storey) resigned.

21.7.6 Mr M.I. Stevenson, Deputy General Secretary, resigned in August 1983.

21.7.7 With regard to the weight and import to be attached to the decision of the Executive of the SACC to recover the moneys from Mr Rees, the following press report appeared in The Citizen of Wednesday, 22 June 1982:

"Rees 'guilty of dividing SACC'

Tutu slams 'arrogant' liberal Methodists

The former South African Council of Churches' General Secretary, Mr John Rees' fraud conviction had divided Blacks and Whites on the SACC executive, Bishop Desmond Tutu, said in Johannesburg yesterday.

Addressing the national conference of the SACC Bishop Tutu said Mr Rees had succeeded where the Government had failed.

'His crime is grist to the Government mill, for the police and the Eloff Commission auditor have found nothing worthwhile with which to accuse the SACC.'

Bishop Tutu said Mr Rees perhaps did not know what his actions had cost the council.

The SACC had lost an 'outstanding' president, its secretary had resigned and so had a member of its finance committee.

'My staff are divided with the Blacks on one side and some Whites on the other', the Bishop said. He added that he believed the Government had used the Rees case as an 'excuse' for appointing the Eloff Commission on the SACC.

Bishop Tutu said he found it very strange the Methodist Church had supported Mr Rees.

'Are White people telling us that when it comes to the crunch, Blacks will be on their own?'

'... I am affraid there is indeed a latent racism and arrogance on the part of most White liberals in their odd support for Mr Rees in this affair.'

The SACC was asking Mr Rees to return the money he had defrauded the council of. The reason was that 'restitution is an important part of repentanc' and not the same as retribution

'He needs to declare his penitence and sorrow for the very considerable damage he has done to the council.'

Bishop Tutu said it was 'remarkable' that in four court cases in which the SACC had been involved, the council itself had 'ended up being the accused'.

In the Rees case the SACC was not the complainant, 'But it is the SACC and its general Secretary who are being vilified.'

Bishop Tutu said he resented such treatment and conduct; 'I did not defraud the SACC of its money. I did not betray the trust placed in me by the SACC. I did not lie. These wrongs were committed by John Rees', Bishop Tutu said.

He found it distressing to be accused of not having supported Rees. Many people had regarded him as a 'Stooge' when the council refused to charge Rees, who had been accused of stealing far more than Black members who had been taken to court for defrauding the SACC."

If the foregoing correctly reflects the tenor of the discussions, it brings into question whether the SACC seriously intends to recover the stolen money, and the question may well arise whether the decision to recover the money was not taken merely to placate the donors and the public.

21.8. REACTION OF OVERSEAS DONORS

It is too soon to assess the reaction of overseas donors to the judgment in the Rees case, which, having regard to the absence of any attempt to appeal, was clearly accepted as correct.

The Commission found indications that at least certain donor partners were concerned at signs that all was not well with the financial administration of

the SACC. It is a noteworthy fact, to which reference might conveniently be made in this chapter, that the SACC showed signs of aggressive resentment when donor partners turned inquiring eyes to what was going on.

In 1980 the EKD, which it will be recalled, was the major contributor to SACC funds, sent its financial expert, the Rev. Conring, to make some inquiries. This led to a rebuff by Bishop Tutu, who in a letter of 22 October 1980 complained that the interest of the EKD was a form of "ecclesiastical neo-colonialism":

"We see ourselves as involved in a liberation struggle. We have regarded the German churches as powerful allies in this struggle. We also have enemies. The lines must be drawn clearly - those who are not with us are against us. We are sometimes even exposed to physical danger. Can I know whether I can count on yourself and on the German churches as being on our side and committed in solidarity with us in that struggle for a new and more just society? I believed this to be the case - but I am puzzled by your recent conduct. And it is unfortunate that all of this should happen when I can't travel to meet with our friends face to face because of a confiscated passport ...

I know what I am looking for and I intend to get it. I only hope that our friends will continue to be of assistance and *not divert our attention too much from the goals of liberation which we have set ourselves.*"

He distributed copies of the letter to some 15 influential persons in the EKD and SACC.

In a confidential memorandum the President of the EKD wrote as follows to the German recipients of the General Secretary's letter on 12 November 1980:

"So much, Honourable Gentlemen and Brothers, by way of an attempt of clarifying the issues to be treated in this connection. Please understand that I find it difficult not to take up with Mr Tutu in all clarity his, as I feel, hardly responsible, unfounded and ultimately defamatory utterances made in respect to the activities and the person of Mr Conring.

Genuine partnership and taking one another seriously, especially also the Black partner, should actually sustain a clear protest against such conduct - the wide dissemination of copies of his letter put the occurrence [sic] rather in the light of a campaign than of a personal letter. Consideration of the situation in the Republic of South Africa and also of Mr Tutu personally, known to all of us, causes me to refrain from such a step this time. This, however, cannot be a *carte blanche*[sic] for always, for this would constitute neo-colonialism in the reverse direction. To you I would like to say that we stand fully behind our brothers Conring and Dr Zschucke and will also in future not tolerate if one tries by deliberate actions from outside, by accusations and suspicions to exercise influence on decisions taken in our realm, as in turn we will not enter upon such paths. Partnership is a matter based on mutuality."

Another donor, the Church of Sweden Mission (CSM), also questioned the SACC's financial operations, especially those concerning the Asingeni Fund. On 27 November 1981, the General Secretary responded in a letter to Mr T. Bergman in which he questioned

"... whether circumstances have altered so radically that what was acceptable for 4 years of the fund's operation should now suddenly be found dubious. We will need to be extremely careful how we go about it since for most of the time that operation was in the control of a white General Secretary and apparently nothing was found wrong with that discretionary operation. Our people would need to be much reassured that questions were not being asked now when a black General Secretary was in control."

The CSM nevertheless withheld their contributions to the Asingeni fund for two years.

Other overseas donors appeared, however, to have displayed little interest in the management and application by the SACC of the funds donated to it.

21.9 CONCLUSION

It remains to be stated in conclusion that every reason for concern exists not only because of the fact of the commission of the above-mentioned irregularities; not only because of the fact that the poor administration of the SACC made perpetration of those irregularities possible and nearly precluded their detection; but also because of the fact that those irregularities were not rigorously and fully exposed. It is disturbing that when Mr Rees was in fact prosecuted notwithstanding the refusal of the SACC to lay a charge, its Executive attributed questionable motives to those responsible for Mr Rees's arrest, and only manifested some change of heart when Mr Rees was eventually convicted.

PART IV : SUMMARY AND RECOMMENDATIONS

1. The historical review of the SACC in this report, and the detailed examination of some of its activities, indicated the emergence of the following trends:

1.1 From an organisation whose main activity originally was the co-ordination of efforts to spread the Gospel, and whose principal interests lay in spiritual matters, the SACC developed into one largely concerned with political, social and economic issues, and having specific objectives in those fields.

1.2 This development went hand in hand -

1.2.1 with the growth and acceptance of ecumenism, with its emphasis on the essential unity of man and the idea of the involvement of the Church in all of the activities of mankind, including political, social and economic matters; and

1.2.2 the domination by Black Christians of member churches of the SACC, and the emergence of liberation or Black theology, with its close relationship with Black consciousness and Black power, and a concomitant political involvement.

1.3 While the SACC initially confined itself to strong criticism and even condemnation of the policies of the Government, it increasingly gave practical effect to its stance by adopting and pursuing "strategies of resistance to the Government".

1.4 The main feature of the afore-mentioned actions is that they were designed to force the pace and direction of change which the SACC considered the Government should adopt; the SACC opted for a revolutionary rather than an evolutionary process.

1.5 In the process of planning the above-mentioned actions and giving practical effect to its stance, the SACC increasingly identified or aligned

itself with the struggle termed the "liberatory struggle", waged on many fronts by several organisations having the common aim of achieving radical socio-political and economic changes in South Africa.

1.6 The "strategies of resistance" designed or adopted by the SACC for the furtherance of its "liberatory struggle" include -

1.6.1 An extensive propaganda campaign described by the General Secretary as "massive psychological warfare", designed:

- internationally, to persuade foreign governments or organisations to bring political, economic or diplomatic pressure to bear on the Government;

- locally, to "conscientise" Whites and to politicise Blacks; and

- generally to endeavour to discredit the State and its institutions such as the Defence Force and the Police Force, and embodiments of the capitalist system.

1.6.2 An extensive campaign of civil disobedience and non-co-operation with the State.

1.6.3 Support for the disinvestment campaign.

1.6.4 Support for those who seek to avoid the performance of compulsory military service.

1.6.5 The ceaseless prognostications of imminent violence if the Government does not rapidly abandon "apartheid" or the policy of separate development.

1.6.6 The display of sympathy and solidarity with, and at times even the granting of aid to, those who in some way or another come into confrontation with the State or its institutions, such as

striking school teachers, militant Black consciousness movements and militant Black trade unions.

- 1.7 While the SACC failed to secure significant grass-roots support for the above-mentioned activities from its constituents, and to obtain anything but minimal financial support from its member churches or indeed any other local sources, it had little difficulty in obtaining extensive funding for its activities from overseas churches, church bodies, governments and other organisations.
- 1.8 In the course of time the SACC distanced itself significantly from its constituent member churches, becoming in the process an independent bureaucratic body, with its staff playing a dominant role.
- 1.9 In the past few years the members of the SACC staff whose contributions were the most significant, were its General Secretary, Bishop D. Tutu, and the Director of its Division of Justice and Reconciliation, Dr W. Kistner. The former was conspicuous for his efforts to conduct propaganda, mainly by his speeches and other public pronouncements. The latter was responsible for the planning of many of the "strategies of resistance" of the SACC.
- 1.10 With the rapid expansion of its activities and inflow of funds from abroad, the SACC increasingly neglected its financial administration, particularly from 1975 onwards, so much so that theft of money by its chief executive officer - Mr J.C. Rees - became possible and nearly escaped detection.
- 1.11 Secret and covert operations increasingly characterised the activities of the SACC: it endeavoured to conceal the origin of certain of its funds, and the manner in and purpose for which some of those funds were expended; and in its involvement in the civil disobedience campaign its Director of Justice and Reconciliation planned the use of "underground groups" whose actions would be inconspicuous.
- 1.12 The afore-mentioned policies and strategies of the SACC and its involve-

ment in the "liberatory struggle" were intended also to obstruct the Government in its declared endeavour to effect change by a process of evolutionary development, in which the emphasis is to be on the rights of minorities. Any moves by the Government to carry out its intentions are denigrated, except in rare instances involving minor issues.

2.1 The Commission considers that -

2.1.1 the civil disobedience campaign of the SACC has a potential for destabilisation;

and that -

2.1.2 the covert encouragement of disinvestment by certain SACC officials; and

2.1.3 the SACC's support of those who resist participation in compulsory military service,

are not in the national interest.

2.2 Specifically with regard to the encouragement of disinvestment, the Commission recommends that consideration be given to the question whether the Internal Security Act, 1982, is capable of entertaining as an offence the commission of acts of economic sabotage, including the sort under discussion in this report, which are perpetrated in order to achieve a political aim. In order to remove all doubt, the Commission recommends that consideration be given to the creation of a specific offence of economic sabotage.

3. The Commission does not recommend that the Government should take any steps in terms of the Affected Organizations Act, No. 31 of 1974.

In the opinion of the majority of the members of the Commission the following reasons exist for not invoking the provisions of this Act (the reasons of Prof. P. Oosthuizen for reaching the same conclusion are set out in paragraph 3.5.)

3.1 To render the SACC ineffective by a declaration under the Act is not likely to cut off the bountiful flow of funds from abroad to assist

"the victims of apartheid", or to halt member churches of the SACC in their pursuit of substantially the same sort of objectives as those endorsed by the SACC. There was cogent proof before the Commission of a strong overseas commitment to provide assistance. To debar the SACC from receiving such funds will not present serious or insuperable obstacles to achieving the same result in some other way, for example by way of donations direct to member churches.

- 3.2 The invocation of the provisions of the Act will be seen by many Christian constituents of the SACC's member churches as an unwarranted action by the State against the Church and as a restraint on religious freedom.
- 3.3 Of importance is the fact that no overseas donor of the SACC coupled its financial contribution to the SACC with any endeavour to influence its political stance, or the thrust or direction of its policies. The clear uncontradicted evidence before the Commission was that the SACC itself at all times laid down its policy and formulated its credo long before it began to become overly dependent on overseas financial support. It was furthermore established by the evidence that the SACC itself prepared its own budget, and determined its projects and priorities before it approached its overseas partners. There was no evidence of the SACC being manipulated by overseas donors.
- 3.4 The SACC performs acts to help the needy and deserving, and although the amount of money spent in this direction can only be described as meagre when compared with that used for mainly political purposes, innocent people will suffer if the SACC were to be rendered largely ineffective.
- 3.5 Separate reasons of Prof. P Oosthuizen are as follows:

"Although I associate myself in all respects with the relevant findings and deductions of my fellow Commissioners regarding tendencies in the SACC, and also with the recommendation that the SACC not be declared an affected organisation in terms of the provisions of section 2 of the Affected Organizations Act, No 31 of 1974, I nevertheless wish to motivate my support of this recommendation.

The SACC, from evidence before the Commission, appears to be an ecumenical body or organisation which plainly adheres to the Christian faith and tries to justify its views and decisions on the basis of precepts from the Gospel. Its interpretation of these precepts has brought the SACC to the conclusion that any form of racial discrimination in South Africa is a sin in terms of the Gospel. In the light of this, the declared policy of the National Government of separate development or "apartheid", as it is often referred to, is viewed as sinful, because inherently, it has the distinction of differentiating between, on the one hand, the White groups in South Africa, and on the other, the Black and Coloured groups and nations. According to the SACC, this leads to the continuing oppression of the Blacks and Coloureds by the Whites. Hence the SACC openly and almost fanatically advocates a radical political change in South Africa, whereby the South African Government, at present consisting exclusively of Whites, is to be replaced by a government designated by the majority of the people with a Black person as Head of State. The General Secretary, Bishop Tutu, currently feels that Nelson Mandela should be appointed to that position. The latter is at present serving a life sentence for his part in a sabotage plot against the State.

Although no fault can be found with the view that there is no justification in the Gospel for any race or nation to subjugate or oppress any other race or nation under any circumstances, it does not call for exceptional perceptiveness or vision to foresee that within South Africa, the SACC would cause exactly that which it condemns. "Majority rule" must necessarily, within the South African context, lead to a polarization of Whites and Blacks. Consequently, it would result in the domination of the smaller number of Whites by the greater number of Blacks and so doing, subjugate the Whites and other minority groups. Scant appreciation will be shown for the interests and cultures of minority groups. The result will be oppression of and discrimination against them. Eventually there will be chaos and anarchy, with Communism inevitably stepping in to grab whatever remains. Accordingly the SACC is pursuing an ultimate political objective which is totally unacceptable for South Africa in the light of its unique population make-up.

In its efforts to achieve its ultimate political objective within the foreseeable future, the SACC has, by means of its pronouncements and conduct, joined a brotherhood of persons and bodies overseas which, although pursuing the same objective, is not necessarily using the same methods. Consequently the SACC finds itself linked in brotherhood to a terrorist organisation such as the African National Congress. In reality it differs from that organisation only in so far as it has not yet fallen prey to communism and does not advocate violence as a necessary means of achieving its objectives. It is clear, however, that the SACC will find it increasingly difficult to condemn such acts of violence on the part of terrorists. This is so because violence perpetrated by members of the ANC is being viewed more and more by those sharing the same ultimate political objectives as the ANC as being justifiable retribution caused and provoked by the 'apartheid' legislation of the South African government. It can thus be stated that the SACC fills a role supplementary to that of the African National Congress within the same brotherhood. That the SACC has become mainly a political pressure group is self-evident. Any attempt to deny this would be naïve. It is abundantly clear that the SACC is funding its political objectives mainly from foreign sources. As indicated earlier in the Commission's report, the SACC has become largely dependent on foreign funds. The fact that the SACC, according to the evidence before the Commission, is not manipulated by foreign organisations or persons, is, in my opinion, not sufficient reason to place it beyond the provisions of section 2 of the Affected Organizations Act. An organisation which pursues the same ultimate political objective for South Africa as certain foreign organisations and persons, by its very nature does not need or even invite manipulation. Under normal circumstances I would therefore have felt myself obliged to recommend that the SACC be declared an affected organisation in terms of the provisions of the Act mentioned. But the circumstances in South Africa at present are such that drastic steps cannot be supported, for very good reasons. These reasons derive from the fact that in South Africa an evolutionary democratic constitutional development process is taking place by means of which a completely new political system is

gradually coming into being. As may be logically expected, such a process easily leads to misunderstanding, prejudice, lack of confidence, difference of opinion and even fear for an uncertain future. During such a process every population group and nation in South Africa will have to re-orientate itself, give up certain ideals and be prepared to accept adjustments and make inevitable sacrifices.

South Africa has a unique population make-up consisting as it does, of various population groups and peoples. Careful analysis of the South African situation clearly shows that the Black peoples, unlike the other population groups, are in reality separate nations in the true sense of the word, but, for reasons of economic necessity, live in identifiable areas within the national State of South Africa. A constitutional model has of necessity, to provide for this clear distinction. Consequently a constitutional model has been accepted which makes provision for the constitutional development of the Black peoples to the point of their becoming, eventually, independent national states. These will be able in their own right, to liaise and co-operate with the national State of South Africa on a confederal basis, once their status as separate independent national states has been attained. In respect of the three population groups, viz the White, Coloured and Indian, it has been decided to adopt a constitutional model for a joint political system providing for each population group to make decisions regarding its own affairs, while accepting the principle of joint responsibility with the other population groups in respect of affairs of common interest.

It follows that the constitutional development of the Black peoples, for logical reasons, moves in one lane and that of the three population groups in another. In order to give substance to the constitutional model for the White, Coloured and Indian groups, a bill is at present before Parliament.

Since the constitutional development of the Black peoples differs from that of the three other population groups in South Africa, there must naturally be considerable understanding for the problems of and doubts assailing the Black peoples regarding their own constitutional development. For the right to live as a nation in an independent national state, they must necessarily accept important adjustments and make sacrifices. For example, they must be prepared to exchange their citizenship of South Africa for the citizenship of a separate independent national state. This is no easy matter. They must also be prepared to reduce their complete economic dependence on South Africa. Furthermore, they require to be convinced that -

- (i) the South African Government's intentions as to their constitutional development are sincere and are not merely aimed, because of their numerical preponderance, at keeping the Blacks out of a joint political system with the White, Coloured and Indian population groups;
- (ii) the economic viability of their own independent national states should be such that they will eventually be able to generate the necessary prosperity for their inhabitants. Economic independence from South Africa must, in other words, be a reality;
- (iii) as nations they are in fact ready to take on the greater responsibilities of independent national states. It would appear that a difference of opinion may exist as to the particular moment when a nation can be said to be ready to take on the requisite responsibilities. Problems in this regard merit careful consideration. The importance of this aspect of the constitutional development of the Black nations into independent national states can scarcely be over-emphasised. After all, if such a problem exists, it does not involve the development model itself but merely the rate of its implementation. It would be tragic if possible errors of judgement and misunderstandings in this regard were to cause an otherwise viable development model for the Black peoples to fail. The consequences of such a failure are incalculable.

It should also be noted that there is still a considerable degree of uncertainty regarding the political rights of Black peoples who do not yet consider themselves ready to take on the status of an

independent national state and are therefore still, for an interim period, part of the national state of South Africa. The last word has yet to be spoken about the political rights of those within the Black urban areas. A Cabinet Committee is investigating this matter at present.

Whites are likewise experiencing problems and doubts about a joint political dispensation with the Coloured and Indian population groups. In this regard it should be pointed out that Whites, who have played a dominant role in South African politics for a long time, should now be prepared to join the two other population groups in a political dispensation in which they would be able to decide only on their own affairs. In respect of affairs of common interest there would be co-responsibility with the Coloured and Indian population groups. The sheer unfamiliarity of the situation arouses fear for the future among many Whites. There are also those who, although probably in the minority, see in the new political dispensation the beginning of a process of complete integration with the Coloured and Indian population groups. Social integration, as distinguished from economic integration with the other two population groups is at this stage seen as inconceivable by many Whites.

In terms of the proposed constitution the Coloured and Indian population groups are to gain political rights they do not at present enjoy, but they too will have to re-orientate with regard to some of their ideals. It is clear that the ideal of social integration with the White population group - for those among them who cherish such an ideal - is not foreseen at this stage as a reasonable possibility. This ideal must of necessity be sacrificed in favour of the right to join the White population group in a political dispensation. Here it is appropriate to refer to a speech by the Minister of Internal Affairs, Mr F.W. de Klerk, during the Third Reading Debate on the Appropriation Bill. Beeld of 30 June 1983 refers to the speech and reports as follows:

'The National Party has no hesitation in saying that it regards the security of the Whites in South Africa as non-negotiable,' Mr F W de Klerk, Minister of Internal Affairs said in Parliament yesterday.

'The National Party wants to ensure this through a process of self-determination by the Whites within their own political framework to maintain their own community life, schools, residential areas and power base,' Mr de Klerk continued. At the time he was participating in the Third Reading Debate on the Appropriation Bill.

'But never in its history has the NP considered only its own interests and security. An integral indissoluble part of the NP's process of thoughts and actions is its dedication to the simultaneous advancement of the interests - the progress, security and freedom - of all other peoples and population groups within the world of our existence here in Southern Africa.'

As the NP, especially since 1948, has advanced along the road of liberating the other peoples and population groups, the problems of South Africa have undergone fundamental change.

'The challenge of our time is no longer to find a way to give political rights to all in South Africa. They already have them or are rapidly achieving them. There are still problems, but the country is irrevocably moving towards a state of political maturity for all in South Africa, when every inhabitant will have full and effective political rights', he said.

'The real challenge is to find a way in which to co-ordinate the interests and rights of the various peoples and groups in South and Southern Africa in such a way that the rights of one group do not infringe upon those of other groups.'

The NP believes that it is necessary for all peace-loving inhabitants of the country to devote their energies to finding formulae for co-operation between peoples and groups on the multiplicity of matters which are of importance to all.'
(Translation)

From what is said above, it appears that an evolutionary democratic process of constitutional development is anything but free from problems. Its success cannot possibly be assured by coercive measures. It is the positive attitude of every population group and people, and the desire that justice should prevail in this unique land, which will ultimately determine its success.

The SACC must, like the other inhabitants of South Africa, realise that it is as fellow-Christians that we must endeavour to find solutions for South Africa's constitutional problems, and that in this process there is no room for personal ambition or lust for power. Nobody can dispute that obedience to the precepts of the Gospel is imperative. However, it is not only the SACC which has the right to interpret the way in which these precepts should be applied to a national state with a unique composition of different population groups and peoples as is the case in South Africa.

In the light of the particular circumstances at present prevailing in South Africa the SACC should, in my opinion, be afforded the opportunity of reconsidering its political aspirations and those of its leaders. However, unless there is a change in attitude - a change of heart - soon, the South African Government, in its capacity as executive authority charged with the responsibility of taking timely preventive measures whenever the security of the State and its inhabitants are threatened, may be compelled to request the State President to consider, within his discretion, whether or not to declare the SACC an affected organisation, or otherwise to consider even more drastic measures in terms of the Internal Security Act. It can only be hoped that such steps will never be necessary.

The SACC should also realise that it cannot always shelter behind the fact that some of its activities are praiseworthy. These activities include the performance of charitable deeds and welfare work as well as the provision of development aid. Unfortunately it has become clear, from evidence before the Commission that also these activities are amongst those pursued within the broad design of the SACC. This consists of psychological warfare calculated to bring about a radical constitutional change in a so-called peaceful way in South Africa.

Only an alliance of Christians and those who believe in the same values as Christians can build South Africa and the national states into a common bastion against incursion and ultimate destruction by the agents of communism."

4. The member churches of the SACC should take note of the fact, as found by the Commission, that the confrontationist stance of the SACC tended over the years to harden, and that with the passage of years additional strategies to give practical effect to its stance were planned. Should this tendency increase, the State may feel obliged to apply restrictive measures.

5. The Commission considers it advisable that statutory control should be imposed on the finances of the SACC.

5.1 The present position in South Africa

There are at present two statutes which establish control over the raising of funds by organisations and persons, and on the application of funds so collected.

5.1.1 The Fund-raising Act, No. 107 of 1978, provides in section 2 that -

"No person shall collect contributions unless he is authorized thereto in terms of this Act, and unless the collection takes place in accordance with the provisions of this Act."

5.1.2 In terms of sections 2 and 3 of the Act an organisation intending to collect contributions must apply for authorisation so to do to the Director of Fund-raising, who may grant written authority "subject to the prescribed conditions and such other conditions as may be specified ..." It then becomes a fund-raising organisation.

5.1.3 Section 12 of the Act obliges every fund-raising organisation to -

"... keep the prescribed records of all the moneys received and expended by it ... and of all its ... assets and liabilities and of all financial transactions entered into by it ... and [to] furnish the Director with the prescribed reports, returns and financial statements at the prescribed times."

5.1.4 Section 29 creates a possible limitation on the collection of contributions for certain purposes, by providing:

"If the Minister [of Social Welfare and Pensions] deems it to be in the public interest, he may, notwithstanding the provisions of this Act, ... prohibit the collection of contributions for any purpose or in any manner or by or for or on behalf of any person or organization mentioned in such notice."

5.1.5 Section 30 provides for the powers of an inspectorate to investigate the affairs of any organisation which collects contributions from the public.

5.1.6 Section 33(1)(d) of the Act creates an exemption, however, by which -

"The provisions of Chapter 1 [referred to above] shall not apply in respect of the collection of contributions -

- (d) collected by or on behalf of a religious body during a religious service or in terms of the written authority of such body and exclusively for the purpose of promoting the religious work of such body."

5.1.7 It seems to be reasonably clear that, unless it can be said that the exempting provisions of section 2 apply to the SACC, it would, by reason of its collecting contributions in the RSA and overseas, have had to apply to become a fund-raising organisation, and would have been subjected to the disciplines imposed by the Act. It in fact never applied, nor does it seem that any steps were taken to enforce the provisions of the Act as far as the SACC is concerned. It is probable that, had such steps been taken, the SACC would have contended that it fell within the ambit of the above-quoted exempting provision. It might claim that it is a religious body which collects funds in terms of its written authority and that this is done exclusively for the purpose of promoting the religious work of the body. If the SACC were to be faced with the contention that the application of funds to such purposes as, for example, the financing of the defence of persons charged with political offences or the support of Black workers while on strike, is not religious, it might answer that according to its biblical perceptions it is religious work. It is part of "caring for the least of our brethren". It in fact in 1982 exempted itself from the provisions of the Act "on the grounds that it is not answerable to secular authority" (EOC Minutes, 17 June 1982).

In his evidence before the Commission Bishop Tutu also said:

"And the position is that we believe that everything we do is religious, and that it therefore falls within the rubric of that particular clause in the Fund-raising Act."

Having regard to the rather vague dictionary meaning of "religious work" a court having to adjudicate on such a question might conclude that "religious work" means different things to different people, and might find that it is at least uncertain whether the SACC falls within the operation of Part I of the Act. In the only case of which the Commission became aware where a prosecution under the Act was instituted for activities connected with the SACC, *S v. Begbie*, 1982 (that was when a Methodist minister was charged because he had collected

funds to finance the defence of Mr J.C. Rees) the accused was acquitted on the basis that he on reasonable grounds believed that the collection was legitimately organised by a church.

5.1.8 The second statute which should be mentioned is the National Welfare Act, No. 100 of 1978, which requires the registration of welfare organisations.

Section 13 of the Act empowers regional welfare boards -

"... on the application of a fund-raising organization as defined in section 1 of the Fund-raising Act, 1978, which is contemplating the rendering of social welfare services ... [to] register the fund-raising organization as a welfare organization ..."

The Act does not appear to provide for the consequences if a fund-raising organisation carrying out welfare work fails to secure registration. However, all that need be stated for present purposes is that while the definition in the Act of "social welfare services" is rather confined and limited, it will embrace at least some of the supporting functions exercised by the SACC.

6. The Commission considers that it is desirable and in the public interest that the SACC be brought clearly within the discipline of the Fund-raising Act, 1978.

6.1 It is reasonably clear, if regard is had to all the circumstances (including some which would not necessarily be relevant if the only object of the exercise was to determine the strict juridical interpretation of section 33 and its scope), that the intention was to exclude only the collection of funds for religious purposes in a strict sense. The Van Rooyen Commission, whose report led to the creation of the Act, recommended that the exemption should be restricted to bona fide churches which collect money from their members. The Government did not accept this limited exemption, and in the debate in Parliament (see Hansard, 15 June 1978) the Minister responsible said that recognition should be given to the freedom of the church in its sphere of interest, and that provided churches confine themselves to their Christian mandate (which they should interpret themselves) they need not fear the measure. There would only be confrontation with the churches (said the Minister) if they

began to become political organisations. And so the exemption was cast in its present form.

Enough is said elsewhere in this report regarding the SACC and many of its member churches to show that its involvement in what is by many said to be purely political matters is considered to be biblically justified; but it is equally clear that when the Minister presented the Bill to Parliament he had a more conservative idea of what the proper sphere of interests of religious bodies should be. He probably would not have proposed the present wording of section 33 in order to exempt an organisation such as the SACC from the provisions of Chapter I of the Act in order to enable it to assist political offenders or strikers.

6.2 In view of the SACC's unfortunate history of mismanaging funds collected, of allowing a state of affairs to continue in which large sums of money could be misappropriated, and of omitting to have part of its application of the Asingeni Fund audited, and also by reason of the size of the funds involved, it is necessary that more effective controls be introduced. It is true that the SACC has done much to improve its administration, but -

- what happened before can happen again; and
- to date its controls are inadequate.

6.3 There is no reason why the SACC should not be subjected to the same disciplines that apply to other bodies performing similar functions.

It appears from the submission of the Director-General of Health and Welfare that many churches perform welfare work and operate within the provisions of the National Welfare Act, No. 100 of 1978, which is the second of the statutes mentioned above (see paragraph 5.1.8).

6.4 The principle that organisations such as the SACC, and organisations performing functions such as it does, should be subjected to some sort of State control is well established in Western countries.

7. In Great Britain a relevant statute is the Charities Act, 1960. Although the Act deals solely with charities and does not relate generally to the collection of funds, it is of value in so far as it -

- sets out how and to what extent religious organisations are exempt; and
- sets out what sorts of control are provided for organisations to which it in fact applies.

7.1 Having provided in section 4 for a register of charities, and for a duty for organisations doing charitable work to be registered, the Charities Act in its Second Schedule provides, as far as churches are concerned, only for exemption of "The Church Commissioners and any Institution which is administered by them". The Church Commissioners are provided for by the Church Commissioners Measure of 1947, passed by the National Assembly of the Church of England, and enshrined in an Act (10 + 11 Geo 6). That enactment makes comprehensive provision for the control and administration of the resources of the Church of England. Therefore any "institution administered by them" will clearly be under disciplined control. Apart from this exemption all other religious bodies are subject to the provisions of the Act.

To illustrate how this works in practice reference might be made to a report of 25 March 1983 in The Citizen which records that the British Charity Commissioners ruled that contributions by the Methodist Church [Great Britain] to the WCC's Programme to Combat Racism -

"... do not further the objectives of the Methodist Missionary Society."

The report adds that:

"In a statement issued in London yesterday the church said it 'reluctantly accepted' the commission ruling after an appeal against it failed."

Of incidental interest is the fact that in a publication of the Methodist Church, the Methodist Recorder of 7 April 1983, the Methodist Church raised arguments which are relevant to what is discussed above. It said:

"In our view this is not Scriptural. If the ends sought arise from

the doctrine, and are not tacked on to it, they are for 'the advancement of religion'. It is not enough to talk, for example, about the evil of racial discrimination and to do nothing about it."

7.2 Regarding the exemption for church bodies, section 45(2) of the English Act states:

"The expression 'charity' is not in this Act applicable -

- (a) to any ecclesiastical corporation, (that is to say, any corporation in the Church of England, whether sole or aggregate, which is established for spiritual purposes) in respect of the corporate property of the corporation, except to a corporation aggregate having some purposes which are not ecclesiastical in respect of its corporate property held for those purposes; ..."

It will be seen that the emphasis is on "spiritual purposes". That phrase has a more precise meaning than "religious work", and if a phrase such as that had been used in section 33 of our Fund-raising Act, it would have made its meaning reasonably clear.

As to the meaning of "charitable purposes", the Act defines a charity as "any institution, corporate or not, which is established exclusively for charitable purposes according to the laws of England and Wales and is subject to the control of the High Court in the exercise of the Court's jurisdiction with respect to charities".

In an English decision (known as Pense's case, 1891) Lord MacNaghten classified charitable purposes into four principal divisions:-

- (a) the relief of poverty;
- (b) the advancement of education;
- (c) the advancement of religion;
- (d) other purposes beneficial to the community and not falling under the preceding heads.

7.3 As far as controls are concerned, section 8(1) obliges charities to furnish the commissioners with statements of account; under section 8(2) the Commissioners may order an audit; if they consider that there has been mismanagement they may take effective action. Inter alia they may (under section 20) remove members of the controlling body, and restrict the transactions which the organisation may perform. In short they are given extensive

powers.

Lastly, charities are obliged, unlike the position in South Africa, to keep proper books of account (Section 32).

8. In the State of New South Wales, Australia, the Charitable Collections Act, 1934, applies. It also prohibits any appeal for support of any charity except if the organisation concerned is registered. Of interest again are

- the exemption of certain types of church work; and
- the provision of State controls.

8.1 As to the exemption, section 2 of the Act, after stating that "charitable purpose" includes "any benevolent or philanthropic or patriotic purpose" (what could be clearer?), provides for the following exemption:

"This Act shall not extend to any activity of any church where such activity is wholly or mainly intended for the advancement of religion but shall extend to any activity of a church wholly or mainly intended for any other charitable purpose."

It also (in section 3(2)) excludes the collections at divine service in a place of public worship.

8.2 In regard to controls provision is made for registration; for the maintenance of books of account; for audit if thought necessary by the Minister; and for the taking of appropriate steps if the administration is thought not to be adequate. Of interest is the provision in section 16, which creates a statutory offence reminiscent of the case of Mr J.C. Rees and the difficulties which were encountered before he was ultimately charged and convicted. The section provides:

"Whosoever is concerned in conducting or making any appeal for support of a charity for charitable purposes, or ... in the management, supervision, administration or control of any property of a charity and converts to his own use or fails to account properly for any money or articles obtained in the course of such appeal for support or for any such property shall be liable on conviction ..."

9. In the Province of Alberta, Canada, the Charitable Institutions Act operates, which, in fairly general terms, without any exemption for a religious body, provides for control:

"Section 10(1) Every charitable institution, its books and records shall be open at all reasonable times for inspection by a provincial supervisor."

10. Placing churches and the SACC under the discipline envisaged would remove the sting of subjectivity from the exercise of proper financial and administrative control.

11. The Commission accordingly recommends that adequate steps be taken to oblige the SACC to come clearly within the operation of the Fund-raising Act, 1978. To ensure that it cannot be argued that the SACC falls within the exemption, we recommend that the State law advisers prepare a suitable amendment reflecting the idea that only truly spiritual purposes are not included. The substitution of the word "spiritual" for "religious" might be adequate.

The Department of Health and Social Welfare should take the matter in hand.

APPENDIX A

LIST OF PERSONS WHO GAVE ORAL EVIDENCE

Aitken, Ian Christopher
Barrett, Oliver John
Boesak, Alan Aubrey, Dr
Bosch, David Jacobus, Prof
Brouwer, Arie R., Dr
Cain, Edward Phillip
Chinnis, Pamela P. (Mrs)
Coetzee, Petrus Johannes, Gen.
Conradie, Dawid Pieter, Dr
Conring, Wilhelm Warner, The Rev.
Constable, Margaret Stella (Mrs)
Haggart, Alastair Ian MacDonald, Dr
Harradence, James Henry Clyne
Held, Heinz Joachim, Dr
Hibbit, Peter Charles Wenham
Hurley, Denis Eugene, Archbishop
Kistner, Wolfram, Dr
Kruse, Martin, Bishop
Lislerud, Gunnar, Bishop
Lubbe, Gert Johannes Alwyn, Ds
McCloud, J Oscar, Dr
Mgojo, Khoza E M, Dr
Mills, Allan John
Mogoba, Mmutlanyane Stanley, The Rev.
Nielsen, Joergen
Nieuwoudt, Ernst Hendrik Wolfaardt, Brig.
Potter, Timothy Stuart
Rapoo, Daniel Porogo, Bishop
Rees, John Charles
Reeves, Paul Alfred, Archbishop
Robertson, Robert John Drysdale, The Rev.
Roelofse, Eugene Lesley

Roos, Cornelis Bastiaan, Ds.
Russell, P.W.R., Archbishop
Storey, Peter John, The Rev.
Thomsen, Jens J., Pastor
Tutu, Desmond Mpilo Boy, Bishop
Van der Heuwel, Marius
Vaughan, Daniel James
Venter, Kevin Robert
Waite, Terence
Wessels, Jacobus Johannes
Williamson, Craig Michael, Maj.
Wing, Joseph

APPENDIX B

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APPENDIX C

LIST OF ABBREVIATIONS

AACC	:	All Africa Conference of Churches
ABF	:	African Bursary Fund
AFCWU	:	African Food and Canning Workers' Union
ANC	:	African National Congress
ASATI	:	Association of Southern African Theological Institutions
AZASO	:	Azanian Students' Organisation
BCC	:	British Council of Churches
BCP	:	Black Community Programme
BMU	:	Black Miners' Union
BMWU	:	Black Municipal Workers' Union
BPA	:	Black Parents' Association
CCSA	:	Christian Council of South Africa (known as the SACC since 1968)
CI	:	Christian Institute
CICARWS	:	Commission on Inter-Church Aid, Refugee and World Service
COSAS	:	Congress of South African Students
CPSA	:	Church of the Province of South Africa
CSM	:	Church of Sweden Mission
CUSA	:	Council of Unions of South Africa
DC	:	Dependants' Conference
DJR	:	Division of Justice and Reconciliation
EKD	:	Evangelische Kirche Deutschland
ELCSA	:	Evangelical Lutheran Churches of Southern Africa
EMW	:	Evangelisches Missionswerk
EOC	:	Educational Opportunities Council
ETF	:	Ecumenical Trust Fund
EZE	:	Evangelische Zentralstelle für Entwicklungshilfe
FELCSA	:	Federation of Evangelical Lutheran Churches of South Africa

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GMC : General Missionary Conference
 GWUSA : General Workers' Union of South Africa
 HEKS : Hilfswerk der Evangelischen Kirchen der Schweiz
 HSRC : Human Sciences Research Council
 ICA : Inter Church Aid
 ICCO : Interkerkelijk Coördinatie Commissie Ontwikkelingsprojecten (Netherlands)
 ICH : Institute for Contemporary History (University of the Orange Free State)
 IDAMASA : Interdenominational African Ministers' Association of South Africa
 IMP : Inter Church Media Programme
 IUEF : International University Exchange Fund (now defunct)
 JSC : Joint Screening Committee
 KED : Kirchlicher Entwicklungsdienst
 LCT : Legal Cost Trust Fund
 LWB : Lutherischer Weltbund
 LWF : Lutheran World Federation
 MACWUSA : Motor Assemblers' and Components Workers' Union of South Africa
 MAWU : Metal and Allied Workers' Union
 MWASA : Media Workers' Association of South Africa
 NCTE : National Committee for Theological Education
 NF : National Forum
 PAC : Pan Africanist Congress
 PCR : Programme to Combat Racism
 PCSA : Presbyterian Church of Southern Africa
 PEBCO : Port Elizabeth Black Civic Organisation
 RDF : Revolving Development Fund
 RICA : Reformed African Independent Churches Association
 RSA : Republic of South Africa
 SAAWU : South African Allied Workers' Union
 SACC : South African Council of Churches

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SACCAS : South African Council of Churches
 Accounting Services

SADF : South African Defence Force

SAIRR : South African Institute of Race Relations

SASO : South African Students' Organisation

SATCIC : Southern African Theological College for
 Independent Churches

SPROCAS : Study Project on Christianity in an
 Apartheid Society

STT : Soweto Teachers' Trust

SWAPO : South West African Peoples' Organisation

TEEC : Theological Education by Extension College

UCCSA : United Congregational Church of Southern
 Africa

UDF : United Democratic Front

UNTFSA : United Nations Trust Fund for South Africa

YASA : Youth African Studies Association

YCW : Young Christian Workers

YWCA : Young Women's Christian Association

WAAIC : Women's Association of African Independent
 Churches

WACC : World Association of Christian Communication

WCC : World Council of Churches