

- (Ed: This is an edited version of an article which appeared in a North American journal, *Southern Africa Report* in late 1987. It is replied to by Stephen Gelb in the article immediately following).
-

MOVING FORWARD ON SANCTIONS:

A view from inside South Africa

Stephen Gelb

The article by Jim Cason and Mike Fleshman (C/F) describes very succinctly the present dilemma of the US anti-apartheid movement: having stitched together during 1985/86 a fairly broad-based coalition which succeeded in pushing through the Comprehensive Anti-Apartheid Act (CAAA) in October 1986, it is now proving difficult to hold this alliance together to press for extensions and reinforcements of the legislation.

The article also raises some important issues concerning the relationship of certain actors *internal* to SA - trade unions and intellectuals - to the sanctions campaigns. But it is hard - from inside SA - to take very seriously their discussion of these issues. To summarise their argument briefly, COSATU's position on sanctions, which C/F label 'ambiguous', must bear substantial responsibility for the decline of American interest in sanctions. Further, it is manipulative 'white (!) workerist intellectuals' who are the dominant influence behind the federation's position, and - worse! - are now spreading their malevolent ideas via their 'privileged access to the West', and the US in particular.

It is the latter group who are clearly the real target for C/F, the butt of their obvious frustration at the failure of their own work in the US to sustain its momentum. No longer riding the crest of the wave, they are angry and upset, and looking for a scapegoat. This is obvious from the *tone* and *language* of the article which is jarring, to put it mildly, and singularly unhelpful to serious debate on the sanctions question.

One can only wonder at the relevance of the racial labels used to the question at hand. It also is a little strange for two New York-based writers to question the accountability of people based *inside* SA, while mounting an attack on a resolution taken at a trade union congress attended by 1500

accredited delegates. One might be excused for thinking this just a little arrogant.

One could respond point by point to the various excesses in this article, as well as to the similar views expressed by many anti-apartheid activists in the West. It seems more useful, however, to recognise the importance of *location* and *context* in these debates. In other words, whether one is based inside or outside South Africa makes a big difference to one's perspective on the whole issue of international economic pressure. It is only to be expected that activists in the Western countries will place more emphasis on the latter than South Africans themselves - sanctions and boycotts are more or less their only card, the only way they can contribute to apartheid's elimination. South Africans, on the other hand, have a far more diverse range of strategies available to them (and therefore, it should be noted, a far more complex problem). So sanctions are relatively less important.

In addition, however, the factors which need to be taken into consideration in weighing up support for sanctions are different inside SA than from outside. Sanctions advocates in the US, Canada or anywhere else do NOT have to live with their effects - negative as well as positive - and this makes their calculation different from those in SA who DO have to make the adjustments. Of course, this point is frequently made by the opponents of sanctions. Of course, movement leaders have said that South Africans are prepared to accept the cost. Neither of these facts make the point - that context affects perspectives on sanctions - less valid. And the very success of the sanctions and disinvestment campaigns - the legislative measures passed, the corporate withdrawals, real or sham - imposes even greater divergence between the two strategic calculations.

If Cason and Fleshman had recognised this difference as a contradiction inherent in the strategy of international economic pressure, they could, I think, have understood the COSATU resolution or the NUMSA response to Ford/Samcor as reflecting something other than ambivalence and a softening of support.

Bearing this in mind, I turn to the central difficulty of the C/F article, which is that its simplistic arguments completely divert from any effort to come to grips with the *real* issues involved in the impasse which the American anti-apartheid campaign has reached. Instead of examining the obstacles and constraints which have emerged, Cason/Fleshman put forward an 'analysis' which amounts, in effect, to arguing that the fleas (the evil intellectuals) on the tail (COSATU) are wagging the entire dog (the US Administration????). This may slightly caricature their argument, but does clearly demonstrates its absurdity.

The underlying problem, I think, is that C/F appear to approach sanctions campaigns as moral crusades, rather than *political* processes. This is indicated by their references to a 'clear moral imperative' (now diluted by

the passing of the CAAA) and the need 'to revive public outrage'. Their strategic thinking vis-a-vis their potential constituency in the US is limited to the problem of evoking an emotional response. While one would not want to suggest that there should be no moral element in politics, a politics that is *limited* to this is unlikely to sustain itself. It may well succeed in the short-term in creating a massive groundswell of concern, but as has been demonstrated over the past two years (in South Africa as much as in the US), such movements tend to evaporate even quicker than they emerged.

As a result of this standpoint, it becomes impossible to consider some of the difficulties imposed on anti-apartheid work by the nature of American politics: the necessary compromises required to build national coalitions, for example, or the 'flavour of the month' nature of Americans' concern with foreign policy issues. This is fostered precisely by TV, the absence of whose images C/F lament so much, as contributing to the subsiding of 'public outrage'. (It can be mentioned in passing that while SA censorship may have stopped the images initially, for many months now it is SA security force action which has ended the *reality* behind the news images. Censorship is only infrequently needed in early 1988.)

What is equally serious is the failure - consequent upon an approach based only on morality - to confront the opponents of sanctions on their own terrain. In the Cason/Fleshman piece, this is reflected in their barely considering the question at the centre of the Reagan report: 'are sanctions working?' This is, of course, the direction in which sanctions opponents have tried to define the debate since late 1986, when various official unilateral and multilateral measures were implemented. Arguing that the SA government's increasing control indicates clearly that sanctions are *not* working, sanctions opponents conclude, of course, that there should be a return to the discredited policy of 'constructive engagement'.

The point actually at issue in this debate is the interpretation to be placed on 'working'. It is obviously convenient for opponents of sanctions to take the view that sanctions 'working' means that the apartheid state is visibly crumbling as a result. In response, however, it is not adequate for sanctions advocates simply to point to the limited nature of the sanctions imposed, and call for more, as C/F do. Such a response implies acceptance of the terms of the discussion - that sanctions could indeed end apartheid.

It is true that some in South Africa, most notably church leaders, have on occasion presented sanctions in this way - as an alternative to other forms of political struggle. But this is not common, and indeed most North American anti-apartheid activists would, if asked, endorse the sentiment expressed last year by Richard Trumka, UMW president and US Shell Boycott chair: 'Sanctions alone cannot eradicate apartheid; that task is ultimately left to the people of SA themselves. Economic pressure ... can [only] hasten the day'.

Nevertheless, one sometimes has the sense, from US activists, that this is little more than a ritual nod to self-determination for South Africans. Hidden behind this is the notion that what is really needed to do the trick is American power. A shared view of the omnipotence and justice of American foreign policy in sorting out other countries' conflicts is found amongst many Americans who differ over which side of the conflict should be the lucky beneficiary. In the anti-apartheid arena, this is reflected in the prioritising of US sanctions/disinvestment campaigns over the strategic needs and choices of South African organisations. Hence C/F's attack on the trade unions, in effect for failing to adapt their sanctions policy to the needs of the US campaigns. They complain, for example, that 'COSATU's increasingly ambivalent attitude towards corporate withdrawal ... [is] undermin[ing] the divestment movement - by far the most important and successful anti-apartheid campaign in the US'.

This is simply not acceptable as a general approach. But in addition, in the case of South Africa, it fundamentally misunderstands the nature of the state, the target of sanctions. The South African state is not the Iranian or Phillippine state: it will take more than US pressure, even from comprehensive sanctions, to bring it down. To break with this approach - to redefine the meaning of sanctions 'working' - requires locating sanctions very explicitly within the context of the wider liberation struggle. This means understanding sanctions in relation to the existing balance of forces, and the overall direction of strategy. What is crucial here is that this is always shifting.

It is significant that, despite their title: 'The State of Apartheid', C/F do not include in their assessment of 'sanctions at year one' any serious consideration of the implications of the changing political scene inside SA. For them, this apparently has little bearing on the relevance or thrust of either the various sanctions campaigns or particular sanctions measures. Starting from a view of sanctions as a moral issue - 'we must do something and what we can do is impose sanctions' - leads naturally to a very limited analysis of the links between developments in the wider liberation struggle and the sanctions issue - 'everything we can do - every new sanction, each disinvestment - *will* help'. In other words, the relationship between sanctions and other aspects of the struggle is static and stable.

It should be obvious that the latter could only be true if the overall struggle were simply a linear process, involving a steady increase in the strength of the opposition, until it was more powerful than the state and liberation was achieved. This is patent nonsense, yet it is implicit in much of the strategic thinking on sanctions. A more appropriate perspective is, of course, that the overall struggle is an *uneven* process, with 'ebb' and 'flow' phases reflecting the fluctuations of mass mobilisation and active opposition. These are in inverse relation to the level of overt state repression, but are also related to

state/ruling class efforts to develop new means through which to maintain their broad authority and domination.

While the balance of forces is constantly shifting, therefore, certain key 'moments' are nonetheless identifiable, when such shifts are more fundamental. One such 'moment', for example, was the banning of the ANC and other movements in March 1960. This signalled that the level of mass organisation was now moving into an 'ebb' phase. One characteristic of these more fundamental periods is that they usually involve the emergence of a new 'theory of transition' - the broad strategic perspective defining the primary means of transforming the state. In 1960, this was reflected in the adoption of armed struggle by the liberation movements, ending the 'passive resistance' campaigns of the 50s. In other words, the basic shift occurring in the balance of forces provokes a re-assessment of overall strategy. Such a re-assessment is essential: in general, fundamental shifts in the balance of forces are the result of a new ruling class strategy, adopted in response to growing mass opposition. The liberation movement *needs* in turn to adapt its own strategy to the changing circumstances.

Space does not allow further discussion here of these 'dynamics' of the liberation struggle itself. But by making this the starting point of strategising on sanctions, it is possible to develop a much more satisfactory approach. This would locate sanctions as one aspect of the wider struggle, emphasising particularly the links between shifts in the latter and sanctions.

One of these links is self-evident: a rising tide of mass resistance, producing its counter in higher levels of overt repression, tends to provide the 'steam in the kettle' for *campaigns* for international economic pressure, so that the latter grow in strength as a consequence. This was the case in the 1976-77 'Soweto' period, as well as during 1985-86. In both instances, widespread public outrage in the West over SA government repression led to the imposition of significant new sanctions. The same process may well be seen in coming months in the wake of the South African government's effective banning of 17 organisations, and severe restrictions on COSATU in February, together with the current all-out assault on the ANC in exile.

What is crucial is that this fuelling of the sanctions campaigns is not the latter's *only* link with changing internal political developments. When 'key moments' force a shift in transitional strategy, a re-evaluation of the *effects* of sanctions must also occur, at least if there is some concern that sanctions should 'work' in the sense suggested above. Without such a re-evaluation, one is forced back to the view that *all* sanctions work. Of course, the inconsistency of this latter view, its failure to take account of the complex patterns of South African politics, has not diminished its popularity. This is not the point, however.

Looking back at the history of sanctions against South Africa, this approach can be further fleshed out. The initial appeals for sanctions

preceded the adoption of armed guerrilla struggle as the pivotal oppositional strategy in 1960. But as sanctions campaigns developed, they came to focus on the undermining of the apartheid state's military capability, via arms embargoes and disinvestment efforts. The latter were to prevent direct foreign investment from boosting South Africa's industrial growth, which clearly has a strong correlation with military power.

In the very healthy international economic conditions prevailing during the 1960s, these tactics were not too successful. But what is important here is that they were consistent with the long-term perspective necessary for guerrilla struggle: sanctions were not seen seriously as an *alternative* with a possibly dramatic short-term effect (as was the case in the early years of Rhodesian UDI). Furthermore, the potentially negative impact of sanctions/disinvestment on blacks had to be considered only in relation to economic hardship, which was seen to be a tolerable price for the perceived political gain. Given the dormancy of mass opposition, the very different question of possible damage to black political organisations and unions did not need to be seriously examined.

The re-emergence of mass protest from the mid-1970s - the key 'moment' here being Soweto 1976 - culminated in the 1984-86 period, when a different transitional strategy was operative: 'ungovernability'. While armed guerrilla struggle remained an element, the main driving force now was popular insurrection. This was aimed initially at the weakest links in the state's network of coercion and control, the intention being to move gradually inwards to the central core of power. But to succeed, progress had to be relatively rapid - that is the nature of insurrection. Given the unequal access to arms and the high cost in social disruption, popular uprisings inevitably cannot sustain themselves indefinitely.

This factor made a difference to sanctions. The only sensible perspective now was that they should *quickly* have a significant impact on the state's capacity to defend itself. In this context, forms of economic pressure which might (arguably) have a long-term effect simply make no sense - by the time this effect is felt, the political conjuncture will have long changed and the political impact might well be the opposite of what was intended. So it is not true that all sanctions 'work'; nor is it true that an incremental process - adding new sanctions one by one - will shorten the process of struggle, 'hasten the day'.

Of course, comprehensive mandatory sanctions remain a worthy goal in relation to an insurrectionary strategy - they would work, *if* they could be implemented by the major trading partners over a short period of time. But the circumstances necessary for this did not exist in Western countries at the time, despite the temporary congruence of interests between pro-liberation forces and some forward-looking elements amongst Western business and governments. There was however a brief flurry of interest in complicated

schemes to sanction SA's gold exports, which would undoubtedly increase pressure on the state. Much more significant was the implementation of financial 'sanctions' by (mainly) US banks refusing to extend further credit to SA in mid-1985. This is possibly the one measure implemented thus far which could be said to have 'worked', in this instance by forcing a major, though temporary, rethink amongst important elements of South African capitalism.

Part of the reason that it 'worked' lies in the changing structure of SA's economy during the past decade and a half of economic crisis. During this period, capital flows from this economy to the rest of the world have become a crucial factor, as export earnings from gold and other minerals have fluctuated widely. In addition, the nature of capital flows has changed, the bulk being indirect investment (loans) rather than direct (establishment of subsidiaries by multinationals). Hence the economy's increased vulnerability to the actions of international banks.

Conversely, it can be noted here, the importance of 'easily sanctioned' items - agricultural goods - has diminished in SA's trade since the early 1970s. Of the goods which are subject to 'serious' bans, only coal and iron/steel are really major trade items (and a future shift in world market conditions for these from oversupply to shortage may well alter sanctions sentiment). These and other related structural shifts in the South African economy and society over the past quarter century need to be considered in formulating strategy on sanctions, as in any other aspect of the liberation struggle.

After the 'bannings' this past February, it can no longer be denied that the state's new approach has been effective: the struggle has entered into an 'ebb' phase as mass mobilisation dissipates. With insurrection now ruled out, a new theory of transition needs to be developed. And moving forward on sanctions means adapting them to this new theory.

The contours of this new phase are being shaped by state strategy, given that the balance of forces has shifted back in its favour. This strategy can be expressed very simply:

- in the short-run, pacify the townships and emasculate progressive political leadership, by all means available via Emergency powers and vigilante and similar groupings;
- in the longer run, alleviate, if only partially, the material grievances underlying the generalised militancy amongst the black population which fuelled the insurrection.

The most urgent need at this stage should be very obvious - to try to keep intact as far as possible what remains of the mass organisations after the state's assault. This implied a tactical retreat from the stance of all-out offence of the insurrection. This was recognised by political leaders, as is evident from the slogan - 'Defend, Consolidate, Advance' - adopted as the theme at the secret UDF conference in May 1987. At that time, the UDF

itself was already in extremely poor shape. The attack on the trade unions, however, was only just coming to a head, with management starting to take a very tough line in negotiations, the government introducing new labour legislation, and physical attacks on union offices becoming commonplace. Under these circumstances, it should not be surprising, nor disturbing, that the unions would, in formulating positions on international economic pressure, choose to protect their members' jobs and preserve some organisational integrity ahead of any possible political gains, these anyway being highly debatable in the circumstances.

The next phase of reconstruction/consolidation will likely be long and slow, with the emphasis on establishing more robust structures down to the local level. One of the weaknesses of community-based organisations during the 1980s was their failure to establish solid internal structures and practices for decisions, strategising and execution of tactics. They relied instead on more spontaneous organisational forms. This may have been adequate if the state had been weaker, its ties with the society less multi-faceted and complex (as appears to have been true in Nicaragua, for example). As it was, there was not enough time for consolidation before the counter-attack was organised.

International strategy at this stage therefore demands *supporting* organisational rebuilding inside South Africa, not helping to undermine it (as sanctions on most trade items would appear to do). This may require a basic re-orientation on the part of sanctions campaigns, towards a 'two-track' policy including, in addition to sanctions, more 'positive' measures to assist the process. This approach fits well with the spirit of the Front Line States' arguments at last October's Commonwealth meeting. A 'positive measures' approach is also increasingly being adopted by foreign corporations still in SA. This, however, is not an argument for opposing - 'boycotting' - them. Organisations inside SA are forced to confront them; similarly, sympathisers outside should engage with them in an effort to ensure they are appropriately oriented. (It can be noted here that policies such as closing diplomatic missions which provide support to local organisations runs counter to overall strategic needs. Instead, these representatives could be encouraged to be even *more* active.)

What of sanctions themselves? The longer-term strategy of the state may well improve living circumstances for many blacks. There could even be some opportunities for the process of oppositional reconstruction, given the focus on local level 'redistribution', involving housing and other forms of community development. But it will be carried out under the close supervision of the shadowy Joint Management Committees which are the local expression of the National Security Management System (NSMS). It is this set of institutions which is responsible for both legs of state strategy during the Emergency - repression and stabilisation. As the state moves from

the former to an increasing concern with the latter, its most pressing need is for money - to pay for the houses, streets and lighting, and to create jobs for blacks.

Although the government and South African companies have been able to obtain trade credit from foreign lenders (including loans to replenish oil stocks), few other loans - for 'development capital' - have been available since August 1985. In this respect, the financial 'sanctions' imposed then continue to work. Partly as a result of this (together with its difficulty in cutting spending in other areas), the government is presently short of funds to carry out its stabilisation strategy. The main thrust of its present fiscal policy is to capture for its own use the massive cash flows which have been dammed up due to the lack of incentives to invest in production. This is what privatisation aims to do in SA (a very different purpose to Thatcherism), as well as the changes to insurance company taxation. Similarly, the intended freeze on public sector salary increases would help to limit existing state spending commitments. Substantially more analysis is necessary to assess fully the government's financial requirements; nevertheless, it is reasonable to argue that the limited foreign capital inflows are a major obstacle in the way of longer-term political stabilisation.

The implications for sanctions should not need to be spelled out. In April 1990, the SA government's three year partial moratorium agreement with its foreign creditors expires. It is not impossible that at that time, foreign credit will once again be extended. Approximately 1/7 of the foreign debt outstanding in 1985 will have been repaid, as well as interest, as the SA government has made restoring its creditworthiness a top priority. Also, by 1990, the political events of 1984-86 may well be no more than a fading memory (nightmare?) for international bankers, whose interest in politics is not great.

Influencing the activities of international financial institutions is not very easy, of course - even the most powerful of Western governments have severe problems implementing economic policy as a result of multinational bank lending. They have had to co-ordinate their actions to try to impose some control, which provides one lesson. The complexities of the international financial system may well make it impossible to prevent capital flows to a country, as it seems impossible to prevent completely flows of low-volume high-value commodities like those which comprise SA's most important exports. But a partial stoppage of these loans could still have severe implications for government financing.

In any event, what is clear, from inside South Africa at least, is that we are now into a new period. What was true during the years of optimism - 1984-86 - no longer holds. It does not help to seek absolution for failures by blaming those on the same side. Nor does it help to remain trapped in the past. What are needed are fresh ideas, fresh directions. The urgency of this

is of course far greater inside the country, but the responsibility to facilitate it no less for sympathisers outside. But unless we can develop more realistic analyses of our current situation than that put forward by Cason and Fleshman, and unless we can engage in more constructive debate over differences which are, after all, limited if real, then we may be doomed, both inside and outside South Africa, to remain in our current impasse.