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IMPLEMENTATION OF THE INTERNATIONAL CONVENTION ON THE
SUPPRESSION AND PUNISHMENT OF THE CRIME OF APARTHEID

Views and information submitted by States parties in
accordance with Commission resolution 1986/7

Note by the Secretary-General

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Union of Soviet Socialist Republics 2

UNION OF SOVIET SOCIALIST REPUBLICS

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[15 December 1986]

The world community, guided by the democratic and humane principles enshrined in the Charter of the United Nations, has made the elimination of the racist régime in South Africa based on the criminal policy of apartheid one of its paramount objectives.

Yet, despite the growing indignation of all decent people, apartheid continues to exist. Moreover, a growing number of people are falling victim to the terror and repression by which the Pretoria racists are attempting to suppress mass action by the South African population to secure basic human rights.

The main reason why the South African racist régime continues to pursue the criminal policy of apartheid, aggression and occupation is that, notwithstanding numerous United Nations decisions, the régime finds direct support from influential Western protectors, who are openly or secretly blocking the application against it of comprehensive mandatory sanctions. It is precisely they who through various means, including their transnational corporations, are supporting and even strengthening relations with the Pretoria régime in the political, military, economic and financial fields. It should be pointed out that such steps are being taken despite the United Nations appeal for the home countries of transnational corporations to adopt effective measures to terminate any collaboration by their transnational corporations with the racist minority régime in South Africa.

According to figures for 1985, there were 1,068 transnational corporations operating in South Africa. Of these, 406 were based in the United States, 364 in the United Kingdom, 142 in the Federal Republic of Germany, 32 in Switzerland, 24 in Australia, 21 in Canada, 20 in France, 18 in Sweden, 17 in the Netherlands, 7 in Italy, 6 in Belgium, 3 in Denmark, 2 in Austria, and one each in Spain, Portugal, Norway, Finland, Malaysia and Hong Kong. Transnational corporations operate in virtually every sector of the South African economy, and in some industries, such as oil, play a leading role, helping the apartheid régime to circumvent the embargo on oil supplies.

The report of the Secretary-General (E/C.10/AC.4/1985/3) on the activities of transnational corporations in South Africa shows the extent to which transnational corporations contribute to the preservation of the apartheid system and provides factual information. However, even this information does not give a complete picture of the role of transnational corporations in South Africa, since, as the major suppliers of technology under licensing arrangements, these corporations supply manufactured goods and high-technology equipment and also take an active part in international trade.

The world public and the United Nations know which countries are largely responsible for sustaining the racist régime and the apartheid system in South Africa. In its resolution 36/172 D the General Assembly directly condemned the continued economic and other collaboration of certain Western and other States, particularly the United States, the United Kingdom, the Federal Republic of Germany and Israel, with the South African racist régime.

In resolution 38/39 A the General Assembly condemned the policies of certain Western States, particularly the United States and Israel and their transnational corporations and financial institutions that have increased political, economic and military collaboration with the racist apartheid régime.

Despite some decline in direct private investment and a decrease in the number of corporations operating in South Africa, particular responsibility for the continued existence of the apartheid system is borne by the transnational corporations of the United States. It was only because of the increased risk factor, and by no means out of a sense of their responsibility, that General Motors and IBM decided to sell their companies in South Africa at the end of 1986. However, the mounting campaign against apartheid in the country and the economic and political instability of the racist régime are prompting American transnational corporations not so much to leave South Africa as to attempt to strengthen their control over internal developments and to perpetuate the apartheid system. The Rockefeller group, very closely associated with the Anglo-American Corporation of South Africa, which controls the mining industry in the country, is a blatant example of the way the interests of the major monopoly groups of the United States and South Africa are intertwined. Making no protest against the cosmetic measures in South Africa itself and encouraging the departure of competitors from the country, the major transnational corporations of the United States are striving for a modus vivendi that would lend an outward appearance of respectability to their rapacious and criminal policies in South Africa.

A third of the transnational corporations with subsidiaries in South Africa are based in the United Kingdom, the country which ranks highest in terms of investment in the South African economy. Investment by British companies in South Africa amounts to approximately 8 billion dollars (March 1985) - roughly half of all direct foreign investment. If "portfolio" investments are included, the figure rises to 14 billion dollars. In November 1984, South Africa accounted for approximately 10 per cent of total foreign investment by the United Kingdom. A quarter of the transnational corporations which have direct dealings with South Africa have their headquarters in the Federal Republic of Germany. According to IMF statistics, in 1984 South African exports to the Federal Republic of Germany amounted to 676 million dollars, while imports totalled 2.3 billion dollars. The figures for Japan were 1.3 billion dollars and 1.9 billion dollars respectively.

In all, more than 90 per cent of foreign investment in South Africa comes from the United Kingdom, the United States, the Federal Republic of Germany, France and Switzerland, and South Africa itself is 20 per cent reliant on foreign capital. Equally as important are the oil supplies and technology transfers channelled through the transnational corporations.

When speaking about the responsibility of the transnational corporations for the continued existence of the apartheid régime, one must not forget that trade with the so-called "newly industrialized nations" is coming to play an increasingly large part in the South African economy. Needless to say, the transnational corporations maintain control over both the economies and the policies of these countries (Israel, South Korea, Taiwan).

A particular cause for concern is the operations of the transnational corporations in the military sector of the South African economy, since this represents a serious danger to peace and security in the region and throughout the world. The activities of the transnational corporations are of key importance in the development of the nuclear-power industry in South Africa, actually helping Pretoria to acquire nuclear weapons. The transnational corporations are in large measure responsible for the fact that South Africa has become an arms exporter rather than an importer.

Apart from strengthening the apartheid régime in economic, military and strategic terms, the transnational corporations play an important part in bolstering the racist order inside South Africa by aligning themselves politically with the ruling régime. Under South African domestic legislation, enterprises belonging to transnational corporations maintain large units of security police, which can be used against popular demonstrations.

While the employees of subsidiaries of transnational corporations in South Africa are doing their military service, the corporations continue to pay their wages, thus in effect financing the apartheid régime's machinery of repression.

Another typical example of the concealed complicity of transnational corporations and Western business circles in the crime of apartheid can be seen in the fact that, instead of the pass laws and legal restrictions on the influx of blacks into urban areas, the South African Government now uses the criteria of the availability of employment and housing for the same racist purposes.

Thus the transnational corporations which play an active economic and political role in sustaining apartheid share full responsibility with the South African authorities for this crime. The imperialist monopolies engaged in plundering the human and natural resources of southern Africa with the assistance or connivance of their home countries are the direct and immediate accomplices of the criminal Pretoria régime. Therefore, the policies of the transnational corporations which collaborate with South Africa can and must be regarded as actions which give rise to international criminal responsibility under article II (c) of the International Convention on the Suppression and Punishment of the Crime of Apartheid.

The financial and political interests of the transnational corporations and their home countries create all kinds of obstacles for the United Nations in its efforts to investigate their role as accomplices in the crime of apartheid. It is precisely these countries which are blocking the formulation within the United Nations of a code of conduct on transnational corporations to provide effective control over their activities, including those in southern Africa.

The report entitled "Transnational corporations in South Africa and Namibia" (A/C.10/1985/9) prepared by the United Nations Secretariat for the eleventh regular session of the United Nations Commission on Transnational Corporations states frankly that some home countries of transnational corporations do not consider themselves bound by the various United Nations resolutions and decisions calling for measures to be taken against their transnational corporations operating in South Africa.

Representatives of the corporations declined to take part in the public hearings on the activities of transnational corporations in South Africa and Namibia (New York, September 1985), and this can only be viewed as a further demonstration of their unwillingness to take account of the clearly expressed opinion of the United Nations, the non-aligned movement, the Organization of African Unity and the entire world community, which are calling for an immediate and permanent end to apartheid.

References by home countries to their "inability" to control the activities of their transnational corporations are totally without foundation. The facts show that when it suits their Governments' policies, home countries can establish control over the actions of their corporations, regardless of the principle of "free enterprise", or of contractual or other obligations.

The Soviet Union, in accordance with the constitutional principles of its foreign policy, one of which is support for the struggle of oppressed peoples to achieve self-determination, independence, national liberation and social progress, strictly and scrupulously carries out United Nations resolutions and decisions concerning the apartheid régime in South Africa. The Soviet Union is neither a home country nor a host country of transnational corporations.

The USSR has no diplomatic, economic, commercial, military or other relations whatsoever with South Africa and does not permit the re-export of Soviet goods to that country.

In the view of the Soviet Union, the public hearings in the United Nations on the activities of transnational corporations in South Africa and Namibia should give further impetus to the actions of the world community aimed at the complete and immediate elimination of the inhuman Pretoria régime and the effective prevention of actions by transnational corporations and their home countries to sustain it.

The USSR took part in the seminar organized by the United Nations Centre for Human Rights and the Government of Cameroon on international assistance and support to peoples and movements struggling against colonialism, racism, racial discrimination and apartheid (Yaoundé, April-May 1986), which called on "States whose transnational corporations continue to do business with South Africa to consider taking appropriate steps to terminate their dealings with South Africa and Namibia". The seminar also recommended "all States to consider adopting appropriate legislation with punitive measures against individuals and institutions dealing with South Africa".

In accordance with its position of principle, the Soviet Union actively contributes to the work of the United Nations directed towards the final elimination of colonialism, racism and apartheid, and in its actions strictly complies with the decisions adopted by the United Nations.