

Banking With Botha

The announcement that Barclays was pulling out of South Africa was greeted with dismay by South Africa's political allies and delight by opponents of apartheid the world over.

Barclays' withdrawal demonstrated the disastrous impact of staying with Botha's regime. Worth £225m just a year and a half ago, their assets must now be given away for nearer £82m. Add the long-term damage caused by losing many potential customers through the students' boycott, and Barclays' obstinacy had begun to look like stupidity.

The Barclays campaign was unique in being the only 'secondary boycott' approved by the British Anti-Apartheid Movement. A secondary boycott is imposed on products from organisations involved in South Africa, as against a primary boycott, aimed at direct exports from that country.

AAM opposed secondary boycotts, arguing that 'we would have to tell everyone not to buy a car apart from a Lada'. This approach is in marked contrast to the hugely successful boycott campaigns in Reagan's America. It was the secondary boycott movement there, with cities like New York refusing to do business with banks lending to South Africa, that led to South Africa's 1985 loan default, ruling out foreign loans for the foreseeable future.

In spite of this, it seems unlikely that AAM will modify its policy on secondary boycotting in Britain. Yet some vital British investments remain in South Africa. They include the largest foreign-controlled employer and richest goldmining company, Consolidated Goldfields/GFSA. The British government is now preparing legislation which will prevent councils from boycotting companies like ConsGold's road-building subsidiary Amey Roadstone because of their links with South Africa. A boycott against ConsGold now would help fight the legislation and tar the Tories with ConsGold's appalling employment practices in South Africa. •

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