



Renegotiating Responsibility

British Anti-Apartheid Consumer Boycott Campaigns, Late 1960s to Early 1990s

Skovgaard, Jakob

Publication date:
2018

Document version
Publisher's PDF, also known as Version of record

Document license:
[CC BY-NC-ND](#)

Citation for published version (APA):
Skovgaard, J. (2018). *Renegotiating Responsibility: British Anti-Apartheid Consumer Boycott Campaigns, Late 1960s to Early 1990s*. Det Humanistiske Fakultet, Københavns Universitet.

Renegotiating Responsibility

British Anti-Apartheid Consumer Boycott Campaigns, Late 1960s to Early
1990s

Jakob Skovgaard

Department of English, Germanic and Romance Studies

Supervisor: Professor Detlef Siegfried

Name of department: Department of English, Germanic and Romance Studies

Faculty: Faculty of Humanities, University of Copenhagen

Author: Jakob Skovgaard

Title: Renegotiating Responsibility: British Anti-Apartheid Consumer Boycott
Campaigns, Late 1960s to Early 1990s

Supervisor: Professor Detlef Siegfried

Date of submission: 31 August 2017

Number of words: 92,151

Abstract

By the time Nelson Mandela was released from prison in 1990, no human rights issue had allegedly been as debated at the UN as the racially segregated system of apartheid. Mediatized confrontation with the structural discrimination inherent to the apartheid system had a transformative impact on the self-perception of individuals, communities, and political institutions around the world. A notable manifestation of this impact was the formation of the British Anti-Apartheid Movement (AAM), which aimed to contribute to the democratic transition in South Africa by – among other activities – problematizing links between companies in Britain and the apartheid government.

The principal objects of study of this dissertation are the AAM and the companies – Barclays and Shell – targeted in consumer boycott campaigns conducted by the movement from the late 1960s to the early 1990s. The purpose of my analysis of the campaigns is to unpack their implications for the companies' understanding of corporate social responsibility (CSR). The drive towards a more distinct conception of CSR in the latter half of the twentieth century forms the subtext of this dissertation; implicit in this observation is an increasing awareness of the unintended negative side-effects associated with economic globalization. The title of the dissertation, *Renegotiating Responsibility: British Anti-Apartheid Consumer Boycott Campaigns, Late 1960s to Early 1990s*, accentuates the effort by the AAM to transform perceptions of what constitutes the responsibility of transnational corporations. While the targeted companies already had responsibilities towards their shareholders, the state etc., the activists sought to reinterpret and renegotiate corporate responsibilities in a socially oriented direction through interaction with the companies. Integral to this study, then, is the normative supposition that abstract notions of ethics and responsibility become concretized and operationalized in specific ways through interaction between different societal actors.

This study finds that anti-apartheid consumer boycott activism incited reflection within the targeted companies on the extent of their social responsibilities, which contributed to the advancement of CSR. With this dissertation I aim to contribute, first, to the under-researched yet burgeoning field of anti-apartheid studies. More broadly, my objective is to elevate the scholarly discussion on social movement actors as catalysts for CSR with particular emphasis on insights to be gained from historical case studies.

Resumé

Da Nelson Mandela blev løsladt fra fængslet i 1990 havde intet menneskerettighedsrelateret emne angiveligt været så omdiskuteret som det raceadskilte apartheidsystem. Medieret konfrontation med den strukturelle diskrimination, som lå til grund for apartheidsystemet, havde en transformativ påvirkning på selvpfattelsen hos individer, fællesskaber og politiske institutioner verden over. Et bemærkelsesværdigt produkt af denne påvirkning er etableringen af den britiske Anti-Apartheidbevægelse (AAM), som søgte at bidrage til den demokratiske overgang i Sydafrika ved – blandt andre aktiviteter – at problematisere forbindelsen mellem virksomheder i Storbritannien og apartheidregeringen.

De primære aktører, der undersøges i denne afhandling, er AAM og de virksomheder – Barclays og Shell – som var målene for forbrugsboykotkampagner udført af bevægelsen fra slutningen af 1960'erne til begyndelsen af 1990'erne. Formålet med min analyse af disse kampagner er at afdække deres betydning for virksomhedernes forståelse af *corporate social responsibility* (CSR). Udviklingen mod skærpede forståelser af CSR i anden halvdel af det 20. århundrede udgør afhandlingens subtekst; implicit i denne observation er den tiltagende opmærksomhed omkring de utilsigtede negative konsekvenser af den økonomiske globalisering. Afhandlingens titel, *Renegotiating Responsibility: British Anti-Apartheid Consumer Boycott Campaigns, Late 1960s to Early 1990s*, understreger anti-apartheidaktivisternes forsøg på at omdanne forståelserne af, hvad transnationale virksomheders ansvar indebærer. På trods af, at de boykottede virksomheder allerede stod til ansvar overfor deres aktionærer, staten osv., søgte aktivisterne at genfortolke og genforhandle virksomhedernes ansvar i en social retning gennem interaktion med virksomhederne. En integreret del af dette studie er derfor den normative antagelse at abstrakte forestillinger om etik og ansvar konkretiseres og operationaliseres på særlige måder gennem interaktion mellem forskellige samfundsaktører.

Resultaterne af dette studie viser, at anti-apartheidorienteret forbrugsboykotaktivisme fordrede refleksion blandt de boykottede virksomheder angående omfanget af disses sociale ansvar, og at kampagnerne dermed bidrog til at fremme udviklingen af CSR. I undersøgelsen af forbrugsboykotkampagner udført af AAM har denne afhandling et dobbelt sigte: formålet er i første omgang at bidrage til forskningen på anti-apartheidområdet. Mere overordnet er ambitionen med afhandlingen at højne diskussionen vedrørende sociale bevægelser som katalysatorer for CSR med særlig vægt på historiske case-studier.

Acknowledgements

The past three years have been characterized by ceaseless intellectual challenges, stimulating work environments, and – not least – inspirational social encounters. All of this was made possible with a PhD grant from the Department of English, Germanic and Romance Studies at the University of Copenhagen.

I want to give special thanks to Detlef Siegfried for his motivational supervision and for generously sharing from his exhaustive insight without which this dissertation would have been far inferior to the end product. Equally important, he provided the ideal conditions for my research through practical advice spanning from the collection of archival material to the submission of articles for journals, which has improved my time as a PhD student beyond comparison.

I am fortunate to have been part of the collaborative research platform *Perceptions of Apartheid in Western Europe, 1960-1990*. Many fruitful discussions have sprung from this platform, and I am highly indebted to Knud Andresen, Hanno Plass, Sebastian Justke, Andreas Kahrs, and Axel Schildt for their guidance, suggestions, and all-round welcoming dispositions.

I also want to thank Mads P. Sørensen, Saul Dubow, Andrea Shemberg, Christabel Gurney, David Hillman, Simon Stevens, and Rob Skinner for engaging and thoughtful contributions that encouraged me to stay the course.

My time as a PhD student has been enriched by the great colleagues at the Department of English, Germanic and Romance Studies. I want to give special thanks to Astrid Rasch, Christian Damm Pedersen, Kalathmika Natarajan, Jesper Præst Nielsen, Tue Løkkegaard, Troels Hughes Hansen, Nils Voisin Schultz, Martina Koegeler-Abdi, and Mads Damgaard for their patient commentaries and just plain good company.

The careful attention to detail displayed by Mathies Aarhus, Theis Søgaaard Hansen, and Ismar Dedovic is greatly valued and has improved the reading experience of this dissertation immensely; the same applies to the tireless effort by Morten Haahr whose advice continues to be a source of great inspiration.

Finally, my warmest thanks goes to Julie Garrett for making these three years the best they could be with her unwavering support, infectious spirits, and selfless consideration.

Contents

List of Abbreviations	vi
Introduction	1
 <u>PART I: THE ACTORS</u>	
Chapter 1: The Anti-Apartheid Movement	
1.1 Social Movements	29
1.2 Brief History of the Anti-Apartheid Movement	41
1.3 Anti-Apartheid Strategies and Campaigns	49
1.4 Anti-Apartheid Surrogate Boycotting	57
Chapter 2: Foreign-Owned Companies in South Africa	
2.1 Conceptual History of CSR	66
2.2 Anti-Apartheid Activism as a Catalyst for CSR	72
2.3 Foreign Investment in South Africa	80
2.4 Codes of Conduct	89
 <u>PART II: THE CAMPAIGNS</u>	
Chapter 3: The Campaign against Barclays	
3.1 Barclays in South Africa	96
3.2 Establishing the Campaign, Late 1960s to Mid-1970s	104
3.3 Sustaining the Campaign, Mid-1970s to Mid-1980s	113
3.4 Barclays' Disinvestment	121
3.5 Barclays and Social Responsibility	134
Chapter 4: The Campaign against Shell	
4.1 Shell in South Africa	144

4.2 Early Anti-Apartheid Action against Shell, Early 1970s to Mid-1980s	155
4.3 The Onset of the Campaign, Mid-1980s to Late 1980s	163
4.4 Losing Momentum, Late 1980s to Early 1990s	171
4.5 Shell and Social Responsibility	181
4.6 Shell after Apartheid	192
Conclusion	199
Bibliography	213

List of Abbreviations

AAA: Artists against Apartheid	MK: Umkhonto we Sizwe
AAM: Anti-Apartheid Movement	MNC: multinational corporation
ACTSA: Action for Southern Africa	NGO: non-governmental organization
ANC: African National Congress	NSM: new social movement
BARNAT: Barclays National Bank of South Africa	NUS: National Union of Students
CAAA: Comprehensive Anti-Apartheid Act	OAU: Organization of African Unity
CCSA: Christian Concern for Southern Africa	OECD: Organization for Economic Co-operation and Development
COSATU: Congress of South African Trade Unions	OSACI: Ecumenical Study and Action Centre on Investments
CSR: corporate social responsibility	PAC: Pan-Africanist Congress
DCO: Barclays Dominion, Colonial and Overseas	SACC: South African Council of Churches
EEC: European Economic Community	SAIC: South African Indian Congress
EIRIS: Ethical Investment Research Service	SASOL: South African Coal, Oil and Gas Corporation
ELTSA: End Loans to Southern Africa	SMO: social movement organization
ICC: International Chamber of Commerce	SRI: socially responsible investment
ICCR: Interfaith Center on Corporate Responsibility	SWAPO: South West African People's Organization
ICFTU: International Confederation of Free Trade Unions	TNC: transnational corporation
IDAF: International Defence and Aid Fund	TUC: Trades Union Congress
ILO: International Labour Organization	UDF: United Democratic Front
IMF: International Monetary Fund	UDI: Rhodesian Unilateral Declaration of Independence
JAAA: Joint Action against Apartheid	WHO: World Health Organization

Introduction

By the time Nelson Mandela was released from prison in 1990, no human rights issue had been as debated at the UN as the racially segregated system of apartheid.¹ Despite fluctuations in the attention of the international community to South Africa over the more than four decades of racialized minority rule, Rob Skinner proposes that the political responses prompted by the atrocities of the apartheid system ‘provided a context for the emerging language of human rights, the subject of a discursive shift in which ideas of democracy and universal rights became a normative standard for political legitimacy.’² More than a domestic South African problem, then, mediatized confrontation with the structural discrimination inherent to the apartheid system had a transformative impact on the self-perception of individuals, communities, and political institutions around the world.

The principal objects of study of this dissertation are the British Anti-Apartheid Movement (AAM) and the companies – Barclays and Shell – targeted in consumer boycott campaigns conducted by the movement from the late 1960s to the early 1990s.³ While the AAM figures as the main actor and the companies as the objects of the movement’s activities, the interaction between the two constitutes the focal point of my analysis. The purpose of this analysis is to unpack the implications of the boycott campaigns for the companies’ understanding of corporate social responsibility (CSR). Thus, the principal research question of this dissertation is: in what ways have anti-apartheid consumer boycott campaigns influenced and contributed to the development of CSR? The drive towards a more distinct conception of CSR in the latter half of the twentieth century, then, forms the subtext of this dissertation; implicit in this observation is an increasing awareness of the unintended negative side-effects associated with economic globalization. Barclays and Shell were present in South Africa since early in the twentieth century and thus prior to the intensification of international trade and cross-border investment from the 1970s onwards. My examination of the historical conditionality of company responses to boycott campaigns, however, remains pertinent on account

¹ Bramsen, *Sydafrika, Kamp Eller Dialog?*, 221; Geldenhuys, *Isolated States: A Comparative Analysis*, 256.

² Skinner, *The Foundations of Anti-Apartheid: Liberal Humanitarians and Transnational Activists in Britain and the United States, c.1919-64*, 59.

³ I have not been able to identify any exact dates regarding the initiation of the campaign against Barclays or the termination of the campaign against Shell.

of the growing alertness displayed by the anti-apartheid activists to the unintended negative side-effects of economic globalization exemplified by British private sector links to apartheid South Africa.

The title of the dissertation, *Renegotiating Responsibility: British Anti-Apartheid Consumer Boycott Campaigns, Late 1960s to Early 1990s*, accentuates the effort by the AAM to transform perceptions of what constitutes the responsibility of transnational corporations. While the targeted companies already had responsibilities towards their shareholders, the state etc., the activists sought to reinterpret and renegotiate corporate responsibilities in a socially oriented direction through interaction with the companies. Integral to this study, then, is the normative supposition that abstract notions of morality and responsibility become concretized and operationalized in specific ways through interaction between different societal actors. In order to make this process evident, I develop a framework for the study of social movement activism as a catalyst for CSR. With this dissertation I aim to contribute, first, to the under-researched yet burgeoning field of anti-apartheid studies. More broadly, my objective is to elevate the scholarly discussion on social movement actors as catalysts for CSR with particular emphasis on insights to be gained from historical case studies.

In Britain, anti-apartheid activists helped embed concern with South Africa in the public conscience by – among other activities – conducting widely publicized consumer boycott campaigns against companies with links to South Africa.⁴ The stated purpose of the consumer boycott was to compel the targeted companies to withdraw their investments from South Africa, which would isolate the country economically and impel the authorities to introduce democratic legislation. This pragmatically oriented (as opposed to a focus on the signal value) conception of the boycott was nuanced in a recent article in *The Guardian* by Piers Telemacque, a former member of the National Union of Students (NUS), where he concedes that ‘nobody thought we’d end apartheid by bankrupting the regime. It was about delegitimizing them, shifting public opinion, and ramping up political pressure.’⁵ Reflecting on the concerted effort to withdraw investment from both South Africa and transnational corporations operating in the country, Lord Nicholas Stern, former Chief Economist and Senior Vice-President of the World Bank, points to ‘international divestment from apartheid South Africa’ as an example of a ‘revolution in moral and social attitudes’ and a change

⁴ Schwartz, *Consuming Choices, Ethics in a Global Consumer Age*, 61.

⁵ Telemacque, “Whether It’s Apartheid or Fossil Fuels, Divestment Is on the Right Side of History.”

in ‘perceptions of what is morally and socially responsible behavior by individuals, businesses, and governments.’⁶

Among the interdependence of factors precipitating such transformations in the recognized moral and social responsibility of societal actors are contemporary processes of globalization; thus, Bart van Steenbergen notes how globalization ‘implies a capacity for global self-reflection on the part of modern societies.’⁷ The latter half of the twentieth century saw a shift towards greater inclusion of extra-British concerns in the development of British self-perceptions, which Ulrich Beck attributes to a ‘bursting [of] the container frame of the nation-state’ effected by various processes of globalization that include transnational mobility and mass media.⁸ The argument by Ryan M. Irwin that international interest in apartheid South Africa ‘stemmed partly from the new type of consciousness that accompanied the growth of television and photojournalism’ divulges some of the benefits resulting from a heightened attentiveness to distant events.⁹ In a similar vein, anti-apartheid activism has been construed as ‘part of a *globalization from below*.’¹⁰

In contrast to these positive ascriptions, Zygmunt Bauman’s discussion of the unruly and self-perpetuating character of globalization aims to disclose the negative and unintended side-effects of, for instance, progressively unrestricted international trade.¹¹ Among these side-effects are escalating social inequalities, deteriorating social protection, the attempt by governments to underbid one another, and constraints on human rights and environmental measures.¹² Håkan Thörn further suggests that the anti-apartheid boycott ‘seems to be a political strategy well suited for a phase of the globalization process in which increasingly mobile transnational corporations more and more easily escape the political control of states.’¹³

Having established the consumer boycott as an important strategy employed by the anti-apartheid activists, I want to take a step back and address possible sources of motivation for British activists to engage in social movement activity aimed at the abolishment of the apartheid system. Anti-apartheid activism encompassed a diverse set of values, priorities, and strategies; as Simon Stevens suggests, ‘opposing apartheid meant very different things for different people and served very

⁶ Stern, *Why Are We Waiting? The Logic, Urgency, and Promise of Tackling Climate Change*, 314.

⁷ Steenbergen, *The Condition of Citizenship*, 156–57.

⁸ Beck, “Cosmopolitanism as Imagined Communities of Global Risk,” 1356–57.

⁹ Irwin, *Gordian Knot: Apartheid and the Unmaking of the Liberal World Order*, 184.

¹⁰ Thörn, “Solidarity Across Borders: The Transnational Anti-Apartheid Movement,” 69.

¹¹ Bauman, *Globalisering, De Menneskelige Konsekvenser*, 60.

¹² Batliwala, *Transnational Civil Society, an Introduction*, 95.

¹³ Thörn, *Anti-Apartheid and the Emergence of a Global Civil Society*, 61.

different purposes.’¹⁴ Early anti-apartheid efforts were largely influenced by processes of decolonization and the emergence of the human rights regime as well as anti-racist and anti-authoritarian political cultures.¹⁵ Arguing that the ‘solidarity struggle changed over time in response to developments in British society and to ideological currents within the liberation movement,’ Christabel Gurney portrays the late 1960s and the 1970s as a period of radicalization characterized by an understanding of apartheid as a ‘particular form of capitalism.’¹⁶ By the 1980s, the racialized system of apartheid was widely perceived as an anachronism and many of the activists once more problematized apartheid as a violation of human rights.¹⁷ In addition to domestic British advances in socio-political thought and social movement culture, developments in South Africa and the measures implemented by the international community had a substantial influence on the trajectory of the AAM. In the following, I provide a brief account of South African political history from 1948-1994 and trace some of the formal responses by the international community to the progression of apartheid.

Apartheid

The term ‘apartheid’ means ‘separateness’ in Afrikaans and the modern usage of the term can be traced back to 1929 in its printed form.¹⁸ Oliver Tambo, former President of the African National Congress (ANC), suggests that apartheid ‘in its more comprehensive connotation, is the sum total of all the policies and practices, stratagems and methods, beliefs and attitudes’ of the white South African minority government aimed at the perpetuation of the political and economic exploitation of non-white South Africans.¹⁹ Saul Dubow points out that the ‘fact that apartheid was proclaimed official South African policy just as the United Nations issued its Universal Declaration of Human Rights in 1948 was a telling marker of the country’s retrogressive political trajectory.’²⁰ The term ‘apartheid’ attained prominence with the election of the National Party in May 1948; the party was led by Daniel François Malan who emphasized the resemblance of apartheid to the traditional racial

¹⁴ Stevens, “Why South Africa? The Politics of Anti-Apartheid Activism in Britain in the Long 1970s,” 207.

¹⁵ Skinner, “The Moral Foundations of British Anti-Apartheid Activism, 1946-1960,” 5–6.

¹⁶ Gurney, “In the Heart of the Beast: The British Anti-Apartheid Movement, 1959-1994,” 257.

¹⁷ Ibid.

¹⁸ Guelke, *Rethinking the Rise and Fall of Apartheid: South Africa and World Politics*, 3.

¹⁹ Segal, “Sanctions against South Africa,” 15; despite its flaws and lack of nuance, I deploy the term ‘non-white’ as an umbrella term for South Africans without Western European descent since all those included in this group were discriminated against by the white minority rule.

²⁰ Dubow, *Apartheid, 1948-1994*, 47.

policies of the previous three centuries.²¹ ‘The difference in color is merely the physical manifestation of the contrast between two irreconcilable ways of life,’ Malan asserted, ‘between barbarism and civilization, between heathenism and Christianity.’²² Apartheid should not be conceived as a unitary ideology but rather as divided into the large-scale territorial separation of the races, known as ‘grand apartheid,’ and as manifestations of ‘petty apartheid,’ which includes whites-only buses, restrooms, park benches, ambulances etc.²³

In reaction to the election of the National Party in 1948, the ANC adopted its Programme of Action the following year, which opened up for the use of more offensive tactics such as boycotts, strikes, civil disobedience and non-cooperation. The ANC experienced a massive increase in membership from approximately 5,000 in 1948 to more than 100,000 a decade later.²⁴ In 1956, 156 prominent activists were arrested and charged with ‘high treason;’ among these were ANC President Albert Luthuli, Nelson Mandela, and Walter Sisulu.²⁵ While the accused were eventually acquitted, Dubow suggests that the Treason Trial ‘helped to dramatize apartheid to the outside world.’²⁶ In 1959, the ANC split and the Pan-Africanist Congress (PAC) was established under Robert Sobukwe.

South Africa had gained independence from Britain in 1910 yet it was still part of the Commonwealth and the two countries maintained close ties. On 3 February 1960, British Prime Minister Harold Macmillan addressed both Houses of Parliament in South Africa when he famously spoke of a ‘wind of change,’ referring to the rise of national consciousness in former African colonies and their efforts to gain independence. The implication was that the South African government ought to abandon its policy of racial segregation and Macmillan urged that ‘we must all accept it as a fact, and our national policies must take account of it.’²⁷ Contrary to this proclamation, Britain would continue to veto calls for economic sanctions at the UN Security Council over the following decades.

At a peaceful protest against the pass laws in Sharpeville on 21 March 1960, 69 demonstrators were killed by police gunfire and more than 200 were wounded, most of them shot from behind while

²¹ Ibid., 13.

²² Mermelstein, *The Anti-Apartheid Reader: The Struggle against White Racist Rule in South Africa*, 95.

²³ Beinart and Dubow, “Segregation and Apartheid in Twentieth-Century South Africa,” 15; Guelke, *Rethinking the Rise and Fall of Apartheid: South Africa and World Politics*, 27.

²⁴ Dubow, *Apartheid, 1948-1994*, 73.

²⁵ Ibid., 70.

²⁶ Ibid., 72.

²⁷ Butler and Stockwell, *The Wind of Change: Harold Macmillan and British Decolonization*, 1.

trying to escape.²⁸ As a precautionary measure, the South African government declared a state of emergency, effectively banning the ANC, the PAC, and others. This incapacitation of the anti-apartheid effort precipitated a shift in opinion by parts of the community towards the use of sabotage despite its potential conflict with the previous strategy of non-violence. At the Rivonia Trial in July 1964, Mandela, Sisulu, and six others were sentenced to life imprisonment. Following the international condemnation of Sharpeville, Dubow proposes, ‘apartheid became a global metonym for the racially motivated abuse of human rights’ and anti-apartheid activism proliferated in many countries.²⁹ Domestically, however, the mass boycotts, strikes, and acts of defiance of the 1950s were substituted for the ‘golden decade’ of 1960s apartheid.³⁰ By the middle of the decade, the South African economy boasted one of the highest growth rates in the world.³¹ During the 1950s and 1960s, the system of apartheid was consolidated with the passing of more than 300 laws.³²

By 1960, the UN General Assembly had already passed 24 resolutions condemning the apartheid government.³³ As a result of the Sharpeville Massacre, the Assembly classified apartheid as a threat to international peace and a crime against humanity, and a Special Committee against Apartheid was set up with the purpose of collecting information, presenting policy recommendations, and facilitating communication between transnational networks and actors.³⁴ Enuga S. Reddy, Secretary of the UN Special Committee, advised that the ‘struggle in South Africa is not a mere political conflict in one country. Apartheid is not and can never be politics. It is a crime. The issue is not political but deeply moral.’³⁵

In April 1964, the International Conference on Economic Sanctions against South Africa was held in London with representatives from more than 40 countries. Organized in part by the AAM, the impetus behind the conference was the ‘urgent need for setting up permanent machinery to pursue energetically the international application of economic sanctions.’³⁶ Despite efforts to introduce legislation on sanctions, however, the following decades were characterized by a profound lack of

²⁸ Bramsen, *Sydafrika, Kamp Eller Dialog?*, 96.

²⁹ Dubow, *South Africa's Struggle for Human Rights*, 79.

³⁰ Price, *The Apartheid State in Crisis: Political Transformation in South Africa, 1975-1990*, 23.

³¹ Culverson, “The Politics of the Anti-Apartheid Movement in the United States, 1969-1986,” 57.

³² Sethi, *The South African Quagmire, in Search of a Peaceful Path to Democratic Pluralism*, 153.

³³ Dubow, “Smuts, the United Nations and the Rhetoric of Race and Rights,” 47–48.

³⁴ Geldenhuys, *Isolated States: A Comparative Analysis*, 262; Skinner, *The Foundations of Anti-Apartheid: Liberal Humanitarians and Transnational Activists in Britain and the United States, c.1919-64*, 59; Guelke, *Rethinking the Rise and Fall of Apartheid: South Africa and World Politics*, 1.

³⁵ Reddy, *Apartheid: The United Nations and the International Community: A Collection of Speeches and Papers*, 71.

³⁶ Segal, “Sanctions against South Africa,” 273.

political and academic consensus on the impact of sanctions against South Africa. The main arguments advanced *against* sanctions involved, most importantly, the strategic interest of the West in South Africa's continued participation in anti-Communist alliances.³⁷ The overriding point of contention by the South African authorities was that sanctions would violate the sovereignty of the country.³⁸ Additional justifications for retaining international trade relations with South Africa included the cost of sanctioning, difficulties in maintaining a steady oil supply through shipping lanes around the Cape of Good Hope, minimized access to important raw materials, expensive naval blockades etc.³⁹ It was further submitted that sanctions would principally harm the non-white population and retard political reform as well as remove all or most future channels of influence.⁴⁰ Finally, there were reservations about whether South Africa's diversified economy could potentially counterbalance the effect of sanctions.

The main arguments *in favour* of sanctions against South Africa generally stressed the country's vulnerability to economic isolation and, notably, that this exposure would dictate improved conditions for the non-white population and the eventual abolishment of the apartheid system. Those who advocated sanctions could claim legitimacy from the support of the majority of the opposition parties and organizations; thus, Tambo, President of the ANC, referred to sanctions as a 'trump card' and as the most important measure that could be taken against the apartheid government.⁴¹ In an analysis of the sanctions debate, William H. Shaw concludes that both constructive engagement, public and political pressure, and more traditional diplomacy could be applied to influence the South African government.⁴² Considering this possible mixture of strategies, he argues, the lines drawn up in the sanctions debate presents a 'false dichotomy.'⁴³ Among the benefits of continuing international debate on sanctions, Reddy lists 'an acceleration of

³⁷ Reddy, "Apartheid and the International Community," 21.

³⁸ Boles, *The West and South Africa, Myths, Interests and Policy Options*, 5–7.

³⁹ Smith, *Morality and the Market, Consumer Pressure for Corporate Accountability*, 236; Shaw, "Boycotting South Africa," 66; Hermele and Odén, "Sanction Dilemmas: Some Implications of Economic Sanctions against South Africa," 13; Boles, *The West and South Africa, Myths, Interests and Policy Options*, 43–44; Sethi, *The South African Quagmire, in Search of a Peaceful Path to Democratic Pluralism*, 16; Kaempfer, Lehman, and Lowenberg, "Divestment, Investment Sanctions, and Disinvestment: An Evaluation of Anti-Apartheid Policy Instruments," 473.

⁴⁰ Manby, "South Africa: The Impact of Sanctions," 194.

⁴¹ Crawford and Klotz, *How Sanctions Work: Lessons from South Africa*, 15; DTI Group Secretary Mike Sparham in a draft paper about DTI's role in supporting trade with South Africa: Bod.MSS.AAM 1626.

⁴² Shaw, "Boycotting South Africa," 64.

⁴³ *Ibid.*

international action against racism, the development of solidarity with the black people struggling against colonialism and racism, and the growing recognition of corporate responsibility.’⁴⁴

After years of sizeable growth, the South African economy began to decelerate during the 1970s. In 1972-73, the extended suspension of overt resistance against the authorities was broken when African workers engaged in what has been labeled the ‘Durban strikes.’⁴⁵ In 1974, the increasing isolation of South Africa from the international community was manifested by the exclusion of the country from the UN General Assembly.⁴⁶ It was not until 1976, however, that South Africa once again caught the attention of the world when the authorities were responsible for yet another massacre of students and protestors in Soweto who were demonstrating against the requirement to be taught equally in English and Afrikaans in schools. Beginning on 16 June, the government estimated that 176 people were killed and 1,139 injured during the first week of protest, which continued with varying degrees of intensity for a year and a half.⁴⁷ During this period, 18 organizations were banned, 50 anti-apartheid activists were detained, and Steve Biko – spokesperson of the Black Consciousness Movement – died in police custody.⁴⁸ All of these events prompted widespread international condemnation and the UN responded by recognizing the ANC and the PAC as ‘authentic representatives’ for the majority of the South African population and by implementing a mandatory arms embargo.⁴⁹ As an additional signal, 1982 was named the ‘International Year of Mobilization for Sanctions against South Africa.’⁵⁰

After the Soweto Uprising, the South African government began to adopt a series of policies termed a ‘total national strategy’ that was intended to enhance the country’s international legitimacy and to maintain order domestically.⁵¹ The major change in the political scenery of the early to mid-1980s was the establishment of the National Forum, the United Democratic Front (UDF), and the Congress of South African Trade Unions (COSATU), which consisted of youth movements, trade unions, civic associations, and religious organizations etc.⁵² In September 1984, rent increases

⁴⁴ Reddy, “Apartheid and the International Community,” 24.

⁴⁵ Sanders, “South Africa and the International Media 1972-1979,” 109.

⁴⁶ Dubow, “Smuts, the United Nations and the Rhetoric of Race and Rights,” 48.

⁴⁷ Dubow, *Apartheid, 1948-1994*, 188.

⁴⁸ Ibid.

⁴⁹ Price, *The Apartheid State in Crisis: Political Transformation in South Africa, 1975-1990*, 62; Bramsen, *Sydafrika, Kamp Eller Dialog?*, 225; Dubow, “Smuts, the United Nations and the Rhetoric of Race and Rights,” 49.

⁵⁰ Thörn, “Solidarity Across Borders: The Transnational Anti-Apartheid Movement,” 64.

⁵¹ Price, *The Apartheid State in Crisis: Political Transformation in South Africa, 1975-1990*, 152.

⁵² Dubow, *Apartheid, 1948-1994*, 206, 209; Price, *The Apartheid State in Crisis: Political Transformation in South Africa, 1975-1990*, 176.

precipitated a series of violent demonstrations outside of Johannesburg and the following March, on the 25th anniversary of the Sharpeville Massacre, the authorities opened fire on the participants in a funeral procession in Langa.⁵³ This tragedy came to signify a shift in government policy as Prime Minister Botha declared a state of emergency in the surrounding area on 20 July 1985.

A major turning point in the international response to apartheid South Africa was Botha's 'Rubicon Speech' on 15 August 1985: already one month after the speech, the EEC adopted the 'Luxembourg package' that banned the sale of oil to South Africa, among other measures.⁵⁴ In October, the Nordic countries issued a ban on new investment and the US prohibited the import of Krügerrands.⁵⁵ In 1986, the US Congress passed the 'Comprehensive Anti-Apartheid Act (CAAA) of 1986,' which prohibited new investments, lending, direct flight connections, import of a wide range of goods etc.⁵⁶ The British had a particularly conflicted view on sanctions against South Africa on account of the close ties between the two countries: Britain was South Africa's main international trading partner in the post-war years and between 1946-1978 more than 350,000 people migrated from Britain to South Africa, while 100,000 South Africans moved to Britain.⁵⁷ In 1983, James Barber argued that there was hardly a 'single pension fund, insurance company, building society or unit trust in Britain that does not have some of its capital invested in South Africa.'⁵⁸ In 1986, Britain was still the third largest importer of South African goods and it was estimated that between 70,000 and 250,000 British jobs would be lost in the event of full-scale sanctions.⁵⁹ A Gallup poll from 1985 on the impact of sanctions indicate that 30 per cent of the British population believed that sanctions would accelerate the abolishment of apartheid, while 41 per cent believed that sanctions would have no effect on the apartheid system.⁶⁰ Subsequent polls, however, suggest a major shift in public opinion in the late 1980s: while only 33 per cent of the

⁵³ Dubow, *Apartheid, 1948-1994*, 210–11.

⁵⁴ Hayes, *Economic Effects of Sanctions on Southern Africa*, 11.

⁵⁵ Geldenhuys, *Isolated States: A Comparative Analysis*, 396.

⁵⁶ Rodman, "Public and Private Sanctions against South Africa," 322; Culverson, "The Politics of the Anti-Apartheid Movement in the United States, 1969-1986," 146. Report by *Business International* from December 1986 entitled "South Africa: Critical Issues Monitor:" MCH02-192.

⁵⁷ Barber, *The Uneasy Relationship: Britain and South Africa*, 4; Holland, *The European Community and South Africa: European Political Co-Operation under Strain*, 51.

⁵⁸ Barber, *The Uneasy Relationship: Britain and South Africa*, 25.

⁵⁹ Sethi, *The South African Quagmire, in Search of a Peaceful Path to Democratic Pluralism*, 14; Hayes, *Economic Effects of Sanctions on Southern Africa*, 80; Holland, *The European Community and South Africa: European Political Co-Operation under Strain*, 52.

⁶⁰ Gallup poll conducted between 30 October and 4 November 1985: Bod.MSS.AAM 2241, 2242.

British population supported sanctions in late 1986, 80 per cent were in favour by mid-1988.⁶¹ In addition to some of the EEC recommendations, Britain adopted a number of Commonwealth initiatives, including bans on the promotion of tourism, state-funded trade missions, and government loans to South Africa.⁶²

The state of emergency was renewed in 1986 and extended until 1990, by which time it had brought about the detention of more than 25,000 people.⁶³ With the election of President F.W. de Klerk in August 1989, a reform process was initiated of central aspects of the previous government's policies followed by the announcement of democratic elections to be held in 1994. Shortly after his release from prison in 1990, Nelson Mandela urged the UN not to relax the measures that had been implemented against South Africa yet Britain chose – as the first country to do so – to lift its sanctions that year.⁶⁴ In October 1993, all remaining restrictive measures by the UN were annulled in an effort to support South Africa's transition to democracy. In the spring of 1994, the ANC won a landslide victory with just below 63 per cent of the vote.⁶⁵

According to Kathleen Schwartzman and Kristie Taylor, the amalgamation of three distinct factors advanced the abolishment of apartheid: first, the increasing resistance of South African business-owners to the artificially high-priced labour; second, the large-scale disinvestment of foreign investors; and finally, domestic and international anti-apartheid activity.⁶⁶ Despite a lack of consensus, the impact of state-based sanctions is widely held to have been 'rather modest and ultimately determined by contextual factors.'⁶⁷ Nonetheless, a 1987 'Manifesto for Sanctions' by the AAM asserts that the 'acid test of opposition to apartheid is the issue of sanctions.'⁶⁸ A campaign briefing by the movement further explains that the 'context for the consumer boycott campaign is set by the Anti-Apartheid Movement's concern to stimulate support for the total

⁶¹ Gallup poll conducted between 1 and 6 October 1986: Bod.MSS.AAM 2241, 2242; the UN Association conducted a street ballot in July-August 1988 entitled "Should the United Kingdom Support Sanctions against South Africa?:" Bod.MSS.AAM 2241, 2242.

⁶² Holland, *The European Community and South Africa: European Political Co-Operation under Strain*, 100–101.

⁶³ Dubow, *Apartheid, 1948-1994*, 240.

⁶⁴ Mandela, *Selected Speeches and Writings of Nelson Mandela: The End of Apartheid in South Africa*, 154; Thörn, "Solidarity Across Borders: The Transnational Anti-Apartheid Movement," 75.

⁶⁵ Dubow, *Apartheid, 1948-1994*, 269.

⁶⁶ Schwartzman and Taylor, "What Caused the Collapse of Apartheid?," 132.

⁶⁷ Jones, "South Africa: Sanctioning Apartheid," 55; Levy, "Sanctions on South Africa: What Did They Do?," 415.

⁶⁸ "Manifesto for Sanctions" by the AAM from January 1987: WoW, Box number 193, Acc. No. 00862.

isolation of South Africa in all fields. [...] In a sense the consumer boycott campaign is the sanctions campaign at a popular level.’⁶⁹

CSR

As discussed, the consumer boycott campaigns conducted by the AAM against Barclays and Shell constitute the principal objects of study of this dissertation. At the centre of the interaction between the anti-apartheid activists and the companies was the conflict between constructive engagement and disinvestment. The former term denotes the belief that socio-political transformation should be attained through the gradual improvement of conditions for the non-white population of South Africa, while adherents of the latter argued that complete withdrawal of foreign investment would necessitate the abolishment of the apartheid system and the introduction of democracy. Thörn points to how the ‘conflict of constructive engagement versus sanctions was at the heart of the definition of the collective identity of the anti-apartheid movement.’⁷⁰

Integral to the debate on the role of foreign investment in South Africa was not only the practical consequences of economic isolation but also a more profound concern with the social responsibility of transnational corporations. Since the writings of Adam Smith, Gabriel Abend suggests, a tension has existed between ‘morals and markets, ethics and capitalism.’⁷¹ Abend further notes that current CSR manuals are ‘still reminiscent of Richard Steele’s 1684 business ethics manual, *The Tradesman’s Calling*.’⁷² An early example of social initiatives by companies is Henry Ford’s maxim ‘service before profit,’ though this referred mainly to an increase in production to the benefit of the middle-class.⁷³ It has been suggested that CSR ought to be viewed not as a theory or a concept but as a field of discourses and practices on account of the inclusion of standardization and regulations, branding strategies, workers’ rights, environmental impact, deontological versus teleological approaches etc.⁷⁴

⁶⁹ Campaign briefing by the AAM: Bod.MSS.AAM 1596.

⁷⁰ Thörn, “Solidarity Across Borders: The Transnational Anti-Apartheid Movement,” 66.

⁷¹ Abend, *The Moral Background: An Inquiry into the History of Business Ethics*, 13.

⁷² Abend, “How to Tell the History of Business Ethics,” 48.

⁷³ Heald, “Management’s Responsibility to Society: The Growth of an Idea,” 381.

⁷⁴ Crane, *The Oxford Handbook of Corporate Social Responsibility*, 6; Johnson and Smith, “Contextualizing Business Ethics: Anomie and Social Life,” 1359.

Prioritizing developments in the understanding rather than the content of CSR, this study engages in what could be labelled descriptive or comparative ethics. The primary concern of this dissertation, however, is the changes in perception of social responsibility directly pertaining to the British anti-apartheid consumer boycott campaigns against Barclays and Shell.⁷⁵ Tracing advances in corporate interpretations of social responsibility from the late 1960s to the early 1990s necessitates a broad conception of CSR that is able to comprise contemporary and divergent understandings and that facilitates my analysis of the interaction between the activists and the companies. Thus, CSR will be defined in accordance with the definition by the International Labour Organization (ILO) as a ‘way in which enterprises give consideration to the impact of their operations on society and affirm their principles and values both in their own internal methods and processes and in their interaction with other actors.’⁷⁶ This delineation accentuates the declaration by companies of their principles and values, which is communicated through annual reports, codes of conduct etc. Importantly, the definition by the ILO invites us to gauge the significance of the interaction between foreign-owned companies operating in South Africa and the AAM for the development of socially responsible policies and programs.

‘The history of social conflict between corporations and public-interest groups during the last thirty or more years,’ S. Prakash Sethi and Oliver F. Williams asserted in 2000, ‘is replete with instances in which corporations failed to appreciate the moral and ethical context within which emerging social conflicts were being framed.’⁷⁷ Among these cases, John M. Kline suggests, the anti-apartheid consumer boycott campaigns are ‘pivotal’ for comprehending the escalation of CSR initiatives.⁷⁸ This observation is substantiated in an address at the 1988 Business International Conference in London when Desmond Watkins, Director of Shell International, noted that ‘no current business problem is more complex than that of South Africa which, like an X-ray machine, shows up the complex interdependence of the structure beneath the skin of each business decision.’⁷⁹ Aiming to expose the structural interrelation of factors that contribute to the social attentiveness of transnational corporations, my analyses of anti-apartheid activism and the

⁷⁵ Segerlund, “Making Corporate Social Responsibility a Global Concern Norm Construction in a Globalizing World,” 3–4.

⁷⁶ Report by the ILO: http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/---multi/documents/publication/wcms_116336.pdf.

⁷⁷ Sethi and Williams, *Economic Imperatives and Ethical Values in Global Business: The South African Experience and International Codes Today*, 5.

⁷⁸ Williams, “Global Codes of Conduct an Idea Whose Time Has Come,” 51.

⁷⁹ Address by Desmond Watkins (Director of Shell International) to the Business International Conference in London on 3 October 1988 entitled “Business and South Africa: Reason and Responsibility.” Bod.MSS.Afr.s. 2350/83.

campaigns against Barclays and Shell are anchored in conceptual frameworks derived from moral philosophy and sociology. This approach is prompted by reflections similar to K. Ravi Raman's allusion to the 'necessity of examining CSR from innovative methodological perspectives and ideological backgrounds, not from a purely economic or political angle.'⁸⁰

Analytical Strategies

I wish to examine the interaction between anti-apartheid activists and their target companies with the use of three different analytical models: Iris Marion Young's 'social connection model,' Ulrich Beck's 'subpolitics,' and the concept of political consumerism. As I explain each model, I assess the ways in which they may contribute to a better understanding of the implications of anti-apartheid consumer boycott campaigns: the social connection model helps clarify the practical and moral relationship between activists and companies; the subpolitical approach serves to explicate the context and the factors that trigger action by social movements as well as their choice of general strategy; finally, political consumerist theory problematizes the tactic of boycotting and the targeting of corporate actors. The order of the concepts is intended to convey a transition from the abstract towards the concrete. I also point out the shortcomings of each model as a comprehensive framework for analysis. My principal argument is that the amalgamation of these models will help disclose important aspects of anti-apartheid activism as a catalyst for CSR and give nuance to my subsequent analyses of the campaigns against Barclays and Shell.

The central gist of Young's social connection model is that 'obligations of justice arise between persons by virtue of the social processes that connect them.'⁸¹ Young's model highlights two significant phenomena: first, the interrelation between individuals and – importantly – how this relation disregards national boundaries; second, the model establishes the idea that individuals have moral responsibilities towards one another to the extent that their interrelation occasions injustices.⁸² This interrelation and ensuing responsibility stem from what Young calls 'social structures' that denote the social context within which individual actions take place. An example of a social structure is the way in which British consumers in the 1970s and 1980s would acquire services or products from Barclays or Shell as part of their everyday necessities; yet such purchases

⁸⁰ Ravi Raman, *Corporate Social Responsibility, Comparative Critiques*, 2.

⁸¹ Young, "Responsibility and Global Justice: A Social Connection Model," 102.

⁸² See Alicke, "Culpable Causation," for a related discussion.

would perpetuate the poor social and political conditions for the non-white South African population due to the taxes paid by the companies to the government, part of which would be spent on repressive measures. By going about their everyday lives, in other words, British consumers would partake in structures that had a negative social impact on parts of the South African population. While it may not be possible to detect the implications of each purchase, the main point is that individuals share the responsibility for the outcome of their actions within ‘accepted institutions and practices’ such as depositing money or fuelling one’s car.⁸³ In terms of assigning responsibility, Young argues, the prevalent model is the ‘liability model’ that seeks to demonstrate the causal relation between an actor’s decisions and some type of harm. Usually, the purpose is to assign legal responsibility for a particular action yet Young deems this model to be inadequate when it comes to social structures and the immoral consequences of lawful actions. Moreover, the liability model mainly addresses past actions whereas the social connection model emphasizes ‘forward-looking issues’ in the attempt to prevent future harms on the basis of social structures.⁸⁴

Stressing the significance of individual choice, Young argues that social structures are maintained largely through individual action. The implication is that an aggregation of individual actions that takes into account the shared nature of responsibility and that aims to rectify harms may be capable of remedying structural injustices. Applying this notion to British anti-apartheid activism would underline the salience of a focus on campaigns against transnational companies operating in Britain *and* South Africa since these could be seen as enablers of structural injustices through their role as intermediaries between British consumers and the repressive apartheid regime. As examined in chapter one, the AAM used very similar arguments in the effort to make clear the connection between British consumers and the perpetuation of the apartheid system.

Yet is it over-simplification, Esther Hennchen probes in a discussion of Shell, when ‘blaming and shaming Shell alone in a context of a local and global public responsibility void and the global interconnectedness of the oil industry?’⁸⁵ The purpose of including the social connection model in my analysis of anti-apartheid campaigns is to provide a structural account of the moral relationship between the principal actors. The model brings to the fore the dilemma faced by the AAM in choosing a strategy and mobilizing participants since campaigning against companies dictated a

⁸³ Young and Nussbaum, *Responsibility for Justice*, 110; Young, “Responsibility and Global Justice: A Social Connection Model,” 114.

⁸⁴ Young, “Responsibility and Global Justice: A Social Connection Model,” 121.

⁸⁵ Hennchen, “Royal Dutch Shell in Nigeria: Where Do Responsibilities End?,” 20.

mapping of the structural relations involved. As Young points out, the model does not ‘evaluate harm that deviates from the normal and the acceptable; rather, it often brings into question precisely the background conditions that ascriptions of blame or fault assume as normal.’⁸⁶ The effect of the social connection model for my analysis, then, is to highlight the idea that while Barclays and Shell were not operating in conflict with the law they were nonetheless implicated in what anti-apartheid activists perceived to be morally contestable conduct. A closer look at some of Beck’s main theses will further attest to the interrelation between anti-apartheid activists and companies and detail the social and political potential of their actions.

Beck’s concept of ‘subpolitics’ is developed within a broader framework that includes ‘risk society’ and ‘reflexive modernization.’⁸⁷ Beck characterizes the type of modernity that began with the industrialization a few centuries ago as the ‘first modernity’ and he typifies this by a pursuit of material accumulation and a dependence on technological progress. Similar to the way in which the first modernity constituted a break away from the feudal societal order, however, a new kind of modernity is succeeding traditional conceptions of industrial society. This new modernity is reflexive, which signifies not ‘reflection’ but mainly ‘self-confrontation;’⁸⁸ in fact, Mads P. Sørensen and Allan Christiansen suggest, modernity is now being forced to ‘modernize itself.’⁸⁹ Reflexive modernization is mainly set in motion by the gradual awareness of the unintended and previously undetected side-effects of the first modernity, or more precisely ‘effects that were originally intended to be more narrow in their scope than they turned out to be.’⁹⁰ These include – on a grand scale – nuclear annihilation, global terrorism, climate change etc. Five events in particular appear to have destabilized the first modernity: the intensification of globalization on a number of levels, a more noticeable individualization, an escalating climate crisis, a tendency towards gender equality, and a so-called third industrial revolution.⁹¹ Beck emphasizes that these events occur not due to the ‘crisis but the *victory* of modernity.’⁹²

⁸⁶ Young, “Responsibility and Global Justice: A Social Connection Model,” 120.

⁸⁷ The concept of ‘reflexive modernization’ was developed in collaboration with Anthony Giddens and Scott Lash, see Beck, Lash, and Giddens, *Reflexive Modernization: Politics, Tradition and Aesthetics in the Modern Social Order*.

⁸⁸ Beck, *World at Risk*, 109.

⁸⁹ Sørensen and Christiansen, *Ulrich Beck*, 35.

⁹⁰ Beck, Bonss, and Lau, “The Theory of Reflexive Modernization: Problematic, Hypotheses and Research Programme,” 2; more recently, Beck introduced the concept of ‘banal’ or ‘coercive’ cosmopolitanization, which emphasizes the unintended side-effects generated by an escalation in processes of cosmopolitanization; see Beck, “Cosmopolitanism as Imagined Communities of Global Risk.”

⁹¹ Sørensen and Christiansen, *Ulrich Beck*, 31.

⁹² Beck, *World at Risk*, 55.

The unintended side-effects referred to above also form the basis for Beck's concept of 'risk society' in which the unplanned consequences of the first modernity come to predominate. Beck defines risk as a '*systematic way of dealing with hazards and insecurities induced and introduced by modernization itself.*'⁹³ Reflexive modernization entails distrust in the legitimacy of the institutional political system and the corporate domain; company conduct is scrutinized, for instance, and more explicit public demands for accountability are presented.⁹⁴ As Beck puts it:

[The] neutral indicators of wage and profit continue to decide on investments and the success of products and the organization, but the substantive "how" becomes political, controversial, subject to codetermination, and capable of and even requiring consent. Trust becomes central; a trust capital that can be wasted by continuing to act out the old industrial scenario.⁹⁵

The politicization of the 'how' of corporate conduct serves as an explanation for the emergence of CSR; companies that fail to take social and ethical parameters into account, in other words, risk becoming targets for activist campaigns.

In order to situate these actions against companies (and other forms of institutions and organizations) within the wider frameworks of reflexive modernization and risk society, Beck introduces the concept of 'subpolitics.' Developments brought to attention with reflexive modernization, he notes, necessitate new ways of handling political issues at social 'sites' that have so far been perceived as un-political.⁹⁶ These sites include boycotts at the supermarket, rallying in the streets etc. Subpolitics denotes '*neither politics nor non-politics*, but a third entity: economically guided action in pursuit of interests.'⁹⁷ In this capacity, it represents a '*decoupling of politics from government*' with the aim of transforming 'society from below.'⁹⁸ Consequently, subpolitics may be distinguished from traditional politics by its disregard of legitimation through democratic processes. While reflexive modernization and risk society largely accord with the structural account outlined

⁹³ Beck, *Risk Society, towards a New Modernity*, 21.

⁹⁴ Grolin, "Corporate Legitimacy in Risk Society: The Case of Brent Spar," 221.

⁹⁵ Beck, "Subpolitics: Ecology and the Disintegration of Institutional Power," 59.

⁹⁶ *Ibid.*, 53.

⁹⁷ Beck, *Risk Society, towards a New Modernity*, 222.

⁹⁸ Beck, *World at Risk*, 95.

in the social connection model, subpolitics builds on these ‘narratives’ and presents a more action-oriented component. The concept similarly serves to bridge the macro-level dimensions of the social connection model with the more concrete features of political consumerism.

I would argue that subpolitics can further explanations of the decisions of both social movements and companies. Mads P. Sørensen and Boris Holzer have devised a useful way of distinguishing between the subpolitics of activists and companies by dividing the concept into an active and a passive form.⁹⁹ Active subpolitics, on the one hand, denotes intentional efforts to bring about social and political change, and it is most often conducted by social movements and civil society organizations. The campaigns by the AAM are examples of active subpolitics in the sense that their objective was of a socio-political nature – ending apartheid – and the movement sought to realize this aim through activist means.

Passive subpolitics, on the other hand, points to how the decisions of actors not usually interested in doing politics may nonetheless have political consequences. Here, politics is an unintended side-effect of a particular policy. Thus, parts of the loans issued by Barclays issued loans to the South African government were spent on military expenditures that contributed to the preservation of the apartheid system. Similarly, Shell’s supply of oil to the South African government helped fuel military vehicles. The problem with this kind of passive subpolitics, Sørensen suggests, is that companies can make decisions within their ‘private sphere,’ which means that the public does not have influence on these decisions despite their potentially widespread socio-political ramifications. The same deficit in legitimacy applies to social movements, however, which may circumvent political platforms that are – to some extent – hinged upon public expectations of transparency and accountability. Nevertheless, the consumer boycott campaigns by the AAM can be perceived as efforts to counteract company policies by maneuvering in comparable transnational and unregulated settings.

Aiming to distinguish between various types of social movement activities and campaigns, Sarah Soule refers to state-oriented activity as ‘contentious politics’ and company-targeting activity as ‘private politics.’¹⁰⁰ The latter term, she suggests, is comparable to the concept of subpolitics. Despite the distinction between contentious and private politics, Soule concedes that ‘sometimes there *is* some attempt to target the state either through corporations, alongside corporations, or as a

⁹⁹ Holzer and Sørensen, “Rethinking Subpolitics: Beyond the ‘Iron Cage’ of Modern Politics?”

¹⁰⁰ Soule, *Contention and Corporate Social Responsibility*, 30, 33, original italic.

means to impact corporations via regulation.’¹⁰¹ Thus, she interprets the campaigns against Barclays and Shell as a form of contentious politics.¹⁰² Despite the analytical value of the distinction between contentious and private politics, I would argue that the concept of subpolitics – with its active and passive forms – is better suited for an apartheid-era case study of consumer boycott campaigns. Drawing critically from the notions of reflexive modernization and risk society, we are able to construct a narrative of anti-apartheid activism that situates the campaigns against Barclays and Shell within a socio-historical context. Donald R. Culverson mirrors this view when he argues that ‘opposition to apartheid furnished critical space for deepening inquiry into the injustices fostered by material and structural adjustments to post-industrialization.’¹⁰³ Beck’s notions provide part of an explanation as to why anti-apartheid activists began to realize the significance of the unintended consequences of transnational business conduct and consequently make explicit use of this insight in their strategies. The moral relations addressed by Young’s social connection model are thus further emphasized and contextualized; moreover, we see how activists can build subpolitical strategies on the basis of the moral connections between themselves and the target companies.

Beck’s theories have been met with much criticism over the years and one of the most recurrent contentions is that his concepts have not been tested empirically, which render them somewhat speculative.¹⁰⁴ In accordance with Magnus Frederiksson’s proposal, however, I will mainly use the concept of subpolitics as perspective rather than as empirical analysis.¹⁰⁵ The intention is to accentuate the levels of context and organization in place of attention to the individual activist. Frederiksson claims that Beck’s theories offer a ‘relevant and coherent description of the preconditions for interactions between social actors.’¹⁰⁶ This characteristic of subpolitics also validates my preference for this concept above that of Giddens’ ‘life politics.’¹⁰⁷ This concept is similarly relevant to the study of social movement participation; indeed, Thörn has conducted an illuminating analysis of anti-apartheid activism in relation to life politics. Some of the main aspects of such an analysis include movement culture, activism as a ‘form of life,’ and other identity-related dimensions.¹⁰⁸ Yet since I deal in most part with collective action through the AAM and the impact

¹⁰¹ Ibid., 34.

¹⁰² Ibid., 82.

¹⁰³ Culverson, “The Politics of the Anti-Apartheid Movement in the United States, 1969-1986,” 163–64.

¹⁰⁴ Rasborg, “Den Anden Modernitet: En Kritisk Diskussion Af Ulrich Becks Teori Om Risikosamfundet,” 56.

¹⁰⁵ Ihlen, *Public Relations and Social Theory, Key Figures and Concepts*, 27.

¹⁰⁶ Ibid., 38.

¹⁰⁷ Giddens, *Modernity and Self-Identity: Self and Society in the Late Modern Age*.

¹⁰⁸ Thörn, *Anti-Apartheid and the Emergence of a Global Civil Society*, 89.

of this action on the targeted companies, I find subpolitics to be a more suitable framework for my analysis of anti-apartheid consumer boycott campaigns.

We have seen how Young's social connection model and Beck's subpolitics offer accounts of the structured relations between anti-apartheid activists and companies, the political dimension of the operations of Barclays and Shell in South Africa, and the moral impetus to engage in anti-apartheid activism. Aiming to include a suitable framework for discussing more concrete methods used by the AAM, the final concept that I want to introduce is 'political consumerism.' As opposed to the comparatively concise concepts of the social connection model and subpolitics, political consumerism covers a range of ideas and approaches; and whereas Young and Beck are the principal exponents of their respective concepts, political consumerism is a field inhabited by scholars from a diverse set of disciplines. There is, furthermore, an intrinsic theoretical 'narrative' to the social connection model and subpolitics in the sense that they are constructed around a late twentieth-century mounting awareness of the adverse impacts of the globalization of markets. The advantage of concepts loosely grounded in historical tendencies (if coinciding with the period of the case studies) is that they may help provide a more holistic analysis that takes into account developments in social perspectives. Thus, I would argue that the underlying narratives of the social connection model and subpolitics are closely aligned with considerations made by the anti-apartheid activists concerning the campaigns against Barclays and Shell.

In contrast, I view political consumerism – and boycotting in particular – as a theoretical device less anchored in historical insights. Despite the fact that the term first came into use in the mid-1990s in Denmark to explain the widespread boycotts of French wine and Shell service stations (though unrelated to the company's operations in South Africa), politically charged consumption has been exercised for centuries.¹⁰⁹ As Matthew Hilton argues, it has been 'one of the most recurring means by which citizens have moulded their political consciousness and shaped their political organisations.'¹¹⁰ Including the concept of political consumerism, then, strengthens my analysis of anti-apartheid campaigns not by its particular historical relevance but by its expansion on the concrete tactics used by the activists.

¹⁰⁹ Sørensen, *Den politiske forbruger: i det liberale samfund*, 10; Micheletti, "Political Virtue and Shopping: Individuals, Consumerism, and Collective Action," x.

¹¹⁰ Hilton, *Consumerism in Twentieth-Century Britain, The Search for a Historical Movement*, 1.

Relating consumption to social and political issues is by no means a forced association. In fact, Michele Micheletti lists five factors that theoretically substantiate a perception of consumption as politics: first, consumption can function as a platform for political expression; second, consumption can be used to put political pressure on other actors and institutions; third, consumption concerns issues such as structures of influence and values in society, often dictated by producers and other companies; fourth, as a form of critical consumption the boycott makes up a ‘market-based political tool;’ finally, consumption is progressively more politicized with the globalization of trade and supply chains.¹¹¹ These points relate to the political potential of consumption yet the figure of the consumer is equally ambivalent and has historically been framed in terms of opposites: rational or irrational, active or passive, independent or manipulated, individual or part of a group or mass.¹¹² *Political* consumers, alternatively, select products or services on the basis of political criteria rather than on the product as ‘material object per se.’¹¹³ Thus, a co-op spokesman in London remarked during the first boycott campaign launched by the AAM in 1960 that ‘housewives are refusing to buy South African products and the reasons have nothing to do with the price.’¹¹⁴ While this type of selection allows political consumers to realize the political potential of consumption, a major concern is that consumers only have a ‘secondary relationship’ to the products and services available since they remain reliant on the assortment offered by producers and other companies.¹¹⁵ Conversely, it might be argued that the choices of political consumers also transmit preferences to the target companies that can adjust future policies accordingly.¹¹⁶

As with most forms of activism, an effective signaling of preferences requires organization. Thus, Philip Balsiger suggests that the literature on political consumerism has understated the significance of social movement campaigns as an ‘incentive, if not a determinant, of individual political consumption.’¹¹⁷ He contends that while the dominant narrative considers political consumerism to be an individualized act characterized mainly by behaviourist principles, political consumerism is in fact ‘shaped by the tactical repertoire and by the public framing of collective campaigns.’¹¹⁸ Some

¹¹¹ Micheletti, “Political Virtue and Shopping: Individuals, Consumerism, and Collective Action,” 15.

¹¹² Slater, *Consumer Culture and Modernity*, 33–34.

¹¹³ Micheletti, “Political Virtue and Shopping: Individuals, Consumerism, and Collective Action,” x.

¹¹⁴ “Boycott News No.1” by the AAM from 1960: Bod.MSS.AAM 2198.

¹¹⁵ Holzer, “Political Consumerism between Individual Choice and Collective Action: Social Movements, Role Mobilization and Signalling,” 405.

¹¹⁶ The term ‘consumer social responsibility,’ or CnSR, has recently been introduced as a counter-piece to CSR; see for instance Caruana and Chatzidakis, “Consumer Social Responsibility (CnSR): Toward a Multi-Level, Multi-Agent Conceptualization of the ‘Other CSR.’”

¹¹⁷ Balsiger, “Making Political Consumers: The Tactical Action Repertoire of a Campaign for Clean Clothes,” 312.

¹¹⁸ *Ibid.*, 325.

scholars have expressed concern with the implications of boycotting by individuals: recently, Léna Pellandini-Simányi has argued that political (or ethical) consumerism ‘seeks to provide individual solutions to systemic problems, thereby contributing to what Beck calls the privatization or individualization of risk: the delegation of responsibility for global problems to the individual level.’¹¹⁹ This line of argument perpetuates the common criticism of political consumerism that individual micro-actions attempt to effect change in problem areas that can only meaningfully be addressed through collective or institutional action.

These perceived propensities of political consumers have been disputed by scholars such as Micheletti who has introduced the concept of ‘individualized collective action’ that aims to reflect the ‘political landscape changes of postmodernization, risk society, and globalization.’¹²⁰ As opposed to structured approaches such as affiliation with political parties, individualized collective action emphasizes political activity originating with citizens and consumers on the basis of socio-political concerns.¹²¹ While the activity may be carried out individually – as consumer boycotts, for instance – it is characterized by affinity for the collective. Extending this understanding of political consumers, Nita Mathur suggests that political consumerism poses an ‘antidote to the individualization of politics’ and stresses the formation of alternative networks and the symbolic and eye-catching protest inherent in some forms of political consumerist action.¹²²

This is also where the tactic of boycotting becomes pertinent since it attains significance through social movements by their ability to amplify both the symbolic message of the boycott and its economic impact on the target companies. Alternating between ‘boycott’ and ‘consumer boycott,’ my use of these terms denotes company-oriented action and – unless otherwise specified – thus extends beyond the narrower conception as an abstention from a purchase. Among the general boycott classifications discussed by Monroe Friedman are obstructionist boycotts that use obstacles to prevent people from entering a store and commodity boycotts that urge people not to purchase any brand within a particular group of products or services. These boycotts are micro-level tactics. The macro-level type of boycott that most fittingly explains the strategy of the anti-apartheid activists is the surrogate boycott: if activists aim to change domestic circumstances within a foreign

¹¹⁹ Pellandini-Simányi, *Consumption Norms and Everyday Ethics*, 167.

¹²⁰ Micheletti, “Political Virtue and Shopping: Individuals, Consumerism, and Collective Action,” 25.

¹²¹ *Ibid.*

¹²² Mathur, *Consumer Culture, Modernity and Identity*, 294.

country, for instance, they can boycott a company that operates in the target country.¹²³

Understanding the surrogate boycott and, more broadly, why the decision *not* to buy certain products or services can be deemed a politically charged action are key to understanding the basics of the strategy employed by the AAM against Barclays and Shell (I elaborate on the surrogate boycott in chapter one).

In conclusion, I propose that there are substantial benefits to be gained from the insights of Young's social connection model, Beck's subpolitics, and the concept of political consumerism in an analysis of anti-apartheid boycott campaigns. First, this analytical strategy helps contextualize the motivations and actions of the anti-apartheid activists, which substantiates my discussions of the consumer boycott campaigns. Second, the concepts introduced in this section accentuate the socio-political implications of the involvement of foreign-owned companies in apartheid South Africa. Lastly, the theoretical narratives afforded by the social connection model and the framework of subpolitics stimulate consideration of the relationship between the activists and the boycotted companies. Thus, the launch of the consumer boycott campaigns may qualify an interpretation, on the one hand, of the AAM as *proactive*. A characterization of these campaigns as *reactive*, on the other hand, may be corroborated by viewing the campaigns as responses to the unintended negative side-effects generated by the targeted companies. In this capacity, the application of my analytical strategy encourages a more holistic conception of anti-apartheid activism as a catalyst for CSR.

Method

This study is structured as a historically grounded and theoretically informed discussion of anti-apartheid activism as a catalyst for CSR. The more than two decades of campaigning offers a temporal component to my discussion that allows me to trace advances in the companies' understanding of their social responsibility. By comparing two campaigns by the same actor and with the same goal of corporate withdrawal from South Africa, I examine closely the changes in activist measures and methods as well as in corporate responses and reactions; moreover, I address the question of how such similar campaigns could have entirely different outcomes.

¹²³ Friedman, *Consumer Boycotts, Effecting Change through the Marketplace and the Media*, 9; Friedman, "Ethical Dilemmas Associated with Consumer Boycotts," 236–37.

In order to examine anti-apartheid consumer boycott campaigns from the late 1960s to the early 1990s, my primary literature consists of archival sources. I have chosen to concentrate my efforts on archival material as opposed to conducting interviews for two reasons: first, it would have required considerable time and effort to obtain interviews with some of the anti-apartheid activists involved *and* key employees from Barclays and Shell. Interviewing participants from only one side of the campaigns would be counter-productive to my aim of balancing my analytical perspective between the activists and the companies. Second, the extensive quantity of archival material that I have collected over the past few years justifies the omittance of interviews.

Located at the Bodleian Library in Oxford, the most exhaustive collection of material on the AAM contains not only records on all aspects of the movement but also several internal documents from the companies targeted by boycotts as well as sources pertaining to the interaction between the actors. In examining the AAM, I draw on documents, briefs, correspondences etc. from the activists relating to campaign strategies, reflections on methods, choices of corporate target etc. While I was able to obtain a substantial amount of material from Barclays' archive in Manchester, Shell denied access to its archives apart from a small number of documents selected by the company. Visiting a range of other archives in Britain and Denmark, however, I have collected ample documents for the analysis of the interaction between the AAM and Shell. The sources that disclose the companies' perspective on the campaigns include transcripts from general meetings of shareholders, discussion of policy at board meetings, and management papers relating to the issues of apartheid and the call for disinvestment. Finally, I take into account contributions from the news media in order to provide a more extensive impression of how anti-apartheid activism and CSR were perceived and debated at the time. The main criterion for the selection of primary material has been the relevance of the sources to an examination of the direct interaction between the AAM and its target companies as well as to the subsequent discussion on perceptions of CSR within this context.

As outlined in this introduction, I employ a conceptual approach to the extent that it offers a research strategy for historicizing social processes and developments. The application of theory from sociology and moral philosophy to historical events and social movement campaigning should be performed with caution, and efforts to present an analysis consistently guided by theory should be abandoned in favour of the historical source material. While remaining cognizant of the limitations of theory and factoring in the normative implications of the theoretical perspectives presented in this introduction, I aim to engage in a broader dialogue between theory and historical source material.

In a discussion of research on anti-apartheid activism, Rob Skinner proposes that the movement should be perceived as an ‘assembly of multiple and overlapping fields of political activity, rather than an endeavor that should be set within particular spatial or territorial frameworks.’¹²⁴

Considering the emphasis of this study on British anti-apartheid activism, I define my approach as a *transnationally oriented study of British actors*. This definition is grounded in the notion that while an assessment of the British anti-apartheid effort against Barclays and Shell is incomplete without the inclusion of South African perspectives, the boycott campaigns were mainly conducted within a national, urban or even local group-based framework and the interaction between the activists and the companies largely occurred inside Britain. This understanding corresponds with Skinner’s conceptualization of the international anti-apartheid effort as a ‘series of intertwined, but often disconnected, strands of activism.’¹²⁵

It seems safe to conclude that the AAM – with more than three decades of activity relating to culture, politics, and solidarity across borders – is under-researched.¹²⁶ With *Anti-Apartheid: A History of the Movement in Britain* (2005), Roger Fieldhouse has provided the most elaborate account of the AAM yet he does not detail the campaigns against Barclays and Shell. The highly informative works by Christabel Gurney, Rob Skinner, Simon Stevens, Håkan Thörn, Elizabeth Williams, and Genevieve Klein similarly focus on other aspects of the movement. The symposium held 40 years after the establishment of the AAM constitutes a valuable source for reflections by former participants in the movement. For a discussion of the anti-apartheid activists’ use of the consumer boycott and the emerging corporate attention to CSR, N. Craig Smith’s *Morality and the Market: Consumer Pressure for Corporate Accountability* (1990) presents an illuminating analysis in addition to an important insight into the prevalent perceptions of the late 1980s. My analysis of the campaign against Barclays has further been inspired by the work of Nerys John and Stuart Jones. My analysis of the campaign against Shell has been aided by the works of Arthur Klinghoffer, Boris Holzer, Shuili Du, Edward T. Vieira Jr., and Esther Hennchen.

¹²⁴ Skinner, “Struggles on the Page: British Anti-Apartheid and Radical Scholarship,” 216.

¹²⁵ Skinner, *The Foundations of Anti-Apartheid: Liberal Humanitarians and Transnational Activists in Britain and the United States, c.1919-64*, 200.

¹²⁶ I want to reiterate that I refer to the British anti-apartheid movement; for literature on the American movement, see Massie, *Loosing the Bonds: The United States and South Africa in the Apartheid Years*; and Culverson, “The Politics of the Anti-Apartheid Movement in the United States, 1969-1986”; for literature on the Dutch movement, see Hengeveld and Rodenburg, *Embargo: Apartheid’s Oil Secrets Revealed*; for literature on the Australian movement, see Jennett and Stewart, *Politics of the Future: The Role of Social Movements*; for literature on the Danish movement, see Larney, *Aktivister Mod Apartheid, Dansk Solidaritet Med Sydafrika*.

Studies of the impact of boycott activism on corporate policies and agendas is often situated at the nexus between social movement and organizational studies. Albert O. Hirschman's *Exit, Voice and Loyalty: Responses to Decline in Firms, Organizations and States* (1970) was one of the first attempts to identify strategies and tactics deployed by stakeholders aiming to influence a company.¹²⁷ Joost Luyckx and Maddy Janssens have recently conducted a methodological problematization of historical research on developments in corporate culture:

Despite the fast-growing stream of literature on the integration of historical perspective and methods into management and organization studies, we felt that crafting an empirical study that may be deemed authentic within the realms of both disciplines remains a challenging undertaking. Especially combining the historian's aim to situate phenomena in their unique 'temporal and spatial context' and the organization theorist's preference for the distillation of generalizable insights and more universal truth claims places serious theoretical and methodological demands on researchers.¹²⁸

The research strategies presented in this introduction is intended in part to meet the challenge explicated by Luyckx and Janssens. Chapter two features a more integrative discussion of the quandary facing the historian when approaching organization studies by taking into consideration the complexities inherent in a comparative discussion of 'economic agents' (companies) and 'political agents' (social movements) within the setting of foreign investment in South Africa.¹²⁹ Until recently, a limited number of studies examined the interaction between social movements and companies yet the past few years has seen a 'burgeoning domain of social movement research focused on activist-firm interactions.'¹³⁰

¹²⁷ Albert O. Hirschman, *Exit, Voice and Loyalty: Responses to Decline in Firms, Organizations and States*; King and Soule, "Social Movements as Extra-Institutional Entrepreneurs: The Effect of Protests on Stock Price Returns," 413.

¹²⁸ Luyckx and Janssens, "Discursive Legitimation of a Contested Actor Over Time: The Multinational Corporation as a Historical Case (1964–2012)," 1616.

¹²⁹ Yaziji and Doh, *NGOs and Corporations: Conflict and Collaboration*, 105.

¹³⁰ Waldron, Navis, and Fisher, "Explaining Differences in Firms' Responses to Activism," 414; Moura-Leite and Padgett, "Historical Background of Corporate Social Responsibility"; Balsiger, "Managing Protest: The Political Action Repertoires of Corporations"; King and Soule, "Social Movements as Extra-Institutional Entrepreneurs: The Effect of Protests on Stock Price Returns"; Panayiotis Georgallis, "The Link Between Social Movements and Corporate Social Initiatives: Toward a Multi-Level Theory."

In a recent quantitative study on the effects of consumer boycotts, Brayden King and Mary-Hunter McDonnell juxtapose the CSR policies of boycotted companies with companies that have not been targeted.¹³¹ Having written extensively on the interaction between boycotters and targeted companies, King and McDonnell observe that ‘much research on social movements and organizations contends that there is an empirical link between activists’ contentious activity and corporate social responsibility.’¹³² I aim to identify this empirical link not through quantitative methods but by detailing the communication and responsive actions between the AAM and its target companies while emphasizing the significance of the historical context. While it is difficult to assess the impact of the boycott campaigns on Barclays and Shell, I argue that a qualitative analysis with particular emphasis on the historical context constitutes an apt methodological approach.

George Balabanis has recently noted that while a few studies have examined the use of surrogate boycotting, none has examined the boycott effects on specific transnational companies, which is part of the aim of this dissertation.¹³³ Balabanis examines differences in the boycotters’ approach to the transnational companies that are targets of the same wider campaign and his theoretical framework consists of earlier boycott studies and theory on social cognition, activism, blame attribution, and punishment motivation. Balabanis’ inclination to draw from several fields is echoed by Adam Lent who concludes that ‘if one thing is clear it is that movements, which involve thousands of people in multiple political processes, are far too complex to be explained by one model alone.’¹³⁴

Similarly, in her work on the development of CSR as a response to pressure by the civil society, Lisbeth Segerlund discusses notions such as constructivism, global governance, and the ‘norm cycle model,’ which she applies to her case studies in order to conceptualize CSR as a ‘social construction project driven by a normative agenda.’¹³⁵ Civil society organizations are approached in Segerlund’s study as ‘norm entrepreneurs, engaged in international norm construction aimed at changing the standards by which TNCs are judged.’¹³⁶ While the approaches outlined above constitute helpful analytical strategies, the analytical strategy employed in this dissertation combines the conceptual framework presented in this introduction with insights from social

¹³¹ McDonnell and King, “Keeping up Appearances.”

¹³² King and McDonnell, “Good Firms, Good Targets,” 2.

¹³³ Balabanis, “Surrogate Boycotts against Multinational Corporations: Consumers’ Choice of Boycott Targets,” 516.

¹³⁴ Lent, *British Social Movements Since 1945: Sex, Colour, Peace, and Power*, 236.

¹³⁵ Segerlund, “Making Corporate Social Responsibility a Global Concern Norm Construction in a Globalizing World,” 6.

¹³⁶ *Ibid.*, 1.

movement theory (introduced in chapter one).¹³⁷ This analytical method conveys my preference of recognizing the AAM as a social movement organization (SMO) rather than a grouping of individuals.

Considering the attention in this dissertation to the interaction between actors and the transformation in perceptions of CSR, I want to add a note on discourse analysis. While Quentin Skinner's observation of the 'study of changing concepts as a distinct form of historical enquiry' is reflective of my general conception of CSR, my area of research extends beyond, on the one hand, linguistic and communicative concerns and, on the other hand, understandings and interpretations of CSR as a concept.¹³⁸ My analysis of the interaction between the AAM and its target companies includes direct communication in the form of letters and meeting transcripts yet I also accentuate the importance of actions such as the blockade by the AAM of Shell stations or the decision by Shell to pursue legal action as part of this interaction. If the interaction between the AAM and its target companies is construed as a power struggle, however, the employment of discourse analysis could prove highly beneficial to subsequent discussions of the response by Barclays and Shell.¹³⁹ Three main conceptions of power include, first, invisible and structural mechanisms, second, episodic events in connection with decision-making, and finally, more clearly observable manifestations of power.¹⁴⁰ Thus, the second conception of power is substantiated by Smith's proposal that the early stages of CSR should not be defined in the abstract but rather within the more concrete frame of conflict resolution.¹⁴¹ While the inclusion of Critical Discourse Analysis (CDA) and perspectives on power relations and structures might contribute to an understanding of the discourse employed by both activists and companies as a form of 'social practice,' I aim to conduct an analysis of anti-apartheid consumer boycott campaigns more closely tied to the specific historical context of British activism targeting foreign investment in apartheid South Africa; to my mind, the analytical strategies outlined in this introduction are more suitable for this purpose.¹⁴²

¹³⁷ Panayiotis Georgallis similarly constructs his analytical approach to the interaction between movements and companies around social movement theory, see Panayiotis Georgallis, "The Link Between Social Movements and Corporate Social Initiatives: Toward a Multi-Level Theory."

¹³⁸ Skinner, *Visions of Politics*, 175.

¹³⁹ Michel Foucault, Ernesto Laclau, and Chantal Mouffe have discussed discourse analytical approaches to power.

¹⁴⁰ Frølund Thomsen, *Magt Og Indflydelse*, 51.

¹⁴¹ Paper by Dr. N. Craig Smith from 1987 entitled "A Strategy for Corporate Social Responsibility: The Case of the Withdrawal from South Africa of Barclays Bank:" Bod.MSS.AAM 1617.

¹⁴² Dijk, *Discourse Studies - a Multidisciplinary Introduction*.

This dissertation is divided into two parts: part one conceptualizes and positions the main actors for the subsequent analysis of their interaction featured in part two. Each part is subdivided into two chapters: chapter one traces the active subpolitical strategies of the AAM, while chapter two discusses the passive subpolitics of companies operating in South Africa and integrates the two perspectives by discussing anti-apartheid activism as a catalyst for CSR. Part one relies primarily on historical source material yet includes continuously integrated theoretical reflections. The analytical chapters – three and four – are chronologically structured around, first, the campaign against Barclays and, second, the campaign against Shell. Beginning with a review of the role of the companies in South Africa and the progression of the consumer boycott campaigns, chapters three and four culminate in discussions on the transformation of the relationship of each company to CSR.

In the conclusion, I merge the discussions initiated throughout the dissertation and extend my perspective into the present; the main areas of inquiry pertain to the relevance of the strategies and tactics used by the AAM today as well as the current prominence of CSR. Specifically, I draw parallels between divestment in companies with connections to apartheid South Africa and the movement advocating divestment of fossil fuels. I posit that anti-apartheid consumer boycotts has had a substantial impact on the methods favoured by climate activists today. Similarly, I suggest that codes of conduct developed within an apartheid context and the call by the activists for increased attention to the social responsibility of transnational corporations have occasioned an increase in CSR-related measures.

Chapter 1: The Anti-Apartheid Movement

The examination of the AAM as a social movement actor in this chapter rests on the assumption that the ensuing analyses of the interaction between the movement and the companies targeted by anti-apartheid consumer boycotts benefit from a comprehensive understanding of the origins, strategies, and campaigns conducted by the AAM. By discussing the ethical and practical implications of anti-apartheid activism and the use of the boycott tactic, we can begin to ascertain the relationship between the activists and the targeted companies before exploring the consequences of this relationship for the development of CSR in chapter two.

This chapter begins with an overview of the study of social movements and relates some of the main theoretical approaches to this field. Before outlining the history and organizational structure of the AAM, I further situate the movement within a historical British context. The second half of the chapter addresses the active subpolitical strategies of the AAM by discussing the movement's choice of strategies and campaigns. I pay special attention to the activists' use of the surrogate consumer boycott in a preliminary effort to conceptualize the interaction between the AAM and the target companies.

Social Movements

The field of social movements can be difficult to navigate as it is in rapid development, and there is a myriad of overlapping labels for these movements including pressure group, non-governmental organization (NGO), liberation movement, lifestyle movement, new social movement etc. It has often been argued that a movement does not have any clear boundaries and that the term 'social' has become almost too broad for practical use. This section offers an overview of the research within the field and traces the emergence and central characteristics of social movements. Towards the end of the section, I transition from theoretical reflections to an outline of the proliferation of British social movement activity in the latter half of the twentieth century. The main purpose of including social movement theory is to qualify my discussion of consumer boycott activism as a catalyst for CSR in chapter two; this discussion subsequently forms the basis for my analyses of the campaigns against Barclays and Shell in chapters three and four.

In line with Charles Tilly and Sidney G. Tarrow, I define social movements as ‘a sustained campaign of claim making, using repeated performances that advertise the claim, based on organizations, networks, traditions, and solidarities that sustain these activities.’¹ A distinction can be made between social movements and social movement organizations (SMOs), which are structured organizations that usually aim to manage the direction of a social movement and tap into the values and beliefs systems of the supporters of the movement. Thus, social movements tend to consist of multiple SMOs.² Accordingly, I generally deploy the label ‘social movement’ since the AAM worked closely with other anti-apartheid groups such as Embargo and End Loans to Southern Africa (ELTSA). Unless otherwise specified, I also tend to use ‘AAM’ as an umbrella term for British anti-apartheid groups since the AAM was the definitively largest SMO within this strand of activism.

In terms of methods or ‘repertoire,’ social movements make use of public meetings, rallies, demonstrations, petitions, pamphlets, press releases, sit-ins, blockades, strikes, civil disobedience, boycotts, ‘jamming’ of discourses and symbols etc. The boycott in particular has been highlighted as one of the main tactics and it often covers a number of other activities also referred to as ‘companion tactics.’³

One of the earliest examples of a social movement is the labour movement in Europe, which began to take form in the latter half of the 18th century in response to the rapid industrialization of the time. The movement provided a new channel for voicing concerns and grievances and it strengthened the bargaining power of the workers.⁴ Srilatha Batliwala and L. David Brown explain that the most central value of the early labour movement was ‘a sense of *dignity* of the human being’ and that the movement came to represent the view that all human beings ought to have equal rights.⁵ This emphasis on dignity, equality, and social justice was perpetuated and placed at the forefront of proliferating activist efforts from around the 1960s onwards. As Mancur Olson proposed in his influential *The Logic of Collective Action, Public Goods and the Theory of Groups* (1975), the prospect of economic gain was not the sole motivational factor for the individual; rather,

¹ Tilly and Tarrow, *Contentious Politics*, 8.

² Ruggiero and Montagna, *Social Movements: A Reader*, 125.

³ Crosfield, “Commodity Boycotts, Activist Bodywork and Race: A Study of the Anti-Apartheid Campaigns of Boycott Outspan Action (1970-1992) and the Anti-Trafficking Campaigns of Stop The Traffik (2006-2013),” 74.

⁴ Seidman, *Beyond the Boycott, Labor Rights, Human Rights, and Transnational Activism*, 2.

⁵ Batliwala, *Transnational Civil Society, an Introduction*, 85.

‘people are sometimes also motivated by a desire to win prestige, respect, friendship, and other social and psychological objectives.’⁶

The complexity of the study of social movements consists in its extension from and merging of fields such as behavioural psychology, sociology, and history. During the last couple of decades, the research field has become a central part of the understanding within the humanities and social sciences of cultural and societal transformational processes.⁷ The study of social movements flourished considerably from around the mid-1970s when it branched out into a number of schools. In the main, this development was generated by the intensification in activism that began in the 1960s and that inspired the reevaluation of existing theories. Up until this point, social movements were largely perceived as occupying the space between spontaneous gatherings and formally structured organizations. As William A. Gamson wrote in 1975, the ‘study of social protest has only recently emerged from the straightjacket of collective behavior.’⁸ In addition to progressively elaborate ways of mobilizing support, the appearance of new strategies and methods for campaigning necessitated alternative and more comprehensive analytic approaches. Gauging these approaches, Doug McAdam, John D. McCarthy and Mayer N. Zald identify three factors that are included across the various schools: political opportunities, mobilizing structures, and framing processes.⁹

The first factor – ‘political opportunities’ – is dominated by the political process model. This school emphasizes the importance of the institutional political system, and it argues that social movements largely emerge as an effect of changes within the system and also that they are molded by the opportunities enabled by these changes.¹⁰ Four points can be seen as relevant to political opportunities: the openness of the institutional political system, the stability of political alliances and similar groupings, the support of elected politicians or other influential allies, and finally the state’s capacity for and inclination towards the use of repressive measures.¹¹ Paul Byrne suggests that political opportunities is not so much a contender to other approaches as a ‘reminder to us that

⁶ Olson, *The Logic of Collective Action, Public Goods and the Theory of Groups*, 60.

⁷ Fabian, Skærlund, and Risager, “Protestens taktikker, traditioner og teorier - Redaktionelt forord,” 12.

⁸ Gamson, *The Strategy of Social Protest*, 130.

⁹ McAdam, McCarthy, and Zald, *Comparative Perspectives on Social Movements: Political Opportunities, Mobilizing Structures, and Cultural Framings*, 2.

¹⁰ Culverson, “The Politics of the Anti-Apartheid Movement in the United States, 1969-1986,” 129; McAdam, McCarthy, and Zald, *Comparative Perspectives on Social Movements: Political Opportunities, Mobilizing Structures, and Cultural Framings*, 3; Goodwin, *Rethinking Social Movements, Structure, Meaning, and Emotion*, 68.

¹¹ McAdam, McCarthy, and Zald, *Comparative Perspectives on Social Movements: Political Opportunities, Mobilizing Structures, and Cultural Framings*, 10.

we can only fully understand particular movements by viewing them in their societal and political contexts.¹² Examples of domestic political opportunities for the AAM include ties to Labour MPs that provided the activists with privileged access to the institutional political system. In an international setting, the ability to channel concerns through and receive information from the UN Special Committee against Apartheid constituted an important political opportunity for the activists. Additional opportunity structures have been discussed more recently in relation to social movement campaigning including the ‘industry opportunity structure,’ which denotes the context constituted by the broader industry of a boycotted company, and the ‘corporate opportunity structure,’ which draws attention to characteristics specific to the targeted company; these aspects of the campaigns against Barclays and Shell are examined more closely in chapters three and four.¹³

The second factor – ‘mobilizing structures’ – examines the role of leadership within social movements and the term designates the procedures and methods used to stimulate social movement participation.¹⁴ The main school adhering to this paradigm is ‘resource mobilization,’ which became the dominant school within social movement studies from the 1970s.¹⁵ Departing from most previous theories, resource mobilization theory views social movements as commonly occurring and rationally grounded as opposed to spontaneously formed protest groups. It is held that social movements attain the maximum leverage through professional SMOs that are able to establish long-term strategies etc. In addition to directing attention to how churches, labour unions, and similar groups can muster support outside of the institutional political system, resource mobilization theory can be used to explain the failure of social movement constituents to mirror the composition of the population.¹⁶

It should be noted that many supporters of the political process model also encourage consideration of mobilizing structures despite discrepancies between the two schools pertaining to the equation of social movements with formal organization. Most common, however, is an integration of the two views.¹⁷ Observing the AAM from the perspective of resource mobilization can disclose important aspects of the workings of the movement such as fundraising and the effort to attract new members.

¹² Byrne, “Social Movements in Britain,” 56.

¹³ Soule, *Contention and Corporate Social Responsibility*, 48.

¹⁴ McAdam, McCarthy, and Zald, *Comparative Perspectives on Social Movements: Political Opportunities, Mobilizing Structures, and Cultural Framings*, 3.

¹⁵ Buechler, “Beyond Resource Mobilization? Emerging Trends in Social Movement Theory,” 217.

¹⁶ Clark, *Activism in the Public Sphere: Exploring the Discourse of Political Participation*, 32.

¹⁷ McAdam, McCarthy, and Zald, *Comparative Perspectives on Social Movements: Political Opportunities, Mobilizing Structures, and Cultural Framings*, 4.

In addition, resource mobilization accentuates the impact of the strategies implemented by the heads of local branches and the main office in London. As an account of the outcome of social movement activity, however, the resource mobilization approach has been criticized for ‘being too agentic – as if outcomes depended only on the movement.’¹⁸ In chapters three and four, I consider the contribution of the AAM to the perceived concessions made by Barclays and Shell.

The final aspect of social movement theorizing – ‘framing processes’ (also referred to as ‘social construction’) – calls to attention the idea that people are unlikely to be mobilized around a cause with which they do not identify on a personal level. From this perspective, Robert D. Benford and David A. Snow suggest, ‘movement actors are viewed as signifying agents actively engaged in the production and maintenance of meaning for constituents, antagonists, and bystanders or observers.’¹⁹ Benford and Snow identify points of comparison between framing processes and political opportunities by contending that while the latter do not constitute ‘purely socially constructed entities,’ the extent to which political opportunities ‘constrain or facilitate collective action is partly contingent on how they are framed by movement actors as well as others.’²⁰ Philip Balsiger substantiates this understanding in his discussion of the political process model within the context of corporate-oriented boycott campaigns when he proposes that the term ‘political’ should not be ‘limited to a merely legitimist definition of politics where the political is defined as the game of representation within political institutions.’²¹ Instead, he argues, social movements are ‘specialized in the construction of new issues as having a political meaning.’²² The perception that the anti-apartheid activists were involved in processes of politicization or moralization of corporate conduct is theorized in my conceptual framework, and it is a fundamental characteristic of the anti-apartheid agenda.

Most commonly associated with framing processes are the new social movements (NSM), which tend to engage in culturally oriented interpretations of socio-political issues.²³ Such understandings involve extending the objective of a movement beyond immediate legal changes and seeking instead to transform the ‘cultural structures underpinning modern society.’²⁴ Many NSM theorists

¹⁸ de Bakker et al., “Social Movements, Civil Society and Corporations: Taking Stock and Looking Ahead,” 582.

¹⁹ Benford and Snow, “Framing Processes and Social Movements: An Overview and Assessment,” 613.

²⁰ *Ibid.*, 631.

²¹ Balsiger, “Making Political Consumers: The Tactical Action Repertoire of a Campaign for Clean Clothes,” 323.

²² *Ibid.*

²³ McAdam, McCarthy, and Zald, *Comparative Perspectives on Social Movements: Political Opportunities, Mobilizing Structures, and Cultural Framings*, 5; Haenfler, Johnson, and Jones, “Lifestyle Movements: Exploring the Intersection of Lifestyle and Social Movements,” 4.

²⁴ Strydom, *New Horizons of Critical Theory: Collective Learning and Triple Contingency*, 95.

are preoccupied with the notion of a ‘collective identity’ within a movement, which denotes a synthesis between membership base, issue delimitation, and type of movement activities.²⁵ Part of the reason why NSMs contain the label ‘new’ is that they are seen as different – and not directly deriving – from the ‘old’ labour and church movements.

The abundance in literature on NSMs reflects the diversity within this field; thus, Buechler argues that NSM theories would be a more appropriate indicator.²⁶ He offers a valuable outline of NSMs that demonstrates the disagreement as to their newness, whether they should be perceived as political or cultural, reactive or progressive etc. Buechler summarizes six major strands within NSM theory: first, importance is given to symbolic action in civil society or the cultural sphere in addition to instrumental action in the political sphere; second, the promotion of independence and self-determination is valued above efforts to maximize influence; third, theorists such as Ronald Inglehart have attributed the emergence of NSMs to a shift from ‘Materialist to Postmaterialist value priorities,’ thus downplaying the role of material resources; fourth, the construction of collective identities is problematized and perceived as a complex process; fifth, movement participants’ beliefs and ideologies are underscored as social constructs; finally, NSM theorists seek to identify smaller alternative and temporary groupings that can be seen to form the basis of collective action as opposed to merely focusing on movement leaders and centralized organization.²⁷

The inclusion of framing processes in my analysis of the AAM allows us to trace the movement’s efforts to establish ‘shared understandings of the world’ that legitimate and stimulate collective action such as explicating the connection between social responsibility and corporate conduct.²⁸ Thörn argues that a NSM approach to anti-apartheid activism necessitates several ‘modifications’ since the ‘old’ labour and church networks played a central role in the development of the AAM.²⁹ However, he suggests that the movement’s ‘double strategy of acting both on the outside and on the inside of the established political system’ is a distinctive trait within NSM repertoires.³⁰ While the AAM may justifiably be categorized as an NSM, my choice instead of the denominator ‘social movement’ serves to downplay the cultural and identity-related aspects of anti-apartheid activism

²⁵ Larana, Johnston, and Gusfield, *New Social Movements: From Ideology to Identity*, 15.

²⁶ Buechler, “New Social Movement Theories,” 442.

²⁷ Ibid.; Inglehart, *Culture Shift in Advanced Industrial Society*, 66.

²⁸ McAdam, McCarthy, and Zald, *Comparative Perspectives on Social Movements: Political Opportunities, Mobilizing Structures, and Cultural Framings*, 6.

²⁹ Thörn, “Solidarity Across Borders: The Transnational Anti-Apartheid Movement,” 286.

³⁰ Thörn, *Anti-Apartheid and the Emergence of a Global Civil Society*, 98.

and instead direct attention towards the movement's targeting of corporate actors through consumer boycott campaigns.

Thörn accentuates the context of transnational exchanges of expertise and experiences within which NSMs emerged with particular reference to the inspiration drawn from the anti-colonial struggles, and he attributes the neglect of this influence in NSM theory to a predominant 'methodological nationalism.'³¹ As discussed later in this chapter, British anti-apartheid activism was essentially a product of transnational processes and the suggestion by Srilatha Batliwala and L. David Brown that transnational activities may 'cross, alter, transcend, and even transform borders and boundaries' is highly pertinent in terms of understanding how the activists worked and communicated.³² The transnational anti-apartheid network connected thousands of groups and organizations in more than 100 countries.³³ Rob Skinner details the configuration of anti-apartheid activism, however, when he asserts that at no point 'was there a single transnational network of activists' and that the international anti-apartheid movement should consequently be perceived as a 'movement of movements.'³⁴

Despite this study's discussion of transnational perspectives and the inclusion of communication from organizations such as the ANC and the UN Special Committee against Apartheid, I would concede that my methodological approach could be observed as a perpetuation of nation-based research as criticized by Thörn on the basis of my focus on the interaction between British anti-apartheid activists and British-based companies. As noted in the introduction, however, I circumvent this criticism by approaching my analyses of the consumer boycott campaigns as a transnationally oriented study of British actors. In addition to the inclusion of South African perspectives, I would argue that the transnational focus of the analytical strategy established in the introduction meets the challenge by Beck that the causal responsibility of global crises and risks – such as induced by apartheid – cannot be 'analyzed through a national lens.'³⁵

Moving beyond sociologically grounded social movement theory and discussions on transnationality, I want to include some perspectives by John Markoff on historical analyses of

³¹ Thörn, "Solidarity Across Borders: The Transnational Anti-Apartheid Movement," 289; Ulrich Beck also criticizes methodological nationalism in Beck, *Magt og modmagt i den globale tidsalder: en ny global politisk økonomi*.

³² Batliwala, *Transnational Civil Society, an Introduction*, 65–66.

³³ Thörn, *Anti-Apartheid and the Emergence of a Global Civil Society*, 5.

³⁴ Skinner, *The Foundations of Anti-Apartheid: Liberal Humanitarians and Transnational Activists in Britain and the United States, c.1919-64*, 200.

³⁵ Beck, "Cosmopolitanism as Imagined Communities of Global Risk," 1349.

social movements since he catalogues analytical observations on the basis of their relation to time.³⁶ First, ‘duration’ constitutes a useful approach to social movement activity by, for instance, detailing increases and decreases in the support for campaigns. AAM membership and attendance to events organized by the movement did not develop in steady progression but followed alternative patterns. Also, a long-standing puzzle among anti-apartheid scholars has been that while support for the AAM escalated in the wake of the Sharpeville Massacre in 1960, a similar effect failed to occur after the Soweto Uprising in 1976. More broadly, taking into account the ‘duration’ factor helps to address the diachronic complications of studying anti-apartheid activity from the late 1960s to the early 1990s.

Second, societal ‘trends’ may impact the course of social movements. These include higher literacy rates, developments in communication technologies etc. The AAM unquestionably benefitted from advances such as faster and cheaper travel, the fax machine, the proliferation of telephones, and improved ways of designing and printing posters, pamphlets etc. ‘Trends’ also refer to movement trends, which may denote long-term variations in the mobilization for and frequency of rallies and demonstrations. Given that the AAM was active for more than thirty years, broader social movement repertoires underwent considerable developments during this period, which is reflected in the organization of the single-company campaign against Barclays from the late 1960s and the ‘Freedom at 70’ concert in 1988, both of which tapped into the popular zeitgeist.³⁷

Third, ‘punctual’ events may significantly affect social movement mobilization and choice of strategy. I have already touched upon the events of 1960 and 1976, which may serve as valuable points of reference or comparative analysis, yet I would be cautious about overemphasizing the implications of such isolated events since they may not be representative of the development or activities of the AAM. As Markoff suggests, major events are ‘likely to be particularly attractive as research sites’ since they offer a more compact and clearly identifiable disruption from previous practices and perceptions.³⁸ In my analyses of the boycott campaigns, I emphasize the continuous interaction and renegotiation of social responsibility between the anti-apartheid activists and their target companies above the significance of ‘punctual’ events.

³⁶ Markoff, “Historical Analysis and Social Movements Research,” 2–3.

³⁷ In chapter three, I elaborate on how the campaign against Barclays was notably popular among students in the early 1970s.

³⁸ Markoff, “Historical Analysis and Social Movements Research,” 2.

Fourth, studying the ‘causal dependence’ of events allows for a sequential take on social movement developments and activities. Thus, with Barclays’ disinvestment and the termination of the campaign against the bank, the activists were able to initiate the boycott against Shell. While this approach can help point out the connection between events, there is a risk of unintentionally constructing ‘causally plausible stories.’³⁹ In the case of Barclays’ disinvestment from South Africa, anti-apartheid activists were quick to claim this decision as a victory for their campaign. As I will examine more closely in chapter three, however, a series of converging factors contributed to Barclays’ decision.

Finally, the ‘distinctiveness of place’ pertains to how a combination of temporal and geographical dimensions can provide new insights into social movements, and for the remainder of this section I want to explore this perspective. The intention is to make clear that the AAM was not an isolated phenomenon but rather inspired by and emerging in parallel to other groups, organizations and movements, all of which responded or reflected to various degrees the socio-political realities of British society as it developed after the Second World War. The AAM was conscious of the practical realities of working within a British context and the movement sought to integrate these reflections into its strategy. Thus, a discussion paper from 1971 affirms that the movement ‘works within the British situation, and its work depends on an analysis of British society. But are we voyeurs of a static situation, or active agents within a dynamic situation? How does the raison d’être of AAM [...] relate to its participation in the transformation of British society?’⁴⁰ Such strategic considerations are suggestive of the value attributed by the AAM to national setting and circumstance.

As with many other Western European countries, Britain experienced a post-war economic boom that almost quadrupled male average weekly earnings between 1951 and 1971.⁴¹ The termination of rationing in 1954 became an important benchmark in the development of social movements, Lawrence Black argues, since people could afford to be ‘more concerned with the quality of life than the standard of living.’⁴² While the immediate post-war years had seen a number of protests and demonstrations, more frequent and large-scale mobilizations soon began to stir. Already from the 1950s, the Campaign for Nuclear Disarmament (CND) had a significant stake in developing

³⁹ Ibid., 3.

⁴⁰ “Discussion Paper: November 6th Conference” by John Sprack on 11 February 1971: Bod.MSS.AAM 2019, 2020, 2021.

⁴¹ Marwick, *British Society since 1945*, 114.

⁴² Black, *Redefining British Politics: Culture, Consumerism and Participation, 1954-70*, 7.

campaign strategies to the extent that they became much more common during the 1960s. It should be noted, however, that while the ‘identity politics’ ushered in from the 1960s has been said to mark a break away from previous political preoccupations, groups and organizations with a single main cause date back at least to the nineteenth century.⁴³ Social movement activity concerned with identity politics at this time included the establishment of the Gay Liberation Front (1969), Friends of the Earth (FoE) (1969), and the organization of the first National Women’s Liberation Conference (1970). In addition to these early activities, further inspiration for the social movements of the post-war period came from the various think tanks, independent organizations, and pressure groups that proliferated in the inter-war years. These were characterized by a high degree of professionalism and expertise, which became increasingly important features of social movement organizations.

Another factor that characterized the proliferation of social movement activity is the human rights paradigm, which was introduced with the formulation of the Universal Declaration of Human Rights (UDHR) in 1948. Much discourse was now centered upon human rights, which set a new standard for thinking about ‘humanity’ in global terms.⁴⁴ Established in 1961, Amnesty International was among the early human rights organizations in Britain. Amnesty helped carry human rights from the legal domain and into popular imagination, and the organization was awarded the Nobel Peace Prize in 1977. The AAM similarly invoked the human rights paradigm as when the Herefordshire AA Group pointed out that ‘profits made by Outspan etc. go in tax to pay for massive policy/army expenditure, necessary to [...] deny human rights.’⁴⁵ Other paradigms, however, such as anti-racism and solidarity were in competition to become the overarching signifier of the AAM. Finally, it is conceivable that the activists were hoping to tap into a shared ‘sense of historical responsibility, allied perhaps to a feeling of guilt or unease about British attitudes on racial issues’ by emphasizing Britain’s colonial ties to South Africa.⁴⁶

The post-war decades saw the creation of the welfare state, National Health Service, political party consensus around a strategy of mixed economy, extensive de-colonization, formal entry into the European Community, and finally severe economic crisis from the early 1970s. Adam Lent points

⁴³ An example is the Royal Society for the Prevention of Cruelty to Animals (1824).

⁴⁴ O’Sullivan, “The Search for Justice: NGOs in Britain and Ireland and the New International Economic Order, 1968–82,” 183.

⁴⁵ Leaflet by the Herefordshire AA Group entitled “Please don’t buy that bloody orange!.” Bod.MSS.AAM 1596.

⁴⁶ Confidential letter from J.R. Varcoe of the Southern African Department at the Foreign and Commonwealth Office to C.T. Brant on 19 April 1983: FCO105/1519.

to three significant factors contributing to the rise of social movement activity during this period: first, widespread discontent with the existing political structures and the perceived lack of influence led to demands for a more pluralist political culture.⁴⁷ The dissatisfaction with institutional politics is reflected in the marked decrease in the total membership of the Labour and Conservative Parties during the latter half of the twentieth century; Black refers to the relative decline of ‘elite-directed’ politics, which both stimulated and was a result of the rise of ‘elite-directing’ politics: single-issue campaigns, social movements etc.⁴⁸

Second, a much higher percentage of the British youth were enrolled at institutions of higher education than ever before: during the 1960s, the student numbers expanded by more than 100 per cent to 457,000 full-time students by 1970.⁴⁹ During these years, students became a particularly active segment among social movement participants, and much of the activity was directed at the university authorities. The final factor that contributed to the dramatic increase in social movement activities was the crisis in international relations: anxiety about the catastrophes of Cold War confrontations such as the Cuban Missile Crisis and the Vietnam War triggered mass support for the peace movement.⁵⁰ A wealth of movements and organizations also focused on conditions in the Third World and Britain’s responsibility in this regard; these included War on Want, the Haslemere Group, the World Development Movement, Third World First etc.

The election of Margaret Thatcher’s Conservative government in 1979 entailed the implementation of policies that ran counter to the post-war consensus and that favoured greater degrees of deregulation, privatization, and trade union legislation leading to more pronounced social inequality and division.⁵¹ Many movements and organizations had already become increasingly professionalized and hierarchic, and they worked towards reform as opposed to radical change while targeting the political system in order to bring about legislative change. Lent argues that Greenpeace spearheaded this development in the 1980s by conducting highly professional campaigns that served as models of inspiration for other movements.⁵² Generally, movement and organizational membership escalated during the 1980s: FoE experienced an increase from 1,000 members in 1971 to 140,000 at the end of the 1980s, the CND went from 4,000 members in the

⁴⁷ Lent, *British Social Movements since 1945: Sex, Colour, Peace, and Power*, 36.

⁴⁸ Black, *Redefining British Politics: Culture, Consumerism and Participation, 1954-70*, 9.

⁴⁹ Lent, *British Social Movements since 1945: Sex, Colour, Peace, and Power*, 36.

⁵⁰ *Ibid.*

⁵¹ *Ibid.*, 1; Morgan, *The People’s Peace: British History, 1945-1989*, 467.

⁵² Lent, *British Social Movements since 1945: Sex, Colour, Peace, and Power*, 188.

1970s to around 250,000 in the mid-1980s, and Greenpeace had some 400,000 supporters in Britain by the early 1990s.⁵³

Like the campaigns for nuclear disarmament and abortion rights, Ryan M. Irwin suggests that participating grassroots activists were largely from an educated middle-class background.⁵⁴ ‘To affluent and aroused young people,’ he further argues, ‘apartheid was a blank screen and shaming white South Africans into reform was as much about accountability in pluralist democracy—forcing traditional elites to listen to the moral concerns of diverse voters—as ending the particular mechanics of the National Party’s racial policies.’⁵⁵ Many individual members of the AAM were also active participants in other groups that worked in fields related to anti-racism, anti-colonialism, or human rights yet the AAM is distinguishable as the only movement with opposition to apartheid as its sole *raison d’être*.⁵⁶ To my mind, the most accurate presentation of the AAM would convey its structured organization and capacity for strategic planning while at the same time accentuating the movement’s ties to other actors such as student groups, religious bodies, and trade unions. My discussion of anti-apartheid activism within the confines of the social movement category is guided by a recognition of the analytical restrictions imposed by a reliance on pre-defined categories, as cautioned by Michel Wieviorka:

Whether it be a question of the working-class movement, the ‘new social movements’ or ‘global movements’, there is one danger which constantly threatens the analyst: that of confusing a relatively abstract concept, a sociologically pure category, with real historical phenomena – actual events – which may include this category but are also, of necessity, interplaced with others.⁵⁷

I would argue that the application of the term ‘social movement’ to the AAM furthers an understanding of the type of activities engaged in by the anti-apartheid activists as well as the basic organizational structure of the movement. The comparatively neutral label ‘social movement’ is not overly charged with connotations of identity politics, post-materialism, religious motivations etc.,

⁵³ Byrne, *Social Movements in Britain*, 3.

⁵⁴ Irwin, *Gordian Knot: Apartheid and the Unmaking of the Liberal World Order*, 184.

⁵⁵ *Ibid.*

⁵⁶ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 32.

⁵⁷ Wieviorka, “After New Social Movements,” 12.

which may complicate analyses of the historical source material. The remainder of this chapter engages more closely with the specific history, strategies, and objectives of the AAM.

Brief History of the Anti-Apartheid Movement

The proliferation of social movement activity from around the time of the formation of the AAM provided a productive context for the early years of anti-apartheid activism. Extending the historical perspective further, Hilary Sapire argues that the movement drew from preceding influences such as the ‘anti-slavery sugar boycotts, domestic radicalism as well as the anti-racism, anti-militarism and anti-imperialism of Quaker, non-conformist and Christian Brotherhood movements.’⁵⁸ In terms of post-war Britain, however, the emergence of anti-apartheid activism is indicative of the advent of more radical forms of activism in addition to the rising critique of and resistance against British colonial politics. Whereas legitimacy had largely been defined within a Cold War dichotomy since the Second World War, the AAM significantly claimed support for African nationalism as a source of moral validity.⁵⁹ According to Skinner, anti-apartheid activism began to ‘encapsulate the delegitimization of systems of racial discrimination and colonialism.’⁶⁰ In the 1950s, Reverend Michael Scott, a prominent figure in British anti-apartheid activism, established the anti-colonial Africa Bureau in London. Together with the Movement for Colonial Freedom – among others – this organization contributed to the rising anti-colonial culture in Britain.⁶¹ Skinner suggests that apartheid was looked upon in Britain first and foremost as a moral issue and that the anti-apartheid cause was thus correspondingly a response to an immoral system.⁶²

During the 1950s, British support for the ANC-led struggle against apartheid slowly began to take form. The Treason Trial of 1954-55 brought attention to the political developments in South Africa and initiated fund-raising efforts that have been labelled the ‘first major co-ordinated international response to apartheid.’⁶³ In 1956, the International Defence and Aid Fund (IDAF) was formed by

⁵⁸ Sapire, “Liberation Movements, Exile, and International Solidarity: An Introduction,” 281; in the following sections, I discuss various aspects of the AAM that originated with the sources referenced here.

⁵⁹ Skinner, *The Foundations of Anti-Apartheid: Liberal Humanitarians and Transnational Activists in Britain and the United States, c.1919-64*, 80.

⁶⁰ Skinner, “The Moral Foundations of British Anti-Apartheid Activism, 1946-1960,” 154.

⁶¹ Thörn, “Solidarity Across Borders: The Transnational Anti-Apartheid Movement,” 288.

⁶² Skinner, “The Moral Foundations of British Anti-Apartheid Activism, 1946-1960,” 401.

⁶³ Skinner, *The Foundations of Anti-Apartheid: Liberal Humanitarians and Transnational Activists in Britain and the United States, c.1919-64*, 151–52.

Canon John Collins as the first international anti-apartheid organization.⁶⁴ The following year saw the Declaration of Conscience, which was an attempt to establish a global anti-apartheid campaign. Efforts were made to organize boycotts of South African products and the British retailers that sold them, and Archbishop Trevor Huddleston had called for a cultural boycott of South Africa already in 1954 yet this failed to generate enough impetus to establish an actual movement. The call for a boycott of South African products at the All Africa People's Conference in Accra in 1958 similarly failed to materialize into a movement organization in Britain. Subsequent mobilization efforts, I would argue, may have been facilitated by this early exposure of the British public to the idea of an anti-apartheid boycott.

In the summer of 1959, a meeting was held in London with the purpose of organizing a boycott of South African products. This meeting saw the establishment of the British Boycott Committee, which soon after became the Boycott Movement, the precursor to the AAM. Due to the work of Brits and exiled South Africans, the British movement had before long attained a vital position in the transnational network of information among activists. Appeals were also issued from within South Africa and international anti-apartheid activities were increasingly interconnected with the agendas of opposition parties within South Africa. The early boycotts launched by the Boycott Movement were partly in response to a call from the ANC a few months prior to the establishment of the movement. A more public appeal was requested, however, which could be used to mobilize wider support in Britain.⁶⁵ The reply was a direct appeal signed by ANC leader Chief Luthuli, President of the South African Indian Congress (SAIC) G.M. Naicker, and National Chairman of the Liberal Party Peter Brown. Built on the ANC's domestic boycott strategy, the appeal urged the 'people of Great Britain to strike a blow for freedom and justice in South Africa' that would compel the South African government to abandon its apartheid policies.⁶⁶ In the appeal, it is explained how the domestic South African resistance had attempted deputations, petitions, and parliamentary influence before employing the boycott strategy. Already in this early statement, the potential adverse impact of a boycott is addressed: 'It has been argued that non-white people will be the first to be hit by external boycotts. This may be so, but every organization which commands any important non-white support in South Africa is in favour of them.'⁶⁷ While the ANC and its partners may have hoped to terminate the sanctions debate with this appeal, the contention that the non-

⁶⁴ Thörn, "Solidarity Across Borders: The Transnational Anti-Apartheid Movement," 288.

⁶⁵ AAM Archives, "The Boycott Movement."

⁶⁶ AAM Archives, "Appeal from Chief Luthuli."

⁶⁷ Ibid.

white South African population would be most affected continued to proliferate until the end of the apartheid system.⁶⁸

In January 1960, the Boycott Movement held a large conference, which precipitated the formation of several local boycott committees through Britain. This event also issued a call for sanctions on the grounds that the ‘moral pressure of the consumer boycott was no longer sufficient.’⁶⁹ The main concern at this time was the organization of a month of boycotting in March that aimed to attract attention to the situation in South Africa and the British anti-apartheid effort. This effort succeeded to such an extent that a Guardian editorial from 1 March noted that ‘the boycott begins today, and it is an indication of the organizer’s success so far that no-one needs to ask “boycott of what?”’⁷⁰

During the month of boycotting, anti-apartheid activists distributed an estimated two million leaflets and managed to sell 250,000 copies of the newly produced Boycott News; such quantities were not achieved again until the 1980s.⁷¹ These numbers demonstrate how the AAM from the onset put considerable effort into awareness-raising and mobilizing support through the media and other channels of communication. Well into the month of boycott, the Sharpeville Massacre on 21 March decisively anchored the atrocities of apartheid within the public imagination. Abdul Minty, founding member of the AAM and Honorary Secretary from 1962-95, argues that there was a mutual relationship at work in the extensive condemnation by the British media of the South African government: on the one hand, the media reported widely on the Sharpeville Massacre, boosting support for the AAM. On the other hand, the publicity already achieved for the March boycott had helped place apartheid within the media consciousness in the first place.⁷²

The tragedy in Sharpeville not only enhanced public awareness of apartheid, it also had significant implications for the internal organization of the AAM. The banning by the South African authorities of liberation movements forced many South Africans into exile, a great number of whom went to London where they became involved in the early development of the AAM. As a continuation and extension of the early boycott campaign, the AAM could be perceived as ‘a permanent body established as a response to the transformation of the landscape of anti-apartheid protest after the banning of the ANC and the PAC.’⁷³ One of the principal tasks of the international anti-apartheid

⁶⁸ I examine this issue more closely in the chapter two.

⁶⁹ Bosgra, “The European Community and Apartheid: Minimal Effective Pressure,” 550–51.

⁷⁰ AAM Archives, “The Boycott Movement.”

⁷¹ Ibid.

⁷² Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 20.

⁷³ Skinner, *The Foundations of Anti-Apartheid: Liberal Humanitarians and Transnational Activists in Britain and the United States, c.1919-64*, 177.

movement was now to give voice to the South African resistance against apartheid, which had largely been forced underground. While it is tempting to view the Sharpeville Massacre as the instigating event in the movement's transformation to the AAM, future boycott campaigns and a wider internationalization of the anti-apartheid struggle had already been planned beforehand.⁷⁴ As the month of boycott was drawing to a close, it was decided at a meeting on 30 March that the movement was to be renamed the 'Anti-Apartheid Movement,' a moniker that tied the movement more closely to the struggle against apartheid in the public perception.⁷⁵

Since its establishment, the movement had gradually come to encompass a loose coalition of supporters and affiliations. The AAM immediately recognized the persuasion that trade union leaders might exert on their members as well as the concerted pressure that could be exercised by a coalition of trade unions, particularly in the form of the Trades Union Congress (TUC). By the late 1960s, the AAM had secured the support of 14 unions and a trade union action group was set up in 1968.⁷⁶ The TUC represented a wide range of interests, however, and it generally did not favour measures such as sanctions and boycotts that would damage Britain's economic position in South Africa.⁷⁷

Similar to the TUC, religious organizations were perceived by the AAM as important partners. Prominent religious figures had played a major role in fostering awareness of apartheid and in the early development of the AAM itself. The strong moral current in anti-apartheid can be traced back to individuals such as Archbishop Huddleston, Canon John Collins, and Reverend Scott who had perceived anti-apartheid protest as 'a moral obligation that was at least partly a consequence of their religious vocation.'⁷⁸ Reverend Scott, for instance, petitioned at the UN before the establishment of the AAM, thus helping place apartheid on the international political agenda. Archbishop Huddleston – who co-founded and later became President of the AAM – wrote the influential *Naught for Your Comfort* (1956). Rob Skinner describes how Archbishop Huddleston 'appeared to offer a peculiar resonance with public opinion in Britain; both an older generation who retained faith in the righteousness of Britain's "imperial mission" and a younger generation beginning to question that faith found a focus in Huddleston and his campaign for the international isolation of

⁷⁴ Gurney, "In the Heart of the Beast: The British Anti-Apartheid Movement, 1959-1994," 266–67.

⁷⁵ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 21.

⁷⁶ *Ibid.*, 379–80.

⁷⁷ *Ibid.*, 376.

⁷⁸ Skinner, "The Moral Foundations of British Anti-Apartheid Activism, 1946-1960," 3.

South Africa.⁷⁹ The AAM maintained close ties to a number of church and religious organizations, which helped the movement's standing among wider sections of the public. These organizations also contributed with channels for the exchange of information, material resources etc. The Interfaith Center on Corporate Responsibility (ICCR), for instance, became a highly valuable partner for the AAM in terms of its corporate-oriented campaigns. Comparable to the TUC, it was difficult for the AAM to muster support for direct engagement with the British government for policy proposals among British religious organizations despite overall support for the anti-apartheid cause.⁸⁰

The movement's stance on policy measures was complicated not only by the need to cater to its partner organizations and groups but also by ideological deliberations provoked by the underlying Cold War narrative. Politics remained a delicate topic for the AAM, mainly out of fear of losing appeal among potential supporters and influence with elected officials. Labour was the party most responsive to anti-apartheid programs and the fact that some AAM members were Labour MPs attests to the movement's ties with institutional politics. The party's manifesto from 1979 announces that it was 'totally opposed to the system of apartheid, and will continue to support the opponents of apartheid [...]. We will take active steps to reduce our economic dependence on South Africa and discourage new investment in South Africa by British companies.'⁸¹ In the early 1980s, Labour leader Michael Foot further declared that he would support mandatory economic sanctions, which the Conservative Party was unwilling to do.⁸²

There should be no doubt about the predominantly leftist leanings of the AAM: openly communist members appear to have constituted a substantial part of the British anti-apartheid effort and they tended to associate apartheid with capitalism and labour exploitation.⁸³ James Barber, however, suggests that the far-left segment within the movement was not representative of the AAM in its entirety.⁸⁴ It was clear from the early days of the AAM that the movement would not be able to effectively channel all the conflicting political views of its members. Yet this proved advantageous

⁷⁹ Skinner, *The Foundations of Anti-Apartheid: Liberal Humanitarians and Transnational Activists in Britain and the United States, c.1919-64*, 138.

⁸⁰ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 357; Barber, *The Uneasy Relationship: Britain and South Africa*, 64.

⁸¹ The Labour Party Manifesto from 1979: Bod.MSS.AAM 457.

⁸² Barber, *The Uneasy Relationship: Britain and South Africa*, 56.

⁸³ Gurney, "'A Great Cause': the Origins of the Anti-Apartheid Movement, June 1959-1960.," 133; Skinner, "The Moral Foundations of British Anti-Apartheid Activism, 1946-1960," 163; Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 465.

⁸⁴ Barber, *The Uneasy Relationship: Britain and South Africa*, 64.

in the sense that ‘many people who did not consider themselves to be politically involved, and who rarely if ever attended a meeting or demonstration, boycotted South African produce and thought of themselves as committed against apartheid.’⁸⁵

Beyond political leanings, other divides were observable in the composition of the AAM such as the failure to attract extensive support from the working class or among black Britons, which remained a source of concern for the movement.⁸⁶ As Thörn notes, ‘international solidarity in Britain at the time would come easier if the persons appealing for it had a white face – and spoke with a British accent.’⁸⁷ One way to meet this charge and to enhance the legitimacy of the AAM was to emphasize the movement’s close ties to the South African liberation movements. While the AAM sought to engage with all the liberation movements, the ANC was its most important South African partner organization. Genevieve Klein points to the harsh critique of the AAM by the PAC and the ‘superior organization of the ANC in exile’ as reasons for the British anti-apartheid activists’ preference of this movement.⁸⁸ The AAM sought to mobilize British support for the struggle of the ANC, which meant that their roles were ‘mutually supportive but totally different.’⁸⁹ In the early 1960s, the ANC’s turn to a strategy of sabotage was problematic for the AAM since many Brits saw this as a controversial decision. From the mid-1960s onwards, however, the AAM and the ANC’s office in London were generally on good terms. In 1990, for instance, the AAM produced a plan to help the ANC during South Africa’s transition to democracy; the strategy proposals included ensuring publicity for statements by the ANC and persuading the British government to recognize the legitimacy of the South African party. The AAM would further raise funds for the ANC and work to generate support for the party.⁹⁰

The central configurations of the AAM had been developed during the early 1960s and the movement retained many of these basic features as it continued to evolve over the years. Chairman Robert Hughes has described the AAM as a ‘very democratic movement,’ though it had a clear hierarchical structure.⁹¹ The national office in London, also referred to as ‘hub,’ helped to coordinate the activities of the various branches and committees throughout the country.⁹² The

⁸⁵ Gurney, “In the Heart of the Beast: The British Anti-Apartheid Movement, 1959-1994,” 271.

⁸⁶ For a discussion of this aspect of British anti-apartheid activism, see Williams, “Anti-Apartheid: The Black British Response.”

⁸⁷ Thörn, *Anti-Apartheid and the Emergence of a Global Civil Society*, 74.

⁸⁸ Klein, “Publicising the African National Congress: The Anti-Apartheid News,” 395.

⁸⁹ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 271–72.

⁹⁰ *Ibid.*, 283.

⁹¹ *Ibid.*, 300.

⁹² *Ibid.*, 294.

London office had a small number of full-time staff yet much of the work was performed by additional volunteers. The number of staff grew steadily from just a few people in the early 1960s to twenty-three by the end of the 1980s. It was the responsibility of the national office to develop large-scale strategies to be subsequently employed by the regional offices. The organizational structure of the AAM was affected by the rapid expansion in supporter base during the 1980s when the movement became more reliant on a bureaucratic structure in order to address the increasing strain on the resources at the national office. Consequently, the leadership of the AAM began to allocate more of its time to movement organization and administration.⁹³ The National Committee was the policy-making body of the AAM, while the role of the Executive Committee was to advise the National Committee and to effectuate the established policy.⁹⁴

The movement did not seek nor receive any substantial government contributions, most probably on the grounds that it wanted to be able to claim independence from institutional political interests. The movement had little regular monthly income, which meant that it was compelled to apply for funds at all times. Most of the steady income was made up of membership fees that were introduced in 1962. 1,135 members signed up during the first year, with slightly more the following year.⁹⁵ At the time, more than half of the members were students.⁹⁶ While overall membership numbers ended much higher than they were at the early 1960s, it was not a linear progression: membership remained at around 2,500 until the mid-1980s when it suddenly increased drastically, peaking at approximately 18,000 in 1987-88.⁹⁷ Yet official membership numbers did not reflect the extent of the actual support for the AAM since participants in demonstrations, pickets, and boycotts were not necessarily members of the movement organization. For the individual member, membership was meant to signal support for the AAM and perhaps to facilitate access to information about events in South Africa and the British and international anti-apartheid efforts through subscriptions to newsletters, meetings etc. In addition to a steady source of income, membership constituted a base from which to draw in terms of the organization and execution of activities etc. Membership fees were supplemented by collections at demonstrations and meetings, which did not represent a stable source of funding.

⁹³ Ibid., 295–302.

⁹⁴ Annual Report of Activities & Developments October 1981-September 1982: FCO105/1520.

⁹⁵ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 61.

⁹⁶ Gurney, "In the Heart of the Beast: The British Anti-Apartheid Movement, 1959-1994," 274.

⁹⁷ Barber, *The Uneasy Relationship: Britain and South Africa*, 60–61; Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 302; Thörn, *Anti-Apartheid and the Emergence of a Global Civil Society*, 89.

With a few exceptions, most local groups had between 100 and 200 members at their peak in the mid-1980s. Fieldhouse estimates that around 10 per cent of the local groups were ‘very active’ (the committee), 25 per cent ‘active’ (demonstrations, pickets etc.), 25 per cent ‘occasionally active’ (subscribed to newsletters, gave money etc.), and 40 per cent ‘passive support’ (engaged in boycotts).⁹⁸ Apart from local groups, organizational memberships entailed political groups, church groups, women’s organizations, trade unions, students groups, and various other organizations. Similar to the individual membership numbers, the number of affiliated organizations went up from 267 in the mid-1970s to 1,291 in the late 1980s.⁹⁹

In Irwin’s analysis, this marked increase was not a product of the ‘inevitable consequence of preceding activism’ as much as an indication of the distinct transformations of Britain from the 1960s (as related earlier in this chapter).¹⁰⁰ Whereas Irwin stresses these predominantly domestically oriented factors, Christabel Gurney is mainly preoccupied with developments in South Africa in her account of the increase in support for the anti-apartheid cause. Although she similarly points to the policy course of the Thatcher administration, Gurney accentuates the growth of mass resistance as evidenced by the formation of the United Democratic Front (UDF) in 1983 and the township insurrections in 1984-86 as a powerful stimulus for support of the AAM facilitated through coverage by the British media.¹⁰¹

In addition to these factors, the implications of the organizational initiative of the AAM should not be discounted. Gradual awareness of and antagonism towards apartheid was generated by years of dissemination of information and extended campaigns. At the same time, it was a learning process for the AAM, which became more efficient at organizing campaigns, rallies, and events such as the ‘Freedom at 70’ concert, which the movement may not have had the expertise nor the resources to execute during the formative years. While the mid- to late 1980s had seen an explosion in AAM membership numbers and general support for the movement, the release of Mandela in 1990 and the announcement by President De Klerk of the first democratic elections considerably weakened the sense of urgency that had sustained the anti-apartheid effort.¹⁰² While Mandela continued to appeal to the international community to retain most of the sanctions in place, it was becoming clear that the final part of the struggle was increasingly a matter for the South African liberation movements.

⁹⁸ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 311.

⁹⁹ *Ibid.*, 303–4.

¹⁰⁰ Irwin, *Gordian Knot: Apartheid and the Unmaking of the Liberal World Order*, 184–85.

¹⁰¹ Gurney, “In the Heart of the Beast: The British Anti-Apartheid Movement, 1959-1994,” 324.

¹⁰² I discuss some of the implications of this decline in activity in chapter four.

The recruitment of new members of the AAM fell to nearly zero in the early 1990s and the movement amassed a debt of £250,000.¹⁰³ In 1994, the National Committee approved a proposal that the movement should continue its work on Southern Africa under the name ‘Action for Southern Africa’ (ACTSA). The membership and affiliations of the AAM were transferred to ACTSA, and focus would now rest more explicitly on anti-racism.¹⁰⁴

Anti-Apartheid Strategies and Campaigns

For 35 years, the AAM had a clearly defined aim: the introduction of democracy in South Africa. Matters become complicated, however, when dissecting the strategies and methods deployed by the movement to help generate this political transformation. The AAM found itself engaging with the political establishment, struggling with mobilization efforts, and challenged by an often unsympathetic media, and the movement had to update and fine-tune its approach on a continuing basis. Already in 1983, Barber noted that the movement’s tactics continued to respond to ‘mood and circumstance.’¹⁰⁵ He points to the organized demonstrations against rugby tourists in 1969-70 as an example of a campaign that was suitable for its time, to which I would add the ‘Freedom at 70’ concert that was held in the wake of other similar events such as Band Aid. Regardless of such successes, however, the AAM by no means found itself at the vanguard of public popularity at all times: a 1965 Gallup poll found that only 42 per cent of the British public believed that the non-white population of South Africa should enjoy the same rights as the white population.¹⁰⁶ A later British Gallup poll from October 1986 found that only 33 per cent was in favour of imposing sanctions against South Africa, a policy campaigned for by the AAM for more than two decades at this point.¹⁰⁷ This section examines dimensions of anti-apartheid activism explicated in the three main social movement frameworks previously introduced, namely political opportunities, mobilizing structures, and framing processes.

In order to identify more clearly the intended and actual effects of the strategies applied by the AAM, we can adopt a ‘mobilizing structures’ perspective by viewing the movement as an SMO and accentuating the importance of the London main office. Externally, the London office

¹⁰³ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 443.

¹⁰⁴ *Ibid.*, 460–61.

¹⁰⁵ Barber, *The Uneasy Relationship: Britain and South Africa*, 60.

¹⁰⁶ Gallup poll from April 1985 referencing a Gallup poll from 1965: Bod.MSS.AAM 2241, 2242.

¹⁰⁷ Gallup poll conducted between 1 and 6 October 1986: Bod.MSS.AAM 2241, 2242.

communicated with South African liberation movements and anti-apartheid movements globally in addition to representatives from sympathetic organizations, the political establishment, or companies targeted by the AAM. Internally, the London office coordinated action between the local groups to ensure the success of its strategies through continuous mobilization efforts and concerted pressure. Despite the fact that local groups staged campaigns and events of their own, the London office stuck out the main lines along which activism within the movement was defined. The office disseminated briefings on the social implications of boycotting, for instance, as well as initiating nationwide operations. The central position of the office in an expansive network of information and activity meant that it was well disposed to formulate long-term strategies and it is conceivable that the campaign against Barclays could not have been sustained for almost two decades without centralized administration.

A leaflet published by the AAM in 1962 divides the movement's aims into two categories, the first of which is pressure on the elected officials. The government should ban arms sales to South Africa, vote for economic sanctions and a withdrawal of South Africa's mandate over South West Africa (Namibia) at the United Nations, end bilateral trade agreements with the South African government, and finally assist the High Commission territories to 'become outposts of freedom in Southern Africa.'¹⁰⁸ The goals listed emphasize the need of a pluralist strategy and of a holistic perception of pressure tactics since the AAM was well aware that the banning of arms sales alone, for instance, would not be sufficient to change political power structures in South Africa.

By drawing from the 'political opportunities' framework, we can identify the challenges faced by the AAM in terms of the confines afforded by the institutional political system. David Owen, who was Foreign Secretary from 1977-79, has acknowledged that anti-apartheid activism 'brought matters to the attention of ministers and it helped to create a public opinion which politicians could not ignore. It was more effective if it was not too strident.'¹⁰⁹ Despite early advances such as the exclusion of South Africa from the Commonwealth and most international sports activity, the close ties between the AAM and several Labour MPs failed to translate into substantial political results. Internationally, the movement enjoyed privileged access through the UN Special Committee against Apartheid yet countries such as the US, West Germany, and Britain itself continued to veto major sanctions initiatives.

¹⁰⁸ Leaflet by the AAM entitled "South Africa Today:" Bod.MSS.AAM 2227.

¹⁰⁹ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 473.

The second part of the leaflet by the AAM affords guidelines for individual action and suggests that people should boycott South African products, ask the local Co-operative Society to purchase products from elsewhere and the local Council to enforce the boycott, support national and international trade union action, and finally raise funds for ‘victims of apartheid’ and political action.¹¹⁰ This diverse set of procedures allows for various levels of commitment by individuals: boycotting South African products, for instance, does not have to be particularly time-consuming whereas fundraising requires a more active effort. With very few full-time activists, it was important for the AAM to provide its supporters with options for participation that were compatible with other everyday routines.

The AAM described its relationship to the media as ‘difficult and complex,’ and the movement had two principal media strategies: first, persuading the mainstream media to cover events in South Africa as well as British and international anti-apartheid efforts; second, producing publications that could be distributed through alternative channels.¹¹¹ Håkan Thörn outlines advances in two areas that influenced the media strategy of the anti-apartheid activists: first, new national media spaces began to take form, which meant that local problems more frequently figured as national issues and that political identities were molded in new and alternate ways; second, a ‘visualized transnational media space’ emerged, which includes the considerable expansion of the tabloid readership and the proliferation of television sets.¹¹² Thus, the approximately 10 million British television sets in 1960 rose to 16 million in 1970.¹¹³ This globalizing media space is characterized as a ‘site of political struggle, where different political actors, through symbolic actions, are trying to influence opinions.’¹¹⁴ The use of boycotts by the AAM was deliberately symbolic and the movement’s production of posters and pamphlets announcing imminent boycott events was intended to attract attention to the anti-apartheid struggle.

One of the most consistent strategies for publicity by the AAM was the dissemination of information about events in South Africa. With aid from external specialists and sources, the movement conducted research for campaigning purposes as well as for publications such as the early *Boycott News*. The first issue was published a month prior to the March month of boycott in

¹¹⁰ Leaflet by the AAM entitled “South Africa Today:” Bod.MSS.AAM 2227.

¹¹¹ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 430–31; Thörn, *Anti-Apartheid and the Emergence of a Global Civil Society*, 105–6.

¹¹² Thörn, *Anti-Apartheid and the Emergence of a Global Civil Society*, 15–16.

¹¹³ Schildt, *Between Marx and Coca-Cola, Youth Cultures in Changing European Societies, 1960-1980*, 22–23.

¹¹⁴ Thörn, *Anti-Apartheid and the Emergence of a Global Civil Society*, 15–16.

1960 and a year later it had sold 100,000 copies.¹¹⁵ The second issue bore the title ‘You can Fight Apartheid With Your Shopping Bag,’ which demonstrates the early significance of the boycott.¹¹⁶ From 1965, *Anti-Apartheid News*, the successor of *Boycott News*, was published on an almost monthly basis and this newsletter was more ambitious in scope and it reached a larger audience. Christabel Gurney, editor of the *Anti-Apartheid News* from 1969-79, suggests that the publication was the ‘main propaganda vehicle of the AAM and that its role was to explain AAM policy and implement AAM strategy.’¹¹⁷ According to Genevieve Klein, the *Anti-Apartheid News* was useful within activist circles as it came to function as a point of guidance for much anti-apartheid activity.¹¹⁸

The AAM was fundamentally distrustful of the ability of the mainstream media to report on the anti-apartheid cause in an unbiased manner. Part of this skepticism was rooted in cognizance of the clandestine effort by the South African authorities to influence the international media agenda in its favour. Since the introduction of the apartheid system in 1948, the relationship between the South African government and the international media had deteriorated, and after Sharpeville, P.J. Nel, the Director of Information, asserted that the ‘public opinion outside our country has reached a stage where it reacts to emotions and no longer to facts.’¹¹⁹ James Sanders explains how the government ‘engaged in an extensive campaign of propaganda and disinformation in order to counter the work of the global anti-apartheid movements’ throughout the 1970s.¹²⁰ Sanders’ characterization of this undertaking as a ‘war of representation’ hints at the irreconcilable opposition between the South African authorities and the anti-apartheid activists, as well as the significance attributed by both parties to symbolic achievements.¹²¹ Abdul Minty declared in response to this ‘war of representation’ that the South African government and its ‘allies spend millions of rand on their propaganda each year. We may not have the same resources at our disposal but we do have justice and truth on our side.’¹²² Even this statement, however, was a perpetuation of the representational struggle since the AAM deliberately framed information with the purpose of ensuring the public

¹¹⁵ Bosgra, “The European Community and Apartheid: Minimal Effective Pressure,” 550–51.

¹¹⁶ Thörn, *Anti-Apartheid and the Emergence of a Global Civil Society*, 128–29.

¹¹⁷ Klein, “Publicising the African National Congress: The Anti-Apartheid News,” 399–400.

¹¹⁸ *Ibid.*, 397.

¹¹⁹ Irwin, *Gordian Knot: Apartheid and the Unmaking of the Liberal World Order*, 64.

¹²⁰ Sanders, “South Africa and the International Media 1972-1979,” 2, 54.

¹²¹ *Ibid.*, 3.

¹²² Campaign letter from Honorary Secretary Abdul Minty on “Operation Orange:” Bod.MSS.AAM 459.

transmission of the movement's agendas.¹²³ Thus, a letter from ELTSA to the AAM bluntly relates concerns pertaining to the depiction of the anti-apartheid cause:

Our problem lies in the best way to get press attention, without using the usual image of 'Black as Victim'. In the past we have tended to rely on a photogenic 'gimmick' and a few MPs (white and male), to attract the press. While we still hope to have our traditional supporters, we really want to branch out to make the photocalls and pickets more existing and definitely with more positive images.¹²⁴

British anti-apartheid groups – with the AAM at the forefront – were highly conscious of their representation of the struggle against apartheid, and they often walked the fine line, as indicated above, between victimization and empowerment. At the centre of the AAM's media strategy was a power skirmish between the activists and their opponents, or what Margaret E. Keck and Kathryn Sikkink refer to as a pursuit of 'moral leverage,' which entails a 'mobilization of shame' and the exposure of opponents to the 'bright light of international scrutiny.'¹²⁵ The AAM sought to circumvent criticisms of bias by claiming credibility, an example of which is the title *FACTS* on a leaflet by the local Herefordshire AA Group.¹²⁶ As with many activities by the AAM, however, a lack of methodical consistency meant that the movement expressed diverging signals; thus, a highly charged rhetoric was employed when stickers with the label 'Contaminated with Apartheid' were attached to products in the supermarkets.¹²⁷

Håkan Thörn and Sebastian Svenberg have recently conceptualized this contradiction in rhetoric as 'discursive ambivalence,' which they perceive as a significant factor in the interpretation of collective action.¹²⁸ This ambivalence may pertain to 'observable conflicts between the movement and its opponents or within the movement; or to contradictions in movement practice.'¹²⁹ I would

¹²³ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 438.

¹²⁴ Letter from ELTSA on 17 September 1989: Bod.MSS.Afr.s. 2350/60.

¹²⁵ Keck and Sikkink, "Transnational Advocacy Networks in International and Regional Politics," 97.

¹²⁶ Leaflet by the Herefordshire AA Group entitled "Please don't buy that bloody orange!" Bod.MSS.AAM 1596.

¹²⁷ Campaign brief by the AAM entitled "The Relaunch of the Consumer Boycott Campaign" from 26 June 1984: Bod.MSS.AAM 1596.

¹²⁸ Thörn and Svenberg, "'We Feel the Responsibility That You Shirk': Movement Institutionalization, the Politics of Responsibility and the Case of the Swedish Environmental Movement," 598.

¹²⁹ *Ibid.*

suggest that much of the discursive ambivalence of the media and publicity-oriented output of the AAM reflects, on the one hand, the movement's internal structure with a vast number of semi-autonomous local groups and, on the other hand, a conscious effort to adapt the movement's rhetoric to the context and target in question. Irrespective of the strategy by the activists to appeal to a diverse audience, it should be noted – as argued by Beck – that the perceived legitimacy of social movements is dependent upon the credibility of the information they provide and the campaign material they disseminate.¹³⁰ Thus, as important as defending itself in the 'war of representation' was to the AAM, it was vital for the movement to be recognized as trustworthy advocates of social justice; my analyses of the campaigns against Barclays and Shell elaborate on strategies for publicity and public standing. From the mid-1980s onwards, anti-apartheid activities began to attract more widespread publicity: a Gallup poll from 1960 found that 94 per cent were aware of the Sharpeville Massacre, while another poll from 1985 indicates that 90 per cent had heard or read about the Langa shootings.¹³¹

In the 1980s, a more decidedly cultural turn in the approach of the AAM to mobilization materialized in the form of documentaries, novels, songs, concerts, music videos, T-shirts etc. Similar to the earlier rugby demonstrations, this tactic seems to have resonated with many people in the mid- to late 1980s, and I would suggest that appeals relating to people's everyday lives were undeniably potent tools for anti-apartheid mobilization. Related to both culturally hinged representations of the anti-apartheid struggle and the often deliberately biased media strategy of the AAM is the 'framing processes' perspective, which problematizes the social movement strategies that can be used to fashion mutual understandings for purposes of mobilization and strategic pressure. Viewing the *Anti-Apartheid News* as a framing device facilitates a discussion of its efforts to reclaim and transform notions such as 'apartheid' and 'constructive engagement' into social constructs charged with specific connotations. Thus, the newsletter was an important mouthpiece for the AAM in its attempt to build a cohesive movement with shared perceptions and a 'collective identity.'¹³²

The principal task for the AAM was to generate sustained support in ways that were not dependent upon the whims of the mainstream media. While the AAM organized a number of general boycotts of South African products over the years, Fieldhouse points out that the London office was better

¹³⁰ Beck, *Magt og modmagt i den globale tidsalder: en ny global politisk økonomi*, 348.

¹³¹ Gallup poll from 1986: Bod.MSS.AAM 2241, 2242.

¹³² Larana, Johnston, and Gusfield, *New Social Movements: From Ideology to Identity*, 15.

equipped to conduct more specialized campaigns such as against single corporate targets or proposed parliamentary legislation.¹³³ For the remainder of this section, I review some of the campaigns pursued by the AAM in order demonstrate the significance attributed to campaigning by the movement, as well as to set the scene for the analyses of the campaigns against Barclays and Shell in chapters three and four.

One of the earliest campaigns was called ‘Pennies against Apartheid’, or ‘Penny Pledge,’ and it was set up in September 1960 partly to ensure financial contributions to the AAM. Local groups and individuals sold pledges at the price of a penny, or a little more, which allowed signatories to display their support for a boycott of South African products. Initially a fundraising effort, the campaign soon began to emphasize the benefits of boycotting in order to recreate the immense impact of the March month of boycott.¹³⁴ The AAM argued that an additional purpose of the Penny Pledge campaign was to ‘follow up the encouragement given by the victory of South Africa’s exclusion from the Commonwealth.’¹³⁵ The final motivation to conduct the campaign was specific to the AAM as an SMO since the campaign was intended to ‘provide a focus for the activities of local committees of the Anti-Apartheid Movement and supporting organizations.’¹³⁶

Another campaign was the ‘No Collaboration Campaign,’ which ran through most of the movement’s existence. Often appearing under synonymous headings, it was a broad campaign that sought to terminate British collaboration with the South African government. The campaign advocated state-based sanctions as well as individual and organizational boycotts, and at times, the activists made use of pledges similar to the Penny Pledge campaign. While in practice the boycott of South African products often meant boycotting retailers such as Tesco’s or Sainsbury’s, it was not until the campaign against Barclays that a single company became the focus of a distinct boycott campaign.

A highly profiled campaign by the AAM was the consumer boycotts that targeted fruit from Outspan and Cape, which were mentioned already in the first edition of the *Boycott News* from 1960. The boycott of fruit was the focus of much AAM activity in the first half of the 1960s when around 57 local councils refused to purchase South African products. Britain was the largest buyer of South African fruit at the time and the location of the headquarters of Outspan in London made

¹³³ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 88–89, 201.

¹³⁴ *Ibid.*, 36.

¹³⁵ Brief on the Penny Pledge Campaign by the AAM: Bod.MSS.AAM 1584.

¹³⁶ Report on the Penny Pledge Campaign by the AAM: Bod.MSS.AAM 1585.

this a practical target for a boycott campaign. Similar to the campaign against Shell, the AAM collaborated with Dutch anti-apartheid activists in the boycott of fruit. In the late 1980s, the AAM conducted another large-scale campaign against Outspan called ‘Operation Orange,’ urging activists to send a message to Thatcher on 26 June 1989 (South Africa Freedom Day) that stated: ‘OUTSPAN – this product funds apartheid.’¹³⁷ This statement was printed on 250,000 cardboard oranges that were distributed around Britain.¹³⁸ Much of the imagery used in the fruit boycotts carried violent undertones and one poster was seen as particularly controversial due to its depiction of the head of a black South African being squeezed like an orange. A leaflet by the Herefordshire AA Group entitled ‘Please don’t buy that blood orange’ explains that ‘anyone who has watched the news recently will know that it is no exaggeration to say there is blood on South African products.’¹³⁹

While the AAM had campaign on behalf of political prisoners since the early 1960s, it was not until the 1980s that the campaign to free Mandela caught hold of the public interest in Britain. The AAM used alternative tactics such as distributing a film entitled ‘Portrait of Nelson Mandela,’ organizing a number of exhibitions, and putting together the highly popular Freedom at 70 concerts in 1988.¹⁴⁰ From a strategic social movement viewpoint, the campaign for political prisoners engaged with and operationalized common perceptions of injustice for mobilization purposes, which corresponds to the persuasive power of a justice-based rhetoric explicated in Young’s social connection model. Similar to the forward-looking characteristics of the social connection model, the use of platforms such as popular music with a positive spin (the ‘Freedom at 70’ concerts) informed people of their ability to hasten the release of Mandela rather than emphasizing the structural links of British colonialism or the complicity of individuals in the perpetuation of apartheid policies through consumption practices.

As previously indicated, a recurrent feature of the strategies and campaigns of the AAM was the effort to tap into pertinent concerns among the movement’s supporters and the wider public. As Christabel Gurney notes:

¹³⁷ Campaign letter from Honorary Secretary Abdul Minty on “Operation Orange:” Bod.MSS.AAM 459.

¹³⁸ Campaign letter from Honorary Secretary Abdul Minty on “Operation Orange:” Bod.MSS.AAM 459.

¹³⁹ Leaflet by the Herefordshire AA Group entitled “Please don’t buy that bloody orange!” Bod.MSS.AAM 1596.

¹⁴⁰ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 120–21.

The AAM turned the multiplicity of British links with South Africa into a weapon against apartheid by challenging them at every level. Its campaigns were framed in such a way that everyone was faced with choices in their personal, social and working lives: whether to buy South African oranges; bank with Barclays; fill up with petrol at a Shell garage; question their pension fund's investment policy; or challenge their employer's use of contractors with interests in South Africa.¹⁴¹

At the centre of the campaigns, in other words, was the resolve to politicize seemingly non-political arenas. As explicated in the social connection model, all links between British consumers and the South African government can be perceived in terms of social structures that implicate the actors involved in a chain of responsibility. A coupling of these exposed links with the unintended negative side-effects of corporate conduct identified in the framework of passive subpolitics enables us to identify the political subtext of, for instance, oranges imported from apartheid South Africa. Having established the purchase of products and services by companies with South African affiliations as politically charged, the active subpolitical strategies discussed in this section act as countermeasures intended to remedy what Gurney refers to as the 'multiplicity of British links with South Africa.'¹⁴² Thus, anti-apartheid boycott campaigns should be seen as a response to the *already politicized* private sector rather than a *politicization* of this sphere.

Anti-Apartheid Surrogate Boycotting

The names of the precursors to the AAM – the Boycott Committee and the Boycott Movement – are indications of the central role afforded to the boycott tactic by the anti-apartheid activists. Yet already in the early days of British anti-apartheid activism, the Committee stated that 'the boycott in this country is essentially a gesture... No-one imagines this boycott will bring an unjust and detested system swiftly to an end.'¹⁴³ From the onset, the boycott was thus primarily used as a tool for mobilization and for its symbolic value in attracting publicity and exerting pressure on the boycott targets. The AAM proposed that the boycott tactic 'should be seen within the context of calls for the total isolation of apartheid in all its international aspects – economic, diplomatic,

¹⁴¹ Gurney, "In the Heart of the Beast: The British Anti-Apartheid Movement, 1959-1994," 350.

¹⁴² Ibid.

¹⁴³ Gurney, "'A Great Cause': the Origins of the Anti-Apartheid Movement, June 1959-1960," 139.

military, sporting, cultural – which are made by the leaders of the struggling black people of South Africa.’¹⁴⁴ The consumer boycott continued to figure substantially in the action repertoire of the AAM and as part of the movement’s wider strategies where it was often employed in combination with other forms of pressure.¹⁴⁵ The remainder of this chapter examines the choice of surrogate boycotting as a tactic by the anti-apartheid activists and the implications of targeting companies operating in South Africa. In extension of previous discussions on social structures and cross-border activity, the surrogate boycott is conceived as a transnational subpolitical strategy that aims to effect change in South Africa through activity in Britain by factoring in broader societal developments such as the advances of economic globalization.

When the AAM first attracted media attention for the use of boycotting in the spring of 1960, the tactic was widely praised as a sensible way of protesting against apartheid within the confines of the law. Only a few newspapers regarded the movement’s boycott tactic as controversial: *The Times*, for instance, ran an editorial under the heading ‘A Tradition Abused.’¹⁴⁶ In Fieldhouse’s view, the symbolic use of the boycott exhibits self-awareness by the AAM since the movement was neither sufficiently well-organized nor did it have the membership numbers to sustain a long-term effective consumer boycott; hence, the activists quickly began to stress the need for additional state-based sanctions. With regular intervals, however, the AAM relaunched the broad consumer boycott that had proved so effective in 1960 in terms of publicity. In 1974, for instance, the movement appealed to youth groups, trade unions, the UN, church groups etc. to collaborate on a consumer boycott in commemoration of the fourteenth anniversary of the Sharpeville Massacre; this campaign lasted three months.¹⁴⁷ Six years later, another consumer boycott was organized, followed by yet another the year after. In 1984-85, the AAM launched large-scale consumer boycotts in response to the uprisings in many South African townships as well as to mark the movement’s 25th anniversary.

By 1986, the AAM was building its consumer boycott strategy on two focus areas: first, the activists called out companies that had failed to respond to anti-apartheid demands to sever links to South Africa; second, the activists maintained pressure on the companies that had pledged support for the anti-apartheid cause without making any actual changes in company policy.¹⁴⁸ Local groups such as the Sheffield AAM also built up networks of ‘apartheid free’ shops that abstained from

¹⁴⁴ “Campaign Briefing No.1” by the AAM from February 1989: Bod.MSS.AAM 459.

¹⁴⁵ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 46, 70.

¹⁴⁶ Boycott News No.1 by the AAM from 1960: Bod.MSS.AAM 2198.

¹⁴⁷ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 70–71.

¹⁴⁸ Brief on the boycott campaign by the AAM from January 1986: Bod.MSS.AAM 1596.

selling South African products, which simplified everyday shopping for those committed to the boycott. Thus, the St. Paul's Community Association in Bristol declared that it would 'not stock any South African goods on our shelves nor will we do so until the people of South Africa are free.'¹⁴⁹

According to a leaflet by the AAM, three motives can justify a consumer boycott; first, the tactic can be selected 'on personal grounds, prompted by one's own conscience, without worrying about the consequences.'¹⁵⁰ In moral philosophy, this would be characterized as a deontological approach, which is recurrent in much anti-apartheid campaign material. Thus, a leaflet from 1965 asks: 'You hate racialism? What can you do?'¹⁵¹ The solution provided is to boycott South African products, join the AAM, and read and distribute the *Anti-Apartheid News*.¹⁵² This motive for boycott engagement emphasizes the participatory implications for the individual activist, as elaborated in the suggestion by William H. Shaw that boycotting can be viewed as a 'moral or political gesture that is entirely personal, not something which others are required to do, nor even something which they particularly want others to imitate.'¹⁵³

The second justification for a consumer boycott pertains to the 'objective, by inflicting economic injury, of exercising influence in the desired direction.'¹⁵⁴ In contrast to deontology, this influence-oriented rationalization is considered a teleological or consequentialist approach. From this perspective, the surrogate boycott is viewed as a leverage-based mechanism for effecting socio-political change in South Africa. Gauging the economic impact of the boycott is notoriously difficult, however, on account of its abstentious character.

The final justification promotes an understanding of consumer products as symbolic and stimulates activists to 'seize it as a starting point for influencing the public opinion in the European countries and in South Africa itself.'¹⁵⁵ Here, the boycott is assessed neither in terms of its significance to the individual nor on its impact on the target company. Instead, it is observed as a manifestation of resistance towards South African apartheid policies as well as perceived British complicity in such policies. The intention was to use the boycott prefiguratively in order to signify public support for

¹⁴⁹ Newsletter by St. Paul's Community Association in Bristol from 1985: Bod.MSS.AAM 1589.

¹⁵⁰ Brief entitled "Don't Squeeze a South African Dry: The Techniques of a Boycott Campaign:" Bod.MSS.AAM 1562.

¹⁵¹ The Anti-Apartheid Movement, "Fight Apartheid with Your Shopping Basket."

¹⁵² Ibid.

¹⁵³ Shaw, "Boycotting South Africa," 70.

¹⁵⁴ Brief entitled "Don't Squeeze a South African Dry: The Techniques of a Boycott Campaign": Bod.MSS.AAM 1562.

¹⁵⁵ Ibid.

sanctions, which the AAM believed was a necessary measure in the international struggle against apartheid. The activists' own analysis of the motives for justifying a consumer boycott concludes that 'in all three cases, one hits a pillar of the support which South Africa gets from Europe.'¹⁵⁶

By encouraging three different approaches to boycotting, the AAM displays a flexible conception of anti-apartheid activism that indicates a diversified internal organization and that facilitates individual reflection on boycott participation. While individual engagement is a fundamental component in anti-apartheid activism, my analyses of the campaigns against Barclays and Shell emphasize the signals made possible through structured collective efforts. An isolated act of boycotting is essentially mute yet sustained campaigning orchestrated by an SMO enables the movement to issue unified statements on behalf of the boycotters. In the case of anti-apartheid activism, individual boycotting was largely 'shaped by the tactical repertoire and by the public framing of collective campaigns,' as previously discussed in relation to political consumerism.¹⁵⁷ Thus, the surrogate boycott campaigns conducted by the AAM arguably exemplify Mathur's conception of political consumerism as an 'antidote to the individualization of politics.'¹⁵⁸ An additional benefit for the movement is the function of the boycott as an equalizer that juxtaposes the different clusters of anti-apartheid activists in their mutual effort to target companies operating in South Africa.

Related to the motivations for boycotting outlined above is what Friedman refers to as 'the criterion problem,' which makes a distinction between 'execution' and 'consequence' criteria.¹⁵⁹ While the organization of a boycott campaign may be successful, the target company is not necessarily moved to comply with the activists' demands. Equally, a campaign may fail to mobilize a satisfactory amount of participants yet the target company may still – due to related or unrelated reasons – choose to adopt the changes in policies demanded by the activists.¹⁶⁰ While the AAM was quick to proclaim its perceived boycott successes, the target companies often disputed such claims. Thus, an article by Ray Joseph in *The Times* recounts the response of some business-owners to the relaunch of the consumer boycott: 'We'll carry on as normal. This boycott has existed for many years and has had no real effect.'¹⁶¹ The criterion problem elucidates a crucial complication in my assessment

¹⁵⁶ Ibid.

¹⁵⁷ Balsiger, "Making Political Consumers: The Tactical Action Repertoire of a Campaign for Clean Clothes," 325.

¹⁵⁸ Mathur, *Consumer Culture, Modernity and Identity*, 294.

¹⁵⁹ Friedman, "Consumer Boycotts: A Conceptual Framework and Research Agenda," 155.

¹⁶⁰ Ibid., 155–56; Smith, *Morality and the Market, Consumer Pressure for Corporate Accountability*.

¹⁶¹ Article by Ray Joseph in *The Times* on 1 July 1984 entitled "AAM boycott has no real effect:" Bod.MSS.AAM 1597.

of the campaigns against Barclays and Shell, and the tension between intention and outcome is further addressed in chapters three and four.

In extension of reflections on the motivation for boycotting are the criteria by which specific companies were targeted. A 1975 brief by the AAM entitled 'Some Thoughts on Consumer Boycotts and South Africa' addresses a number of considerations that ought to factor in the selection of boycott targets: first, the products involved should be purchased by many people on a regular basis; second, alternatives in terms of both quality and price should be available; third, the target company should ideally have contracts or links with the South African government, which would further justify a boycott; the fourth and fifth points caution against targeting companies encompassing more than three brands, which would complicate a clear message; finally, it is argued that the 'sacrifice' committed to by the boycotter correlates with the price of the product or service in question.¹⁶² This list of criteria attributes significance to the public opinion, strategic considerations on the target company, and accessibility for the individual boycotter, which indicates that the AAM was cognizant of the benefits of a holistic approach to boycotting that incorporates both micro- and macro-level concerns.

Part of the company-oriented aspect of the boycott strategy of the AAM included compiling information on the British companies in collaboration with organizations such as the Haslemere Group and ELTSA. Used by the activists to select boycott targets, the aim of these records was to disclose the extent of the companies' involvement in South Africa and the practicalities involved in boycotting particular companies. An additional concern was identifying companies and industries that would appeal as boycott targets to diverse segments of anti-apartheid activists. The collected information was disseminated in leaflets, briefings etc., and by the late 1980s the AAM updated its list of companies three times annually.¹⁶³ Prior to launching a consumer boycott, the AAM usually wrote shops and other companies to persuade them not to stock South African products and to sever all links with South Africa. Most companies contacted by the AAM expressed criticism of the apartheid system yet they would not engage in further discussion with the activists. A substantial number of companies responded by referencing the amorality of imposing restrictions on the consumer such as the argument by Colchester & East Essex Co-operative Society Limited that 'there must be no interference with the free choice of the consumer. Censorship should not be

¹⁶² Brief from 12 May 1975 entitled "Some Thoughts on Consumer Boycotts and South Africa:" Bod.MSS.AAM 1556.

¹⁶³ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 87, 424.

applied which would interfere or aggravate the freedom of choice.’¹⁶⁴ The perceived interference with the freedom of choice explicated in this argument is, I would argue, not dissimilar to the ‘interference’ made by the companies in their selection of products made available to the consumers; chapter two elaborates on the related discussion on the infusion of social responsibility into corporate policy-making.

The counter-response by the activists was that prioritizing the free choice of the consumer above economic sanctions against apartheid South Africa requires transparency in terms of the country of origin of the products available. Shula Marks explains a commonly used tactic among boycotters: ‘You would go into a shop to buy oranges and you’d say “Where are these from?” knowing that they were South African. “Oh! South African, no thank you.”’¹⁶⁵ This was a subtle and non-confrontational way of informing the shops about the popular support for a consumer boycott of South African products. If the products bear no marker of origin, however, the consumers’ ability to opt out of South African products is severely impeded. A customer letter to the manager of Tyler’s Food and Wine explains that a member of staff was seen ‘filling a shelf marked “French” with Cape pears.’¹⁶⁶ When the customer inquired about this, she was told that as ‘no-one would buy South African’ produce it was normally labeled as French.¹⁶⁷ A number of letters obtained by the AAM attest to the prevalence of this practice and the movement urged people to report on instances of mislabeling.¹⁶⁸ Similar cases are found in other countries such as in Denmark where the anti-apartheid group Landskomiteen Sydafrika-Aktion claimed responsibility for a revision of the Danish law on declaration, which began to penalize ‘false declaration of goods’ more heavily from the late 1970s.¹⁶⁹

In Britain, the former Merchandise Marks law was replaced by the Trade Descriptions Act 1968, which was supplemented by the Trade Descriptions Act 1972. These acts sought to minimize confusion about the origin of imported products. During deliberations within the EEC about ending mandatory marking of country of origin in the mid-1980s, the AAM corresponded with the Consumer Affairs Branch of the British Department of Trade and Industry to lobby for the rejection of such legislation. In 1985, the Consumer Affairs Branch explained to the AAM that an ‘essential

¹⁶⁴ Letter from Colchester & East Essex Co-operative Society Limited to T. Young on 4 January 1988: Bod.MSS.AAM 1556.

¹⁶⁵ Marks, “Introduction,” 11.

¹⁶⁶ Letter from Jennifer Hill to the manager of Tylers Food and Wine on 26 May 1987: Bod.MSS.AAM 1585.

¹⁶⁷ Ibid.

¹⁶⁸ Card entitled “The Consumer Boycott Unit:” Bod.MSS.AAM 1556.

¹⁶⁹ Letter by Landskomiteen Sydafrika-Aktion from December 1978: Bod.MSS.AAM 1319.

part of consumer sovereignty is the right to join boycott campaigns to exercise pressure on manufacturers, retailers or countries. [...] Country of origin marking is essential for them to be able to exercise this choice.¹⁷⁰ Despite this support, 1988 saw the revocation of the Trade Descriptions Act 1972. The AAM noted in response that the only way for boycotters to circumvent this was to boycott all the products of companies or shops known to have some connection to South Africa as opposed to merely boycotting the product in question.¹⁷¹ The movement also acknowledged that such indiscriminate measures would ‘unjustifiably affect firms and products for the sake of complying with EEC directives.’¹⁷² This double-edged quality of boycotting is reflected in the suggestion by Dietlind Stolle and Michele Micheletti that political consumerism may threaten the ‘livelihood of workers in targeted firms.’¹⁷³ My analyses of the campaigns against Barclays and Shell elaborate on similar problematic aspects of the surrogate boycott tactic.

The inclusion of the political developments outlined above conveys the practical obstacles and ethical dilemmas faced by the AAM in their effort to conduct consumer boycotts. Both the case of deliberate mislabeling and the overturning of the requirement for imported goods to be origin-marked can be tied to Beck’s view that ‘trust becomes central’ as part of the process of reflexive modernization since the extension of the anti-apartheid activists’ concerns beyond prices anticipated demands for greater degrees of corporate transparency and accountability.¹⁷⁴ Observed from an anti-apartheid perspective, both cases signify the emerging conflict between what Beck refers to as the ‘old industrial scenario’ and the insights of the activists prompted by the unintended side-effects of corporate conduct within the context of developing processes of globalization.¹⁷⁵ The mislabeling of South African products obscured the potential for political consumerist efforts and the legislation eliminating the requirement for origin-marking furthered distrust among the activists in the legitimacy of the institutional political system that characterizes the onset of reflexive modernization.

¹⁷⁰ Letter from the Department of Trade & Industry, Consumer Affairs Branch 2 to the AAM on 24 July 1985: Bod.MSS.AAM 1586.

¹⁷¹ Document entitled “Notes on the trade descriptions (place of production) marking order 1988 and its effect of the boycott of South African or Namibian goods:” Bod.MSS.AAM 1586.

¹⁷² Ibid.

¹⁷³ Stolle, *Political Consumerism*, 3; for more critical perspectives on boycotting, see also Mills, “Should We Boycott Boycotts?”

¹⁷⁴ Beck, “Subpolitics: Ecology and the Disintegration of Institutional Power,” 59; in extension of the discussion on corporate transparency and political consumerism is the proliferation of product certifications such as Fair Trade and the EU Ecolabel.

¹⁷⁵ Ibid.

Part of the reasoning for promoting surrogate consumer boycott campaigns was the expectation by the AAM that the boycotted product would prompt a series of questions with consumers that would ultimately ‘contribute to a more questioning attitude amongst the population as a whole as to the desirability of contact with apartheid as such, represented here through the particular South African good in question.’¹⁷⁶ This conception of boycotting is emblematic of Beck’s assertion that the ‘how’ of corporate conduct is politicized until the point when it begins to function as a catalyst for CSR.¹⁷⁷ This ‘how’ is not only directed at transnational corporations and political institutions but also inwards in the form of identity-related reflections. Thus, a debate within the AAM on the organization of a boycott campaign against the oil industry prompted the concern that to ‘tackle one of these companies means tackling issue of non-automotive lifestyle maybe.’¹⁷⁸

It is evident that the AAM consciously imbued the boycott with qualities that went beyond the economic impact of the act itself. Often employing politically charged rhetoric, the activists claimed that ‘by boycotting products of apartheid we are casting a vote *against* British collaboration and *for* sanctions.’¹⁷⁹ By the end of 1988, a motion submitted by the AAM London Committee at the AGM of the AAM contended that ‘boycott action has already deprived the apartheid state of millions of pounds otherwise available for its war crimes.’¹⁸⁰ By accentuating the role of foreign-owned companies in South Africa, the surrogate consumer boycott helped foster awareness about the implications of the social structures inhabited by ordinary citizens and the extent of the social responsibilities of the companies involved. According to Mike Terry from the AAM, there was a ‘sense to which we saw ourselves as being in a kind of combat with big business, but not because we were against big business, but because that was the logic of the facts that we had.’¹⁸¹ Chapter two details the effort by the AAM to influence corporate agendas and elaborates on the dialectical relationship between the two kinds of actors.

¹⁷⁶ Consumer Boycott Campaign: Campaign Briefing: Mayibuye Archives MCH02-141.

¹⁷⁷ Beck, “Subpolitics: Ecology and the Disintegration of Institutional Power,” 59.

¹⁷⁸ Brief from 12 May 1975 entitled “Some Thoughts on Consumer Boycotts and South Africa:” Bod.MSS.AAM 1556.

¹⁷⁹ Anti-Apartheid Movement National Boycott Conference on 9 February 1985: LMA/4421/01/02/004.

¹⁸⁰ Motions submitted by the AAM London Committee to the AGM of the AAM on 26-27 November 1988: LMA/4421/01/01/001.

¹⁸¹ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 81.

Conclusion

The overview of social movement research in the first section of this chapter qualifies an organizational approach to the AAM, which facilitates my juxtaposition of the movement with its targeted companies in later chapters. The brief history of the AAM in section two expands on the development of the movement; this section is mirrored in the historical overviews of Barclays and Shell in South Africa in chapters three and four. Also, section two addresses the necessity of pursuing action outside of the political system as conveyed by Ethel de Keyser, Executive Secretary of the AAM from 1965-1974, when she suggests that in terms of political lobbying she ‘can’t really say that we had a huge influence on government... I don’t think we moved governments.’¹⁸² Underpinning the intent of the third section is the assumption that my subsequent analyses of the consumer boycott campaigns benefit from insight into previous and parallel anti-apartheid activities. My emphasis on a holistic view on the efforts by the AAM is reflective of the contention by Sarah A. Soule that ‘we should begin to think about the sequencing of tactics and how some tactics may actually impact the emergence and success of others.’¹⁸³ The concentration on surrogate boycotting in the final section is more directly applicable to the campaigns against Barclays and Shell, and it serves as a transition to chapter two, which examines the relationship between anti-apartheid activists and companies involved in apartheid South Africa.

¹⁸² Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 473.

¹⁸³ Soule, *Contention and Corporate Social Responsibility*, 157.

Chapter 2: Foreign-Owned Companies in South Africa

Beyond socio-political developments in Britain and South Africa and persistent efforts by the AAM, the success of the anti-apartheid consumer boycott campaigns was dependent upon the target companies' response strategy and willingness to engage in dialogue. Little precedent had been set in terms of productive interaction between social movements and transnational corporations, and the campaigns against Barclays and Shell can be conceived as test sites for the promotion of social responsibility concerns through consumer boycott activism.

This chapter begins with an overview of the conceptual development of CSR before linking this notion to the operations of foreign-owned companies in apartheid South Africa. Revisiting the discussions of anti-apartheid activism in chapter one, I proceed to address the impact of social movement activism on corporate targets with special emphasis on the expansion of CSR programs. Finally, in order to contextualize the involvement of Barclays and Shell in South Africa, I include decisions and statements from other foreign investors and expound on the incipient regulations of transnational corporations in the form of codes of conduct.

Conceptual History of CSR

Already in the 1920s, the US Chamber of Commerce Committee on Business Ethics identified a responsibility for companies beyond its shareholders: it should also pertain to 'employees, to the public which they serve, and even to their competitors.'¹ Until the 1950s, most discussion on CSR was concerned with the perception of companies as social institutions and the impact that these might have on consumers and citizens within national borders.² Howard R. Bowen's standard-setting definition from 1953 suggests that CSR concerns the 'obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society.'³ At the time, companies tended to perceive of their responsibility in terms of either philanthropy or involvement in community affairs, both of

¹ Heald, "Business Thought in the Twenties: Social Responsibility," 133.

² Segerlund, "Making Corporate Social Responsibility a Global Concern Norm Construction in a Globalizing World," 40; Moura-Leite and Padgett, "Historical Background of Corporate Social Responsibility," 535–36; Bexell, "Exploring Responsibility: Public and Private in Human Rights Protection," 32.

³ Crane, *The Oxford Handbook of Corporate Social Responsibility*, 25.

which were often detached from the core business of the company. When many corporations expanded and attained more influence during the decades following the Second World War, the central concern among legal scholars became ‘who should control the vast economic, political, and social power of these large and powerful wealth-generating machines and how that power should be restrained.’⁴ From the 1960s onwards, the literature on CSR grew extensively and ideas about how companies’ social responsibility could become part of a style of management began to develop. This heightened academic interest in CSR coincided with the emergence of a vast number of socially oriented organizations and new social movements (as discussed in chapter one), many of whom focused on what they perceived to be the unethical conduct of companies.

As the field drew more attention, the benefits and negative impacts of CSR began to form the basis of serious discussion. One of the most prominent early voices to reject the idea of a social responsibility for companies was the economist and Nobel Prize recipient Milton Friedman whose 1970 article in *The New York Times Magazine* entitled *The Social Responsibility of Business is to Increase its Profits* generated much debate. In the article, Friedman questions the ethical foundation of CSR when he asks: ‘What does it mean to say that “business” has responsibilities? Only people have responsibilities. A corporation is an artificial person and in this sense may have artificial responsibilities, but “business” as a whole cannot be said to have responsibilities, even in this vague sense.’⁵ While the reference to corporate personhood plays into another long-standing legal debate in the US, the gist of Friedman’s understanding is that companies have no legal responsibilities beyond those of individuals. He stresses this point by stating that ‘society is a collection of individuals and of the various groups they voluntarily form.’⁶ Friedman and other critics of CSR argue that since a company’s primary responsibility is to maximize shareholder value, a deliberate decrease in this value due to – for instance – socially responsible investment (SRI) essentially means that the company has failed its responsibility.⁷

Over the past few decades, this critique of CSR has been met with the argument that companies have responsibilities not only towards their shareholders but also towards their ‘stakeholders,’ whom would include the various groups and individuals that are in any way affected by company

⁴ Clarkson, “The Corporation and Its Stakeholders Classic and Contemporary Readings,” 53.

⁵ Friedman, “The Social Responsibility of Business Is to Increase Its Profits.”

⁶ *Ibid.*

⁷ SRI does not necessarily entail a decrease in profit but can also constitute a so-called ‘business case’ for CSR, which denotes profitable socially oriented corporate policies.

conduct and policies.⁸ The term first appeared in the early 1960s as a deliberate play on ‘stockholder’ and it originally covered shareholders, employees, customers, suppliers, and lenders, in addition to a vague conception of ‘society.’⁹ Not until R. Edward Freeman’s *Strategic Management* (1984), however, did the stakeholder concept begin to attract serious attention.¹⁰ Freeman defined the stakeholder as ‘any group or individual who can affect, or is affected by, the achievement of a corporation’s purpose.’¹¹ While a comparatively concise definition, I would suggest that reference to a company’s ‘purpose’ requires further clarification before serving as a workable tool for analysis. Max Clarkson has recently elaborated on the concept by distinguishing between *voluntary* stakeholders that include shareholders, investors etc., and *involuntary* stakeholders that denote ‘those that are, or may be, exposed unknowingly to risk and thus be harmed, or benefitted, as a consequence of the corporation’s activities.’¹²

Following Clarkson’s emphasis on the consequences of company activities, it is possible to conceptualize involuntary stakeholders as those affected by a company’s passive subpolitics. In the context of this dissertation, such victims of corporate activity might include the non-white population of South Africa who were affected by, for instance, Shell’s supply of oil to the South African government used as fuel for military vehicles. Despite the fact that British anti-apartheid activists were not affected in the same sense, they could be classified as stakeholders in two ways: first, as customers and voluntary stakeholders of Barclays and Shell they would be making financial contributions to the company’s operations; second, as British citizens their public amenities would be financed in part by tax contributions from Barclays and Shell. In this case, the activists would be involuntary stakeholders. Employing a stakeholder perspective on CSR, then, allows for an analytical alignment of the interests of the activists and the operations of British-owned companies in South Africa. Thus, stakeholder management seeks to ‘systematically address the question of which stakeholders do and do not deserve or require management attention through evaluation of relationships between organizations and stakeholders based on exchange transactions, power

⁸ Holzer, *Moralizing the Corporation: Transnational Activism and Corporate Accountability*, 99.

⁹ Freeman, *Strategic Management, a Stakeholder Approach*, 31–32; Clarkson, “The Corporation and Its Stakeholders Classic and Contemporary Readings,” 104.

¹⁰ Clarkson, “The Corporation and Its Stakeholders Classic and Contemporary Readings,” 2; Mitchell, Agle, and Wood, “Toward a Theory of Stakeholder Identification and Salience: Defining the Principle of Who and What Really Counts,” 853.

¹¹ Freeman, *Strategic Management, a Stakeholder Approach*, vi.

¹² Clarkson, “The Corporation and Its Stakeholders Classic and Contemporary Readings,” 2–3.

dependencies, and legitimacy, or other claims.’¹³ While I maintain that the conceptual framework outlined in the introduction to this dissertation is better suited for discussions about the motivation behind anti-apartheid activism and the interaction between activists and companies, the fact that some management theory corroborates my sociologically determined understanding of the relationship between the two actors substantiates my characterization of this relationship.

In terms of the development of CSR from the late 1970s onwards, Segerlund identifies two catalytic events that represent the ‘emergence of new issues and actors:’ the anti-apartheid campaigns and the boycott of Nestlé.¹⁴ Parallel to the Barclays campaign – and similar in many respects – was the controversy concerning infant formula in developing countries and the related boycott campaign against Nestlé. This controversy began in 1970 when a perceived connection between bottle-feeding and infant mortality was articulated, eventually precipitating a campaign that ran until 1984. Critics of Nestlé’s practices pointed to how infant formula does not provide the same ‘immunological properties’ as breast-milk and that bottle-feeding might cause non-lactation.¹⁵ Furthermore, many poor families in developing countries were compelled to further dilute the formula to make it last longer and to mix it with contaminated water which poses an additional health risk to the baby. At first, the critique was aimed at the industry yet from around 1973 Nestlé was singled out as the frontrunner within the field of infant nutrition research.¹⁶ In 1974, War on Want published the pamphlet *The Baby Killer*, which was taken up and translated into German by a Swiss group that modified the title to *Nestlé Kills Babies*. Nestlé consequently sued for libel and while the company won the case, Tehila Sasson argues that the ‘suit cost the company its public image.’¹⁷ Spearheaded by the Infant Formula Action Coalition (INFACT), the boycott began on 4 July 1977.¹⁸ Two years later, the World Health Organization (WHO) and UNICEF engaged in a collective effort to draft an International Code of Marketing of Breastmilk Substitutes for nation-states and this was passed by the WHO in 1981. The same year, Nestlé responded to the boycott campaign and international pressure by establishing the Nestlé Coordination Center for Nutrition, Inc. (NCCN). NCCN sought to end the ‘unproductive shouting match with Nestlé’s critics’ and began to take heed of the

¹³ Doh and Teegen, “Nongovernmental Organizations as Institutional Actors in International Business: Theory and Implications,” 670.

¹⁴ Segerlund, “Making Corporate Social Responsibility a Global Concern Norm Construction in a Globalizing World,” 155.

¹⁵ Pagan, “The Nestle Boycott: Implications for Strategic Business Planning,” 12.

¹⁶ *Ibid.*, 13–14.

¹⁷ Sasson, “Milking the Third World? Humanitarianism, Capitalism, and the Moral Economy of the Nestlé Boycott,” 1210.

¹⁸ Newton, “Truth Is the Daughter of Time: The Real Story of the Nestle Case,” 373.

activists' views and gather information.¹⁹ In 1984, the international boycott of the company was put to a halt when the campaigners acknowledged Nestlé's compliance with the WHO code.²⁰

There are several similarities between the Nestlé and the British anti-apartheid campaigns such as the strong support from church-affiliated groups; the Interfaith Center on Corporate Responsibility, for instance, played a significant role in both instances. From a strategic point of view, the campaigns also 'fused development and humanitarian discourse with consumer activism.'²¹ Both groups of activists saw political consumerism or, more specifically, the boycott as an outlet for articulating protest and a mechanism for effecting change through pressuring companies. Shortly after the end of the campaign against Nestlé, Raphael Pagan Jr., who led the NCCN and thus Nestlé's counter-boycott strategies, pointed to two lessons learned: the first was that companies not only face financial issues but to an increasing extent sociopolitical issues. The second lesson was that companies that engage in sociopolitical issues may in fact become 'as dynamic and assertive in shaping its political environment as it is in shaping its financial and marketing environment.'²² These reflections suggest that CSR was still, by the mid-1980s, not a widely recognized concept and that most major disputes concerning the social responsibility of companies were likely to set examples.

My juxtaposition of these campaigns with the boycott against Nestlé serves to demonstrate that Barclays and Shell's reactions were not unique but rather symptomatic of contemporary corporate attitudes to CSR. In studying these reactions, we should thus not merely interpret the AAM's use of large-scale surrogate boycotts as an unusual tactic but instead consider the very connection between business and ethics as a novel phenomenon.²³ I would argue that this approach most aptly conveys the prevailing attitude within the private sector at the time, which in turn provides nuance to my analyses of the campaigns against Barclays and Shell. I also want to emphasize the fact that while CSR today is often associated with workplace conditions etc., the ultimate aim of the anti-apartheid

¹⁹ Pagan, "The Nestle Boycott: Implications for Strategic Business Planning," 14.

²⁰ Baker, "The International Infant Formula Controversy: A Dilemma in Corporate Social Responsibility," 188.

²¹ Sasson, "Milking the Third World? Humanitarianism, Capitalism, and the Moral Economy of the Nestlé Boycott," 1208.

²² Pagan, "The Nestle Boycott: Implications for Strategic Business Planning," 13.

²³ Considering the long history of CSR, discussing the 'newfound attention' to the concept would be a more precise turn of phrase yet the interaction between the AAM and the targets of its boycott campaigns indicates that the basic idea of a social responsibility for companies was up for discussion, more than the extent of said responsibility, which suggests that CSR was treated as a novel phenomenon.

drive for increased social responsibilities among companies was the introduction of democracy in South Africa.

A series of CSR-related initiatives began to emerge from the early 1980s such as the Ethical Investment Research Service (EIRIS), which aims to promote a broader understanding of CSR.²⁴ The first international business initiatives were established in the late 1980s with the formation of the Caux Round Table group and the Social Venture Network, and these were followed by multi-stakeholder monitoring schemes.²⁵ Finally, CSR has seen a marked increase in public, academic and corporate attention since the 1990s. During this period, branding has become increasingly important to large transnational corporations, particularly those that are not based on a ‘business-to-business’ model but whose products or services require consumer interaction.²⁶ A company’s brand is also referred to as a kind of ‘corporate identity’ and maintaining this identity is a way to legitimize the company’s activities in the eyes of the public.²⁷ The stronger emphasis on corporate identity developed simultaneous to the emergence of the anti-apartheid movement and its campaigns against Barclays and Shell. Demonstrating the relation between social movements and companies, King suggests that the increased preoccupation with brand and corporate identity instigated the explosion in boycotts, which meant that this tactic might have become more than four times as likely during the years from 1985-1993.²⁸ Boycotting, as we have seen, may involve viewing the target company as a moral actor and this was considerably easier as the corporate domain – in addition to broad sections of the public – gradually began to appreciate the notions of branding, corporate identity, and CSR. A clear progression can be discerned: less than half of the Fortune 500 companies mentioned CSR in their annual reports in 1977, while by the end of the 1990s nearly 90 per cent of them did.²⁹

The purpose of this review of the conceptual history of CSR has been, first, to trace transformations in the perception and acceptance within the academic community and the private sector of social responsibilities for companies. The second aim of this review has been to identify key aspects within the framework of CSR from which the ensuing discussion will extend. I have indicated that

²⁴ Report by EIRIS entitled “South African Employment Conditions: An Investor’s Guide to the Activities of UK Company Groups:” Bod.MSS.AAM 1675.

²⁵ Segerlund, “Making Corporate Social Responsibility a Global Concern Norm Construction in a Globalizing World,” 83, 155.

²⁶ Brewer and Trentmann, *Consuming Cultures, Global Perspectives: Historical Trajectories, Transnational Exchanges*, 73.

²⁷ Knight and Greenberg, “Promotionalism and Subpolitics: Nike and Its Labor Critics,” 546.

²⁸ King, “The Tactical Disruptiveness of Social Movements,” 493.

²⁹ Soule, *Contention and Corporate Social Responsibility*, 20.

anti-apartheid activism functioned as a catalyst for CSR; in the following section, I elaborate on this assertion.

Anti-Apartheid Activism as a Catalyst for CSR

Anthony Giddens proposes that ‘social movements have their own reflective engagement with the organizations they confront and the institutions they set out to alter.’³⁰ Recent literature examining the impact of social movement activities on companies emphasizes the idea that CSR developed partly ‘as a result of efforts by various social actors to monitor and control the consequences of corporate and economic activities.’³¹ My discussions of the campaigns against Barclays and Shell are guided by similar reflections. Based on an examination of British anti-apartheid activism, N. Craig Smith infers that the early stages of CSR should not be defined in the abstract but rather within the more concrete frame of conflict resolution.³² Gay Seidman perpetuates this observation when she cites a journalist suggesting that the effectiveness of the anti-apartheid effort to compel companies to take an ethical stance was ‘based on Milton Friedman’s classic model of social responsibility, whereby external pressures on a corporation defined its societal obligations, not the moral instincts arising from within.’³³ Companies that pay little attention to their social responsibilities, in other words, tend to adopt or expand their CSR programs as an effect of external pressure rather than altruistic concerns. The problem, Yaziji and Doh suggest, is that interaction between companies and activists is ‘more likely to occur in the more advanced stages of developing CSR policies and that companies in earlier stages are less equipped to take on the challenges associated with close collaborations.’³⁴ In the following, I engage with this paradoxical narrative relating to the idea of activism as a catalyst for CSR and situate it within the context of anti-apartheid campaigning.

During the 1970s, several scholars within the field began to shift their focus from the ethical dimensions of CSR to the dynamic processes behind CSR as a *response*, or what William C.

³⁰ Bryant and Jary, *Giddens’ Theory of Structuration A Critical Appreciation*, 220.

³¹ Tsutsui and Lim, *Corporate Social Responsibility in a Globalizing World*, 3; see also Soule and King, “Markets, Business, and Social Movements.”

³² Paper by Dr. N. Craig Smith from 1987 entitled “A Strategy for Corporate Social Responsibility: The Case of the Withdrawal from South Africa of Barclays Bank:” Bod.MSS.AAM 1617.

³³ Seidman, “Monitoring Multinationals: Lessons from the Anti-Apartheid Era,” 392.

³⁴ Yaziji and Doh, *NGOs and Corporations: Conflict and Collaboration*, 125.

Frederick characterizes as ‘corporate social responsiveness’ or CSR2.³⁵ With the introduction of CSR2, he argues in a 1978 paper, the original question of *whether* companies had any social responsibilities is assumed to have been affirmed. In its place, the question of *how* companies address their social responsibilities emerges.³⁶ More concretely, Frederick proposes that ‘social responsiveness means the ability to *manage* the company’s relations with various social groups.’³⁷ Despite early academic consideration of this aspect of CSR, the study of the interaction between companies and activists remained a niche area of research throughout the 1980s and early 1990s. In 1993, James Jasper and Jane Poulsen revived this approach by emphasizing the strategic responses of target companies to social movement boycotts.³⁸ Others have engaged in similar research from different theoretical perspectives such as field theory and game theories of behavior as well as overall interest in the interaction between companies and activists has increased in recent years.³⁹ McDonnell, King and Soule note that most studies characterize this relation as a direct correlation between the pressure of a social movement or activist group and its impact on the target company. Alternatively, their findings ‘suggest that activism and increased corporate social responsibility reinforce one another through a feedback cycle of activist activity and increased receptivity to activists.’⁴⁰ I elaborate on this perspective in my examination of the boycott campaign against Shell.

A central aspect of the interaction between social movements and companies that has attracted a substantial amount of academic attention in recent years is the idea of corporate legitimacy. Joost Luyckx and Maddy Janssens even propose attributing the escalating CSR commitment of many transnational corporations in recent years to the ‘legitimation process’ transpiring over the past few decades.⁴¹ Writing in 1993, Brenda Sutton suggested that the ‘modern business corporation is generally perceived to be legitimate because it appears to fulfill its implicit contract with the public: to produce the goods, services, and utilities needed for the provisioning and prosperity of society.’⁴² So far, she added, the ‘social role of corporations has not really been a topic of open public debate.’⁴³ I agree with this assessment in the sense that it was previously not expected of

³⁵ Frederick, “From CSR1 TO CSR2: The Maturing of Business-and-Society Thought,” 154.

³⁶ *Ibid.*, 156.

³⁷ *Ibid.*

³⁸ Jasper and Poulsen, “Fighting Back: Vulnerabilities, Blunders, and Countermobilization by the Targets in Three Animal Rights Campaigns.”

³⁹ McDonnell, King, and Soule, “A Dynamic Process Model of Private Politics,” 673.

⁴⁰ *Ibid.*, 674.

⁴¹ Luyckx and Janssens, “Discursive Legitimation of a Contested Actor Over Time: The Multinational Corporation as a Historical Case (1964–2012),” 1615.

⁴² Sutton, *The Legitimate Corporation: Essential Readings in Business Ethics and Corporate Governance*, 5.

⁴³ *Ibid.*, 6.

transnational corporations to have extensive CSR programs. Also, while I include examples from the public debate in the form of, for instance, newspaper articles from the mid-1980s on Barclays' disinvestment and the implications of this decision for the bank's social responsibility, such sporadic interest in the topic does not qualify as sustained debate that anchors the concept within the public imagination. In fact, part of my analyses in chapters three and four rests on the understanding that CSR was not yet an established feature of the business platform of transnational corporations, and it is precisely the expectation gap between the activists and companies that I seek to explore.⁴⁴

Expanding on her conception of corporate legitimacy, Sutton proposes that, the 'normative endowment of power which corporations enjoy [...] has reached a kind of conceptual impasse; it is becoming increasingly necessary to redefine and reexamine the implications of that power in contraposition with fundamental changes in systems, interrelationships, and values.'⁴⁵ Sutton here anticipates the following decades of conceptual development of corporate legitimacy. I would argue that an emphasis on the socially constructed dimension allows us to further view corporate legitimacy as a 'result of communication where the societal limits on business are continuously defined and redefined.'⁴⁶ This conception of the legitimation process as essentially discursive underpins my analysis of the interaction between the anti-apartheid activists and Barclays and Shell.⁴⁷

Luyckx and Janssens provide nuance to the notion of 'discursive legitimation' by subdividing it into 'discursive antagonism' and 'discursive co-optation.'⁴⁸ The first of these seeks to maintain a sense of legitimacy through dispute, confrontation, and repudiation of criticism. To counter an emerging controversy, they argue, this strategy 'primarily denies the critique and discredits the criticism and its advocates, hereby reproducing, even reinforcing existing hostilities with opponents.'⁴⁹ As demonstrated in chapters three and four, both the activists and their boycott targets became involved in discursive antagonism as part of an effort to win the sympathy of the public and the 'war of representation.' Discursive co-optation, conversely, concerns engagement with criticism by

⁴⁴ Barclays and Shell were notable exceptions in the sense that the CSR policies of these companies were among the most progressive at the time of the campaigns. As demonstrated in chapters three and four, however, the extent of the social responsibilities of these companies was negotiable.

⁴⁵ Sutton, *The Legitimate Corporation: Essential Readings in Business Ethics and Corporate Governance*, 7.

⁴⁶ Joutsenvirta and Vaara, "Legitimacy Struggles and Political Corporate Social Responsibility in International Settings: A Comparative Discursive Analysis of a Contested Investment in Latin America," 743.

⁴⁷ This perception is further articulated in the title of this dissertation.

⁴⁸ Luyckx and Janssens, "Discursive Legitimation of a Contested Actor Over Time: The Multinational Corporation as a Historical Case (1964–2012)," 1596.

⁴⁹ *Ibid.*, 1612.

‘strategically appropriating previous opponents’ in order to offset their leverage.⁵⁰ Albeit to a lesser extent than discursive antagonism, this strategy can also be observed in the anti-apartheid campaigns such as when Barclays began to label itself ‘The *Anti-Apartheid Bank*.’⁵¹

In terms of legitimacy more generally, I would suggest that the anti-apartheid activists recognized a discrepancy between their own morally determined struggle and the policies of foreign-owned companies that invested in South Africa, which resulted in a perception of these companies as less ‘legitimate’ actors. There is an important distinction to be made, however, between the morally illegitimate and the illegal: the activists criticized and campaigned against the companies based on moral values, not because the companies had violated any laws. As noted in the introduction, Young’s social connection model helps accentuate this distinction by addressing the structural conditions that facilitate morally illegitimate business conduct.

In recent studies by McDonnell and King on the response by companies to activist critique, it is proposed that ‘prosocial claims are a well-suited counter-measure for corporate targets.’⁵² Contrary to predominant understandings, McDonnell and King’s studies suggest that many companies’ ‘ostensibly responsible actions and investments may actually be defensive (or in some cases, preventative) impression management tactics, rather than concessions.’⁵³ In extending the assertion by Smith and Friedman outlined at the beginning of this section that CSR develops in confrontation with external pressure, this analysis expands on the internal reasoning within the companies for complying with activist demands. With regards to the anti-apartheid campaigns, however, the surrogate character of the boycott targets minimized activist preoccupation with effecting a sustained transformation in the policies of Barclays and Shell since they were perceived as a means to an end.

As will be examined in chapters three and four, both companies adopted increasingly pro-social programs throughout the campaigns by the AAM, a strategy explained by McDonnell, King and Soule as an expansion of ‘their repertoire of defensive practices.’⁵⁴ Contemporaneous to the Shell campaign in the late 1980s, Smith suggested that corporate repertoires generally included four tactics: ‘ignore, fight, fudge/explain and comply.’⁵⁵ The fudge/explain tactic had the highest success

⁵⁰ Ibid., 1613.

⁵¹ Brochure entitled “The *Anti-Apartheid Bank*:” Barclays Archive 80/4510.

⁵² McDonnell and King, “Keeping up Appearances,” 390.

⁵³ Ibid., 411.

⁵⁴ McDonnell, King, and Soule, “A Dynamic Process Model of Private Politics,” 655.

⁵⁵ Smith, *Morality and the Market, Consumer Pressure for Corporate Accountability*, 267.

rate, Smith argued, and it may be motivated by a genuine disparity in views. Philip Balsiger has recently expanded on the strategic responses of targeted companies by including denying responsibility, reputation/impression management, legal action, and infiltration.⁵⁶ I do not refer directly to these terms in the analytical chapters (three and four) yet the classifications presented by Smith and Balsiger provide a useful indication of the response tactics by Barclays and Shell.

With regards to the emergence of CSR within an apartheid-related context, Anthony Sampson argues that South Africa had already by the mid-1980s ‘become the new testing-ground for all the old arguments about the social responsibility of corporations.’⁵⁷ In a paper entitled *Foreign Investments in South Africa: the Economics of Withdrawal*, Charles Harvey, Fellow of the Institute of Development Studies at the University of Sussex, proposes that the ‘main argument for pressing companies to withdraw is not that they are likely to do so, or because it would achieve their critics’ desired objectives, but because it forces firms to justify remaining in South Africa.’⁵⁸ He further notes that activist pressure on foreign companies operating in the country was intended to compel them to ‘improve wages, conditions, training and black employees’ advancement;’ in other words, to adopt socially responsible programs.⁵⁹ While the development of concrete CSR initiatives and programs might have been the intention of some proponents of disinvestment, the primary aim of the AAM was the complete withdrawal of foreign investment. As previously noted, the interrelation between CSR and the anti-apartheid call for disinvestment should not be perceived in terms of concrete policies but rather as a more abstract appeal for the introduction of ethical considerations into the private sphere. A juxtaposition of the findings of Harvey’s paper with the aim of the AAM’s boycott campaigns points towards an intricate correlation between CSR, the companies’ own strategies, and external pressure by activists.

Discussing motivations for companies to retain operations in South Africa, David Hauck lists some of the strictly profit-oriented reasons for companies to encourage an improvement in the living conditions for the non-white population of South Africa. First, many foreign-owned companies had begun to realize that the South African government’s apartheid policies were precipitating a shortage of skilled labour; better living conditions would translate into more accessible labour. Second, a more educated population would be less likely to push for political systemic change.

⁵⁶ Balsiger, “Managing Protest: The Political Action Repertoires of Corporations,” 6.

⁵⁷ Sampson, *Black and Gold*, 27.

⁵⁸ Study paper no.15: “Foreign Investments in South Africa: the Economics of Withdrawal,” by Charles Harvey, Fellow of the Institute of Development Studies at the University of Sussex: Barclays Archive 80/4516.

⁵⁹ *Ibid.*

Finally, companies had an interest in being viewed sympathetically by the non-white population after a possible democratic transition in the future.⁶⁰ These reasons, of course, are aimed at a domestic South African context. An entirely new set of factors comes into play when applying a transnational perspective such as the marked decline in Barclays' student accounts due to consumer boycott campaigns in Britain.

Most of the responses to the concept of CSR by transnational corporations operating in South Africa reveal a refusal to engage in discussions on ethics; in fact, Sethi and Williams assert that most US companies refrained from using moral arguments 'even when those moral arguments were justified.'⁶¹ They further claim that this did not indicate that the companies were unmoved by the moral aspect of the issue but that they were simply 'adhering to the prevailing dogma of proper corporate conduct.'⁶² Thus, George Champion, Chairman of Chase Manhattan Bank, explained in 1965 that 'we can't be responsible for the social affairs of a country [...]. Where there's commerce and trade, we feel we should be part of it.'⁶³ In 1971 Lord Nelson, Chairman of the General Electric Company, affirmed that 'if you start moralizing about whom you'll trade with and whom you won't, where do you stop?'⁶⁴ This comment is largely emblematic of transnational corporate philosophy at the time, though to be sure, most companies expressed their disapproval of apartheid while retaining a skepticism towards certain aspects of CSR. The major shift in international attention towards the role of foreign investment in the wake of the Soweto Uprising led a substantial part of the South African business community to agree on an agenda 'calling for the end of all forms of job reservation, inclusion of blacks in training programs, elimination of racially discriminatory wage rates, and improvement of housing and educational opportunities for Africans living in the urban areas.'⁶⁵ Assessing the period from the late 1970s onwards, Williams identifies a sizeable shift: 'the implicit social contract between business and society,' he notes, 'was being rewritten.'⁶⁶ This new development meant that companies now 'saw the necessity of factoring human rights into business decisions.'⁶⁷ In Williams' evaluation, this shift was mainly prompted by activist and shareholder pressure on the companies. In support of this claim, he points to how more

⁶⁰ Hauck, *Can Pretoria Be Moved?: The Emergence of Business Activism in South Africa*, 3–13.

⁶¹ Sethi and Williams, *Economic Imperatives and Ethical Values in Global Business: The South African Experience and International Codes Today*, 316.

⁶² *Ibid.*, 13.

⁶³ Seidman, *Beyond the Boycott, Labor Rights, Human Rights, and Transnational Activism*, 50.

⁶⁴ First, Steele, and Gurney, *The South African Connection: Western Investment in Apartheid*, 147.

⁶⁵ Hauck, *Can Pretoria Be Moved?: The Emergence of Business Activism in South Africa*, 12–13.

⁶⁶ Williams, "Global Codes of Conduct an Idea Whose Time Has Come," 80.

⁶⁷ *Ibid.*

than five hundred shareholder resolutions had been presented to more than ninety companies by 1990.⁶⁸

In April 1982, Rafael D. Pagan Jr. from the consulting firm Pagan International (later employed by Shell) held a speech entitled *Carrying the Fight to the Critics of Multinational Capitalism* at a Public Affairs Council in New York.⁶⁹ In the speech, Pagan Jr. discussed the changing role of transnational corporations and the contribution of activist pressure to this development. ‘Quite simply,’ he asserted, ‘the activists simply have done a better job in the political arena. They have allied themselves to some of the world’s resentments, and have called these resentments into battle against us.’⁷⁰ Pagan Jr. suggested that it was necessary for transnational corporations to start incorporating political considerations into their strategies and that this newfound role would dictate ‘an awareness of the concerns of others,’ which conveys the increased corporate attention to stakeholders.⁷¹ Companies were further advised to reach ‘out to hold an ongoing dialogue with the many new publics whose understanding we need to remain in business,’ which entails more public profiles as companies conducting morally legitimate business.⁷² Pagan Jr. elaborated that ‘we are going to have to explain the reasons for our actions or non-actions; their immediate and long-term benefits; or their cost – and why that cost must be borne by local interests.’⁷³ In other words, intensifying the commitment of companies to social responsibility and transparency was a strategy suited to fend off critics. Another more confrontational tactic, however, was to ‘strip the activists of the moral authority they receive from their alliances with religious organizations.’⁷⁴ Chapters three and four address how the implications of these two approaches to external pressure are symptomatic of the repertoire employed by both Barclays and Shell.

In the mid-1980s, Tony Bloom, Chief Executive of the Premier Group, addressed the growing importance of CSR when he stated that ‘we all know that evolution and acceptance of a doctrine of social responsibility is relatively new and still controversial. The idea that business has one and only one objective – to maximize profits – was the consensus for the better part of business history and this view is still currently held by some eminent and notable business thinkers.’⁷⁵ Some managers

⁶⁸ Ibid.

⁶⁹ Remarks by Rafael D. Pagan Jr. to the Public Affairs Council in New York on 22 April 1982 entitled “Carrying the Fight to the Critics of Multinational Capitalism:” Bod.MSS.Afr.s. 2350/100.

⁷⁰ Ibid.

⁷¹ Ibid.

⁷² Ibid.

⁷³ Ibid.

⁷⁴ Ibid.

⁷⁵ Leape, Baskin, and Underhill, *Business in the Shadow of Apartheid: U.S. Firms in South Africa*, 133.

chose to wait and observe the development of CSR, while others chose a more noticeable approach such as an advertisement by a group of American and South African company leaders in the Johannesburg Sunday Times on 29 September 1985:

As responsible businessmen committed to South Africa and the welfare of all its people, we are deeply concerned about the current situation. [...] We believe in the development of the South African economy for the benefit of all of its people and we are, therefore, committed to pursue a role of corporate social responsibility and to play our part in transforming the structures and systems of the country toward fair participation for all.⁷⁶

The message of this advertisement was in line with the recommendation by a number of commentators to ‘visibly represent human rights values’ in order to contribute to the growing pressure on the South African government.⁷⁷

As discussed in this section, the study of the interaction between social movements or activists and companies can be approached from numerous angles. Thus, McDonnell, King, and Soule suggest that their research on corporate responses to activists contributes to existing social movement theory by ‘providing evidence that movement challenges are not only affected by, but can also affect, the opportunity structures of their targets.’⁷⁸ This argument refers back to the first of three central factors in social movement studies discussed in chapter one, namely *political opportunities*. Panayiotis Georgallis has recently pointed to three mechanisms by which social movements can induce socially responsible policies in targeted companies: first, boycott campaigns may stimulate support from other stakeholders; second, at an organizational level direct interaction between social movements and the targeted company may help develop social initiatives; and third, at an individual level boycott campaigns may affect managers’ perception of a particular cause.⁷⁹ By placing transnational corporations within the same analytical category as social movements, we are able to apply theory traditionally reserved for movement dynamics to the corporate domain. While social

⁷⁶ Hauck, *Can Pretoria Be Moved?: The Emergence of Business Activism in South Africa*, 56.

⁷⁷ di Norcia, “The Leverage of Foreigners: Multinationals in South Africa,” 869.

⁷⁸ McDonnell, King, and Soule, “A Dynamic Process Model of Private Politics,” 672.

⁷⁹ Panayiotis Georgallis, “The Link Between Social Movements and Corporate Social Initiatives: Toward a Multi-Level Theory,” 736.

movements and transnational corporations typically operate within dissimilar milieus, I would argue that the nexus constituted by their interaction renders them comparable actors for analytical purposes.

Beyond social movement theory, this understanding of social movements and companies as comparable is perpetuated in the conceptual framework outlined at the beginning of the dissertation. First, the social connection model establishes the interconnectedness between the two types of actors by explicating the social structures within which they operate. Second, identifying social movements and transnational corporations as engaged in both active strategies and passive patterns of subpolitical repercussions enables us not only to juxtapose the two types of actors but to discern developments pertaining to CSR as manifested through the interaction between the two actors. Finally, the political consumer has been recognized as a ‘driver of CSR’ that problematizes the implications of companies’ conduct and applies pressure through boycotting, picketing etc.⁸⁰

In the following section, I elaborate on the emerging awareness of CSR among transnational corporations and interlace this tendency more closely with the context of foreign investment in apartheid South Africa.

Foreign Investment in South Africa

Foreign private investment and the presence of transnational corporations almost unavoidably influence local social and economic conditions. Nevertheless, it is difficult to assess the impact of large-scale disinvestment not due to lack of data but rather, in Deon Geldenhuys’ words, a ‘confusing mass of statistics.’⁸¹ Foreign investment in South Africa was a central target for anti-apartheid activities in Britain. The activists believed that – from a moral perspective – there should be no association with the South African government nor contribution to the country’s economy. In terms of the concrete effects of large-scale disinvestment, alternatively, it was believed that the South African economy would deteriorate to such an extent that the government would be compelled to abolish the apartheid system and introduce democracy. More subtle side-effects would

⁸⁰ Crane, *The Oxford Handbook of Corporate Social Responsibility*, 572.

⁸¹ Geldenhuys, *Isolated States: A Comparative Analysis*, 396.

include the removal of modern technology, the diminished access to management techniques central to the efficiency and competitiveness of South African companies etc.⁸²

Before proceeding with a discussion of the role of foreign investment in apartheid-era South Africa, I want to engage in some terminological clarifications: I deploy the term ‘disinvestment’ to refer to a company selling off its subsidiary or ridding itself of ownership of assets in South Africa.⁸³ In 1987, William H. Kaempfer, James A. Lehman, and Anton D. Lowenberg described three types of disinvestment common at the time: first, ‘financial disinvestment’ is when a company sells its assets in South Africa. Second, ‘physical disinvestment’ is the removal of equipment or the demolition of buildings etc. Finally, ‘human capital disinvestment’ points to the re-location of employees.⁸⁴ An often repeated criticism pertaining to disinvestment is that many companies ensured that their products or services would continue to be available on the South African market after the companies had left the country.⁸⁵ In these instances, nothing changed but the name of the local provider; I examine this issue in more detail in chapters three and four since Barclays and Shell used this argument as a justification to maintain operations in the South Africa.

Foreign investment in South Africa had become a significant factor from at least the latter half of the nineteenth century when large quantities of gold and diamonds were discovered. Additional gold fields were found in the Orange Free State shortly after the Second World War, which precipitated a second wave of foreign investment and interest. In 1962, foreign investment in South Africa was at approximately R3 billion. This number rose to R20 billion in 1974 and eventually to R40 billion in the mid-1980s.⁸⁶ Throughout the 1970s, the International Confederation of Free Trade Unions (ICFTU) compiled a list of approximately 3,000 transnational corporations operating in South Africa and the organization called for sanctions against foreign investment in the country, the withdrawal of pension fund investments in companies related to South Africa, and pressure on companies operating in the country to improve their CSR standards.⁸⁷ Looking at US investment alone, in the early 1980s more than 6,000 companies did business with South Africa and more than 300 of these companies had actual operations in the country.⁸⁸ It is estimated that Anglo-American

⁸² Hengeveld and Rodenburg, *Embargo: Apartheid's Oil Secrets Revealed*, 345.

⁸³ Kaempfer, Lehman, and Lowenberg, “Divestment, Investment Sanctions, and Disinvestment: An Evaluation of Anti-Apartheid Policy Instruments,” 459.

⁸⁴ *Ibid.*, 467.

⁸⁵ Hermele and Odén, “Sanction Dilemmas: Some Implications of Economic Sanctions against South Africa,” 34–35.

⁸⁶ Geldenhuys, *Isolated States: A Comparative Analysis*, 389.

⁸⁷ Segerlund, “Making Corporate Social Responsibility a Global Concern Norm Construction in a Globalizing World,” 52–53.

⁸⁸ Leape, Baskin, and Underhill, *Business in the Shadow of Apartheid: U.S. Firms in South Africa*, xii.

Corp controlled 70 per cent of the economy, though a powerful state sector ensured a high degree of self-sufficiency.⁸⁹ South Africa's economy was comprised of gold, diamond, coal and arms export and production in conjunction with foreign manufacturing and finance, the bulk of which could be attributed to Britain.

Many companies became engaged in efforts to bring about a reform of the apartheid system from the 1970s onwards. Around this time, there was also a marked shift in the attention towards the role of foreign investment and many investors and companies had experienced a substantial increase in political pressure and public protest.⁹⁰ The disinvestment that received the most attention in the 1970s was perhaps a decision by the American company Polaroid: in 1970, two employees had begun protesting the company's business in South Africa where Polaroid cameras and film were used for the passbooks, which had become a symbol of the racialized and oppressive apartheid system.⁹¹ The following year, Polaroid became the first major American company to publicly criticize apartheid and the company introduced a number of CSR initiatives such as giving a third of its South African profits to education for non-white South Africans and increasing wages by up to 22 per cent for non-white employees.⁹² By this time, a campaign had been launched against Polaroid and the aim of the campaigners was to compel the company to disinvest entirely.⁹³ Despite Polaroid's socially responsible policies, the company eventually withdrew from South Africa in 1977.⁹⁴ Eric J. Morgan suggests that 'Polaroid's attempt to challenge apartheid by going public with verbal opposition and new policies to empower blacks set a bold precedent for later challenges to apartheid.'⁹⁵

In the mid-1970s, two noteworthy events contributed to the changed circumstances for foreign companies: the Durban Strikes in 1973 and the Soweto Uprising in 1976. In Britain, *The Guardian* further incited debate on British investment in South Africa with a series of articles by Adam Raphael, the first of which was entitled *British Firms Pay Africans Starvation Rate*. Shortly after the publication of this article, *The Observer* noted that the 'keen public response stirred by the Guardian's disclosures about starvation wages paid by many British firms in South Africa shows

⁸⁹ di Norcia, "The Leverage of Foreigners: Multinationals in South Africa," 866.

⁹⁰ Mangaliso, *Strategic Choice under Uncertainty: Multinational Corporations and the Pressure to Disinvest from South Africa*, 150.

⁹¹ Sampson, *Black and Gold*, 121.

⁹² Morgan, "The World Is Watching: Polaroid and South Africa," 521; Sampson, *Black and Gold*, 121.

⁹³ Sampson, *Black and Gold*, 121.

⁹⁴ Morgan, "The World Is Watching: Polaroid and South Africa," 546.

⁹⁵ Ibid.

how strongly the British conscience feels about this country's involvement in the harshly discriminatory practices of apartheid.⁹⁶ From a corporate perspective, Soweto in particular 'raised danger signals in respect to future business prospects.'⁹⁷ Foreign-owned companies came to perceive South Africa as more of a long-term risk, which was partly responsible for why long-term investments were gradually exchanged for shorter-term arrangements with higher interest rates. A survey among 500 American executives from 1977 revealed that 26 per cent were inclined to disinvest or scale down, whereas the majority part of 62 per cent wished to remain in South Africa but without expanding their businesses.⁹⁸ By 1979, Spandau asserted that 'for the foreign investor, South Africa tends to be economically attractive, but politically risky.'⁹⁹ Mounting information on the poor working conditions in many foreign-owned companies in combination with South Africa's deteriorating international image and the country's unsuccessful economic decisions led many foreign companies to reassess their business in South Africa. As a consequence, direct foreign investment fell from \$2.6 billion in 1981 to \$1.3 billion in 1985.¹⁰⁰

Many influential institutions also began to adopt formal policies on the social aspect of business such as in 1982 when the British Council of Churches – with inspiration from the Board for Social Responsibility's report *Facing the Facts* – encouraged the Church Commissioners to 'reconsider their portfolio with a view to cutting to the minimum investment in any firm that have dealings with South Africa.'¹⁰¹ In early 1985, six South African employer groupings collectively representing more than 80 per cent of the workforce publicly proclaimed that they would seek to achieve economic and political reforms.¹⁰² Inflation in South Africa had increased drastically and the overall annual growth rate fell to minus 1 per cent just prior to Botha's catastrophic 'Rubicon' speech in August 1985.¹⁰³ During this month alone, American banks withdrew approximately \$300 million.¹⁰⁴ Shortly after the speech, a delegation of South African executives – including the Anglo-American Corporation – met with members of the ANC in Zambia as a clear sign that the 'Botha regime may not survive' and that 'there was a need to find middle ground,' as the record of the meeting noted.¹⁰⁵

⁹⁶ Sanders, *South Africa and the International Media, 1972-1979: A Struggle for Representation*, 111.

⁹⁷ Price, *The Apartheid State in Crisis: Political Transformation in South Africa, 1975-1990*, 65.

⁹⁸ Massie, *Loosing the Bonds: The United States and South Africa in the Apartheid Years*, 444.

⁹⁹ Spandau, *Economic Boycott against South Africa: Normative and Factual Issues*, 115.

¹⁰⁰ Beaty and Harari, "Divestment and Disinvestment from South Africa: A Reappraisal," 32.

¹⁰¹ Document by ELTSA and Church Action on Namibia entitled "The Church Commissioners and the Case for Disinvestment:" Bod.MSS. Afr.s. 2350/7.

¹⁰² Hauck, *Can Pretoria Be Moved?: The Emergence of Business Activism in South Africa*, 49.

¹⁰³ Massie, *Loosing the Bonds: The United States and South Africa in the Apartheid Years*, 591.

¹⁰⁴ Manby, "South Africa: The Impact of Sanctions," 201–2.

¹⁰⁵ Dubow, *Apartheid, 1948-1994*, 237.

These were clear indications to foreign investors that the South African market was unstable and that involvement thus entailed a considerable amount of risk. After Botha's speech, Frost Sullivan, a political risk consultancy company, adjusted South Africa's rating from one of the safest national economies to the level of a Third World country. The October 1985 issue of the business journal *Insight* even stated that 'we caution investors against holding stocks of companies with operations in South Africa.'¹⁰⁶ Botha's follow-up speech in January 1986, known as 'Rubicon 2,' displayed a greater willingness by the South African government to accommodate foreign investment and the banks in particular.¹⁰⁷

Already from the early to mid-1980s, foreign investment began to decrease; thus, U.S. investment in South Africa fell from \$2.8 billion in 1983 to \$1.3 billion in 1985.¹⁰⁸ By mid-1988, 1332 American companies and 115 non-American companies (among them 49 British) had pulled out of the country.¹⁰⁹ In total, more than one third of foreign companies disinvested from South Africa during the 1980s.¹¹⁰ As a further indication of the scale of economic isolation experienced by South Africa during the mid- to late 1980s, the Danish export decreased from approximately DKK 422 million in 1986 to DKK 104 million the following year, while the import decreased from approximately DKK 829 million to just DKK 28 million during the same period.¹¹¹ After Mandela was released in 1990, he called upon the foreign-owned companies to contribute to and continue the isolation of South Africa.¹¹²

With regards to the companies' own stated reasons for disinvesting, several factors were involved. Some of the companies that were underperforming on the South African market attributed their decision to leave the country to ethical concerns.¹¹³ Others listed only economic motivations for their decision, though other matters such as political pressure were also at play. In the early 1960s, the American bank Chase Manhattan alluded to the Cold War in the company's rationalization of its loans to the South African government when it stated that 'it would endanger the free world if every

¹⁰⁶ Report by London Against Racism entitled "Disinvestment and Socially Responsible Investment:" Bod.MSS.AAM 745.

¹⁰⁷ Sampson, *Black and Gold*, 225.

¹⁰⁸ Culverson, "The Politics of the Anti-Apartheid Movement in the United States, 1969-1986," 146.

¹⁰⁹ Mangaliso, *Strategic Choice under Uncertainty: Multinational Corporations and the Pressure to Disinvest from South Africa*, 119; Geldenhuys, *Isolated States: A Comparative Analysis*, 397.

¹¹⁰ Jones, "South Africa: Sanctioning Apartheid," 32-33; Commonwealth Secretariat, *Banking on Apartheid: The Financial Sanctions Report*, 13.

¹¹¹ Dahlin, *Da vandhanerne skiftede navn: en rapport om nordiske sanktioner mod apartheid*, 7.

¹¹² Mandela, *Selected Speeches and Writings of Nelson Mandela: The End of Apartheid in South Africa*, 148.

¹¹³ Lewis and Wärneryd, *Ethics and Economic Affairs*, 31.

large American bank deprived developing countries of the opportunity for economic growth.’¹¹⁴ Dow Chemical was worried about public pressure, Citicorp and International Playtex stressed that it was a business-related decision, and Honeywell referred to the ‘total business environment’ in South Africa.¹¹⁵ The CEO of IBM, John Akers, noted in early 1986 that ‘if we elect to leave, it will be a business decision’ and that the company did not seek a socially responsible policy but to ‘conduct business.’¹¹⁶

S. Prakash Sethi and Oliver F. Williams have conducted a content analysis of press releases, news reports, and editorials on American companies that state only a single reason for the companies’ decision to disinvest. The five main reasons listed: deterioration of the economic climate in South Africa, reaction to anti-apartheid campaigns, opposition to apartheid, response to selective purchasing laws in the US, and finally other more general business-related strategic decisions.¹¹⁷ The stated reasons vary quite significantly, though I would assert that only listing a single reason does not provide an adequate explanation of most companies’ decision to disinvest. A concern by some companies not explicitly mentioned in the analysis above was that the abolishment of the system could result in nationalization of business operations or even anarchy.¹¹⁸ These prospects also caused some companies to reassess their presence in South Africa. For most companies the decision to disinvest was made on the basis of both political and economic reasons and in the end the decision was, as Dubow argues, a ‘question of whether South Africa was an attractive and prudent place in which to do business.’¹¹⁹

Many predicted that disinvestment would have little impact on the South African economy in the short term while the more severe repercussions could only be felt in the long term. In fact, large-scale disinvestment could potentially strengthen the economy in the sense that the former subsidiaries could be acquired at ‘fire sale prices’ while domestic enterprise would be stimulated, thus decreasing dependency on import.¹²⁰ Thus, Anglo-American’s control of shares increased to 60 per cent on the Johannesburg stock exchange after it acquired Barclays and a number of other

¹¹⁴ Seidman, “Monitoring Multinationals: Lessons from the Anti-Apartheid Era,” 387.

¹¹⁵ Sethi and Williams, *Economic Imperatives and Ethical Values in Global Business: The South African Experience and International Codes Today*, 321–24.

¹¹⁶ Massie, *Loosing the Bonds: The United States and South Africa in the Apartheid Years*, 622.

¹¹⁷ Sethi and Williams, *Economic Imperatives and Ethical Values in Global Business: The South African Experience and International Codes Today*, 317.

¹¹⁸ Geldenhuys, *Isolated States: A Comparative Analysis*, 393.

¹¹⁹ Dubow, *Apartheid, 1948-1994*, 223.

¹²⁰ di Norcia, “The Leverage of Foreigners: Multinationals in South Africa,” 866.

companies.¹²¹ While the disinvestment of well-known companies such as IBM and GM sent a strong message about a shift in political and economic circumstances, the economic impact was more moderate than expected and particularly white South Africans did not experience a deterioration in living conditions. In fact, South African consumers were able to purchase more or less the same products as before foreign companies began to disinvest.¹²²

Another effect of large-scale disinvestment was that foreign companies were now unable to influence local company policies in a progressive direction. The new South African owners required added profit to repay the loan taken to acquire the company and they thus focused more narrowly on short-term revenue, which in turn reduced their likeliness to initiate apartheid-critical projects and policies. An often cited case is when GM sold its facilities to Delta, a South African company that immediately lowered wages and reduced its staff. Moreover, the company prohibited the employees from going on strike and cut their funding of social development programs.¹²³ In 1987, David Beaty and Oren Harari offered predictions that ‘even in the worst case scenario of concerted global sanctions and disinvestments, [the South African economy] can still grow at an annual rate of 3 per cent.’¹²⁴

Whether or not such forecasts were correct, they challenged and problematized anti-apartheid activists’ focus on corporate disinvestment as a means to bring about an end to apartheid. It is thus important to include these contemporary estimations of the impact of disinvestment in order to assess the saliency of the strategy advocated by the anti-apartheid activists. This strategy was pinned on far more optimistic expectations about the effect of disinvestment than the GM case revealed. Support for such a case can be found in Coca-Cola’s disinvestment from South Africa: the company announced its decision to disinvest in September 1986 when the company’s president detailed that the decision was ‘a statement of our opposition to apartheid and of our support for the economic aspirations of black South Africans.’¹²⁵ According to a report in *Business International*, this explicitly stated connection between Coca-Cola’s opposition to apartheid and the company’s decision to disinvest broke ‘new rhetorical ground.’¹²⁶ Coca-Cola proclaimed that it would sell its operations to non-white investors and further explained that the company would ‘disinvest in a way

¹²¹ Jones, “South Africa: Sanctioning Apartheid,” 33.

¹²² Rodman, “Public and Private Sanctions against South Africa,” 329.

¹²³ *Ibid.*, 331.

¹²⁴ Beaty and Harari, “Divestment and Disinvestment from South Africa: A Reappraisal,” 37.

¹²⁵ Report by *Business International* entitled “South Africa: Critical Issues Monitor” from December 1986: Mayibuye Archives MCH02-192.

¹²⁶ *Ibid.*

that creates significant multiracial equity participation in the South African soft drinks industry. Our goal is to structure the transactions in a way that improves the prospects of black South Africans and increases their ability to invest in their country's economy.'¹²⁷ Juxtaposing the GM and Coca-Cola cases indicates that the debate on disinvestment was not a question of either/or but that there were several ways to execute a plan to disinvest depending, often, on the company's level of social and political engagement.

Another argument in favour of disinvestment was its contribution to an 'overall atmosphere of uncertainty' that halted most new foreign investment in South Africa.¹²⁸ Apartheid was perceived by many companies as increasingly risky to business operations, causing many to call for more comprehensive reforms. Lee Jones proposes that this shift did not take place abruptly but was part of a gradual development in the attitude of foreign companies towards involvement in apartheid South Africa.¹²⁹ Moreover, whereas foreign investment could signal support for the policies of the South African government, the signal sent by disinvestment could diminish the 'perceived risks associated with political resistance, or increase the probability of successful opposition to the apartheid state.'¹³⁰ In other words, disinvestment could stimulate domestic support for the ANC and other apartheid-critical parties and organizations, which was the principal aim of much British anti-apartheid activism.

The AAM's disinvestment campaign was built on three components: exposing the links between companies in Britain and apartheid, persuading various institutional actors to divest from such companies, and demanding that the British government impose full-scale sanctions against South Africa. As discussed in chapter one, at the centre of the disinvestment campaign was a perception of companies as surrogate targets. The divestment by institutions of stocks connected to foreign investment in South Africa, or even companies' decision to disinvest entirely, did not represent the ultimate aims of the AAM.¹³¹ As Cosmas Desmond noted in an article in the *Rand Daily Mail*, 'divestment is not an end in itself and it has no direct effect on South Africa' and 'others will no doubt purchase the shares disposed of.'¹³² As surrogates, however, transnational companies served

¹²⁷ Boles, *The West and South Africa, Myths, Interests and Policy Options*, 63.

¹²⁸ Commonwealth Secretariat, *Banking on Apartheid: The Financial Sanctions Report*, 70–72.

¹²⁹ Jones, "South Africa: Sanctioning Apartheid," 35.

¹³⁰ Kaempfer, Lehman, and Lowenberg, "The Economics of the Call for Anti-Apartheid Investment Sanctions," 534.

¹³¹ In this context, the term 'divestment' denotes the choice by individuals or institutions to rid themselves of shares in subsidiaries or other companies with investments in South Africa.

¹³² Article in the *Rand Daily Mail* by Cosmas Desmond entitled "Sanctions and South Africa" on 10 April 1985: Bod.MSS.AAM 1626.

as a conduit between the activists and the South African government. To some extent, this tactic worked: an article in *The Economist* on 30 March 1985 estimated that the ‘total sales of stocks in South African-linked companies instigated by the anti-apartheid movement over the past year is probably past the £5 billion mark.’¹³³ Of the 60 British companies that withdrew between 1984 and mid-1986, several named the so-called ‘hassle factor’ as important to their decision.¹³⁴

Aside from the increasing number of disinvesting companies, however, the AAM remained concerned about ‘false withdrawals,’ as in the case of GM where the disinvesting company did not ensure the continuation of improved working conditions. In a May 1987 discussion paper, the movement stressed the importance of identifying ‘more precisely what disinvestment entails, the better to distinguish genuine from false withdrawals, and the more effectively to target the companies still collaborating with apartheid.’¹³⁵ Yet while encouraging a more precise distinction in terms of disinvesting companies, the same discussion paper proposes a campaign targeting the ‘Top Twenty collaborators,’ which would provide institutional investors with easy solutions in a disinvestment process that could otherwise ‘appear as a vast, even unmanageably wide field of action.’¹³⁶ As previously discussed in relation to boycotting, negative aspects of this tactic include its often indiscriminating usage. In the effort to present an accessible method for institutional investors to divest, the AAM appears to have been oblivious to the fact that some companies would be targeted more intensively than others. This also applies to single-company campaigns, though from the movement’s point of view all the companies referred to were engaged in immoral conduct through their links to South Africa.

While many agreed that large-scale disinvestment could have an adverse impact on the non-white population of South Africa in the short term, the long-term effects were widely believed to render the apartheid system progressively more unprofitable.¹³⁷ Yet once again, it is difficult to assess the success of disinvestment as an instrument for social and political change due to the myriad of factors that contributed to the government’s decision to abolish the apartheid system. On the one hand, Fieldhouse suggests that the ‘campaign to discourage economic collaboration and investment

¹³³ Report by London Against Racism entitled “Disinvestment and Socially Responsible Investment:” Bod.MSS.AAM 745.

¹³⁴ Speech by Richard Pond at the Joint Action Against Apartheid Meeting in Lewisham Town Hall on 20 September 1986: Bod.MSS.AAM 768.

¹³⁵ Paper entitled “Targetting of Companies Collaborating with Apartheid: The Role of Boycotts in the Campaign for Sanctions & Disinvestment” from May 1987: Bod.MSS.AAM 1681.

¹³⁶ Ibid.

¹³⁷ Kaempfer, Lehman, and Lowenberg, “The Economics of the Call for Anti-Apartheid Investment Sanctions,” 531.

in South Africa was probably the most significant and influential of all the campaigns.’¹³⁸ On the other hand, Geldenhuys concludes that there is ‘no clear evidence to suggest that the South African government has become more reformist or less repressive (or the reverse, for that matter) under the pressure of disinvestment.’¹³⁹ Nonetheless, I would suggest that the debate on the role of foreign investment in South Africa did contribute in a significant degree to the rising awareness of companies as actors for social change. Also, the debate explored the idea that companies are able to effect social and political change *and* that they might have a responsibility to do so, which formed the underlying premise for the anti-apartheid campaigns against Barclays and Shell.

Codes of Conduct

So far, I have discussed the development of CSR as a gradual rise in awareness about the link between social responsibility and corporate policies and activities. Foreign-owned companies that operated in South Africa and wanted to adopt socially responsible policies were often uncertain about how to translate questions of ethics into tangible company programs. During the 1970s, codes of conduct were introduced that enabled companies to make CSR more practicable. Most codes of conduct are voluntary guidelines that have little or no legal enforcement and that are essentially dependent upon companies’ own inclination to comply or, alternatively, the degree of public pressure on companies to adhere to the codes. This last point is important since codes not only render CSR more adaptable for companies, they also provide activists with a set of demands with which to confront companies that do not meet the requirements of the codes. Even companies that do not adhere to any codes of conduct may be subjected to pressure to explain this choice of policy. In this section, I elaborate on the concrete CSR measures applied by foreign-owned companies in South Africa and discuss the critique by the anti-apartheid activists of corporate strategies of constructive engagement.

Shortly after the establishment of the first codes of conduct for transnational corporations in the second half of the 1970s, Sten Niklasson noted that it ‘is clear that we are dealing with a new concept, the nature and implications of which should not be assessed in conventional legal terms.’¹⁴⁰ He asserted that the codes had been drafted in part due to the realization that transnational

¹³⁸ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 87.

¹³⁹ Geldenhuys, *Isolated States: A Comparative Analysis*, 399.

¹⁴⁰ Horn, *Legal Problems of Codes of Conduct for Multinational Enterprises*, 144.

corporations could often circumvent national legislation and that ‘situations may occur in which economic and social development takes place on terms set by the enterprises, not the society as a whole.’¹⁴¹ The codes, in other words, were intended to curtail the influence of private transnational corporations in areas external to the market. Such codes had been proposed since at least the end of the 1940s and by 1960 the International Labour Organization (ILO) had adopted 115 conventions on international labour standards.¹⁴² It was not until the 1970s, however, that a series of guidelines emerged including the International Chamber of Commerce (ICC) Guidelines for Investment (1972), the ICFTU Charter of Trade Union Demands for the Legislative Control of the Multinational Companies (1975), the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises (1976), the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy (1977), a code for transnational corporations by the UN (1977), and the WHO International Code of Marketing of Breast-Milk Substitutes (1981).¹⁴³

The UN code has been attributed to a 1972 meeting of the UN Economic and Social Council when the representative of Chile accused the International Telephone and Telegraph Company (ITT) of interfering in the domestic political affairs of the country, which substantiates Niklasson’s claim about the need to inhibit the influence of transnational corporations.¹⁴⁴ According to the UN, part of the purpose of the code was to ‘further the understanding of the nature of transnational corporations and of their political, legal, economic and social effects on home and host countries and in international relations, particularly between developed and developing countries.’¹⁴⁵ It is evident that the introduction of codes of conduct were not only intended to improve conditions at the workplace but that they also constituted an effort to limit the unintended side-effects of international trade and an increasingly globalized market. In this sense, the codes represent a formal strategy to address concerns similar to those discussed by Beck in his account of the emergence of active subpolitics.

¹⁴¹ Ibid., 141.

¹⁴² Segerlund, “Making Corporate Social Responsibility a Global Concern Norm Construction in a Globalizing World,” 45.

¹⁴³ Horn, *Legal Problems of Codes of Conduct for Multinational Enterprises*, 296; Segerlund, “Making Corporate Social Responsibility a Global Concern Norm Construction in a Globalizing World,” 44.

¹⁴⁴ Horn, *Legal Problems of Codes of Conduct for Multinational Enterprises*, 414.

¹⁴⁵ Segerlund, “Making Corporate Social Responsibility a Global Concern Norm Construction in a Globalizing World,” 48.

Two additional codes directly targeted transnational companies operating in South Africa: the EEC Code of Conduct (1977) and the Sullivan Principles (1977). It should be noted that these codes were an important part of a strategy of constructive engagement that sought to use foreign-owned companies as vehicles of gradual political change in South Africa. I want to briefly discuss these two codes to further clarify the role of foreign-owned companies in South Africa and the interrelated development of CSR.

The EEC Code of Conduct replaced the UK Code of Practice which had been launched three years earlier in response to media coverage on the low wages paid to non-white South Africans by British companies. A series of articles in *The Guardian* by Adam Raphael had detailed that only three per cent of the investigated British companies paid all their employees above the poverty line.¹⁴⁶ The code was voluntary and, according to Sethi and Williams, ‘left entirely to the discretion of the companies involved.’¹⁴⁷ Companies in Britain were not legally obliged to adopt a new set of strict policies and the EEC Code was consequently seen by many critics as too ineffective since it was ‘interpreted individually, not collectively.’¹⁴⁸ Nevertheless, the code’s emphasis on issues such as the right to equal pay, non-discrimination in the workplace, and the right to unionize served to indicate the public’s expectations towards the companies involved. In essence, the EEC Code was a ‘compromise between economic interests and moral obligations.’¹⁴⁹ Equally important, the code could be seen as legitimating foreign-owned business in apartheid South Africa if they adhered to the EEC Code despite the fact that the code’s recommendations did not challenge apartheid laws.

By most parameters, the EEC Code appears not to have been successful. In 1987, ten years after the establishment of the code, a reported 85 per cent of British companies maintained a minimum wage below what the code deemed the ‘absolute minimum necessary.’¹⁵⁰ Holland contends that the key purpose of the code may in fact have been to promote political cooperation between EEC member states.¹⁵¹ Moreover, he points to three possibly intentional consequences of the EEC Code: preventing the implementation of sanctions, protecting EEC business in South Africa, and delaying

¹⁴⁶ Sethi, *The South African Quagmire, in Search of a Peaceful Path to Democratic Pluralism*, 349; Sanders, *South Africa and the International Media, 1972-1979: A Struggle for Representation*, 122; Information Note on the EEC Code of Conduct: Bod.MSS.AAM 1675.

¹⁴⁷ Sethi and Williams, *Economic Imperatives and Ethical Values in Global Business: The South African Experience and International Codes Today*, 241.

¹⁴⁸ Holland, “The European Community and South Africa: Economic Reality or Political Rhetoric?,” 414.

¹⁴⁹ Bosgra, “The European Community and Apartheid: Minimal Effective Pressure,” 625.

¹⁵⁰ Press release entitled “Companies fail to meet new South Africa wage standard” from 24 August 1987: Bod.MSS.AAM 1675.

¹⁵¹ Holland, “Disinvestment, Sanctions and the European Community’s Code of Conduct in South Africa,” 546.

anti-apartheid pressure for disinvestment.¹⁵² Again, this can be explained by viewing the establishment of codes of conduct as part of a strategy of constructive engagement, which is what the AAM advised against. Commending the code, Robin Smith asserts that ‘even the most radical critics admit that it has served some purposes,’ among which are the generation of dialogue between corporate headquarters and their subsidiaries and the disclosure of the ‘myths, uncertainties and obfuscations, surrounding labour relations in South Africa.’¹⁵³ It is extremely difficult to properly assess the impact of the EEC code, however, since most British companies did not comply with its recommendations.

Emerging parallel to the EEC Code of Conduct, the Sullivan Principles became the most recognized code of conduct in South Africa.¹⁵⁴ Reverend Leon Sullivan drafted the initial ‘principles’ in 1977 when he was a member of the Board of Directors at General Motors. At the time, he believed firmly in the beneficial effects of a code of conduct and in 1969 he had written that if companies were to engage more critically and systematically with their role as instruments of change in South Africa, ‘within a single year the practice and preaching of apartheid there would begin to disappear.’¹⁵⁵ According to Sullivan, the aim of the Principles was not merely to ‘shine the chains’ but to ‘break the chains en route to achieving full freedom and justice for all’ and he thought of the Principles as the first steps towards a reconfiguration of the role of companies in society.¹⁵⁶ Companies were invited to participate in the Sullivan Principles regardless of their country of origin and Sullivan himself noted that ‘no one can have more impact than the British.’¹⁵⁷ In practice, however, the vast majority of signatories were American companies: between 1977 and 1982, 146 American companies signed on to the Principles. Robert Massie suggests that while the Principles were initially perceived as a radical instrument by most companies, they were gradually recognized as a ‘reasonable middle ground between doing nothing and actively divesting.’¹⁵⁸

From 1983, however, the number of signatories began to decline and Sullivan progressively lost confidence in the effect of the Principles. He revised them five times in the first ten years: in 1977, companies were urged to improve conditions for non-white employees yet within the confines of

¹⁵² Ibid.

¹⁵³ Smith, “Industrial Relations Policies and Political Change: The E.E.C. Code for South African Subsidiaries,” 110.

¹⁵⁴ Sethi and Williams, *Economic Imperatives and Ethical Values in Global Business: The South African Experience and International Codes Today*, 183.

¹⁵⁵ Massie, *Loosing the Bonds: The United States and South Africa in the Apartheid Years*, 291.

¹⁵⁶ Sullivan, *Moving Mountains: The Principles and Purposes of Leon Sullivan*, 57; Sethi and Williams, *Economic Imperatives and Ethical Values in Global Business: The South African Experience and International Codes Today*, 390.

¹⁵⁷ Sampson, *Black and Gold*, 173.

¹⁵⁸ Massie, *Loosing the Bonds: The United States and South Africa in the Apartheid Years*, 529.

South African law, and by 1985 signatory companies were required to take a public stance against apartheid. That same year he announced that if the apartheid system had not been abolished within the following two years he would abandon his policy of constructive engagement.¹⁵⁹ By early 1987, companies were called upon to ‘support the ending of all apartheid laws, practices and customs’ and later that year Sullivan encouraged all companies to disinvest from South Africa by 1988 due to the lack of progress by the South African government.¹⁶⁰ While Sullivan denounced the Principles, they continued to run until 1993, by which time American companies had spent more than \$300 million implementing the guidelines.¹⁶¹

The early and definitive demand for disinvestment by the British anti-apartheid activists precipitated the widespread frustration with the codes’ lack of substantial results by the mid- to late 1980s. There was, furthermore, no formalized method with which to verify the companies’ statements on their implementation of the framework set out by the Principles.¹⁶² Towards the end of apartheid, in 1992, the ANC and the Congress of South African Trade Unions (COSATU) publicized an initiative called a ‘Platform of Guiding Principles for Foreign Investors,’ which emphasized the need for guidelines concerning companies’ social responsibilities.¹⁶³ While the ANC had opposed the implementation of codes of conduct during the apartheid years, the party recognized the potential of CSR and related monitoring efforts. In July 1993, the South African Council of Churches (SACC) introduced its own code of conduct for businesses operating in South Africa.¹⁶⁴

The introduction of the voluntary EEC Code of Conduct and Sullivan Principles was met with substantial criticism by many key actors in the struggle against apartheid. Bishop Tutu, for instance, proclaimed that ‘we do not want apartheid to be made more comfortable. We want it to be dismantled.’¹⁶⁵ Jennifer Davis, a member of the American Committee on Africa, noted that the codes had been ‘an extremely useful tool for the South African government and the corporations,’ while others even suggested that the principles were a placebo ‘designed to lull people into false

¹⁵⁹ Important to the prospect for foreign investment in South Africa at this time was also the Comprehensive Anti-Apartheid Act (CAAA) implemented by the US Congress in late 1986.

¹⁶⁰ Mangaliso, *Strategic Choice under Uncertainty: Multinational Corporations and the Pressure to Disinvest from South Africa*, 4; Seidman, *Beyond the Boycott, Labor Rights, Human Rights, and Transnational Activism*, 57.

¹⁶¹ Sethi and Williams, *Economic Imperatives and Ethical Values in Global Business: The South African Experience and International Codes Today*, 391.

¹⁶² Soule, *Contention and Corporate Social Responsibility*, 101.

¹⁶³ Document entitled “Where Next on Investment” from 15 December 1992: Bod.MSS. Afr.s. 2350/113.

¹⁶⁴ “News Digest” by Southern Africa Economic Research Unit from January 1994: LMA/4421/01/07/005.

¹⁶⁵ Mermelstein, *The Anti-Apartheid Reader: The Struggle against White Racist Rule in South Africa*, 399.

hope and complacency.’¹⁶⁶ In recent years, however, particularly the Sullivan Principles have been noted for their contribution to changes in corporate culture within the field of CSR. Sullivan himself argues that the establishment of the Principles constituted a ‘process that many have said was the beginning of corporate social responsibility in America and the world.’¹⁶⁷ In their assessment of the Sullivan Principles, Sethi and Williams conclude that ‘no one with any knowledge either of multinational corporate codes of conduct or the developments in the field of corporate social responsibility could fail to recognize its crucial role in helping to legitimate such codes.’¹⁶⁸

Demonstrating the gradual popularity of such measures, a survey conducted by the ILO in the early 2000s concluded that more than 400 principles, standards and corporate codes were in existence.¹⁶⁹

I want to emphasize the value of applying multiple perspectives in order to nuance my conception of codes of conduct. First, codes of conduct have historically been triggered by an awareness of a structurally generated disproportionality in the influence of transnational corporate actors. Young’s social connection model helps explain the negative side-effects of this influence and identify the points of connection between the transnational corporations and their individual customers. Second, the introduction of codes can be seen as an institutionalized effort to structure corporate decision-making in accordance with ethical principles similar to the subpolitical corporate-oriented strategies by social movements and activists. Third, situating the codes within the framework of anti-apartheid campaigning against transnational corporations enables a closer look at the interaction between activists and companies, which Seidman argues most discussions on codes of conducts fail to recognize.¹⁷⁰ By examining the dynamics between the two actors related to the implementation of codes, we can trace developments in the societal expectations towards companies, the importance of CSR, and consequently contextualize the companies’ responses to consumer boycott campaigns. In this effort, it is important to be mindful of the intricate relation between CSR and codes of conduct since on the one hand, both concepts are embedded into a framework that accepts the equation between business and social responsibilities. On the other hand, the distinction becomes apparent when considering that the AAM urged Barclays and Shell to integrate social responsibilities into

¹⁶⁶ Massie, *Loosing the Bonds: The United States and South Africa in the Apartheid Years*, 541; Sethi and Williams, *Economic Imperatives and Ethical Values in Global Business: The South African Experience and International Codes Today*, 82.

¹⁶⁷ Sullivan, *Moving Mountains: The Principles and Purposes of Leon Sullivan*, xi.

¹⁶⁸ Sethi and Williams, *Economic Imperatives and Ethical Values in Global Business: The South African Experience and International Codes Today*, xvi.

¹⁶⁹ Waddock, *Difference Makers: How Social and Institutional Entrepreneurs Created the Corporate Responsibility Movement*, 34.

¹⁷⁰ Seidman, “Monitoring Multinationals: Lessons from the Anti-Apartheid Era,” 392.

their businesses yet dismissed the adoption of codes of conduct as elements of a policy of constructive engagement. Both the codes and the anti-apartheid activists ultimately aimed at improving conditions for non-white South African workers yet the important distinction between the two was that the codes were designed to be applied within the confines of South African law, while the anti-apartheid activists discounted the legitimacy of the South African government entirely.

Conclusion

The introduction to CSR in the first section of this chapter serves to clarify the conceptual development of the idea of social responsibilities for companies. By examining the advance of CSR as a corporate instrument intended to curtail the unintended side-effects of foreign investment in South Africa, we are able to identify both the AAM and Barclays and Shell as actors within a coherent theoretical narrative. My emphasis on the AAM in section two as a potential catalyst for socially responsible policies establishes a frame of analysis for the boycott campaigns that discloses central aspects of the interaction between the movement and its corporate targets while concurrently accentuating broader developments within the field of CSR. The intricacies of this interaction is substantiated by Mary McDonnell and Brayden G. King's assertion that 'we still know little about the larger questions of how organizations defend their positions when they are disparaged by social movement challengers and how they defend their reputational standing in an organizational field when challenged by social activists.'¹⁷¹ The inclusion in sections three and four of contemporary corporate interpretations of the socio-political role of companies involved in South Africa provides insight into dominant perceptions and discourses that may have influenced the policies of Barclays and Shell. The discussion of codes of conduct in section four further concretizes the abstract concept of CSR and situates it within an apartheid-era context.

¹⁷¹ McDonnell and King, "Keeping up Appearances," 388.

Chapter 3: The Campaign against Barclays

‘The end of geography,’ Richard O’Brien explains, ‘refers to a state of economic development where geographical location no longer matters in finance, or matters much less than hitherto.’¹ He further suggests that this state of economic development should be perceived as a ‘challenge to all participants in the world economy.’² The anti-apartheid campaign against Barclays presents a response to this challenge by, first, emphasizing the structural relations between Barclays in Britain and Barclays in South Africa and, second, transforming this insight into concrete action through the consumer boycott. Encompassing nearly two decades, the consumer boycott of Barclays was the first major single-company campaign by the AAM. From early on, the targeting of a single company in favour of other British companies with ties to South Africa became a point of contention among the activists since many had difficulties justifying this style of boycotting. From a social movement perspective, however, the campaign against Barclays presented a timely opportunity to concentrate resources within the AAM, mobilize participants around a well-defined cause, and communicate a clear-cut message to the public.

The first section of this chapter reviews the history of Barclays in South Africa by addressing historical and political contexts relevant to my analysis of the campaign against the bank. The subsequent three sections trace the development of the campaign, which culminated in the decision by Barclays to disinvest. In the final section, I discuss the implications of the campaign for the bank’s relationship to CSR by detailing interaction between Barclays and the AAM.

Barclays in South Africa

‘I wish to refer to a matter of some controversy.’³ These were the introductory remarks of Sir Anthony Grant, a Conservative member of House of Commons, on the issue of Barclays’ involvement in South Africa in a parliamentary debate in 1984. The bank was targeted by the anti-apartheid activists partly due to the size of its operations in South Africa, its involvement in the Cabora Bassa dam in Mozambique, and its familiarity and visibility to the British consumer. Yet

¹ O’Brien, *Global Financial Integration: The End of Geography*, 1.

² Ibid.

³ Transcript entitled “Barclays Bank Bill (By Order):” Hansard Historical Archives, House of Commons Deb 29 February 1984 vol. 55 cc307-44.

importantly, the bank also became the subject of substantial and prolonged protest on account of the perceived leverage of the foreign-owned banking industry on the South African government. Sometimes referred to as the ‘industry opportunity structure,’ the banking industry as embodied by Barclays provided a context to the boycott campaign that conditioned much of the interaction between the activists and the bank.⁴ Before turning to the campaign against Barclays, then, I want to situate the bank and its South African subsidiary within the appropriate historical and economic contexts.

The first of the large so-called ‘imperial banks’ opened in South Africa during the early 1860s. These were major British banks led by boards of directors in London such as the London and South Africa Bank and the Standard Bank of British South Africa. The imperial banks adhered to the classic banking functions of making and receiving payments, issuing loans, and taking in deposits.⁵ At the time, the bulk of the capital used in South African banks was not introduced as foreign investment but originated within South Africa.⁶ As part of the late influx of imperial banks, Barclays seized control of the National Bank in 1926 when it became part of Barclays Bank Dominion, Colonial and Overseas (D.C.O.). When the news broke, the *Financial News* described the appropriation as part of the ‘real romance of Empire.’⁷ This depiction resonated with Barclays’ motivation to enter the South African market, which – according to Margaret Ackrill and Leslie Hannah – was founded in part on ‘imperial sentiments’ and a wish to ‘ensure wider Empire shareholding.’⁸ As late as 1971, Barclays D.C.O. of London published a booklet entitled ‘Emigrating to South Africa,’ which sought to recast South Africa’s history of imperialism in idealized and historically inaccurate terms by stating that the ‘Bantu moved south into what is now South Africa, arriving there at about the same time as the first whites were establishing themselves at the cape.’⁹

There is no doubt, however, that Barclays’ decision to expand to South Africa also made financial sense: the National Bank had been on the brink of insolvency yet Barclays’ South African business quickly became one of the most important divisions of the bank, accounting for half of D.C.O.’s revenue during the first 50 years.¹⁰ While the proportion of DCO offices in South Africa accounted

⁴ Soule, *Contention and Corporate Social Responsibility*, 45.

⁵ Jones, “Business Imperialism and the Imperial Banks in South Africa,” 31.

⁶ Jones, “Origins, Growth and Concentration of Bank Capital in South Africa, 1860-92,” 63.

⁷ First, Steele, and Gurney, *The South African Connection: Western Investment in Apartheid*, 120–21.

⁸ Ackrill and Hannah, *Barclays: The Business of Banking, 1690-1996*, 269.

⁹ Mermelstein, *The Anti-Apartheid Reader: The Struggle against White Racist Rule in South Africa*, 158.

¹⁰ Ackrill and Hannah, *Barclays: The Business of Banking, 1690-1996*, 293.

for more than half of the total DCO offices, Barclays' South African business became less important in relative terms as this number declined from 83 per cent in 1926 to 54 per cent in 1971.¹¹ In terms of profit, the numbers tend to reiterate the significance of political and economic stability; thus, Barclays' share of profits declined from 49 per cent to 27 per cent during the early years of apartheid (1948-1962) due to skepticism by foreign investors of the implications of the string of new measures implemented by the South African government.¹² Yet after most signs of visible resistance to apartheid had evaporated with the banning of the ANC and the PAC, and as the myriad of newly introduced apartheid laws entered into force, South Africa was increasingly perceived by foreign investors as a stable and profitable environment for investment.

During the first two decades of apartheid, Barclays DCO was not a particularly liberal-minded company: even where South African law did not forbid equal pay for equal work, the bank differentiated between white and non-white employees. Yet in 1971, Barclays DCO changed its name to Barclays National Bank of South Africa Ltd. (BARNAT), conceivably as part of a move to rid the bank of its colonial connotations. BARNAT immediately introduced the principle of equal pay for equal work not only to deflect mounting criticism in Britain but also to counter the shortage of skilled labour by promoting non-white employees to lower clerical positions.¹³ This was a progressive decision by contemporary standards: only three of the 45 South African companies that had publicized their wage rates in 1971 operated with a single wage-scale.¹⁴ Also, as parent-bank Barclays publicly criticized the apartheid system in clear terms as 'morally and economically indefensible' and Sir Anthony Tuke, Chairman of the Board, requested a briefing on the situation in South Africa.¹⁵ In the note, Sir Tuke was told that "'petty" apartheid is less in evidence' than would be imagined and that a cabinet minister had told a Barclays delegate that the government policy was 'talk tough – act soft.'¹⁶ The note further explains that 'Urban Africans do indeed, as apologists explain, seem contented.'¹⁷ Contrary to such positive descriptions of apartheid South Africa, the note also concludes that 'evidence of the pass laws is depressing to a stranger' and cautions that 'Nationalist Government supporters are, because of the system, reluctant to voice aloud misgivings

¹¹ Ibid., 275.

¹² Ibid., 295.

¹³ Document from November 1975 entitled "Barclays and South Africa:" Barclays Archive 29/635.

¹⁴ First, Steele, and Gurney, *The South African Connection: Western Investment in Apartheid*, 203.

¹⁵ Ackrill and Hannah, *Barclays: The Business of Banking, 1690-1996*, 296.

¹⁶ Note for Mr. Anthony Tuke on 10 April 1973: Barclays Archive 80/3394.

¹⁷ Note for Mr. Anthony Tuke on 10 April 1973: Barclays Archive 80/3394.

they privately admit.’¹⁸ While it is impossible to determine the significance of such internal briefings to Barclays’ strategy in South Africa, they are nonetheless indicative of the management’s concern both with circumstances in the country and the potential backlash on the domestic front.

Not only anti-apartheid activists and other critics of the role of foreign investment, however, posed a threat to Barclays’ operations in South Africa. Aiming to reduce foreign control of the South African market, the apartheid government appointed the so-called Franzsen Commission to present suggestions for a smooth transition to increased self-sufficiency. In 1971, the Commission proposed that foreign banks – including Barclays – should reduce their holdings to 50 per cent ‘over a reasonable period,’ which was determined to be approximately ten years.¹⁹ After the first ten-year period, the bank would be required to further reduce its holding to 10 per cent; a proposal that Barclays, according to an internal document, found ‘disturbing’ and which meant that the Barclays name would have to be discontinued.²⁰ In the bank’s view, such a policy would discourage much future foreign investment in South Africa. The document speculates that the purpose of this move by the South African authorities was to diminish the influence of foreign interests not founded on ‘sound business principles,’ which referred to business conduct aligned with the interests of the South African government.²¹ Despite Barclays’ entreaty that the requirement to reduce foreign shareholding below 50 per cent should be abandoned, the government began to implement the proposals outlined by the Franzsen Commission, which complicated Barclays’ business in South Africa considerably.

In many respects, the 1970s became a transformative decade for the South African economy since the growth that had been sustained for decades now began to show clear signs of decline. As a consequence of the framework established by the Franzsen Commission, the share of direct investment out of the total foreign investment decreased from 64 per cent to 41 per cent by 1976, though direct investment increased by 66 per cent over the following years.²² Conversely, indirect investment such as bank loans increased by more than four-fold, meaning that from the middle of the decade financial influx into South Africa consisted almost entirely of loans rather than foreign

¹⁸ Note for Mr. Anthony Tuke on 10 April 1973: Barclays Archive 80/3394.

¹⁹ First, Steele, and Gurney, *The South African Connection: Western Investment in Apartheid*, 89.

²⁰ Document entitled “Foreign Shareholdings in South African Banks:” Barclays Archive 29/635.

²¹ Document entitled “Foreign Shareholdings in South African Banks:” Barclays Archive 29/635.

²² John, “The Campaign against British Bank Involvement in Apartheid South Africa,” 417; Gurney, “In the Heart of the Beast: The British Anti-Apartheid Movement, 1959-1994,” 292.

companies setting up new businesses.²³ The principal recipient of foreign lending was the South African government, which sought to finance military spending and large-scale domestic investment programs.²⁴ One year after the Soweto Uprising began, total borrowing from foreign banks had fallen so drastically that the South African government was compelled to borrow from the International Monetary Fund (IMF). The riots in Soweto, however, were merely a symptom of more deeply rooted developments in South Africa; far more devastating to the South African economy was the rapid rise in population coupled with the restrictive and – increasingly – economically counter-productive apartheid laws. Internationally, the turn towards short-term lending effectively made South Africa more vulnerable to outside influences such as sanctions and disinvestment efforts. Also, the substantial rise in the gold price from 1979-1980 kept the rand at an artificially high level. The developments of the 1970s, Stuart Jones and Jon Inggs suggest, meant that the ‘stage was being set for the imposition of financial sanctions in the 1980s that led directly to the constitutional changes of the 1990s.’²⁵

Similar to most other foreign-owned banks, BARNAT did not manage to steer clear of the recessive repercussions of the Soweto Uprising, the death of Steve Biko, and South African military involvement in Angola and Mozambique. In 1977, the managing director of BARNAT failed to raise two small loans from Barclays in London, which was hesitant, on the one hand, about demonstrating what could be construed as a contribution to the South African economy and, on the other hand, about further investing in an unstable market.²⁶ At the end of 1977, the Board of Barclays convened to discuss the future of BARNAT. A meeting brief prepared by the Planning Department for the Board encouraged deliberation on the conceivable though ‘unlikely’ scenario in which the South African government would wish to buy out Barclays.²⁷ More realistically, perhaps, the brief urged the Board to consider ‘whether they would like to go down to 51 per cent as soon as

²³ John, “The Campaign against British Bank Involvement in Apartheid South Africa,” 417; Gurney, “In the Heart of the Beast: The British Anti-Apartheid Movement, 1959-1994,” 292.

²⁴ Paper presented by the AAM to the 3rd session of the International Committee against Apartheid, Racism and Colonialism in Southern Africa in Stockholm on 11-13 April 1980 entitled “Economic Collaboration with South Africa and the Campaign for Sanctions:” Mayibuye Archives MCH02-154.

²⁵ Jones and Inggs, “An Overview of the South African Economy in the 1970s,” 1, 9–10.

²⁶ Barber, *The Uneasy Relationship: Britain and South Africa*, 27.

²⁷ Document prepared by the Planning Department for the Board entitled “South Africa – the Options” from 22 December 1977: Barclays Archive 38/519.

possible' or whether 'they feel that we should aim at getting into a minority position?'²⁸ In the end, the Board decided that the bank would confine itself to short-term activities.

Not long after the investment scare occasioned by the Soweto Uprising, confidence appeared to have returned to the South African market. Misled in part by the spike in the gold price and perceived political stability, many South African public and private actors began to borrow excessively in the form of international capital. British lenders were more than willing to provide this capital and the South African market was second only to the US in terms of investor profitability during the early 1980s.²⁹ The South African government saw a considerable advantage in private lending as opposed to engaging with the IMF or other public international credit that was often conditional upon certain arrangements. Thus, by January 1977, BARNAT announced that it had no longer any difficulties in terms of raising loans.³⁰ This return to favourable conditions for the bank was highly beneficial to the South African economy since the link between British parent banks and their South African subsidiaries constituted a vital access to foreign capital. A UN report from 1982 singled out Barclays as the foremost British bank lending to South Africa and the estimated loan total more than doubled from 1982-1985 by which time Barclays' involvement was divided between £300 million in direct lending to state corporations and £450 million in financing from Barclays to BARNAT.³¹

The favourable economic circumstances of the early 1980s, however, were soon exposed as untenable. From an economic point of view, South Africa had not over-borrowed nor did the country experience severe economic problems. With the rioting that broke out from 1984, the mass popular protests led by the UDF, and a severe drought, however, foreign investors began to reassess the country's political climate and deemed it too risky.³² This new state of affairs caused many foreign investors not to renew their loans and ratings agencies downgraded South Africa's creditworthiness leading the rand to plummet by a third within a year from June 1984.³³ South Africa's heightened exposure to short-term foreign capital meant that 50 per cent of the country's debt was to be repaid within a single year, which led a financial report from March 1985 to refer to

²⁸ Document prepared by the Planning Department for the Board entitled "South Africa – the Options" from 22 December 1977: Barclays Archive 38/519.

²⁹ Holland, *The European Community and South Africa: European Political Co-Operation under Strain*, 57.

³⁰ Barber, *The Uneasy Relationship: Britain and South Africa*, 27.

³¹ John, "The Campaign against British Bank Involvement in Apartheid South Africa," 418.

³² Commonwealth Secretariat, *Banking on Apartheid: The Financial Sanctions Report*, 11.

³³ Jones, "South Africa: Sanctioning Apartheid," 36.

South Africa's external debt as being in 'absolute chaos.'³⁴ When the Botha administration introduced the first State of Emergency in July 1985, most foreign investors were further discouraged by the bleak prospects of South Africa's socio-political stability as well as concern about the ability of the government to repay its loans.

In response to the increasingly risky South African investment environment and the political instability evidenced by the State of Emergency, the American bank Chase Manhattan declared that it would not renew its \$500 million short-term loan to South Africa. The bank was the second largest American lender to South Africa and the bank's chairman stated that the decision was motivated by economic factors and that it should not be regarded as politically motivated.³⁵ Chase Manhattan's decision is now commonly perceived to have instigated a 'bank run' since a substantial number of institutions and investors followed suit within a short period after the bank's announcement. The result was an almost complete halt in new foreign investment, a further depreciation of the rand, and a decision by the Botha government to proclaim a partial moratorium on repayments of foreign debt.³⁶ This desperate solution generated widespread criticism from the international community and it served to unite the nearly 300 major foreign creditors around the common purpose of terminating further credit to South Africa.³⁷

By September, shortly after Botha's 'Rubicon speech,' the rand had fallen to thirty-four cents to the dollar or what Robert Massie asserts was its 'lowest point ever.'³⁸ In 1983, the exchange rate system had optimistically been liberalized and a unification of the exchange rate had been introduced yet Botha re-established a two-tier exchange rate system in response to a national economy in free-fall in the wake of the Rubicon speech.³⁹ Barclays' own calculations at this time indicate that South Africa was set to repay more than the total sum of the country's gold and foreign exchange reserves.⁴⁰ The reintroduction of the two-tier exchange rate system was intended to retain foreign capital in South Africa since the *financial* value of the rand was set to half the value of the *commercial* rate, which meant that disinvestment would be costly for Barclays.⁴¹ At the same time,

³⁴ Padayachee, "Private International Banks, the Debt Crisis and the Apartheid State, 1982-1985," 371.

³⁵ Massie, *Loosing the Bonds: The United States and South Africa in the Apartheid Years*, 592; Padayachee, "Private International Banks, the Debt Crisis and the Apartheid State, 1982-1985," 372.

³⁶ Dubow, *Apartheid, 1948-1994*, 222; Rodman, "Public and Private Sanctions against South Africa," 314.

³⁷ UN Department of political and Security Council Affairs Centre against apartheid: *World Conference on Sanctions Against Racist South Africa*, UNESCO House, Paris, on 16-20 June 1986: Mayibuye Archives MCH02-164.

³⁸ Massie, *Loosing the Bonds: The United States and South Africa in the Apartheid Years*, 592.

³⁹ Commonwealth Secretariat, *Banking on Apartheid: The Financial Sanctions Report*, 90.

⁴⁰ Massie, *Loosing the Bonds: The United States and South Africa in the Apartheid Years*, 592.

⁴¹ Ackrill and Hannah, *Barclays: The Business of Banking, 1690-1996*, 300.

the South African government hinted at Barclays that the bank might be permitted to preserve a majority holding in BARNAT.

Interrelated with these developments, however, was the growing international pressure. Ackrill and Hannah explain that Barclays' 'commercial decisions were soon driven no longer by calculations of profit or by South African politicians, but by British opponents of apartheid.'⁴² Anti-apartheid campaigning in combination with other forms of pressure had by way of direct economic costs connected to management resources and loss of accounts begun to take a heavy toll on the bank and its image. The perceived propensity towards increased sanctioning by the international community further lead Barclays to fear that BARNAT would try to evade any new restrictions in collaboration with the South African government. In light of the ongoing domestic protests against the bank, Barclays did not want to be involved in such activity, which explains why the bank chose to reduce its shareholding in BARNAT to 40.4 per cent in 1985.⁴³ Simultaneously, Barclays invited Oliver Tambo from the ANC to a meeting in London while Chris Ball, Chief Executive of BARNAT, met with the party in Lusaka. Towards the end of the following year, Barclays divested itself entirely of BARNAT shares.

A multitude of coinciding factors precipitated the decision by Barclays to leave South Africa. Important was the mounting public pressure: already in 1975, Barclays noted that 'bad publicity is simply bad business. Barclays is a global concern, operating in seventy nations around the world, so it is wary of courting criticism over the activities of just one of its subsidiaries.'⁴⁴ Defending its involvement in South Africa for nearly two decades, Barclays gradually improved conditions for BARNAT employees and engaged in social programs aimed at the non-white population. Despite these efforts, however, Barclays chose to disinvest in November 1986. I would argue that the major contributing factors to the bank's decision include the instability after the riots breaking out in 1976 and 1984, the unpredictability of the Botha administration, an increasingly risky South African market due to an explosion in short-term lending and artificially high gold prices, and concerted international pressure on foreign capital to withdraw. It is not difficult to qualify the view that Barclays might have contemplated disinvestment regardless of the anti-apartheid campaign waged against the bank; as prescribed by the Franzsen Commission, Barclays' involvement was already being phased out, and the bank's extensive operations across the African continent were threatened

⁴² Ibid., 296.

⁴³ Ibid., 299.

⁴⁴ Document from November 1975 entitled "Barclays and South Africa:" Barclays Archive.

by protests from countries opposed to any kind of business in South Africa. Furthermore, many anticipated a British or EEC equivalent to the CAAA. Within the banking industry specifically, the watershed moment might have occurred when Chase Manhattan decided not to renew its loans. The following sections nuance the motivation by Barclays to disinvest and trace the involvement of CSR in this decision by examining the campaign by the AAM against the bank.

Establishing the Campaign, Late 1960s to Mid-1970s

The formal campaign lasted nearly two decades and involved a number of actors, groups, and organizations each with different motivations for participation. While it may be more accurate to refer to several *campaigns*, I deploy the singular for purposes of simplicity. The focus of the campaign shifted in accordance with developments in South Africa and internationally, and the activists were aided by the increasing attention towards CSR. Yet while the anti-apartheid activists and Barclays were engaged in dialogue throughout the campaign, their correspondence indicate that little common ground could be found apart from condemnation of the apartheid system. ‘There could be no meeting of minds,’ Ackrill and Hannah write unequivocally; ‘to the campaigners, Barclays’ shareholding in BARNAT and BARNAT’s participation in South African life, no matter what modest and gradual contribution they made to black advancement, were simply wrong.’⁴⁵ Conversely, Sir Frederic Seebohm, Chairman of Barclays Bank DCO, lashed out at the activists by remarking that they were ‘prepared to see all the good things of life disappear in order to achieve an anarchical society’ and that ‘one of their objects is to bring about bloody revolution.’⁴⁶

Due to the multi-faceted and protracted nature of the campaign against Barclays, I would argue that my analysis benefits from a grounding in some of Markoff’s historically attentive social movement perspectives as discussed in chapter one. ‘Duration,’ for instance, stresses the intervals with which the campaign was successful in terms of mobilization of support and pressure on Barclays. The campaign might have been affected by societal ‘trends,’ which – in addition to technological innovation and progress in the campaigning tactics of the AAM – includes the gradual acceptance of CSR among both companies and the public. We have already seen how ‘punctual’ events such as the Soweto Uprising or the ‘Rubicon speech’ had a drastic impact on the conditions under which

⁴⁵ Ackrill and Hannah, *Barclays: The Business of Banking, 1690-1996*, 297.

⁴⁶ Statement by Sir Frederic Seebohm, Chairman of Barclays Bank D.C.O., at the AGM on 13 January 1971: Barclays Archive 80/4510.

Barclays did business in South Africa, and such abrupt events also tended to provide impetus for the anti-apartheid activists. Similarly, I have referred to how the ‘causal dependence’ of events such as South Africa’s frantic short-term lending coupled with the spike in gold prices significantly altered the foreign investment environment, which in turn made it easier for the AAM to argue that continued operations in South Africa would be untenable. Markoff’s categories provide a structured conception of campaigning aspects that are central to the interaction between Barclays and the anti-apartheid activists. While his framework will not explicitly guide my further analysis, my discussion of the campaign against Barclays reflects points of connection elucidated by Markoff.

The campaign against Barclays was marked by the debate on sanctions and disinvestment that continued throughout the apartheid era. I want to reiterate, however, the distinction between the general debate on foreign investment and the specific targeting of the banking industry. In the US, George M. Houser, a member of the American Committee on Africa, had already in 1966 produced a report occasioned by boycott campaigns against the American banks First National City and Chase Manhattan. Houser argues that few activists imagined that the campaign alone would precipitate the disinvestment of the banks. What they did rely on, he suggests, was that the ‘issue of American financial support for South Africa can be raised, that a large number of individuals will be faced with a decision about where they should bank, and a growing number of organizations and institutions will seriously debate where their funds should be banked.’⁴⁷ The most important criteria, Houser concludes, was to ‘help to make the issue a public one.’⁴⁸ With regards to the targeted banks, a ‘trend would be set’ as public pressure generated by the campaigns would cause the banks to reconsider their involvement in South Africa, which in turn could influence the outlook of other companies.⁴⁹ These tenets similarly came to form the basis of the British campaign against Barclays.⁵⁰

During the 1960s, the AAM expanded its action repertoire and built relations with other groups and organizations. While the movement set up campaigns against fruit or even South African products in general, however, it grappled with how to target a single company. Despite the simplistic allure of a single-company campaign, the fact that most major British companies did business in South

⁴⁷ Houser and American Committee on Africa., *A Rationale for the Protest against Banks Doing Business with South Africa*, 4.

⁴⁸ Ibid.

⁴⁹ Ibid.

⁵⁰ Despite these similarities, I have not been able to find any direct references among British anti-apartheid activists to the earlier American campaigns against banks.

Africa made it difficult to justify the selection of any particular target. In this endeavour, an opportunity arose for the AAM in the late 1960s when news broke that Barclays, among other British companies, was involved financially in the construction of the Cabora Bassa dam in Mozambique. By entreaty from the ANC, the AAM helped establish the ‘Dambusters Mobilizing Committee,’ which targeted British companies connected to the building of the dam.⁵¹ Two major criticisms were aimed at the Cabora Bassa dam project: first, any financial support of the Portuguese minority-rule in Mozambique effectively contributed to the perpetuation of unjust colonialist policies; second, the construction project was believed to displace around 24,000 black Mozambicans and bring upwards of one million migrants from Europe within a 30-year period.⁵² Central to both criticisms was the idea that the project would serve to maintain positive relations among neighbouring racial minority rules and thus ‘entrench white supremacy in southern Africa.’⁵³

The Dambusters Committee was largely made up of student activists from the NUS, the Movement for Colonial Freedom, the Haslemere Group, and local AAM groups. The Committee soon began to narrow in on Barclays mainly on account of it being the largest high street bank in South Africa and perhaps the most visible in Britain.⁵⁴ Thus, the campaign was not solely about racial oppression in Mozambique but was also intended to tie in with the ongoing anti-apartheid activities targeting South Africa as the most powerful country in the region. The activists were less concerned about the comparatively minor involvement of Barclays in the Cabora Bassa dam project than with the strategic benefits of choosing the bank as a target for a single-company campaign.

In response to the campaign, Barclays was quick to hire a consultancy firm called the Pegasus Group to help formulate a suitable strategy. In a report entitled *Focus on Subversion: Communist Bid to Dominate Africa?*, the Pegasus Group attempts to discredit critics of the bank by arguing that the Cabora Bassa project had aroused ‘intense opposition from LEFT-WING extremists’ and that the participating groups of the Dambusters Committee had all been ‘infiltrated by Communists.’⁵⁵ Barclays also allocated much time and effort to countering the allegations that the dam project was harmful to the non-white population of Mozambique and that the bank was involved in any

⁵¹ John, “The Campaign against British Bank Involvement in Apartheid South Africa,” 418; Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 87.

⁵² Proceedings at the AGM of Barclays Bank PLC on 1 April 1970: Barclays Archive 1142/5 (1-17).

⁵³ Article in *Sunday Telegraph* by Peter Gladstone Smith entitled “Why Dambusters Held up the Bank” on 5 February 1971: Barclays Archive 80/2754.

⁵⁴ Gurney, “In the Heart of the Beast: The British Anti-Apartheid Movement, 1959-1994,” 291.

⁵⁵ Document entitled “Focus on Subversion: Communist Bid to Dominate Africa?” by Pegasus Group from 1970: Barclays Archive 80/4510.

significant way. Shortly before Barclays terminated the financing of the dam in 1971, Sir Frederic Seebohm, Chairman of Barclays Bank DCO, stated that the ‘only connection we can trace is that an important contractor of long standing in one of our South African branches has taken on a sub-contract for part of the early work on the dam.’⁵⁶ He further stressed that the construction of the Cabora Bassa dam would be of ‘immense value to all races.’⁵⁷

Barclays also obtained a letter by Miguel Artur Murupa, a black Mozambican explaining that while at first he was antagonistic towards the project, he opposes the charge by anti-apartheid activists and others that the dam project would ‘constitute a crime against humanity’ and a ‘threat to world peace.’⁵⁸ Further solidifying the impression that Barclays’ involvement in the Cabora Bassa dam was cloaked in distorted narratives was the exposure of a fake advertisement in the Portuguese magazine *Journal Portuguese de Economia & Financas*, which asserted that ‘Barclays Bank’ retained a presence in the region of Cabora Bassa despite the fact that no banking divisions existed in the area.⁵⁹ The Sunday Telegraph was later able to conclude that the advertisement had been placed by ‘an international trickster seeking to establish false evidence against the bank.’⁶⁰ Prefiguring the later ‘war of representation’ between Barclays and the AAM, then, the beginnings of the campaign against Barclays was tainted by conflicting information.

The Cabora Bassa controversy represents Barclays’ first public encounter with the unintended negative side-effects of its operations in apartheid South Africa. The bank now figured as the antagonist in a narrative involving racist oppression, perpetuation of colonialist structures, and social responsibility. At this early stage in the campaign, the response – as we have seen – was not intended to accommodate the criticism leveled at the bank as much as defend the policies of BARNAT and discredit the agenda of the anti-apartheid activists. Occasionally moderated, this counter-strategy would form the template for later interaction between Barclays and the activists.

A distinction should be made between communication by the AAM aimed at Barclays, on the one hand, and activists and prospective participants on the other hand. Balsiger substantiates this distinction by arguing that social movement communication not ‘only target[s] corporations

⁵⁶ Statement by Sir Frederic Seebohm, Chairman of Barclays Bank D.C.O., at the AGM on 13 January 1971: Barclays Archive 80/2754.

⁵⁷ Ibid.

⁵⁸ Document entitled “Is Cabora Bassa a ‘Crime against Humanity’ and a ‘Threat to World Peace’? An Open Letter to all Men and Women of Goodwill, the World Over” by Miguel Artur Murupa from September 1971: Barclays Archive 80/4510.

⁵⁹ Head office circular No. A.8, 751 to the Local Directors and Managers: Barclays Archive 80/4510.

⁶⁰ Ibid.

instrumentally; it is designed to address different audiences, and especially potential political consumers, who are used as leverage to make pressure, but who are also an audience in their own respect.⁶¹ While briefings among the anti-apartheid activists tend to be pragmatically oriented, communicative efforts intended for individuals external to the inner circle were designed to be emotive and galvanizing. Thus, a leaflet by the Haslemere Group combatively declares that ‘money earned in South Africa is BLOOD MONEY: and your government, your friendly bank manager, your Barclay account and YOU are all implicated in this set-up.’⁶² As opposed to merely targeting the bank, the emphatic ‘YOU’ is used to foster awareness about the connection between the apartheid system and banking with Barclays as well as to motivate individual action directed at this connection. By applying this approach, the message communicated in the leaflet exemplifies Young’s theorization and positioning of the individual within a framework of responsibility through the social connection model. The premise, again, is that particular social structures facilitate injustices and that the individual is responsible for preserving those structures; in this case, banking with Barclays is perceived to perpetuate the involvement of the bank in South Africa.

Throughout the campaign against the bank, Barclays urged a differentiation between the apartheid system and the involvement of the bank in the South African market. This connection, however, was precisely what the anti-apartheid activists sought to explicate: by demonstrating a chain of responsibility between Barclays and the policies of the South African government, first, and subsequently between Barclays and its British customers, the anti-apartheid activists individualized accountability for mobilization purposes. Revisiting my discussion of political consumerism in the introduction, we can recognize this approach to mobilization as an example of what Pellandini-Simányi refers to as the ‘delegation of responsibility for global problems to the individual level,’ also labeled by Beck as the ‘privatization of risk.’⁶³ In this capacity, the allusion to individual accountability often employed by the anti-apartheid activists in campaign material is indicative of one of the most contested aspects of political consumerism. Gauging anti-apartheid activism from a more comprehensive perspective, however, enables us to identify the proposed remedy to the problems of individualized responsibility: coordinative action through anti-apartheid groups with the aim of amplifying the symbolic message and economic impact of boycotting.

⁶¹ Balsiger, “Making Political Consumers: The Tactical Action Repertoire of a Campaign for Clean Clothes,” 326.

⁶² Haslemere Group, “You and Your Money.”

⁶³ Pellandini-Simányi, *Consumption Norms and Everyday Ethics*, 167.

Despite a contentious first phase, the campaign against Barclays persisted and gradually came to occupy a more long-term position on the British anti-apartheid agenda. To the NUS, the campaign involved demonstrating against recruitment staff from Barclays to the extent that the bank itself referred to the beginning of each semester as the ‘anti-apartheid season.’⁶⁴ The students also closed or avoided accounts with the bank in great numbers; according to Barclays’ own figures, the bank’s share of student accounts in England and Wales declined from well over 30 per cent in the 1960s to 17 per cent in the mid-1980s.⁶⁵ As Ackrill and Hannah suggest, this tendency did not have ‘much immediate effect on profitability, but it did not promise well for the future.’⁶⁶ Finally, the more radical sections among students and other activists were responsible for spray-painting and vandalizing 125 Barclays’ branches as well as allegedly assaulting a member of staff during an organized protest.⁶⁷ It was often difficult to distinguish activists from the NUS and the AAM since many were involved in both organizations, such as Mike Terry who moved from a position as NUS Secretary to AAM Executive Secretary.

Another group working in close collaboration with the AAM was ELTSA, a vocal critic of British banks with subsidiaries in South Africa. Formed in 1973 by Reverend David Haslam and a few others, the purpose of the group was to conduct research and campaign for sanctions against South Africa, particularly within the areas of finance, oil, and gold.⁶⁸ When asked about the source of inspiration for the group, Reverend Haslam points to the instrumentalism of the ICCR.⁶⁹ At first, ELTSA focused on Midland Bank where, according to Reverend Haslam, the group ‘put down the first shareholder resolution in modern times on a social justice issue’ in the mid-1970s.⁷⁰ Echoing this assertion, Nerys John refers to ELTSA’s obtainment of three million votes at the Midland Bank AGM in 1975 in favour of a proposal to end lending to South Africa as the ‘first shareholder resolution on a moral/social responsibility issue to have been formally proposed and discussed at the AGM of a British company.’⁷¹ When Midland terminated its existing lending policy towards South Africa the following year, ELTSA turned its attention to Barclays, Hill Samuel, and Standard Chartered. Among the tactics used by the group were the placing of counterfeit giro forms in

⁶⁴ Internal Barclays note on 19 July 1971: Barclays Archive 80/2754.

⁶⁵ Ackrill and Hannah, *Barclays: The Business of Banking, 1690-1996*, 298.

⁶⁶ *Ibid.*

⁶⁷ Internal Barclays note on 19 July 1971: Barclays Archive 80/2754.

⁶⁸ Document by ELTSA Coordinator David Crane from February 1993: London Metropolitan Archives LMA/4421/01/07/005.

⁶⁹ Gurney, David Haslam transcript.

⁷⁰ *Ibid.*

⁷¹ John, “The Campaign against British Bank Involvement in Apartheid South Africa,” 420.

selected banks throughout Britain and the suspension of massive banners from the roofs of the banks.⁷² The NUS and ELTSA were important partner organizations to the AAM that helped put pressure on Barclays from different angles: the NUS exerted its leverage primarily in terms of a refusal to open accounts with the bank, while ELTSA conducted research on the extent of the links between Barclays and South Africa and published this information through a series of Shadow Reports. While my focus is on the campaign by the AAM, any meaningful analysis would include the parallel and often collaborative efforts of the NUS and ELTSA.

In the wake of the Cabora Bassa dam controversy, the AAM was searching for arguments that could rationalize a continued campaign against Barclays. Among the advantages discussed was the benefit of not having to build parallel campaigns against multiple companies. Among the disadvantages were the potential problems of appealing to ‘non-radical boycotters,’ of reconciling those who supported disinvestment with those who advocated constructive engagement, and finally of convincing the public of the fairness in singling out one particular company.⁷³ There appears to have been no disputes within the movement about the significance of the bank’s involvement; Sarah Darling, a projects officer, noted in 1971 that Barclays’ ‘involvement in Southern Africa is in fact so huge and fundamental, that once that fact has been established, there is very little more to say.’⁷⁴ In the end, the activists agreed to extend the campaign indefinitely in order to bring attention to the role of the foreign banks and lending to South Africa.

The management of Barclays had hoped to see the campaign expire with the conclusion of the Cabora Bassa affair since they had become aware that some employees had begun to feel uncomfortable about the possible links between the bank and the apartheid system, and staff morale was being affected by the continuous need to defend against criticism from activists and concerned customers.⁷⁵ In the main, however, there was no real sense of alarm within the bank: a note to members of the Chair and General Managers from June 1970 explains that ‘there is no sign of massive withdrawals’ and that the ‘campaign did probably reach its zenith between May and June.’⁷⁶ The note further claims that the ‘national demonstrations timed for 3rd June seem to have been something of a “flop.”’⁷⁷ These observations appear to have formed the basis for Barclays’

⁷² ELTSA newsletter 2: Bod.MSS.Afr.s. 2350/5.

⁷³ Brief by the AAM from 12 May 1975 entitled “Some Thoughts on Consumer Boycotts and South Africa:” Bod.MSS.AAM 1556.

⁷⁴ Letter from Projects officer Sarah Darling to R.C. Faulkner on 15 January 1971: Bod.MSS.AAM 1611.

⁷⁵ Internal Barclays letter on 12 May 1970: Barclays Archive 80/2754.

⁷⁶ Note for members of the Chair and the General Managers on 10 June 1970: Barclays Archive 80/2754.

⁷⁷ Ibid.

response to the campaign during the first half of the 1970s when the bank chose to largely ignore the activists due to a conviction that the campaign would in time disperse unnoticed. An internal note symptomatically contends that the bank has ‘weathered the worst of this storm and that we should now be prepared to ride it out quietly.’⁷⁸ The basis for Barclays’ strategy, the note proposes, should be to deny the activists publicity.

This strategy proved more difficult than the bank had anticipated: at the 1971 AGM, for instance, around 30 activists prolonged the meeting to over four hours, while the 1972 AGM received substantial media coverage. By December 1973, *The Times* reported that Barclays had lost an estimated £10 million in deposits on account of the boycott campaign.⁷⁹ These events were not sufficient to compel the Barclays management to seriously consider withdrawing from South Africa; according to an internal letter to the local directors, the failure of the campaign to reach the national level and to pose a serious threat to the bank was ‘largely because the Bank has resisted the temptation to mount a counter-campaign, thereby denying the protesters the publicity they so desperately need.’⁸⁰ Barclays’ strategy was calculated to avoid what the bank itself referred to as a ‘David and Goliath situation’ that would complicate the bank’s efforts to win over public sympathy.⁸¹ The proactive measures taken by the bank comprised an effort to make public Barclays’ intention to continue to do business in South Africa. More subtly, the bank aimed to separate the most radical protesters from the moderate critics in order to weaken the boycott campaign. This strategy involved, for instance, encouraging critics from religious groups to engage in conversation with more pro-apartheid South African colleagues or, as was also suggested, promoting a lecture tour by the President of the South African Institute of Race Relations.⁸²

As part of the ‘war of representation,’ the AAM and the Haslemere Group produced a joint pamphlet by Michael Bailey entitled *Barclays and South Africa* that sought to explicate the connection between Barclays and the apartheid system. The main findings in Bailey’s pamphlet were that less than two per cent of the bank’s clerical staff was non-white and that wages for some of the cleaning staff were below subsistence level.⁸³ This was a setback to Barclays whose policy had been to declare the number of non-white employees at BARNAT without – as proposed in an

⁷⁸ Note for Mr. D.V. Weyer no 1 July 1970: Barclays Archive 80/4510.

⁷⁹ John, “The Campaign against British Bank Involvement in Apartheid South Africa,” 419.

⁸⁰ Letter marked “Strictly private and confidential” to local directors by Barclays Bank Limited on 20 October 1972: Barclays Archive 80/4510.

⁸¹ *Ibid.*

⁸² Note for Mr. Anthony Tuke on 10 April 1973: Barclays Archive 80/3394.

⁸³ “Haslemere Group Press Conference, October 30th.” Barclays Archive 29/654.

internal note – ‘mentioning the total number of staff which slightly weakens the argument.’⁸⁴ More broadly, Bailey’s pamphlet criticized Barclays for recognizing the South African occupation of Namibia, helping break sanctions in Rhodesia by not exercising control over its employees in that country, and finally increasing Britain’s stakes in the apartheid system by promoting British trade and investment in the region. Discussing the pamphlet, an internal Barclays note submits that ‘actually in some ways it’s not a bad bit of research and certainly all the quotes are fairly accurate although some have been taken out of context to create a misleading impression.’⁸⁵ A substantial volume of communication within Barclays pertaining to the pamphlet suggests that the bank was alert to developments in the tactics used against the bank as well as alterations in the public opinion. This degree of attention is not unique to Bailey’s pamphlet but rather indicative of the effort by Barclays to remain cognizant of the criticism levelled against the bank.

In addition to the consumer boycott campaign, the series of articles in *The Guardian* by Adam Raphael (referred to in chapter two) contributed to the shift in the bank’s response to criticism. The articles generated a great amount of attention to the role of British investment in South Africa, and Barclays – a figurehead of British companies operating in southern Africa – was concerned about the repercussions. An internal note explains that Barclays’ response to the campaign had been ‘almost entirely defensive’ and suggests that it is ‘necessary to reconsider the public relations approach on South Africa and apartheid.’⁸⁶ By the mid-1970s, Barclays began to change its strategy based on a perceived need to address and accommodate criticism from the AAM and its partner groups and the public. A report by Christian Concern for Southern Africa (CCSA) argues that from 1974 the bank ‘publicly recognized the legitimacy of their protests even though it has not agreed with their prescriptions.’⁸⁷ With the publication of the ELTSA shadow reports, Barclays was no longer able to dismiss criticism of the bank as unsubstantiated or false claims but had to become increasingly involved in discussions on ethics and politics. According to an internal note, other causes of concern for Barclays included newfound doubt among some Church leaders as to the effects of constructive engagement, the employment of a fulltime campaign organizer at Swansea University College, increased pressure from the London Co-Operative Society on the Co-Operative Bank’s use of the so-called Barclaycard, and the threat of continued disruptive activities at the

⁸⁴ Note to Mr. Mogford on 18 January 1977: Barclays Archive 80/5366.

⁸⁵ Note for Assistant General Manager Pearce on 17 November 1975: Barclays Archive 29/654.

⁸⁶ Note for Mr. G.C. Cundy: Barclays Archive 80/3164.

⁸⁷ A report by Christian Concern for Southern Africa entitled “British Banks and South Africa” from 1978: Bod.MSS.AAM 1626.

AGMs.⁸⁸ From the activists' perspective, Barclays appeared to pay little attention to the boycott campaign yet internally there was mounting distress about the fact that the 'resources for dealing with critics' arguments are limited both by existing public relations policy and by material available.'⁸⁹

During the early years of the campaign against Barclays, the activists had been moderately successful in attracting media attention with experimental tactics such as the disruption of AGMs. The strategy of conducting a visible campaign was grounded in the perception that Barclays was 'extremely sensitive to publicity.'⁹⁰ Nevertheless, this publicity had not been translated into tangible results and the bank had not made any real concessions. The foundations of the campaign, Nerys John argues, 'had been laid under difficult circumstances, putting British banking links with South Africa on the agenda at a time when there was little overt opposition to apartheid South Africa itself.'⁹¹ Examining the onset of the campaign from an anti-apartheid perspective, however, fosters an alternative perception: in 1970, the AAM was emerging from a period of intense campaigning that entailed demonstrations against rugby teams and the success of the 'Stop the Seventies' campaign. The movement was further gaining political traction as evidenced by its more frequent communication with the Prime Minister's Office a few years later. More importantly, anti-apartheid activists had managed to draw attention to Barclays on a number of occasions such as in connection with the Cabora Bassa project and the AGMs. While the AAM had not succeeded in compelling Barclays to disinvest from South Africa, then, the activists had set up a campaign propelled by the momentum of recent achievements that would gradually build up pressure on the bank.

Sustaining the Campaign, Mid-1970s to Mid-1980s

Following the two publicity crises related to the Cabora Bassa dam project and the articles series in the *Guardian*, Barclays hoped to see voices critical of the bank's South African connection quieten down. When the EEC Code of Conduct was established in 1977, BARNAT and Barclays immediately adopted the guidelines. Yet in the aftermath of the Soweto Uprising in 1976, a controversial decision by BARNAT to purchase 10-15 million pounds' worth of South African

⁸⁸ Note for Mr. G.C. Cundy: Barclays Archive 80/3164.

⁸⁹ *Ibid.*

⁹⁰ Briefing by the AAM on a national day of action against Barclays on 15 October 1981: Bod.MSS.AAM 457.

⁹¹ John, "The Campaign against British Bank Involvement in Apartheid South Africa," 420.

defence bonds once more reflected back on its parent bank.⁹² By most accounts, the purchase was made in order to appease the South African government, which had rebuked BARNAT for its ‘unpatriotic stance.’⁹³ In fact, banks operating in South Africa were required by law to hold a certain quantity of government stock, which BARNAT subsequently used as an argument that any such holding could be used for military purposes irrespective of its specific affiliation. This rationalization of the purchase, however, was not aided by the fact that the bonds had been acquired by ceremoniously handing a cheque to a South African military general.⁹⁴ Furthermore, the bank had produced an advert that encouraged potential customers to ‘tackle inflation like a bayonet charge with a Barclays Savings Account. Come on you soldiers, bank with Barclays.’⁹⁵ Reproaching BARNAT’s actions at the Barclays AGM in 1977, Chairman Sir Anthony Tuke stated that the ‘purchase of these Bonds was entirely within the discretion of the people on the spot but, having said that, I do consider that it was handled in an insensitive way showing a lack of appreciation of the reaction in many other parts of the world.’⁹⁶ Sir Tuke further emphasized Barclays’ policy not to lend foreign currency to the South African government, which he argued severely limited the capacity of South Africa to purchase foreign military equipment.

The explicit connection between BARNAT and the South African military signified by the defence bonds precipitated an outcry from the various anti-apartheid groups as well as parts of the international community and the British public. An article in the South African *Financial Mail* on 15 April 1976 explains that while condemnation of foreign corporate involvement was not a novel phenomenon, the ‘opposition nowadays is more substantial as well as being more vocal.’⁹⁷ The Nigerian government, for instance, withdrew its deposits from Barclays and expelled a third of the expatriates employed at the Nigerian subsidiary of the bank.⁹⁸ The Haslemere Group was quick to frame the defence bonds as a ‘Fighting Fund’ intended for military aggression towards South Africa’s neighbours.⁹⁹ ELTSA accused Barclays – among other banks – of being willing to ‘turn a

⁹² Sampson, *Black and Gold*, 130; extract from Board minutes 12 May 1977: Barclays Archive 80/3157.

⁹³ Paper by Dr. N Craig Smith from 1987 entitled “A Strategy for Corporate Social Responsibility: The Case of the Withdrawal from South Africa of Barclays Bank:” Bod.MSS.AAM 1617.

⁹⁴ Sir Anthony Tuke’s address to the BARNAT board meeting on 1 July 1977: Barclays Archive 80/3157.

⁹⁵ Proceedings at the AGM of Barclays Bank PLC on 27 April 1983: Barclays Archive 1142/5 (1-17).

⁹⁶ Proceedings at the AGM of Barclays Bank PLC on 6 April 1977: Barclays Archive 1142/5 (1-17).

⁹⁷ John, “The Campaign against British Bank Involvement in Apartheid South Africa,” 421.

⁹⁸ Price, *The Apartheid State in Crisis: Political Transformation in South Africa, 1975-1990*, 66–67.

⁹⁹ Press release by the Haslemere Group on 15 December 1976 entitled “Barclays provides £6,500,000 for South African government defence fund:” Bod.MSS.Afr.s. 2350/13.

blind eye' to the implications of the bank's policies and decisions.¹⁰⁰ At a parliamentary session in the House of Commons on the defence bonds, Robert Hughes, Chairman of the AAM, proclaimed that 'in the past we have described the multinationals and British companies that had such investments as the accomplices of apartheid. With hindsight and in view of what has happened recently, that is too charitable. It is perfectly clear that they are the bulwark of apartheid.'¹⁰¹

The barrage of criticism pertaining to the defence bonds appears to have caused considerable concern at Barclays since the bank had to try to curtail the negative effect on its public image, hold meetings with anti-apartheid activists, and spend time and resources on internal communication on the issue. At a BARNAT board meeting on 1 July 1977, Sir Tuke referred to 'these tiresome Defence Bonds' and noted that 'I think it is true to say that all of us were surprised at the strength of reaction in England.'¹⁰² At the meeting, the public reaction to the defence bonds prompted discussions on whether they should be sold and even on the future of Barclays' investment in South Africa. Sir Tuke explained that the bank's gross exposure to South Africa was 'not less than £820 million, not all that far short of the capital and reserves of the Group as a whole.'¹⁰³ Concluding his statement, he urged the members of the board to 'bear in mind that the main Barclays investment is still in England and the action of the South African subsidiary has done great harm.'¹⁰⁴ Soon afterwards, the bank rid itself of the bonds.

ELTSA reacted to this decision by claiming that the 'victory of the Defence Bonds sale shows the importance of public pressure being brought to bear on British-based enterprises with investments in South Africa.'¹⁰⁵ While pressure on Barclays *was* the decisive factor in the bank's decision, I would argue that the response by ELTSA can be characterized as an attempt to frame the event in its favour. By generalizing from the concrete sale of defence bonds, the group engaged in what McAdam, McCarthy, and Zald label a 'conscious strategic effort [...] to fashion shared understandings of the world and of themselves that legitimate and motivate collective action.'¹⁰⁶ Establishing a narrative of success in the confrontation with Barclays would serve to rationalize the

¹⁰⁰ Document by ELTSA entitled "How Foreign Banks Have Invested in South Africa's Military Expansion:" Bod.MSS.AAM 1625.

¹⁰¹ Transcript entitled "Adjournment (Christmas):" Hansard Historical Archives, HC Deb 22 December 1976 vol. 923 cc689-737.

¹⁰² Sir Anthony Tuke's address to the BARNAT board meeting on 1 July 1977: Barclays Archive 80/3157.

¹⁰³ Ibid.

¹⁰⁴ Ibid.

¹⁰⁵ ELTSA newsletter 14 from January 1978: Bod.MSS.Afr. s. 2350/5.

¹⁰⁶ McAdam, McCarthy, and Zald, *Comparative Perspectives on Social Movements: Political Opportunities, Mobilizing Structures, and Cultural Framings*, 6.

continuation of the campaign and facilitate mobilization efforts. In general, the anti-apartheid activists were adept at converting concessions by the bank into successes for the anti-apartheid cause (as evident in the aftermath of Barclays' disinvestment discussed in the following section).

The efforts by Barclays to depict itself as a responsible company and to disassociate itself from the apartheid policies of the South African government had been undermined, first, by BARNAT's purchase of defence bonds and, second, by its public remarks that the purchase had been done as part of the bank's 'social responsibility.'¹⁰⁷ While the anti-apartheid activists largely perceived of Barclays as a single entity, incidents such as the defence bonds controversy demonstrated the discrepancy between BARNAT, which operated in a South African context, and Barclays, which had other concerns. Thus, the opposition to apartheid in Britain and the workings of the South African banking industry collided in the harsh public condemnation of a business decision made by Barclays' South African subsidiary; this reaction by the public is indicative of the assertion by Beck that the 'how' of business is increasingly politicized.¹⁰⁸ Illustrating the passive subpolitics of the bank, the perceived link between Barclays and the military suppression of the non-white population in South Africa was exceptionally tangible in the case of the acquisition of the defence bonds.

As an appendix to this controversy, Barclays invested R20 million in 1979 in the development of the parastatal South African Coal, Oil and Gas Corporation (SASOL) refinery that was designed to produce oil from coal.¹⁰⁹ At the Barclays AGM in 1980, Sir Tuke noted that while the defence bonds had indeed been controversial, there was 'no insensitivity about the SASOL issue' since all the major banks were involved.¹¹⁰ As explained during a debate in the House of Commons, however, the refineries were 'built to enable the regime to resist international sanctions.'¹¹¹ This incident further attests to the complexities of transnational business operations linking Britain and apartheid South Africa as well as the neglected ramifications of passive subpolitics.

Having already decided to engage with its critics more proactively shortly prior to the controversy pertaining to the defence bonds, a shift in Barclays' strategy had now been further necessitated and the scene was set for a new phase in the interaction between the bank and the anti-apartheid

¹⁰⁷ Aide memoire for meeting with Robert Hughes from 30 December 1976: Barclays Archive 80/4515.

¹⁰⁸ Beck, "Subpolitics: Ecology and the Disintegration of Institutional Power," 59.

¹⁰⁹ Proceedings at the AGM of Barclays Bank PLC on 8 May 1980: Barclays Archive 1142/5 (1-17); the importance of the SASOL refineries to the South African government are examined in chapter 4.

¹¹⁰ *Ibid.*

¹¹¹ Transcript entitled "Barclays Bank Bill (By Order):" Hansard Historical Archives, HC Deb 29 February 1984 vol. 55 cc307-44.

activists. Towards the end of the 1970s, the campaign had increased in scope and the organization of events had become more ambitious. The AAM scheduled a month of action in March 1978, for instance, in conjunction with the UN International Anti-Apartheid Year. It was proposed that the first week should focus on banks with Barclays as the figurehead of the industry.¹¹² In a press release from 28 February that year, the AAM and ELTSA called for 10,000 accounts to be withdrawn and it was further announced that over 200 Barclays' branches would be picketed on a single National Day of Action on 1 March.¹¹³ The press release stated that the campaign had now 'extended to the international level' by way of the divestment of the All-African Council of Churches, the stern criticism from the Caribbean Conference of Churches, and the growing campaign against Barclays in the US. At this point, the AAM and ELTSA claimed to be in contact with 1,000 organizations and individuals concerning the prospect of divesting from the bank.¹¹⁴

ELTSA wavered between dedicating itself fully to the bank campaign and merging with the labour movement in order to gain added leverage.¹¹⁵ Funding and staffing were identified as the most important elements affecting the ability of the group to sustain the campaign.¹¹⁶ After some debate, the decision was made to conduct more thorough research on Barclays through the appointment of a Barclays Shadow Board; the aim was to contribute with information to the campaign against the bank that could help the activists gain the upper hand in the 'war of representation.' Not only would a more carefully researched campaign offensive complicate Barclays' counter-efforts, it would also imbue the anti-apartheid cause with a greater sense of legitimacy among the public.

The inaugural meeting of the Shadow Board was held in London on 26 January 1981, and according to ELTSA it was the 'first time that a shadow board has ever been established in this country to monitor the activities of a multi-national company.'¹¹⁷ The main task of the Shadow Board was to produce an annual Shadow Report on Barclays' involvement in South Africa; this report was distributed not only among anti-apartheid activists and at public rallies but also among the shareholders at the Barclays AGMs. Sir Tuke, who was retiring as Chairman of Barclays at the time, noted that 'there are various strange things about this Shadow Board Report' such as the fact

¹¹² ELTSA report for the Committee Meeting to be held on 3 January 1978: Bod.MSS.Afr.s 2350/4.

¹¹³ Press release from ELTSA on 28 February entitled "Anti-Apartheid Call for 10,000 Accounts to be Withdrawn in UN International Year against Apartheid:" Bod.MSS.Afr.s. 2350/6.

¹¹⁴ Ibid.

¹¹⁵ ELTSA paper from September 1980: Bod.MSS.Afr.s. 2350/4.

¹¹⁶ ELTSA report for the Committee Meeting to be held on 3 January 1978: Bod.MSS.Afr. s. 2350/4.

¹¹⁷ ELTSA newsletter from February 1981: Bod.MSS.Afr.s. 2350/5; this claim is repeated in John, "The Campaign against British Bank Involvement in Apartheid South Africa," 423.

that it only covered the bank's South African connection while appearing to report on the bank as a whole.¹¹⁸ Also, the report was dated from 1981 whereas it was in fact pertaining to the activities of 1980, which presented a source of confusion.¹¹⁹ Despite some inaccuracies in the report, ELTSA announced that it had 'sold like hot cakes,' which indicates a demand for a more elaborate and professionalized approach to the bank campaign and, perhaps, to anti-apartheid activism more broadly.¹²⁰ The steps taken by the AAM and ELTSA in this direction – such as the publication of the Shadow Reports and the nomination of Archbishop Huddleston as President of the AAM – indubitably enhanced the legitimacy of the anti-apartheid cause among parts of the British public, which made it increasingly difficult for Barclays to dismiss the activists as radical or fringe idealists.

Cognizant of the activists' emphasis on condemnatory information, Barclays distributed Head Office circulars to the local directors and managers in advance of anti-Barclays demonstrations stressing the need to publish counter-information. 'The over-riding aim,' one memorandum specified, 'is to ensure [...] that our words appear in print alongside the demonstrators' sentiments, not in a later issue.'¹²¹ Barclays had learnt from previous episodes such as the Cabora Bassa controversy that it could be difficult to sway public opinion once the activists' perspective had gained currency in the public imagination. A tactic repeatedly deployed by the bank was to relativize the significance of circulating information by asserting that 'since the facts are constantly changing, and are subject to various attitudes, much of what is said is inaccurate, out of date or out of context.'¹²² Establishing doubts about the accuracy of the activists' criticisms could potentially undermine their efforts which, as we have seen, were reliant on legitimacy among the public.

As part of the 'war of representation,' Barclays began distributing a folder entitled *Barclays in South Africa: the Philosophy and the Facts*.¹²³ The bank further presented its own explanations of the motivations for the boycott campaign by situating anti-apartheid activism within a socio-historical context. Thus, a review describes how 'social and commercial history has created close links between South Africa and the United Kingdom and other Commonwealth countries which

¹¹⁸ ELTSA newsletter from February 1981: Bod.MSS.Afr.s. 2350/5.

¹¹⁹ Ibid.

¹²⁰ Ibid.

¹²¹ A Head Office Circular to the Local Directors and Managers on 11 September 1985 regarding apartheid demonstrations and the media: Bod.MSS.AAM 1614.

¹²² Document entitled "Barclays in South Africa: The Case for Constructive Engagement" from September 1980: Barclays Archive 1142/5 (1-17).

¹²³ Proceedings at the AGM of Barclays Bank PLC on 25 April 1984: Barclays Archive 1142/5 (1-17).

complicate the issue, not least because they introduce an emotional element into the debate which can then become less concerned with the facts themselves than with the attitudes to those facts.’¹²⁴ In addition to historical ties, the review emphasizes the role of ideology as an impediment to the propagation of accurate information. Political views, it is argued, ‘even as fundamental as the conflict between capitalism and socialism, also enter the arena and add to the problem for those who wish to decide fairly between withdrawal or constructive engagement as the better course for British and other foreign investment in South Africa.’¹²⁵ Barclays was well aware that the movement’s far left-wing affiliations was a cause of concern among many who harboured sympathies towards the anti-apartheid effort.

Despite the fact that Barclays had already become more proactive in its response to the anti-apartheid campaign, the early 1980s saw an internal discussion on potential further resources allocated to handling this issue. ‘I am sure I am not alone,’ J.H.C. Wicker writes in 1981, ‘but I am getting more and more concerned about what I believe is the increasing strength of the anti-apartheid lobbyists.’¹²⁶ He explains that it was generally necessary to deal with the anti-apartheid activists on a weekly basis, which is indicative of the amount of management resources spent as a consequence of the campaign. Finally, Wicker asks whether Barclays is ‘sufficiently aggressive in combating the anti-apartheid lobby? It seems to be that we take a low-key stance, a purely defensive posture, and tend to react to events or to poor publicity.’¹²⁷ A letter from the same date, however, cautions Chairman Sir Timothy Bevan that ‘to move over to the offensive at this time could be fraught with danger.’¹²⁸ The letter argues that a more pro-active strategy can only be justified ‘if some positive development took place in South Africa which could definitely be attributed to pressure from us, or any other international group (thus showing that the policy of constructive engagement does work).’¹²⁹ I discuss Barclays’ policy on constructive engagement in more detail later in this chapter.

Collectively, the two sentiments expressed above convey Barclays’ quandary between unease about the mounting pressure on the bank, on the one hand, and on the other hand a hesitancy – as a bank – to engage in the public debate on political issues. A 1981 assessment of Barclays’ response to the

¹²⁴ Review by Barclays Bank Limited entitled “Barclays and South Africa: A Review of the Continuing Debate” from November 1980: Barclays Archive 80/5000.

¹²⁵ Ibid.

¹²⁶ Note to Mr. Leslie from J.H.C Wicker from 13 April 1981: Barclays Archive 80/5000.

¹²⁷ Ibid.

¹²⁸ Letter to Bevan from 13 August 1981: Barclays Archive 80/2181.

¹²⁹ Ibid.

boycott campaign notes that the bank spent substantial resources on being up-to-date on developments in the campaign, meeting with prominent figures such as Archbishop Desmond Tutu, producing material for the newly enrolled college students, maintaining a dialogue with ‘responsible critics’ (among whom were only listed religious groups), responding to inquiries and criticism from institutions such as universities and local councils, and finally avoiding ‘any dialogue with the Haslam/Bailey type of extremist who merely twists whatever we say against us – often out of context.’¹³⁰ Avoiding this type of dialogue was in fact difficult due to the recurrent participation by anti-apartheid activists at the Barclays AGMs to the pronounced annoyance of many shareholders present at the meetings. Sir Tuke introduced the 1977 AGM, for instance, by acknowledging that ‘our Annual General Meetings have been taken up almost entirely by what can be described as a series of questions and statements concerning our involvement in South Africa.’¹³¹ By the 1981 AGM, one shareholder commented ironically that ‘my question isn’t about South Africa, I hope that’s alright!’¹³²

Among the activists, however, some were beginning to feel disillusioned about the impact of the activities at the AGMs. An activist from ELTSA noted at a meeting in 1979 that she ‘felt strongly the AGM’s were now becoming a waste of resources. [...] It was time to consider how its limited resources could be used most effectively, and continuation of large numbers of mailings to people often without reply was not the best way of using those resources.’¹³³ Despite such propositions, however, attendance at the AGMs continued. ELTSA’s stated priorities for 1983 provide a sense of the progressively more extensive efforts by the activists who – though still far from achieving their goal of compelling Barclays to disinvest – appear to have become more optimistic about the realization of this goal towards the final years of the campaign. At this time, the activists engaged in ELTSA were concerned with sustaining the boycott against Barclays, which also included producing a range of leaflets, newsletters, and reports, as well as a Shadow Report for the coming year. They would also monitor other banks such as Standard Chartered, Hill Samuel, NatWest, Midland and Lloyds. Regarding the organization of activists, the group would seek to expand the network of anti-apartheid-related bank campaigns that were being conducted outside of Britain, and

¹³⁰ Note to Mr. Bevan on 21 July 1981: Barclays Archive 80/5000.

¹³¹ Proceedings at the AGM of Barclays Bank PLC on 6 April 1977: Barclays Archive 1142/5 (1-17).

¹³² Proceedings at the AGM of Barclays Bank PLC on 29 April 1981: Barclays Archive 1142/5 (1-17).

¹³³ Notes from ELTSA special meeting on 10 July 1979 at War on Want: Bod.MSS.Afr.s. 2350/2.

to collaborate with the campaigns for oil sanctions. Finally, ELTSA would initiate a campaign against the IMF for its loans to South Africa.¹³⁴

With all these activities in mind – in addition to the escalating debt crisis in South Africa and an international community increasingly supportive of sanctions – the campaign against Barclays appeared to be gaining momentum as it moved into the 1980s; as N. Craig Smith notes, the campaign ‘at least appear[s] to have created a climate of possibility.’¹³⁵ Already in 1981, a briefing by the AAM claimed that Barclays had been ‘hurt by the Boycott – a fact to which their strenuous efforts to counter our campaign attests.’¹³⁶ This assertion is not to be mistaken for a conviction that the campaign would be successful within the near future and though it should also be perceived as an attempt to motivate and mobilize through deliberate framing, it *is* suggestive of a more confident approach by the activists.

Barclays’ Disinvestment

Considering the political turmoil in South Africa in the mid-1980s and the risky investment climate, Barclays’ decision to disinvest ought to have come as no surprise. In fact, the bank’s shareholding in BARNAT had been reduced from 100 per cent in 1971 to 64 per cent in 1978, before a further reduction to 40.4 per cent in 1985. Moreover, Barclays had repeatedly affirmed that it ‘is our policy to continue these reductions.’¹³⁷ By the end of 1986, however, the anti-apartheid activists had not anticipated the bank’s announcement and were caught off guard by this sudden ‘victory’ for their campaign. Only a couple of months prior to Barclays’ announcement, activists had complained that a picket outside of a Barclays’ branch had received ‘scarce publicity.’¹³⁸ Around the same time, Deputy Chairman John Quinton avowed in a letter that ‘we shall persevere in pressing for change, in the knowledge that we have already achieved more positive results in this direction than any of our critics.’¹³⁹ While it appears that the optimism of the early 1980s had generally prevailed, I would suggest that the bank’s failure to disinvest in the immediate wake of the Langa shootings or the first State of Emergency, when Chase Manhattan withdrew its investment, may have affected

¹³⁴ ELTSA proposal for 1983: Bod.MSS.Afr.s. 2350/4.

¹³⁵ Smith, *Morality and the Market, Consumer Pressure for Corporate Accountability*, 238.

¹³⁶ Briefing by the AAM on a national day of action against Barclays on 15 October 1981: Bod.MSS.AAM 457.

¹³⁷ Proceedings at the AGM of Barclays Bank PLC on 5 April 1978: Barclays Archive 1142/5 (1-17).

¹³⁸ Community Action No. 75, Sep-Oct 1986: Bod.MSS.AAM 1589.

¹³⁹ Letter to President of the Charing Cross and Westminster Medical School Students’ Union, Tom Coffey, by John Quinton of Barclays at 12 August 1986: Bod.MSS.AAM 1611.

some activists' hopes of a similar decision by Barclays in the near future. In this section, I examine the political, economic, and social factors that contributed to Barclays' decision to leave South Africa in November 1986. My analysis extends the historical outlines and conceptual discussions of the previous chapters and sections, though I pay special attention to the influence of the anti-apartheid campaign in my assessment of the bank's decision.

At the 1985 AGM, Sir Bevan noted that 'when talking of disinvestment, it seems to me the burden of proof is on the disinvestors to show how much more it would achieve than we have achieved by our policy of constructive engagement.'¹⁴⁰ Any uncertainty concerning the impact of disinvestment, I would add, was favourable to Barclays in the sense that it fenced off some of the bank's critics while postponing concrete political measures. Comparable to the activists' reference to the ANC as justification for their call for sanctions and disinvestment, the bank saw a strategic advantage in the use of sources that would be perceived as morally legitimate voices independent of private sector interests. As discussed in chapter two, this strategy can be characterized as 'discursive antagonism' since it constitutes an effort to confront and repudiate criticism from the AAM.¹⁴¹ Thus, the bank's reliance on external sources for legitimation signifies an escalation in the discursive conflict between Barclays and the activists.

One such source was Dr. Ellen Hellman, President of the Institute of Race Relations, whose 1971 article entitled *Boycotts and the Economy* regarded the potential success of foreign disinvestment and the imposition of sanctions as 'extremely questionable.'¹⁴² Hellman argued – in moral terms – that where the 'boycotters misconceive the situation is, I suggest, in their disregard of the massive extent of poverty in South Africa, and their failure to appreciate the effect of this widespread poverty on the quality of the lives of the people concerned.'¹⁴³ Such contributions to the debate on constructive engagement were welcomed by Barclays where an internal note advised that 'we should, of course, try to use it to our advantage.'¹⁴⁴ It was proposed that the article should be cited in the annual report, public statements on the anti-apartheid campaign, and the bank's 'Fact Sheet.' Furthermore, copies should be sent to all regional managers and local directors.¹⁴⁵ Another

¹⁴⁰ Proceedings at the AGM of Barclays on 24 April 1985, chaired by Sir Timothy Bevan: Barclays Archives 860/83.

¹⁴¹ Luyckx and Janssens, "Discursive Legitimation of a Contested Actor Over Time: The Multinational Corporation as a Historical Case (1964–2012)," 1596.

¹⁴² Article in the South African publication "New Nation" in September 1971 entitled "Boycotts and the Economy" by Dr. Ellen Hellman, President of the Institute of Race Relations: Barclays Archive 80/2754.

¹⁴³ Article in the South African publication "New Nation" in September 1971 entitled "Boycotts and the Economy" by Dr. Ellen Hellman, President of the Institute of Race Relations: Barclays Archive 80/2754.

¹⁴⁴ Internal note in response to the article on 10 December 1971: Barclays Archive 80/2754.

¹⁴⁵ Ibid.

important source of legitimation for Barclays was the controversial Gatsha Buthelezi, Chief Minister of Kwazulu and Chairman of the South African Black Alliance, who stated as late as in 1984 that ‘no matter how repugnant apartheid appears to the world; no matter how indignant the international community becomes about South Africa’s internal policies, disinvestment is a wrong strategy, a misguided strategy and a strategy which does not aid the struggle for liberation at home.’¹⁴⁶

Apart from referencing sources sympathetic to constructive engagement, Barclays also drew on substantive research. In a large report entitled *Foreign Investment in South Africa – The Policy Debate*, several papers examined whether ‘external investment – in its broadest sense – [is] a significant factor in the maintenance (or erosion) of apartheid?’¹⁴⁷ Each study was categorized in terms of its stance towards constructive engagement and a note concerning the report concludes that the ‘most interesting aspect of the papers, taken together, is the difference in approach and conclusions between equally devoted opponents of apartheid.’¹⁴⁸

One of the papers in the report was particularly convenient for the bank as it asserted that if the South African government began to feel threatened on account of disinvesting foreign companies, it would seek to impede the flow of funds out of the country.¹⁴⁹ As explained earlier, the South African authorities chose to do just this when they issued a moratorium on existing loans in the mid-1980s. The paper further concluded that the ‘case for withdrawal must be a political one. Certainly, the economic arguments seem to indicate that withdrawal is not a very effective strategy.’¹⁵⁰ This emphasis on politics is echoed by Barclays in a review from 1980 of the debate on disinvestment and constructive engagement, which contends that ‘in the end it can only be a matter of opinion whether Barclays are wrong to adopt a policy of constructive engagement and are therefore objectively supporting the South African government.’¹⁵¹ As we have seen, sources questioning the outcome of full-scale disinvestment could easily be located. Presenting the debate

¹⁴⁶ Proceedings at the AGM of Barclays Bank PLC on 25 April 1984: Barclays Archive 1142/5 (1-17); for more on Buthelezi, see Maré and Hamilton, *An Appetite for Power: Buthelezi’s Inkatha and South Africa*; Nxumalo, *Gatsha Buthelezi: Chief with a Double Agenda*.

¹⁴⁷ Report entitled “Foreign Investment in South Africa – The Policy Debate:” Barclays Archive 80/4516.

¹⁴⁸ Ibid.

¹⁴⁹ Study paper no.15: “Foreign Investments in South Africa: the Economics of Withdrawal”, by Charles Harvey, Fellow of the Institute of Development Studies, University of Sussex: Barclays Archive 80/4516.

¹⁵⁰ Ibid.

¹⁵¹ Review by Barclays Bank Limited entitled “Barclays and South Africa: A Review of the Continuing Debate” from November 1980: Barclays Archive 80/5000.

as a matter of political standpoint, however, also constituted a strategic advantage to the bank since it relativized any divergent opinions.

As discussed in chapter two, the barring from foreign capital was intended to harm the South African economy and thus compel the government to abandon its apartheid policies. Proponents of disinvestment, however, tended to concede that the non-white population would be victims of this strategy in the short term. Presenting an overview of the role of foreign-owned banks in South Africa, an extensive report by the CCSA from 1978 posits that large-scale disinvestment would not be an ‘exercise in hand-washing but will generate powerful economic and political pressures on the South African government to change its policies.’¹⁵² Concerning banks in particular, the report further asserts that ‘capital scarcity might reverse the trend towards greater mechanization, and exclusion from foreign markets (through lack of trade finance) could stimulate greater interest in meeting the needs of the country’s black consumers.’¹⁵³ The duration of the democratic transition, the report argues, would ‘depend on the speed with which the white minority appreciated the radically altered nature of their position and began to take new political and economic initiatives.’¹⁵⁴ In other words, an assessment of the implications of disinvestment was not exclusively a matter of remaining in or leaving South Africa but should take account of factors such as the duration and severity of the economic impact on the political elite and its constituents. While this understanding of disinvestment contains important nuances, the debate as it played out between activists and companies tended to rely on more distinct demarcations between disinvestment and constructive engagement. Evaluating the effects of constructive engagement up until the late 1970s, the report by CCSA concludes that ‘little substantive evidence can be found’ that this strategy has ‘been of benefit to the black community let alone been of a magnitude commensurate with that obtained by the whites.’¹⁵⁵ In fact, it is asserted, ‘British banking relations do more to sustain the status quo in South Africa than to change it.’¹⁵⁶

Together with other activists at the Barclays AGM in 1983, Reverend Haslam sought to convey the economic risks inherent in a South African investment. Importantly, these risks not only pertained to the turmoil in South Africa but were also noticeable on the domestic front: at the AGM, Barclays

¹⁵² A report by Christian Concern for Southern Africa entitled “British Banks and South Africa” from 1978: Bod.MSS.AAM 1626.

¹⁵³ Ibid.

¹⁵⁴ Ibid.

¹⁵⁵ Ibid.

¹⁵⁶ Ibid.

conceded that seven local authorities had divested of their holdings in the bank during the previous year, while only two new accounts had been gained.¹⁵⁷ A survey from March 1985 concludes that fifteen local authorities had either divested from Barclays or changed their policies on banking involved in South Africa.¹⁵⁸ Known for his long and confrontational remarks, Reverend Haslam spoke directly to the shareholders in an effort to make them reconsider their stake in the bank. Reverend Haslam asserted that the ‘reasons why all Shareholders should be concerned about Barclays’ business in that part of the world is because 10 per cent of the Bank’s assets are actually found in South Africa and Namibia and 20 per cent of the Bank’s profits came from that part of the world last year.’¹⁵⁹ The activists presumed that non-activist shareholders might also be persuaded to sell their shares in Barclays by fostering awareness about this trend and conveying the risks associated with investing in the bank.

While the AAM and ELTSA may have had an interest in exaggerating this risk, Barclays was in fact faced with a series of factors that, collectively, complicated the presence of the bank in South Africa. In 1987, Robert A. Bennett compiled a list of the potential threats that loomed over Barclays just prior to its decision to disinvest, which is consistent with the factors that I discussed at the beginning of this chapter: first, South Africa’s private sector had begun to borrow heavily from foreign investors; second, the social protests appeared to be increasing in magnitude and vehemence as did the international media coverage; third, a number of large foreign banks had begun to transfer their loans to smaller banks; fourth, the announcement by Chase Manhattan to terminate its lending was an eye-catching statement to other foreign banks about the risks involved in the South African market; finally, Botha’s ‘Rubicon speech’ ended the confidence of many foreign observers in the ability of the South African government to stabilize the political situation.¹⁶⁰ In addition to these factors, the artificially high gold prices, the requirement formulated by the Franzsen Commission that Barclays should reduce its shareholding in BARNAT, the general anticipation of a British equivalent to the CAAA in the US, and concern with the bank’s branches elsewhere in Africa further problematized a continued commitment in South Africa. Already in August 1985 – immediately after Chase Manhattan’s announcement – Barclays declared that it would soon remove the name ‘Barclays’ from its South African subsidiary.¹⁶¹

¹⁵⁷ Proceedings at the AGM of Barclays Bank PLC on 27 April 1983: Barclays Archive 1142/5 (1-17).

¹⁵⁸ John, “The Campaign against British Bank Involvement in Apartheid South Africa,” 424–25.

¹⁵⁹ Proceedings at the AGM of Barclays Bank PLC on 27 April 1983: Barclays Archive 1142/5 (1-17).

¹⁶⁰ Mermelstein, *The Anti-Apartheid Reader: The Struggle against White Racist Rule in South Africa*, 272–73.

¹⁶¹ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 88.

One factor that might have postponed Barclays' decision for a short period, however, was the debt owed by the South African government. According to the bank, this debt totaled just under £800 million and it was caught in the moratorium imposed by the Botha government on 2 September 1985.¹⁶² The bank was set to lose this sum in the event of complete disinvestment, which meant that in effect Barclays would have to pay to leave South Africa. An ELTSA report entitled *Apartheid's Debt to the West* seized the opportunity to proclaim that 'South Africa's dependence on foreign borrowing is now exposed for all to see.'¹⁶³ The moratorium was a consequence of a decision by many foreign banks to terminate lending to the government and to call for the immediate repayment of the outstanding loans. According to the report, this left the South African government with \$24 billion in debt, which it did not have the funds to repay. Approximately half of this debt consisted of short-term lending by foreign banks, which had quadrupled between 1980 and 1984. ELTSA put forward the case that the debt crisis provided a 'unique opportunity for the international financial campaign against apartheid. Foreign capital has been revealed as a vulnerable foundation of white power in South Africa.'¹⁶⁴ The report concludes that 'unless or until a final settlement is reached, bankers will continue to have an unparalleled degree of political leverage over South Africa. The international community must exercise its own leverage over the bankers.'¹⁶⁵ The fact that the Botha administration was compelled to make a move as drastic as a unilateral freeze on debt repayment indicates the extent of South Africa's political and economic predicament.

A letter correspondence between the AAM and Chairman Sir Bevan demonstrates the differences in opinion as to what designated Barclays' responsibility in terms of the debt moratorium: in Sir Bevan's view, the primary responsibility of the bank was with its shareholders and he argued that 'when a Bank is owed money it has a duty to get that money back.'¹⁶⁶ Archbishop Huddleston, conversely, replied that 'it is your responsibility to refuse to have further dealings with the South African authorities and to refuse to take part in its debt negotiations. While your funds remain in South Africa's hands, its defence budget rises and its oil and arms purchases, designed to circumvent the international embargoes, increase.'¹⁶⁷ Once again, the AAM emphasizes the passive subpolitics of its boycott target and the structural injustices associated with its operations in South

¹⁶² Extract from announcement of Barclays' group results for 1985 – Chairman's statement on South Africa on 6 March 1986: Bod.MSS.AAM 1611.

¹⁶³ ELTSA publication by Stuart Bell entitled "Apartheid's Debt to the West:" Bod.MSS.Afr. s. 2350/7.

¹⁶⁴ Ibid.

¹⁶⁵ Ibid.

¹⁶⁶ Letter to the AAM from Bevan on 27 February 1986: Bod.MSS.AAM 1611.

¹⁶⁷ Letter from Huddleston to Bevan on 22 September 1986: Bod.MSS.AAM 1610.

Africa. It is important to reiterate that within the South African context even a purely economic motivation by the bank to call for the repayment of its loans was likely to be based in part on an assessment of the political stability of the country. Moreover, the political implications of foreign investment in South Africa become manifest particularly when examining Barclays' decision to disinvest – located at the nexus between the political and the economic – since the bank's demand of repayment of outstanding loans would inevitably induce significant political consequences.

Then, on 24 November 1986, Barclays publicly announced its decision to sell its remaining shares in BARNAT to Anglo-American. The principal reasons listed included Barclays' holding in BARNAT, which was beginning to seriously affect the bank's international customer base, and the bank's newly unveiled plans to expand in North America, Europe, and the Pacific region, which would be considerably easier without ties to South Africa.¹⁶⁸ These were reasonable assessments of the value of BARNAT to Barclays, which at the time accounted for merely 2.5 per cent of the total Barclays Group profits. It was noted in the annual report that BARNAT would continue its strategy of constructive engagement, which indicates that Barclays had not abandoned its previous political position and thus reaffirmed the economic explanations submitted by the bank. Upon its announcement, the value of the bank's shares increased considerably.¹⁶⁹

In his immediate remarks after the announcement, Sir Bevan predicted that 'although this is a commercial decision, inevitably the general moral issue will be raised.'¹⁷⁰ Irrespective of the ample amount of economic justifications for disinvesting, much of the British press did indeed speculate on the extent of the influence of the AAM on this decision. In the *Financial Times*, David Lascelles and Jim Jones describe how politicians and anti-apartheid activists in Britain 'hailed Barclays' move as a significant victory in the struggle against racism.'¹⁷¹ The article cites Chris Ball, Managing Director of BARNAT, who noted that the bank had sold 'for the wrong reasons' and ventured that external pressures had hastened the commercial decision to disinvest.¹⁷² In a separate article, Lascelles challenges Barclays' explanations and states that 'no matter how much Barclays Bank ascribes other reasons to it, the decision announced yesterday to pull out of South Africa will be seen as a major capitulation to world opinion, and as such one of the most important victories yet

¹⁶⁸ Barclays Annual Report 1986.

¹⁶⁹ David Lascelles, "High Risks and Low Returns; Barclays and South Africa." 25 November, 1986.

¹⁷⁰ Barclays and South Africa: Sir Timothy Bevan's Comments: Bod.MSS.AAM 1611.

¹⁷¹ David Lascelles and Jim Jones, "Barclays Pulls out of South Africa by Selling 82 M Pounds (pds) Stake." *Financial Times*, 25 November, 1986.

¹⁷² Ibid.

for the anti-apartheid lobby.¹⁷³ Not only was it insinuated that the activists were largely responsible for Barclays' decision to disinvest, Lascelles further concludes that the decision marked the bank's 'final retreat from its argument - held tenaciously throughout the apartheid controversy - that it could do no more to help South African blacks by staying than by leaving.'¹⁷⁴ This directly contradicts Barclays' own statements as well as the fact that BARNAT would reportedly continue to pursue a number of CSR programs, albeit within the confines of South African law.

In *The Guardian*, Andrew Cornelius inferred that the 'no confidence vote by supportive and influential Barclays has hammered another nail in the coffin of the apartheid regime.'¹⁷⁵

Emphasizing the impact of the boycott campaign on the bank's decision, Cornelius contemplates that the 'underdog can win in the face of sophisticated and heavily funded opposition from a multinational.'¹⁷⁶ Emblematic of the general coverage of Barclays' announcement in the British press, such a depiction of the campaign was exceptionally valuable to the AAM. Whereas at times the movement had been criticized for its prevalent communist sympathies, its obstruction of store entrances, harassment of customers etc., it was now commended by many for its supposed contribution to a more socially responsible business environment. The AAM claimed in a press release that 'today's news will be a tremendous source of encouragement to the international campaign for sanctions and disinvestment.'¹⁷⁷ If the press was any indicator of the public opinion, then, the activists had succeeded in establishing a cognitive association between Barclays and the apartheid system as well as in convincing people that constructive engagement was not a sensible strategy.

Barclays' announcement to disinvest even became the centre of debate in a number of sessions at the Houses of Parliament, which attests to the domestic importance of the bank as well as the scale of publicity attained by the consumer boycott campaign. In the House of Lords, Lord Cledwyn of Penrhos wanted to know whether the Thatcher government supported Barclays' disinvestment and whether it was prepared to support other British companies that chose a similar course of action. In response, Baroness Young stated that the 'action of Barclays Bank is a matter for Barclays. It is a

¹⁷³ David Lascelles, "High Risks and Low Returns; Barclays and South Africa." 25 November, 1986.

¹⁷⁴ Ibid.

¹⁷⁵ Andrew Cornelius, "Frontiers (Item One): Morality in the balance / Barclays Bank's decision to quit South Africa." *The Guardian*, 27 November, 1986.

¹⁷⁶ Ibid.

¹⁷⁷ Press release: Bod.MSS.AAM 1593.

commercial decision for them.’¹⁷⁸ This remark led to some discussion concerning the bank’s motives with Lord Hatch of Lusby inquiring whether Barclays had not stated that the ‘decision taken was not taken solely on commercial grounds, but also on political grounds?’¹⁷⁹ The debate at the House of Commons was equally marked by uncertainty concerning the most important factors in Barclays’ decision. Mr. Winnick asked if the Foreign Secretary was ‘going to congratulate the anti-apartheid movement on the way in which it has persuaded Barclays bank to withdraw its holdings in South Africa?’¹⁸⁰ Mrs. Chalker, in response, asserted that the ‘decision by Barclays bank was an entirely commercial decision.’¹⁸¹

Barclays itself, by way of its chairman, did not concede any moral secessions as a result of anti-apartheid campaigning. According to the official history of Barclays, the decision to disinvest had been made on ‘politically driven, broader business grounds.’¹⁸² In a letter to Archbishop Huddleston a few months after the announcement, Sir Bevan addressed doubts expressed by the AAM on the motivations by Barclay to disinvest by explaining that if the bank’s stated reasons ‘appeared to give less weight to the moral factor than you and your colleagues would have liked, I can only point to our acknowledged reputation of being robust campaigners against apartheid, and of taking far more positive action against that evil than some of those who have criticized us for being in South Africa.’¹⁸³ Ackrill and Hannah further argue that those within Barclays who had wanted to retain a shareholding in BARNAT ‘simply could not understand the naivety of campaigners who felt that the quasi-forced sale, cheaply, of BARNAT shares to powerful white South African interests could bring the white community to its knees.’¹⁸⁴

Barclays may not have been persuaded by moral argumentation yet the consumer boycott campaign was felt most urgently by the bank in the form of a decline in profits as evidenced by the marked reduction in Barclays’ share of the student market. This view is corroborated in Andrew Cornelius’ analysis that the most significant part of the campaign against Barclays was ‘not winning over the management of the bank on moral grounds, but hitting the bank where it hurts most... in the

¹⁷⁸ Transcript entitled “South Africa: UN Sanctions Resolution:” Hansard Historical Archives, HL Deb 25 November 1986 vol. 482 cc432-4.

¹⁷⁹ Ibid.

¹⁸⁰ Transcript entitled “South Africa:” Hansard Historical Archives, HC Deb 03 December 1986 vol. 106 cc916-8.

¹⁸¹ Ibid.

¹⁸² Ackrill and Hannah, *Barclays: The Business of Banking, 1690-1996*, 300.

¹⁸³ Letter from Bevan to Huddleston on 4 March 1987: Bod.MSS.AAM 1612.

¹⁸⁴ Ackrill and Hannah, *Barclays: The Business of Banking, 1690-1996*, 300–301.

pocket.’¹⁸⁵ I advocate a less rigid dichotomy between economics and ethics when assessing the impact of anti-apartheid boycott campaigns on account of at least two circumstances: first, the activists’ moral arguments were converted into economic pressure through boycotting; second, the moral arguments in favour of constructive engagement were preoccupied with the economic improvement of the non-white population of South Africa. I suggest that the examples listed above demonstrate the unfeasibility of maintaining a sharp distinction between economics and ethics in studies both of the intended and actual impact of surrogate consumer boycotts. As noted in chapter two, the activists’ perception of Barclays as a surrogate target for the South African government curtailed activist concern with effecting a sustained transformation in the policies of the bank. In this capacity, the contribution of the boycott campaign to Barclays’ attention to CSR is the product of passive subpolitics (I return to this discussion later in this chapter).

Having attained the primary aim of the campaign, the AAM and ELTSA now had to make sure that Barclays would not drag out the divestment process. In December 1986, the groups collectively drafted a document entitled *Boycott Barclays Campaign – the Current Situation*, which discusses potential strategies for the final phase of the campaign. The document emphasizes the fact that Barclays would still be involved in BARNAT in the near future by maintaining correspondence, providing assistance, reinvesting nearly £90 million from the sale of shares in the South African market, being a member of the Technical Committee that aided the South African government in rescheduling its debt, and finally by not insisting on immediate repayment of this debt.¹⁸⁶ The AAM and ELTSA declared that they would continue the current strategy and they ‘pledged to intensify the boycott campaign’ if Barclays did not provide ‘categorical guarantees’ of its complete disengagement from South Africa within six months.¹⁸⁷ Setting a time frame was perceived as important to the ‘wider campaign for divestment, sanctions, and the total isolation of apartheid South Africa.’¹⁸⁸

In a letter to Archbishop Huddleston the following March, Sir Bevan noted that ‘we do feel most earnestly that we are being unjustly treated by being singled out as a continuing boycott target when

¹⁸⁵ Andrew Cornelius, “Frontiers (Item One): Morality in the balance / Barclays Bank’s decision to quit South Africa.” *The Guardian*, 27 November, 1986.

¹⁸⁶ Document by the AAM and ELTSA from December 1986 entitled “Boycott Barclays Campaign – the Current Situation:” Bod.MSS.Afr. s. 2350/12.

¹⁸⁷ Document by the AAM and ELTSA from December 1986 entitled “Boycott Barclays Campaign – the Current Situation:” Bod.MSS.Afr. s. 2350/12.

¹⁸⁸ Document by the AAM entitled “The campaigning implications of Barclays’ decision:” Bod.MSS.AAM 1612.

we have done all we can to withdraw.’¹⁸⁹ Barclays applied for assistance from the ANC to help terminate the boycott campaign and the bank emphasized its claim that the disinvestment was ‘genuine.’¹⁹⁰ A meeting between the activists and Barclays on the prospects of ending the campaign was followed by some discussion within the AAM. Archbishop Huddleston was convinced that it would be ‘wholly counter-productive to continue the boycott against Barclays when we know that they are doing everything possible to implement a complete pull-out.’¹⁹¹ He further argued that ‘we have not the right to judge whether their motives are purely commercial or moral. I personally think they are a mixture of the two and that the public statement they put out was (in their Bankers terms) an attempt to reassure their present and future clients.’¹⁹²

The activists who opposed this view were more skeptical of Barclays’ commitment to disinvest and they were hesitant about ending the campaign should the bank choose to remain in South Africa. Some expressed understanding of Barclays’ quandary yet proposed a broader perspective in accordance with the argument proposed by Xavier Carim, Audie Klotz, and Olivier Lebleu that the short-term nature of South Africa’s foreign debt provided banks and other major companies with extraordinary leverage in terms of pressuring the government to abolish the apartheid system.¹⁹³ In a letter from the AAM, ELTSA, and the NUS to a number of British banks, the activists reasserted their view that ‘international banks cannot escape the political consequences of their actions.’¹⁹⁴

With regards to the banks’ outstanding loans, it was predicted that their ‘agreement to any new rescheduling terms can only have the political result of relieving the pressures on Pretoria to negotiate with the real leaders of South Africa for an end to apartheid.’¹⁹⁵ This preoccupation with the potential political influence of the foreign banks became the centre of discussion at a series of meetings orchestrated by Fritz Leutwiler, the former President of the Swiss National Bank, who had been employed by the Botha administration to mediate between itself and its creditors. According to Massie, the main question was ‘whether and to what extent the bankers would impose political conditions on the South African government as part of the debt agreement.’¹⁹⁶ While this would be

¹⁸⁹ Letter from Bevan to Huddleston on 4 March 1987: Bod.MSS.AAM 1612.

¹⁹⁰ A Minute of the Meeting with Barclays Bank on March 2 1987: Bod.MSS.AAM 1612.

¹⁹¹ Letter from Huddleston to Mike Terry on 3 March 1987 regarding their recent meeting with Barclays: Bod.MSS.AAM 1614.

¹⁹² Ibid.

¹⁹³ Crawford and Klotz, *How Sanctions Work: Lessons from South Africa*, 159.

¹⁹⁴ Letter to Barclays Bank, National Westminster Bank and Standard Chartered Bank from the AAM, ELTSA and National Union of Students: Bod.MSS.AAM 1611.

¹⁹⁵ Ibid.

¹⁹⁶ Massie, *Loosing the Bonds: The United States and South Africa in the Apartheid Years*, 594.

an unusual move for the banks, Robert Massie argues, the ‘lines between economic and political decisions disappear’ in a context in which the banks’ predicament was caused by political decision-making.¹⁹⁷ Thus, the foreign private sector bank loans intended to have no political conditions attached were transformed into a source of political vulnerability for the South African government.¹⁹⁸ As analogized in a document by ELTSA, the banks’ ‘herd instinct which had previously worked in South Africa’s favour, now began to operate against it.’¹⁹⁹ The passive subpolitics of Barclays, then – which until the bank’s disinvestment had been a source of criticism by the activists – now worked in favour of their cause. Massie concludes that this observable dependence on foreign investment changed ‘many people’s assumptions about the power of economic measures to affect apartheid.’²⁰⁰

At the Barclays AGM on 22 April 1987, Sir Bevan tried to ensure the skeptics by stressing that the disinvestment of the bank was ‘not cosmetic, but a total severing of the investment link.’²⁰¹ He also made clear that Barclays did not support the moratorium issued by the South African government and that the bank actively sought to retrieve its remaining funds when he claimed that the ‘South African Government has gained something of a propaganda coup by claiming that international banks have agreed a rescheduling of its external debt. What in fact has happened is that the South Africans unilaterally stopped repaying capital and then dictated the terms on which they would pay.’²⁰² Barclays, then, was caught between the demands of the activists and the whims of the Botha administration.

By May, however, the AAM published a report in which it was confirmed that the ‘Boycott Barclays campaign has achieved its stated objective’ and that ‘we will no longer be pursuing this campaign.’²⁰³ Instead, new campaigns would be launched against Standard Chartered as well as against any ‘British and British-based banks’ with existing loans to South Africa in order to ensure the termination of these loans.²⁰⁴ Finally, the activists would advocate publicly in favour of declaring South Africa bankrupt. Already in August, however, Standard Chartered followed in

¹⁹⁷ Ibid.

¹⁹⁸ Crawford and Klotz, *How Sanctions Work: Lessons from South Africa*, 166.

¹⁹⁹ ELTSA publication by Stuart Bell entitled “Apartheid’s Debt to the West:” Bod.MSS.Afr. s. 2350/7.

²⁰⁰ Massie, *Loosing the Bonds: The United States and South Africa in the Apartheid Years*, 593.

²⁰¹ Proceedings at the AGM of Barclays on 22 April 1987 chaired by Sir Timothy Bevan: Barclays Archive 860/83.

²⁰² Ibid.

²⁰³ Report from the Executive Committee to the AAM National Committee in May 1987 entitled “Barclays Bank: British Banking Collaboration with Apartheid South Africa; and South Africa’s International Debt Crisis:” Mayibuye Archives MCH02-164, 5.

²⁰⁴ Ibid.

Barclays' footsteps and sold its remaining shares in its South African subsidiary.²⁰⁵ Shortly afterwards, a number of other banks followed suit. By 1989, a report by the Commonwealth Secretariat labelled South Africa a 'perceived high risk borrower' and referred to the risks of being caught by a unilateral rescheduling of loans similar to that of the mid-1980s.²⁰⁶ South Africa's economic situation deteriorated during 1989 and in April the AAM and ELTSA rebooted their 'no debt rescheduling' campaign, which aimed to prevent banks from negotiating new loan conditions. Despite their efforts, however, approximately \$8 billion were rescheduled in October.²⁰⁷ An ELTSA strategy paper from 1989 indicates that the activists found it difficult to sustain the campaign, and it was agreed that the failure to prevent the rescheduling emphasized the 'importance of better longer-term planning' and that they were at loss as to how to 'best maintain the momentum.'²⁰⁸ I demonstrate in chapter four how the campaign against Shell underwent a similar development.

In their assessment of Barclays' disinvestment, Ackrill and Hannah conclude that 'history favours the campaigners: their action led to one more source of pressure forcing the white South African government to negotiate with the black majority and forge a democratic consensus for stable government.'²⁰⁹ Those who gained from this decision, they continue, include the South African government's exchange management account, predominantly white pension funds, and other investors in the bank; this was 'an outcome neither desired nor intended by the anti-apartheid campaigners who forced it.'²¹⁰ Ackrill and Hannah hypothesize that a profitable sale in the 1970s would have been the best solution for Barclays since it could have spared the bank years of having to deal with the boycott campaign as well as the negotiations concerning a rescheduling of South Africa's debt. Put more bluntly, the disinvestment 'benefited blacks politically, whites financially, and Barclays not at all.'²¹¹

This analysis, however, does not take into account the new market possibilities or the sudden rise in student accounts after the end of the boycott campaign. Barclays' disinvestment caused no perceptible harm to the South African economy yet according to Sampson it 'marked a withdrawal not so much of technology or management but of confidence and credit, in the literal sense of trust,

²⁰⁵ Holland, *The European Community and South Africa: European Political Co-Operation under Strain*, 60.

²⁰⁶ Commonwealth Secretariat, *Banking on Apartheid: The Financial Sanctions Report*, 15, 22.

²⁰⁷ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 95.

²⁰⁸ ELTSA strategy paper from 9 December 1989: Bod.MSS.Afr. s. 2350/2.

²⁰⁹ Ackrill and Hannah, *Barclays: The Business of Banking, 1690-1996*, 301.

²¹⁰ *Ibid.*, 391.

²¹¹ *Ibid.*

which is the bankers' life blood.'²¹² Vella Pillay, a founding member of the AAM, suggests that 'what broke the back of the apartheid regime, within the context of the ungovernability campaigns of the youth in the townships, was the refusal of the international banks to renew South Africa's bank loans.'²¹³ The British government was thus out of tune with developments in the private sector as it continued to be the largest foreign investor and lender in South Africa in the mid-1980s.²¹⁴

Drawing on the notions introduced by Monroe Friedman, I would argue that Barclays' disinvestment was a 'micro-victory' but a 'macro-defeat' to the activists in the sense that – while their surrogate target acted in accordance with their demands – the overall aim of ending apartheid was not elicited directly by this event.²¹⁵ I would maintain, however, that the bank's disinvestment contributed not only to the concerted economic pressure on South Africa's government but also in terms of changing public and corporate perceptions of CSR as the boycott campaign – in conjunction with the highly publicized announcement to disinvest – became vehicles for increased attention to the infusion of social responsibility into business conduct. According to an analyst cited by Fieldhouse, the Barclays campaign made 'Apartheid relevant to British people by showing them manifestations of the regime on their doorsteps, in their high streets in their recreation.'²¹⁶ While the primary aim of the campaign was Barclays' disinvestment, the numerous allusions by the activists to the social responsibility of foreign companies signal the significance to the activists of the wider ethical implications of the boycott campaign. In this capacity, then, the campaign's normative promotion of greater sensibility towards CSR-related issues could also be deemed a 'macro-victory.'

Barclays and Social Responsibility

Speaking on the issue of sanctions and the role of foreign investment, Winnie Mandela once declared that the non-white South Africans did not want to become 'fat slaves.'²¹⁷ In using this description, she visualized the perceived negative consequences of constructive engagement, which, as a starting point, proposed to work for change within the confines of South African apartheid law.

²¹² Sampson, *Black and Gold*, 255.

²¹³ The Anti-Apartheid Movement, "The Anti-Apartheid Movement: A 40-Year Perspective," 26.

²¹⁴ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 94.

²¹⁵ Friedman, "Ethical Dilemmas Associated with Consumer Boycotts," 235.

²¹⁶ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 88.

²¹⁷ As quoted in a letter by the chief representative of the ANC Solly Smith on 21 April 1986: Bod.MSS.AAM 1626.

The dispute between Barclays and its critics had a dual component: part of the criticism was centered on the premise that any form of association with the South African economy, as phrased by N. Craig Smith, ‘clearly flouts the democratic principles’ taken for granted within a British context.²¹⁸ Another part of the criticism went beyond reproving on the basis of association and accused the bank of actively perpetuating the structures of apartheid. Such criticism might be met by substantiating claims regarding the pragmatic benefits of constructive engagement yet as the previous sections suggest, Barclays was unable to demonstrate any positive large-scale effects of this policy. Instead, the bank periodically affirmed its conviction that ‘our presence in South Africa can no more be interpreted as political support for the government than our presence in Great Britain can be construed as political support for the government of the day over here.’²¹⁹ An internal Barclays document further explains that the dispute between the bank and the activists was ‘*not* about apartheid, which is clearly an evil we all deplore, but what should be done about it.’²²⁰

In the previous sections, I have traced the development of the campaign against Barclays that culminated in the bank’s disinvestment. The remainder of this chapter is preoccupied with how Barclays managed demands for more socially responsible conduct as well as with changes in the bank’s perception of what constituted socially responsible conduct within a South African apartheid-era context.

When examining internal communication within Barclays and correspondence between the bank and other actors, two shifts in the narrative of the bank’s relation to CSR emerge: first, the name-change of Barclays D.C.O. to BARNAT in 1971 and the immediate introduction of improved conditions for non-white employees. While based on inconclusive material, it is my impression that this decision was made partly as an effect of the controversy concerning the Cabora Bassa dam project and the initiation of the campaign by the AAM in Britain. Second, the late 1970s saw adjustments in Barclays’ lending policies followed by an increase in communication regarding constructive engagement and the social responsibility of the bank. Coinciding with these developments were the aftermath of Raphael’s articles in *The Guardian*, the publicity crisis relating

²¹⁸ Paper by Dr. N Craig Smith from 1987 entitled “A Strategy for Corporate Social Responsibility: The Case of the Withdrawal from South Africa of Barclays Bank:” Bod.MSS.AAM 1617.

²¹⁹ Proceedings at the AGM of Barclays Bank PLC on 1 April 1970: Barclays Archive 1142/5 (1-17).

²²⁰ Document entitled “Barclays in South Africa: The Case for Constructive Engagement” from September 1980: Barclays Archive 1142/5 (1-17).

to BARNAT's purchase of defence bonds, and the introduction of formal guidelines for CSR in the form of the EEC Code of Conduct and the Sullivan Principles.

The campaign spearheaded by the AAM by no means represents the bank's first engagement in discussions on social responsibilities: at the opening AGM in 1926 at Barclays D.C.O. in South Africa, it was announced that the bank was 'not concerned with political questions or political differences of opinion, its object being to promote the business interests of those with whom it may come in contact and the development of those arenas in which it is established.'²²¹ While Barclays dissociated itself from any political ramifications and decision-making already at this early stage, the commitment of the bank to contributing to the development of 'arenas' affected by its operations indicate a preliminary and vague conception of CSR. Accepting the assertion by Seidman that 'external pressures on a corporation defined its societal obligations, not the moral instincts arising from within,' I would deduct that Barclays had not at this point been subjected to substantial pressure pertaining to its social responsibility since the bank did not perceive the need to define or express its policies in this regard.²²² The intricacies of Seidman's proposition, however, are disclosed when considering the fact that external pressures from activists, politicians, shareholders, and other foreign companies pulled Barclays in opposite directions; I return to this notion later in this chapter.

The attitude outlined at the 1926 AGM remained a guiding principle for Barclays over the following sixty years, though it was gradually moderated. From 1969, when the bank became involved in the debacle relating to the Cabora Bassa project, a newfound attention to the social responsibility of the bank emerged. With the intensified campaigning against the bank and the name-change from the colonial-era D.C.O. to BARNAT, it is clear that Barclays engaged itself actively in the debate concerning the role of the bank in South Africa and that considerable resources were allocated to counter the arguments of its critics. Most notably, the AGMs became a platform for face-to-face interaction between the bank and the activists. On these occasions, the management had the opportunity to reply directly to antagonistic positions and to assure a large number of shareholders of the benefits of the bank's policies. Already at the 1970 AGM, Chairman

²²¹ Proceedings at the AGM of Barclays Bank PLC on 1 April 1970 (Chairman Thomson quoting Mr. Goodenough): Barclays Archive 1142/5 (1-17).

²²² Seidman, "Monitoring Multinationals: Lessons from the Anti-Apartheid Era," 392.

John Thomson addressed social responsibility issues by asserting that the bank played an ‘important part in the advancement of the well-being of all 19 million inhabitants.’²²³

In an attempt to make sense of this emergent concern with stakeholders beyond the shareholders, one shareholder inquired at the 1971 AGM how the bank would be able to ‘run a business overlooking all moral issues?’²²⁴ Two years later, a shareholder admonished the management by stating that ‘you are in banking; you are not Parliament.’²²⁵ At a later AGM, yet another shareholder protested that ‘this absurdity in relation to a trading company which is out to make money internationally should just stop. [...] It is just no use to us all.’²²⁶ Based on the transcripts from the AGMs, there was broad skepticism throughout the extent of the campaign towards the explicit connection between Barclays’ operations and the idea that the bank ought to be concerned with stakeholders other than its shareholders. Present at every AGM throughout the campaign, it was almost exclusively the anti-apartheid activists who advocated this connection and who maintained, as one activist did, that ‘you cannot possibly separate politics and economics.’²²⁷ While the activists managed to make a spectacle at the AGMs vis-à-vis the social responsibility of the bank, I would argue that the CSR-related debates in these forums should not be viewed as isolated acts of pressure but rather as part of the cumulative anti-apartheid consumer boycott efforts to promote an agenda of social responsibility.

As previously discussed, the activists targeted Barclays partly as a form of surrogate boycotting aimed at precipitating the disinvestment of the bank in South Africa. Barclays on its part, however, entirely rejected the premise behind this strategy. In a letter to Reverend Haslam in 1975, Chairman Sir Tuke compared surrogate boycotting to arguing that if ‘you stopped eating Cadbury’s chocolate in this country you will somehow prevent Cadbury’s selling chocolate in South Africa.’²²⁸ In his dismissal of the activists’ boycott strategy, Sir Tuke seeks to distance Barclays in Britain from BARNAT in South Africa and by rhetorically downplaying the ties between the two, the activists’ strategy was similarly weakened. Considering Young’s social connection model, Sir Tuke’s rebuke of the activists’ surrogate-based disinvestment strategy problematizes the emphasis of the model on structurally engendered injustices as the basis for activism. If we permit the implications of Sir

²²³ Statement by Chairman John Thomson at the Annual General Meeting of Stockholders on 1 April 1970: Bod.MSS.AAM 1611.

²²⁴ Proceedings at the AGM of Barclays Bank PLC on 26 April, 1971: Barclays Archive 1142/5 (1-17).

²²⁵ Proceedings at the AGM of Barclays Bank PLC on 20 March, 1973: Barclays Archive 1142/5 (1-17).

²²⁶ Proceedings at the AGM of Barclays Bank PLC on 25 April, 1984: Barclays Archive 1142/5 (1-17).

²²⁷ Proceedings at the AGM of Barclays Bank PLC on 6 April, 1977: Barclays Archive 1142/5 (1-17).

²²⁸ Letter from Sir Anthony Tuke to Rev. David Haslam on 7 August, 1975: Barclays Archive 80/3164.

Tuke's allegory, we also accept the accentuation of the organizational structure of the bank as a decisive element that refutes the rationalization of the boycott campaign. Pursuing this reasoning, considerably more attention should be given to the *extent* of the ties between Barclays and BARNAT. The reason why the interaction between the bank and the activists did not develop in this direction, however, is that the activists were preoccupied with whether or not there was *any* link between Barclays and BARNAT as opposed to the *extent* of this link. In terms of concrete incidents initiating debate on the socially responsible policies of BARNAT such as the purchase of defence bonds, any demonstration of the possibility of Barclays to influence the policies of BARNAT would suffice for the activists in terms of mobilizing pressure; the fact that Barclays had a majority shareholding in BARNAT is evidence of this potential influence. At a more fundamental level, however, the boycott campaign was not dependent on demonstrating channels of influence between Barclays and its subsidiary since the aim of the campaign was to compel Barclays to withdraw from South Africa and not to perpetuate the debate on constructive engagement.

In a further attempt to erode the basis for the activists' strategy, Sir Tuke noted that 'what we and others have in South Africa is an investment and if one takes the absurd position that the banks lost all their deposits they would still keep their South African investments.'²²⁹ I would argue that the position referred to here is not economically viable since the activists targeted Barclays as a surrogate for BARNAT, first, and second and more importantly for the South African government. The boycott campaign would terminate when Barclays withdrew its investment from BARNAT, which means that the choice presented by the activists stood between losing British deposits or the South African subsidiary of the bank. While in Sir Tuke's hypothetical situation the most sensible choice for Barclays would be to sell its shares in BARNAT, a crucial difference between the bank and the activists – as actors engaged in the same conflict – can nevertheless be extrapolated from the rationale behind his observation: the bank acts in pursuit of profit, while the activists may disregard the economically optimal option and open an account with another bank on moral grounds. As political consumers, in other words, profitability is 'de-centered as the paramount, guiding value.'²³⁰ Applying the concept of political consumerism to the interaction between Barclays and the activists thus stresses the perspective that they were not two actors with conflicting economic solutions to a problem but rather two actors that differed profoundly in their assessments of as well as their approaches to the problem. While this perspective does not offer a comprehensive

²²⁹ Ibid.

²³⁰ Johnston, "The Citizen-Consumer Hybrid: Ideological Tensions and the Case of Whole Foods Market," 250.

understanding of the interaction between the bank and the activists, it *does* direct attention towards the tension inherent in this interaction. Despite the fact that this divergence in standpoints may appear obvious, it nevertheless constitutes one of the main impediments to the development of CSR since the idea of Barclays having any form of social responsibility required, as a minimum, considerations by the management on the implementation of policies and programs that might not appear to be guided by profit-oriented motives.

Ten years after Sir Tuke's letter to Reverend Haslam, Chairman Sir Bevan essentially acknowledged the premise behind the surrogate boycott – albeit in reverse – when he suggested that 'those who want to improve the lot of the black population should be opening accounts with Barclays, not protesting outside our branches.'²³¹ Contrary to Sir Tuke's 'cadbury argument,' Sir Bevan's remark indicates close ties between Barclays and BARNAT. The purpose of the remark, however, is to emphasize Barclays' commitment to the strategy of constructive engagement. As we have seen in the previous sections, the bank remained convinced of the benefits of this strategy throughout the campaign. The activists, conversely, characterized constructive engagement as a form of 'double-speak' in the sense that companies 'claim that by operating in South Africa they are working against apartheid.'²³²

Regardless of such observations, Barclays remained supportive of the constructive engagement approach. From immediately after the controversy relating to the purchase of defence bonds in 1977, the amount of social initiatives by the bank accelerated when it was decided that loans to the South African government would only be provided 'where the money could be seen to be used in improving the living standards of the black population.'²³³ To advance the perception of the bank, Barclays produced a brochure entitled *The Anti-Apartheid Bank*, which explains that BARNAT was a 'multi-racial, equal opportunity company' and that it 'acts a force for justice in South Africa, helping to break down discrimination and to push back the barriers of apartheid.'²³⁴ The brochure emphasizes the bank's history of challenging apartheid laws by, for instance, appointing the first black cashier and the first black bank manager and by introducing multi-racial training. 'Black business,' the brochure continues, received 'help from a specialist development unit as well as through bursaries for black businessmen and students to attend management courses at universities

²³¹ Extract from speech by Sir Timothy Bevan, chairman of Barclays, on 27 November 1985: Bod.MSS.Afr. s. 2350/14.

²³² An AAM leaflet entitled "Apartheid Terror: Guess Who Pays for It?" from 19 October 1981: Bod.MSS.AAM 1611.

²³³ Letter to President of the Charing Cross and Westminster Medical School Students' Union, Tom Coffey, by John Quinton of Barclays on 12 August 1986: Bod.MSS.AAM 1611.

²³⁴ Brochure entitled "The *Anti-Apartheid Bank*:" Barclays Archive 80/4510.

throughout South Africa.²³⁵ More substantially, BARNAT earmarked 5 per cent of its after-tax earnings to a ‘Social Responsibility Programme’ that focused on educational, medical, and welfare. The bank had further earmarked £1 million between 1983 and 1988 for housing projects.²³⁶ These initiatives were presented in the recently launched annual social responsibility reports. Finally, Barclays claimed to have called for a number of reforms as well as the release of Nelson Mandela.²³⁷ In a 1980 document, Barclays referred to a list published by the UN Special Committee against Apartheid stating that Barclays was not included among the top twenty banks lending to South Africa.²³⁸

Further showcasing Barclays’ commitment to the constructive engagement thesis was its active involvement in the EEC Code of Conduct: compliance was voluntary yet the bank reported annually. Already in 1980, Barclays asserted that it had ‘led the field in the implementation of the EEC Code of Conduct.’²³⁹ At the 1985 AGM, Sir Bevan expounded on this assertion by noting that adherence to the code ‘must surely represent a substantial force for peaceful, evolutionary change.’²⁴⁰ As discussed in chapter two, Williams attributes special significance to the introduction of the codes in terms of changing attitudes towards CSR, and his claim that the ‘implicit social contract between business and society was being rewritten’ from the late 1970s is largely based on an analysis of the impact of codes on foreign investment in South Africa.²⁴¹ While I agree with the view that the codes represent a milestone – if not in practical terms within a South African context then as an important contribution to the development of CSR – I remain skeptical of the impact of the EEC Code of Conduct on Barclays’ socially responsible programs. The fact that the bank had implemented some of the most progressive policies among the banks in South Africa already before the introduction of the EEC Code of Conduct and, additionally, that Barclays was so eager to comply with the code indicates that rather than guiding Barclays’ socially responsible activities, the code provided Barclays with a platform from which to publicize its CSR initiatives.

By the end of the campaign, both Barclays and BARNAT had become more categorical in their rhetoric pertaining to socially responsible policies. In the final annual report by BARNAT prior to

²³⁵ Ibid.

²³⁶ Extract from speech by Sir Timothy Bevan, chairman of Barclays, on 27 November 1985: Bod.MSS.Afr. s. 2350/14.

²³⁷ Letter to President of the Charing Cross and Westminster Medical School Students’ Union, Tom Coffey, by John Quinton of Barclays at 12 August 1986: Bod.MSS.AAM 1611.

²³⁸ Document entitled “Barclays in South Africa: The Case for Constructive Engagement” from September 1980: Barclays Archive 1142/5 (1-17).

²³⁹ Ibid.

²⁴⁰ Proceedings at the AGM of Barclays on 24 April 1985 chaired by Sir Timothy Bevan: Barclays Archives 860/83.

²⁴¹ Williams, “Global Codes of Conduct an Idea Whose Time Has Come,” 80.

the announcement by its parent bank to disinvest, Managing Director Chris Ball and Chairman Basil Hersov emphasized the political potential of the private sector:

The private sector in South Africa is in an unusual position. It has a cohesive view of the need for fundamental change and it has a real contribution to make in the analysis of the issues and in their solutions. It does have a role to play at this time in helping to evolve and implement fundamental change.²⁴²

This increasingly pro-active approach to CSR is far removed from the more defensive and cautious strategy deployed by Barclays during the early days of the boycott campaign when – in the wake of the Cabora Bassa controversy – the bank was content with having ‘weathered the worst of this storm.’²⁴³ Barclays’ gradual recognition of the unintended ramifications of its business and the socially responsible role it could assume undermined the charge by the activists against the bank as the figurehead of British investment and as negligent of its social responsibilities. The bank began to acknowledge and address the passive subpolitics of its daily operations that had originally served as part of the activists’ rhetorical repertoire. At the AGM of Barclays in April 1987, the £6 million annually located by the bank to CSR initiatives became the object of discussion when a shareholder suggested that ‘if the Directors are intent on this sort of thing will they do it out of their own pocket rather than out of the Shareholders.’²⁴⁴ Sir Bevan replied that he believed that ‘large businesses do have a responsibility for the communities in which they operate’ and that a ‘bank, particularly a retail bank, is bound to be a mirror of the society in which it operates and I think that it is right that we try and put things back into that society and that is what we are endeavouring to do.’²⁴⁵

Regarding Barclays’ eventual disinvestment, I want to stress the fact that this decision was economically motivated and that it should not be grouped together with the bank’s CSR policies and programs. In their discussion of the disinvestment of the bank, Ackrill and Hannah address this distinction:

²⁴² BARNAT Annual Report 1985: Barclays Archive E225.

²⁴³ Note for Mr. D.V. Weyer no 1 July 1970: Barclays Archive 80/4510.

²⁴⁴ Proceedings at the AGM of Barclays on 22 April 1987 chaired by Sir Timothy Bevan: Barclays Archive 860/83.

²⁴⁵ Ibid.

Within Barclays the lesson was not (as opponents saw it) the need for morality in business, for each side of the internal Barclays debate had no doubts about its own or the other's moral rectitude. It *was* a powerful signal to Barclays and other multinational companies of the importance of public opinion and political judgement in shaping – and often reshaping – the boundaries of acceptable corporate behaviour in ways which made the board's personal opinions of past commitments irrelevant.²⁴⁶

The implications of the lesson related by Ackrill and Hannah for anti-apartheid activism is that company-oriented campaigning may function as a catalyst for a transformation in corporate policies. Thus, rather than the specific *content* of the change advocated by the activists, it is the *mechanism* by which this change is induced that is of central concern to the targeted company. Setting aside for a moment the host of other factors influencing the decision by Barclays to disinvest, interaction between the bank and the activists stimulated reflection within Barclays on the extent of the CSR policies necessary to accommodate stakeholder expectations; in turn, the intensified commitment to CSR by the bank – in combination with the publicity attracted by the campaign – helped advance perceptions of CSR at a time when few companies were preoccupied with the notion of a social responsibility.

I want to make clear that the moral demands issued by the anti-apartheid activists were aided by decades of prior debate on the social responsibility of companies, which renders an isolated analysis of the campaign wanting of contextual influences. The development in the commitment of the bank to CSR was far from the product of interaction with the activists alone but should also be attributed to contemporary advances in research on the area, the competitive proliferation of initiatives within the business community, and public and institutional expectations. Nevertheless, the impact of the interaction with the activists should not be disregarded since, as I have demonstrated in this chapter, the management at Barclays was compelled to allocate a substantial amount of time and resources to defend its operations in South Africa. Even by the end of the campaign, the South African businessman Tony Bloom noted that the 'evolution and acceptance of a doctrine of social responsibility [was] relatively new and still controversial.'²⁴⁷ In my view, the development of

²⁴⁶ Ackrill and Hannah, *Barclays: The Business of Banking, 1690-1996*, 301.

²⁴⁷ Leape, Baskin, and Underhill, *Business in the Shadow of Apartheid: U.S. Firms in South Africa*, 133.

Barclays' relation to this 'doctrine' validates the assertion by Seidman that 'external pressures on a corporation defined its societal obligations, not the moral instincts arising from within.'²⁴⁸ This notion is further corroborated by Smith's proposal, as quoted in chapter two, that the early years of CSR should not merely be defined in the abstract but from the viewpoint of conflict resolution.²⁴⁹ Through pressure by the activists, the abstract notion of social responsibility was continuously renegotiated and reinterpreted in order to provide suitable solutions to the concrete problems that accompanied Barclays' operations in apartheid-era South Africa.

Conclusion

By including a historical overview of Barclays' involvement in South Africa in the first section of this chapter, I emphasized the industry and corporate opportunity structures that conditioned the tactical repertoire of the AAM and the responses by the bank. The chronological sections detailed the progression of the campaign, changes in strategy by both actors, and interaction between the two. The concentration on significant events such as the Cabora Bassa controversy and the purchase of defence bonds provides more elaborate glimpses into the dynamics of the campaign. Upon Barclays' disinvestment, the AAM had undergone a transformation from a comparatively small SMO in the late 1960s – albeit with close ties to South Africa and some degree of resonance within parts of the British public – to an agenda-setting social movement in the mid-1980s. The comprehensive examination of Barclays' decision to disinvest in section four is closely tied to my assessment of the bank's relation to CSR, which is discussed more explicitly in the final section of this chapter. On the basis of my analysis of the campaign, I assert that pressure by the anti-apartheid activists was a notable factor among the influences that prompted Barclays to reflect on and escalate its role as a socially responsible company.

²⁴⁸ Seidman, "Monitoring Multinationals: Lessons from the Anti-Apartheid Era," 392.

²⁴⁹ Paper by Dr. N. Craig Smith from 1987 entitled "A Strategy for Corporate Social Responsibility: The Case of the Withdrawal from South Africa of Barclays Bank:" Bod.MSS.AAM 1617.

Chapter 4: The Campaign against Shell

The protracted campaign against Barclays had been an instructive experience for the AAM, which emerged with more support than ever before as well as confidence and momentum in terms of initiating a new single-company campaign. As this chapter demonstrates, Shell had been targeted for many years prior to the establishment of the formal campaign by the AAM in 1987, which meant that the company was better prepared and more accustomed to interaction with pressure groups than Barclays had been at the time of the Cabora Bassa controversy. Early in the campaign against Shell, the activists were compelled to concede that targeting the oil company presented new challenges and a more confrontational style of response.

In the first two sections of this chapter, I review the history of Shell in South Africa and examine some of the early anti-apartheid action aimed at the company. The purpose is to contextualize the AAM's campaign against Shell, which I explore in the subsequent two sections. The third section is dedicated to the first year of the campaign and the tactics deployed by both actors, while section four traces the gradual decline of the activists' commitment. Finally, I discuss the implications of the campaign against Shell for the company's relationship to CSR by examining its interaction with the AAM and by extending my perspective a few years beyond the termination of the anti-apartheid effort.

Shell in South Africa

'Oil is often touted as the ideal economic weapon,' David Rowe asserts, 'because no modern economy can function without a stable supply of petroleum products.'¹ Inextricably linked to the motivation to boycott Shell on the basis of its operations in South Africa was the particular significance of foreign oil supplies to the apartheid government. Moreover, Shell was a major presence in South Africa as the company's involvement goes back even further than Barclays' with the first barrels containing Shell oil arriving in Cape Town in 1902.² In 1907, Royal Dutch Shell was established with the merger between the British-based Shell Transport Trading Company and

¹ Rowe, *Manipulating the Market: Understanding Economic Sanctions, Institutional Change, and the Political Unity of White Rhodesia*, 133.

² From the official Shell website: <http://www.shell.co.za/about-us/who-we-are.html>.

the Netherlands-based Royal Dutch Petroleum Company.³ During the early years of the company in South Africa, Shell worked with agents through subsidiaries such as the British Imperial Oil Company SA (Ltd).⁴ In 1926, the same year that Barclays assumed control of the National Bank, the Shell Company of South Africa Limited was registered in London.⁵ Two years later, Shell and BP joined forces through the Consolidated Agreement, which ensured joint ownership of the two companies' market interests in Southern Africa.⁶ Similar to the investment of foreign banks, the presence of multinational oil companies became vital to the South African economy during the apartheid years and the 'industry opportunity structure' enveloping Shell conditioned a substantial part of the interaction between the company and the AAM. Before examining the campaign against Shell, I want to situate the company's South African operations within historical and political contexts relevant to my analysis.

The first formal call for oil sanctions against South Africa was issued at the Second Conference of Independent African States in June 1960.⁷ On 13 November 1961, an oil embargo was proposed at the UN and two years later a UN General Assembly resolution on Namibia pushed for an oil embargo against South Africa. In July 1964, the Organization of African Unity (OAU) made a similar call.⁸ These early proposals are indicative of the crucial role that many attributed to the foreign supply of oil with regard to the maintenance of a national economy built on apartheid policies.⁹ Cutting off oil supplies to South Africa would affect – among other sectors – agriculture, transportation, chemical and plastic industries, military and security forces.¹⁰

Apart from domestic facilities aimed at enhancing the self-sufficiency of South Africa's oil needs, the government was highly dependent on imported oil throughout the apartheid era.¹¹ Already from the 1950s, the government began to take comprehensive measures to alleviate its dependence on the import of foreign oil in anticipation of a potential embargo. While it is common for states to build up an oil reserve in order to manage irregularities in the foreign supply, the South African government was alert to the very real possibility that the country might be subjected to an

³ Hennchen, "Royal Dutch Shell in Nigeria: Where Do Responsibilities End?," 2.

⁴ Ibid.

⁵ Ibid.

⁶ Ibid.

⁷ Hengeveld and Rodenburg, *Embargo: Apartheid's Oil Secrets Revealed*, 11.

⁸ Crawford and Klotz, *How Sanctions Work: Lessons from South Africa*, 104.

⁹ Reddy, "The United Nations and the Struggle for Liberation in South Africa," 93.

¹⁰ Hengeveld and Rodenburg, *Embargo: Apartheid's Oil Secrets Revealed*, 13; Klinghoffer, *Oiling the Wheels of Apartheid: Exposing South Africa's Secret Oil Trade*, 18.

¹¹ Klinghoffer, *Oiling the Wheels of Apartheid: Exposing South Africa's Secret Oil Trade*, 17.

international embargo. In 1955, SASOL put to use a newly constructed parastatal refinery called SASOL 1 that was designed to produce oil from coal.¹² Following the international outcry occasioned by the Sharpeville Massacre in 1960, SASOL was perceived by the South African authorities as an increasingly important part of the strategy to phase out the country's dependence on imported oil.¹³ When SASOL 1 had recently come into use, Eric Louw, the Minister of Economic Affairs, claimed that there was 'enough coal to meet South Africa's requirements for the next 500 years.'¹⁴ In 1964, the government established the Strategic Fuel Fund, which aimed to ensure oil sufficiency irrespective of economic and political developments.¹⁵ Due to the low oil prices, however, no extensive expansions were made in the strategic oil program throughout the 1960s.¹⁶

Until the mid-1960s, the international community paid little attention to South Africa's neighboring states. This changed in 1965 when white Rhodesians led by Ian Smith issued a Unilateral Declaration of Independence (UDI) signaling its sovereignty from British rule. The declaration was followed immediately by the imposition of economic sanctions by the UN in an effort to help bring about the eventual democratization of Rhodesia.¹⁷ At first, the economic sanctions imposed by both Britain and the UN did not include an oil embargo.¹⁸ Strategically, however, it made for an obvious measure since foreign oil was imported into Rhodesia using the Mozambican port of Beira, from where a pipeline was used to transport the oil into Rhodesia. Conversely, the moderate quantities of oil required by the Rhodesian government and market meant that a single breach in the embargo could render the policy ineffective. In order to impose a successful embargo, in other words, Britain would have to cut off supply to the entire Southern Africa. The principal reason why Britain at first omitted an oil embargo was due to an assessment of the broader geopolitical consequences positioning South Africa as a 'very credible threat to retaliate against any measure that affected its

¹² Ibid., 23.

¹³ Sparks, "Between 'Artificial Economics' and the 'Discipline of the Market': Sasol from Parastatal to Privatisation," 720.

¹⁴ Ibid., 715.

¹⁵ Klinghoffer, *Oiling the Wheels of Apartheid: Exposing South Africa's Secret Oil Trade*, 24.

¹⁶ Sparks, "Between 'Artificial Economics' and the 'Discipline of the Market': Sasol from Parastatal to Privatisation," 713.

¹⁷ Rowe, *Manipulating the Market: Understanding Economic Sanctions, Institutional Change, and the Political Unity of White Rhodesia*, 6.

¹⁸ Ibid., 135.

own supplies of oil.’¹⁹ Similar to SASOL in South Africa, the new Rhodesian government set up the parastatal authority GENTA in order to secure the steady supply of oil.²⁰

After a few weeks, Britain decided to impose oil sanctions against Rhodesia despite the possible economic and political repercussions. Upon this announcement, Shell immediately informed the Rhodesian government that the company would terminate all oil delivery to the country, a decision that was lauded by the British Minister of Power.²¹ Within a few of weeks, however, the South African subsidiaries of foreign-owned oil companies – including Shell – reversed this policy because ‘South African law took precedence over home country directives.’²² Louis Walker, General Manager of Shell South Africa, elaborated on this decision by arguing that ‘if we really did carry out the spirit of the Order in Council we might as well shut up shop in South Africa.’²³ In the face of British efforts, the South African government was able to ensure the continuation of oil supplies to Rhodesia who was perceived as an important ally in the region.

In December 1966, the UN Security Council voted to follow Britain’s example and impose mandatory oil sanctions against Rhodesia. While these sanctions entailed more extensive restrictions on oil supply than previously, Rhodesia managed to circumvent the embargo through sanctions-busting over the next decade. A 1976 report by the Center for Social Action of the United Church of Christ entitled *The Oil Conspiracy* claimed to ‘reveal – for the first time – how oil seems to be getting through and keeping white rule alive in Rhodesia.’²⁴ Two years later, the so-called *Bingham Report* demonstrated how both the British government and several oil companies had – in the words of Keetie Sluyterman’s official history of Shell – acted ‘perhaps not against the law but certainly against the intentions of the oil sanctions against Rhodesia.’²⁵ Despite these controversial circumstances, David Rowe asserts that the oil sanctions imposed against Rhodesia did contribute with significant pressure on the Smith regime. ‘From UDI onward,’ he argues, ‘Rhodesia’s single most important foreign policy goal was to end sanctions – either by making sanctions irrelevant through sanctions-busting or by reaching an acceptable agreement with Britain.’²⁶ While the

¹⁹ Ibid.

²⁰ Ibid., 134.

²¹ Ibid., 143, 155.

²² Ibid., 147.

²³ As cited in Ibid.

²⁴ Center for Social Action of the United Church of Christ, “The Oil Conspiracy.”

²⁵ Sluyterman, *A History of Royal Dutch Shell*, vol.3, 318; Grande-Bretagne, Bingham, and Gray, *Report on the Supply of Petroleum and Petroleum Products to Rhodesia*.

²⁶ Rowe, *Manipulating the Market: Understanding Economic Sanctions, Institutional Change, and the Political Unity of White Rhodesia*, 8.

embargo may not have prevented oil from entering Rhodesia, in other words, the process was complicated to the extent that the embargo had a sizeable impact on the government's resources. Among other oil companies, Shell expressed its dissatisfaction with the sanctions, which had resulted in a loss of confidence by the South African government in the 'British and American oil companies as reliable long-term suppliers independent of domestic political pressure from their home governments.'²⁷ Having witnessed an international oil embargo up close, the South African government was encouraged to accelerate its programs aimed at oil independence.

Parallel to the events pertaining to Rhodesia and further impelling the South African government to prioritize oil independence was the 1973 oil crisis. During the subsequent years, Iran became the country's primary source of oil.²⁸ Already in 1974, another oil-from-coal refinery that was to be much larger than SASOL 1 was scheduled for construction.²⁹ The same year, Shell and BP announced their joint marketing organization in South Africa, the timing of which suggests that the two companies anticipated new opportunities for the import of oil to the South African market.³⁰ While it was clear that the international community favoured of a comprehensive oil embargo, Shell was correct in its assessment that mandatory sanctions would not be imposed any time in the near future. In 1975, the UN General Assembly encouraged the member states to initiate oil sanctions against South Africa yet these measures had no legal implications.³¹ Among the factors complicating oil sanctions were concern about the dependence of land-locked countries such as Lesotho, Swaziland, and Botswana on oil supplies from South Africa.³²

In an assessment of the potential consequences of full-scale oil sanctions from 1979, Professor Arnt Spandau from the University of Witwatersrand explains that the greater part of South Africa's energy needs was met by coal at the time; in fact, oil constituted one fifth of the country's requirements.³³ The country's principal bulwark against oil sanctions, Spandau argues, is the government's 'technical and financial ability to support commercially viable oil-from-coal plants.'³⁴ In the case of the implementation of international sanctions, he estimates the probable short-term effects to be rationing of private petrol consumption, the use of crude oil reserves stored away by

²⁷ Grande-Bretagne, Bingham, and Gray, *Report on the Supply of Petroleum and Petroleum Products to Rhodesia*, 105.

²⁸ Hengeveld and Rodenburg, *Embargo: Apartheid's Oil Secrets Revealed*, 229.

²⁹ *Ibid.*, 15.

³⁰ Sluyterman, *A History of Royal Dutch Shell*, vol.3, 317.

³¹ Hengeveld and Rodenburg, *Embargo: Apartheid's Oil Secrets Revealed*, 235.

³² Spandau, *Economic Boycott against South Africa: Normative and Factual Issues*, 153.

³³ *Ibid.*

³⁴ *Ibid.*, 155.

the South African government, and an increase in the production of the SASOL refineries.³⁵

Spandau concludes that apart from the transport sector, an ‘oil boycott would leave South Africa’s industrial infrastructure largely undamaged.’³⁶

Coinciding with the publication of Spandau’s calculations came the Iranian revolution, which put his assessment to the test when South Africa’s crude imports dropped by 40 per cent during the first quarter of 1979 in relation to the previous year.³⁷ Critics of the apartheid government were quick to seize this opportunity to renew the call for mandatory oil sanctions and on 8 June 1979, Martin Bailey, who has written extensively on the significance of foreign oil supplies to South Africa, made a testimony to the UN Special Committee Against Apartheid. Bailey clarified that only a single country, Brunei, was shipping oil to South Africa and that this was made possible by way of Shell International Petroleum.³⁸ Yet despite this line of supply, he argued, ‘every day the South Africans are paying around \$5 million more than they did in 1978 for their oil.’³⁹ The UN General Assembly approved a resolution calling for an oil embargo yet similarly to the call in 1975 it was not mandatory.⁴⁰ A later UN conference called *Conference of West European Parliamentarians on an Oil Embargo against South Africa* outlined the measures required for a country wishing to join the voluntary oil embargo: the country should prohibit the supply of its own crude oil, crude oil imported from other countries, and refined oil products whether of own production or imported; also, the country should prohibit the involvement of its own citizens and companies in the sale or transportation of either crude or refined oil regardless of the country of origin, and finally involvement in such activities by foreign subsidiaries of its own companies.⁴¹

Already by September of 1979, the South African government had implemented procedures such as the opening of a new large storage facility with the capacity of 45 million barrels that aided the country’s main supply.⁴² The government also partnered with controversial private traders – including John Deuss and Marc Rich – who were able to secure oil shipments through alternative

³⁵ Ibid., 154–55.

³⁶ Ibid.

³⁷ Klinghoffer, *Oiling the Wheels of Apartheid: Exposing South Africa’s Secret Oil Trade*, 38.

³⁸ Testimony to United Nations Special Committee Against Apartheid by Martin Bailey on 8 June 1979 entitled “The Impact on South Africa of the Cut-Off of Iranian Oil.” Bod.MSS.Afr.s. 2350/84.

³⁹ Ibid.

⁴⁰ Hengeveld and Rodenburg, *Embargo: Apartheid’s Oil Secrets Revealed*, 228.

⁴¹ Report entitled “Conference of West European Parliamentarians on an Oil Embargo against South Africa” by the UN from April 1981: Bod.MSS.AAM 1767.

⁴² Klinghoffer, *Oiling the Wheels of Apartheid: Exposing South Africa’s Secret Oil Trade*, 38; Crawford and Klotz, *How Sanctions Work: Lessons from South Africa*, 111.

measures involving changing the names and registry of the tankers to evade detection.⁴³ In a process referred to by Stephen Sparks as a ‘case of privatization by panic to meet the apartheid state’s strategic priorities,’ the SASOL refinery began a process of privatization that was intended to provide additional funds for two new massive oil-from-coal plants.⁴⁴

SASOL 2 began operations in March 1980, thus further bolstering the South African economy against sanctions by the international community.⁴⁵ At this time, however, a substantial threat to South Africa’s oil supplies came not from outside the country but in the form of domestic liberation movements. The colonial administrations of Mozambique and Angola had recently been replaced by governments sympathetic to the anti-apartheid cause and these countries now hosted Umkhonto we Sizwe (MK) bases that allowed for swift cross-border operations.⁴⁶ Already in June 1980, three months after the opening of SASOL 2, MK managed to set off explosives at both the SASOL plants and a refinery in Natrof.⁴⁷ According to Arthur Klinghoffer, the ‘struggle against apartheid entered a new stage as oil installations came to be considered prime targets.’⁴⁸ He further suggests that the ANC perceived ‘oil as synonymous with South African military power’ since the security forces were highly dependent on oil.⁴⁹ The number of ‘men under arms’ had indeed increased from 39,000 in 1961 to 255,000 by the early 1980s, and some proposed that the existing UN arms embargo banning the supply of arms and ‘related material’ should be extended to include oil.⁵⁰ The response by the South African authorities to these acts of sabotage was to intensify the cooperation between the state and the private sector, which resulted in the formation of privately owned militias that would guard central facilities across the country. In this sense, Jones argues, the ‘oil embargo thus reinforced the burgeoning military-industrial complex that eventually undergirded the Botha regime.’⁵¹

At a House of Assembly debate in March 1983, K.W. de Klerk, the South African Minister of Internal Affairs, warned of attempts by the international community to restrict the supply of oil.

⁴³ Hengeveld and Rodenburg, *Embargo: Apartheid’s Oil Secrets Revealed*, 138; Klinghoffer, *Oiling the Wheels of Apartheid: Exposing South Africa’s Secret Oil Trade*, 56; Reddy, “The United Nations and the Struggle for Liberation in South Africa,” 95.

⁴⁴ Sparks, “Between ‘Artificial Economics’ and the ‘Discipline of the Market’: Sasol from Parastatal to Privatisation,” 713.

⁴⁵ Klinghoffer, *Oiling the Wheels of Apartheid: Exposing South Africa’s Secret Oil Trade*, 23.

⁴⁶ Jones, “South Africa: Sanctioning Apartheid,” 14.

⁴⁷ *Ibid.*, 24.

⁴⁸ Klinghoffer, *Oiling the Wheels of Apartheid: Exposing South Africa’s Secret Oil Trade*, 1.

⁴⁹ *Ibid.*, 2.

⁵⁰ World Council of Churches Programme to Combat Racism, *Fuelling Apartheid: Shell and the Military*, 1, 13.

⁵¹ Jones, “South Africa: Sanctioning Apartheid,” 24.

‘Active groups,’ he argued, ‘are attempting to embarrass South Africa... attempting to monitor ships plying around the Cape in order to determine which of them deliver oil here.’⁵² The secrecy referred to by de Klerk denotes the high level of confidentiality with which the government treated matters pertaining to South Africa’s oil stock and the foreign supply of oil. He concluded that ‘any relaxation in respect of secrecy, however, can help to spotlight the target and enable our enemies to identify our friends and partners who deliver to us. Secrecy is essential.’⁵³ The Strategic Fuel Fund, which managed many of the storage facilities, put a lot of effort into making sure that as little information as possible would leak and this strategy appears to have been successful since most outside estimates underestimated the capacity of South Africa to withstand a comprehensive embargo.⁵⁴ The Petroleum Product Acts of 1977, 1979 and 1984 made the disclosure of any information regarding the ‘source, manufacture, transportation, destination, storage, quality or stock level of any petroleum products acquired or manufactured for or in the (South African) Republic’ punishable by up to seven years of imprisonment.⁵⁵ The South African journalist Kevin Davie explains how the ‘basic rule for editors was: on oil we do not write.’⁵⁶

Similarly, oil companies were required to comply with the Petroleum Product Acts, which meant that the subsidiary companies were not allowed to share information covered by these Acts with their parent companies.⁵⁷ With regards to Shell, however, it has later been revealed that the company’s tankers were supplying South Africa with crude oil, predominantly from Oman, until mid-1981.⁵⁸ Over the following years, Brunei Shell Petroleum – jointly owned by Shell and the government of Brunei – became the major supplier of crude oil to South Africa.⁵⁹ Until 1984, Brunei was a British protectorate, which prompts Klinghoffer to argue that ‘London must bear some of the responsibility for fueling South Africa.’⁶⁰

Government sources further demonstrate how in 1983 Shell South Africa affirmed that it was able to import the required crude oil through intermediation with its parent company.⁶¹ Despite the

⁵² Minister of Internal Affairs, Mr. K.W. de Klerk speaking in House of Assembly debate on 9 March 9 1983: Bod.MSS.AAM miscellaneous notes on the oil campaign.

⁵³ Ibid., original underline.

⁵⁴ Crawford and Klotz, *How Sanctions Work: Lessons from South Africa*, 111.

⁵⁵ Oil Briefing Document from the mid-1980s: Bod.MSS.AAM miscellaneous notes on the oil campaign.

⁵⁶ As cited in Hengeveld and Rodenburg, *Embargo: Apartheid’s Oil Secrets Revealed*, 76.

⁵⁷ Klinghoffer, *Oiling the Wheels of Apartheid: Exposing South Africa’s Secret Oil Trade*, 19–20.

⁵⁸ Ibid., 53.

⁵⁹ Ibid., 44.

⁶⁰ Ibid., 45.

⁶¹ Sluiterman, *A History of Royal Dutch Shell*, vol.3, 322.

secrecy efforts of the South African government, however, substantial amounts of information were acquired by foreign actors such as anti-apartheid groups and government agencies. An article in the *Sunday Express* from 18 March 1984 labels the foreign supply of oil ‘one of the worst-kept secrets of the decade as published lists of companies and tankers breaking United Nations sanctions against selling oil to South Africa are widely available overseas.’⁶² A briefing document on the supply of oil to South Africa from the mid-1980s by the AAM notes that the country’s oil expenses are nearly ‘double the real “world” price for the oil because of the huge cost of the SASOL programme and the numerous bribes and premiums that South Africa is obliged to pay oil companies to break existing oil embargoes.’⁶³ The document estimates that the country’s stock of oil would last no more than two and a half years in the event of a successful oil embargo. In such a scenario, South Africa could ‘only last this long by running down its industry and commercial activity so severely that political tensions might break the country well before this time.’⁶⁴ Such assessments were used to justify and motivate the boycott and disinvestment campaigns conducted by the anti-apartheid activists.

As discussed, the UN General Assembly overwhelmingly favoured an oil embargo against South Africa. Similar to the proposal of other kinds of trade sanctions, however, a few countries (in this case the US, Britain, and France) used their veto power to prevent adoption by the Security Council.⁶⁵ In an attempt to circumvent the non-binding resolutions passed by the UN General Assembly, the EEC member states adopted an oil embargo against South Africa in September 1985. In order for it to be approved, however, the embargo had been limited to the sale of crude oil produced within the EEC or imported for purposes of re-sale, which meant that it did not pertain to oil held in ‘bonded storage’ or in transit.⁶⁶ While the embargo was adopted at EEC level, the vast majority of individual member states did not make the appropriate arrangements in time for the proposed deadline on 31 January 1986.⁶⁷

⁶² As cited in Hengeveld and Rodenburg, *Embargo: Apartheid’s Oil Secrets Revealed*, 83.

⁶³ Oil Briefing Document from the mid-1980s: Bod.MSS.AAM miscellaneous notes on the oil campaign.

⁶⁴ Ibid.

⁶⁵ Klinghoffer, *Oiling the Wheels of Apartheid: Exposing South Africa’s Secret Oil Trade*, 11.

⁶⁶ Shipping Research Bureau, *The European Community and the Oil Embargo against South Africa*, 6; Holland, *The European Community and South Africa: European Political Co-Operation under Strain*, 109.

⁶⁷ Holland, “The European Community and South Africa: In Search of a Policy for the 1990s,” 418; several points of criticism were raised concerning the EEC embargo such as the fact that it could be sidestepped by mixing crude oil with small doses of petroleum, which would then be classified as petroleum products. For more on this, see Holland, *The European Community and South Africa: European Political Co-Operation under Strain*, 109–10.

Taking effect in mid-1986, the American sanctions package CAAA included an oil embargo that remained in force until 1991.⁶⁸ Recognizing the tendency towards stricter measures by the international community, in late 1986 the South African government made it illegal to disclose the name of any ships calling at their ports; also, no trade statistics were made public from this time onwards, including the country of origin of imports.⁶⁹ The response by the European Parliament was to propose another resolution the following year which would underline the need for stricter control yet no concrete actions were taken.⁷⁰ Writing in 1989, Klinghoffer explains that South Africa's suppliers of oil included Saudi Arabia, Oman, the United Arab Emirates, Qatar, and Kuwait.⁷¹

In the four years between de Klerk's announcement in 1990 of democratic elections and the actual casting of ballots, the oil embargoes were gradually phased out. In April 1992, the EEC oil embargo was lifted, which many perceived as too early in the democratic transition.⁷² In a statement at the UN in September 1993, Mandela urged the member states to end the economic sanctions imposed against South Africa yet he singled out 'arms, nuclear matters, and oil' as areas that should remain sanctioned until the formation of a new government. 'We would leave the issue of the oil embargo,' he continued, 'to the discretion of the Committee of the General Assembly responsible for the enforcement of this particular sanction.'⁷³ Three months later, the UN oil embargo was lifted.⁷⁴ Regardless of the perceived success of the oil embargoes, the South African government was forced to pay a heavy cost to ensure the continuous supply of foreign oil.

Already in 1986, President Botha conceded that the price of oil between 1973 and 1984 had been R22 billion more than it would otherwise have been.⁷⁵ He explained:

There were times when it was reported to me that we had enough oil for only a week. Just think what we could have done if we had that R22 billion today... what could have been done in other areas? But we had to spend it because we couldn't bring our

⁶⁸ Hengeveld and Rodenburg, *Embargo: Apartheid's Oil Secrets Revealed*, 231.

⁶⁹ Holland, *The European Community and South Africa: European Political Co-Operation under Strain*, 110.

⁷⁰ Hengeveld and Rodenburg, *Embargo: Apartheid's Oil Secrets Revealed*, 185.

⁷¹ Klinghoffer, *Oiling the Wheels of Apartheid: Exposing South Africa's Secret Oil Trade*, 41.

⁷² Hengeveld and Rodenburg, *Embargo: Apartheid's Oil Secrets Revealed*, 188.

⁷³ Mandela, *Selected Speeches and Writings of Nelson Mandela: The End of Apartheid in South Africa*, 236–37.

⁷⁴ Hengeveld and Rodenburg, *Embargo: Apartheid's Oil Secrets Revealed*, 229.

⁷⁵ Crawford and Klotz, *How Sanctions Work: Lessons from South Africa*, 119.

motor cars and our diesel locomotives to a standstill as our economic life would have collapsed.⁷⁶

By the mid-1990s, it was estimated that the direct costs alone of importing foreign oil had more than doubled due to the oil embargoes.⁷⁷ Assessing the UN embargo, Enuga Reddy argues that despite the refusal of the Security Council to impose mandatory oil sanctions, the ‘persistent efforts of the Special Committee and resolutions of the General Assembly, as well as actions by the OAU and anti-apartheid groups, led to more oil producing states taking action to stop the supply of oil to South Africa.’⁷⁸ Jones suggests that the oil embargoes were counterproductive in the short term since they consolidated South Africa’s ruling coalition rather than weakening it.⁷⁹ However, from the mid-1980s, he argues, the escalating political and economic crises in South Africa reinforced the impact of the oil embargo, which contributed to the aggregate pressure on the country’s economy.⁸⁰

Shell on its part emphasized the fact that both the UN and EEC oil embargoes lacked the proper legislative measures and that the company had not been informed about any guidelines for complying with the embargo.⁸¹ Shell further claimed that it was not familiar with its South African customers and that the company was not in a position to cut off supplies to South African security forces in case they were among the company’s customers.⁸² At the beginning of the British anti-apartheid campaign against the company in the late 1980s, the worth of Shell’s investment was estimated at \$400 million. This included 50 per cent ownership of South Africa’s largest oil refinery in Durban, joint ownership of an offshore receiving dock outside Durban to where most of the imported crude oil was shipped, the operation of an oil pipeline, involvement in the chemical and other industries, 50 per cent equity in a coal mine in Transvaal, and finally more than 850 gas stations throughout the country.⁸³

⁷⁶ Ibid.

⁷⁷ Hengeveld and Rodenburg, *Embargo: Apartheid’s Oil Secrets Revealed*, 343.

⁷⁸ Reddy, “The United Nations and the Struggle for Liberation in South Africa,” 94.

⁷⁹ Jones, “South Africa: Sanctioning Apartheid,” 32.

⁸⁰ Ibid.

⁸¹ Klinghoffer, *Oiling the Wheels of Apartheid: Exposing South Africa’s Secret Oil Trade*, 44.

⁸² World Council of Churches Programme to Combat Racism, *Fuelling Apartheid: Shell and the Military*, 6.

⁸³ Elnor, *Shell Oil: Lifeline to Apartheid*, 2..

Early Anti-Apartheid Action against Shell, Early 1970s to Mid-1980s

While the British boycott campaign against Shell was only formally launched after Barclays had announced its decision to sell its remaining shares in BARNAT, coordinated anti-apartheid action against Shell had begun in the early 1970s at roughly the same time as the commencement of the campaign against Barclays. Similar to this campaign, the *practical* purpose of the campaign against Shell was not only to compel the company to disinvest but to put pressure on the South African government to abandon its apartheid policies and issue democratic elections. Conversely, the principal *symbolic* implications of the campaign were to demonstrate support for the South African liberation movements as well as international condemnation of the apartheid system. The interaction between the anti-apartheid activists and Shell revolved around the same major issues involved in the campaign against Barclays such as constructive engagement and whether or not the company had a responsibility towards stakeholders other than its shareholders. As I discuss in the following sections, statements by both Shell and the activists often transitioned from concrete measures aimed at improving the conditions of the non-white population in South Africa to more abstract reflections on the social responsibility of transnational companies.

Dutch activists were the first to launch a campaign against Shell and two of the main groups involved were Kairos and the Shipping Research Bureau. Kairos had been established in 1970 largely by members of protestant churches and the group sought to direct the attention of the churches to socio-political developments in Southern Africa.⁸⁴ Kairos perceived the oil industry as the most strategic target in terms of economic pressure on the South African regime since this industry employed a comparatively small amount of people, which meant that few jobs would be lost in the event of full-scale disinvestment by foreign oil companies.⁸⁵ Established in 1980, the aim of the Shipping Research Bureau was to conduct research and public reports on oil imports to South Africa; these reports, Klinghoffer argues, ‘must be ranked as highly accurate because [the Shipping Research Bureau] painstakingly distinguishes between actual and suspected deliveries as it tracks the tankers, shipping companies, charterers, oil companies, and producing states involved.’⁸⁶

The first major step taken by the campaigners was to attend the AGM of the Royal Dutch Petroleum Company where they pleaded with the management and the other shareholders to sever all ties to

⁸⁴ Hengeveld and Rodenburg, *Embargo: Apartheid's Oil Secrets Revealed*, 313.

⁸⁵ “Campaign against Shell for an Oil Embargo: Reconstruction of a Lengthy Process” by Working Group Kairos: Bod.MSS.Afr.s. 2350/85; Sluyterman, *A History of Royal Dutch Shell*, vol.3, 319.

⁸⁶ Klinghoffer, *Oiling the Wheels of Apartheid: Exposing South Africa's Secret Oil Trade*, 10.

South Africa.⁸⁷ In this initial part of the campaign, the Dutch activists were mainly preoccupied with researching the foreign supply of oil and entering into dialogue with Shell.⁸⁸ Despite the fact that extensive conversations were held annually between 1973 and 1976, it became increasingly evident that such interaction would not bring about the intended results.⁸⁹ In 1976, Kairos published a report together with the Ecumenical Study and Action Centre on Investments (OSACI) entitled *Shell in South Africa*, which revealed that while wages at Shell South Africa were ‘comparatively high and discrimination relatively mild,’ the company’s minimum wage was ‘below the effective minimum level for African families.’⁹⁰ The report was damning to Shell’s reputation and it posed a strategic problem to the company’s policy of ‘quiet diplomacy.’⁹¹ A further point of embarrassment for Shell was its possible supply to Rhodesia, which had become an issue of growing international concern. In its meetings with the Dutch activists, Shell had affirmed that the company was not involved in oil deliveries to Rhodesia yet in 1977 Shell sent a letter to the Council of Churches stating that such deliveries could ‘not be verified from the statistics, because it concerned a small portion.’⁹²

In what Erik van den Bergh characterizes as the ‘second phase’ of the campaign, extending from 1977-1985, the activists expanded their action repertoire.⁹³ During this period, the oil embargo against Rhodesia prompted British anti-apartheid activists to become engaged in the issue of oil supplies to Southern Africa. In an interview in 2013, Reverend Haslam recalled that while sporadic research had been conducted on Shell’s role in the mid-1970s, the AAM and ELTSA ‘broadened [their] interest into the oil embargo’ from 1977.⁹⁴ In March 1977, for instance, the AAM produced a pamphlet entitled *Shell and BP in South Africa*, which caught the attention of Parliament. At a debate at the House of Commons, Ivor Clemitson was particularly alarmed by the implications of the ‘allegations and evidence that British oil companies have been involved in breaking sanctions.’⁹⁵ A few weeks after this session, the Haslemere Group and the AAM presented a joint *Submission to British Government Inquiry on Allegations of Sanctions-Busting by Shell and British Petroleum*,

⁸⁷ Sluyterman, *A History of Royal Dutch Shell*, vol.3, 319.

⁸⁸ Hengeveld and Rodenburg, *Embargo: Apartheid’s Oil Secrets Revealed*, 312–13.

⁸⁹ Ibid.; document entitled “Campaign against Shell for an Oil Embargo: Reconstruction of a Lengthy Process” by Working Group Kairos, 1972-1982: Bod.MSS.Afr.s. 2350/85.

⁹⁰ Ibid., 308.

⁹¹ Sluyterman, *A History of Royal Dutch Shell*, vol.3, 319.

⁹² Document entitled “Campaign against Shell for an Oil Embargo: Reconstruction of a Lengthy Process” by Working Group Kairos: Bod.MSS.Afr.s. 2350/85.

⁹³ Hengeveld and Rodenburg, *Embargo: Apartheid’s Oil Secrets Revealed*, 312.

⁹⁴ Gurney, David Haslam transcript.

⁹⁵ Transcript entitled “Rhodesia (Sanctions):” HHA, House of Commons Deb 02 March 1977 vol. 927 cc345-8.

which specified that Shell's South African subsidiaries were controlled by the London-registered Shell Petroleum Supply but that responsibility seemingly lay with both the British and Dutch companies due to their organizational structure and close collaboration.⁹⁶ It is my impression that the embargo against Rhodesia incited intensified action among anti-apartheid activists on this issue since it provided them with concrete measures by which to hold Shell and other companies accountable.

A similar process can be identified when examining – as King and McDonnell have recently done – how the companies most closely associated with a strong CSR commitment tend to be those most heavily targeted by activists precisely as an effect of this commitment.⁹⁷ The presumption is that the justification of activist strategies is facilitated by demonstrating the failure of the target company to comply with a given set of requirements. Whereas Barclays could be accused by the activists of morally illegitimate – and not illegal – conduct, Shell's involvement in oil deliveries to Rhodesia allowed the activists to level more concrete charges against the company.

After the end of the Rhodesian UDI and the Smith regime in 1979, the AAM found itself at a junction resembling the aftermath of the Cabora Bassa controversy since the activists had to decide whether or not to continue the activities against Shell. Fieldhouse discerns the concern among the activists that the 'successful completion of the Rhodesia campaign would lull supporters into a sense of having achieved their goal and fulfilled the Movement's role, thus allowing the Government to use the opportunity to lessen the international pressure on South Africa.'⁹⁸ At the AGM of the AAM in 1980, considerable distress was also generated by the newly instated Thatcher administration that was believed to have intensified 'Britain's collaboration with the apartheid regime.'⁹⁹ At the meeting, the activists agreed to 'campaign to expose the role of Shell, BP and other oil companies operating in South Africa, secure a total embargo by Britain on the supply of North Sea oil to South Africa' and 'mobilize support for the imposition by the United Nations Security Council of a mandatory oil embargo.'¹⁰⁰ An international day of action against Shell was organized on which British and Dutch activists, among others, aimed to disrupt the company's

⁹⁶ "Submission to British Government Inquiry on Allegations of Sanctions-Busting by Shell and British Petroleum," presented by the Haslemere Group and the AAM on 25 April 1977: Bod.MSS.AAM 1733.

⁹⁷ King and McDonnell, "Good Firms, Good Targets."

⁹⁸ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 140.

⁹⁹ Agenda for the AAM Annual General Meeting on 26 October 1980: LMA/4421/01/01/001.

¹⁰⁰ Agenda for the AAM Annual General Meeting on 26 October 1980: LMA/4421/01/01/001.

AGM.¹⁰¹ According to Kairos, ‘half of the attending voters’ at the Dutch AGM had been highly critical of Shell’s operations in South Africa.¹⁰²

During the first half of the 1980s, the different national campaigns gradually expanded and plans were made for a more formal international campaign against Shell in particular. From 1984, representatives from the ANC established a dialogue and met with the management of several oil companies operating in South Africa, and the party also organized meetings between the various groups that had expressed an interest in participating in a campaign against Shell.¹⁰³ There is some discrepancy in views as to when the international campaign against the company was initiated: some suggest March 1985 when the presidents of the South West African People’s Organization (SWAPO) and the ANC issued a joint call for an international oil embargo against South Africa, while others point to the conference of Maritime Unions against Apartheid in London in October 1985.¹⁰⁴ Most anti-apartheid movements and groups, however, were not fully engaged in the campaign before 1986-1987.

At the AGM of the AAM on 1 December 1985, potential future campaigns and strategies were discussed in consideration of the marked increase in membership numbers as well as the perceived momentum enjoyed by the movement. Central to this meeting was the ‘need to identify the main priorities of the AAM for the next 6-9 months’ since this was seen as a ‘critical period’ for the movement.¹⁰⁵ The activists also discussed whether or not to properly launch the British campaign against an oil company and as noted in a working paper, ‘Shell is the likely candidate.’¹⁰⁶ Shortly thereafter, the AAM entered into collaboration with the British anti-apartheid group Embargo, which had been formed in late 1985 as a development of the group Christian Concern for Southern Africa.¹⁰⁷ The group was a collective of ‘church, union, welfare rights and anti-apartheid activists dedicated to exposing how the evils of South Africa’s regime are sustained by a continual flow of oil and oil products.’¹⁰⁸ Similar to the AAM, Embargo’s strategy involved campaigning for a ban on

¹⁰¹ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 74.

¹⁰² Document entitled “Campaign against Shell for an Oil Embargo: Reconstruction of a Lengthy Process” by Working Group Kairos, 1972-1982: Bod.MSS.Afr.s. 2350/85.

¹⁰³ Hengeveld and Rodenburg, *Embargo: Apartheid’s Oil Secrets Revealed*, 106–9.

¹⁰⁴ *Ibid.*, 106; AAM document on the Shell campaign: LMA/4421/01/02/002; paper entitled “Royal Dutch/Shell: The Campaign So Far:” Bod.MSS.Afr.s. 2350/76 (67H).

¹⁰⁵ AAM AGM on 1 December 1985 entitled “Apartheid in Crisis: An Agenda for Action:” LMA/4421/01/01/001.

¹⁰⁶ *Ibid.*

¹⁰⁷ Paper entitled “Why Royal Dutch/Shell?:” Bod.MSS.Afr.s. 2350/76 (67H).

¹⁰⁸ Minutes from an Embargo meeting on 15 November 1985: Bod.MSS.Afr.s. 2350/67; document entitled “Embargo!:” Bod.MSS.Afr.s. 2350/66.

oil deliveries to South Africa by both the British government, the EEC, and the UN, and researching the role of British-based companies in these activities.¹⁰⁹

The two anti-apartheid groups quickly settled on Shell as the target of their campaign and the choice was substantiated in a document entitled *10 Reasons to Boycott Shell*. The main reasons listed include an alleged \$200 million in profit by the company in ‘secret incentive payments by the South African government’ for violating the international oil embargo.¹¹⁰ As previously discussed, Shell had a sizeable investment in the country in the form of refineries etc., and the company’s South African subsidiary was 100 per cent owned by Royal Dutch Shell.¹¹¹ Moreover, the company was obliged by law to supply the South African police and military with fuel and lubricants, and it also operated in illegally occupied Namibia.¹¹² Finally, Shell supposedly paid some of its employees below the minimum wage.¹¹³ In addition to these stated reasons to boycott Shell, I want to emphasize the significance of the specific industry in which the company operates, or the ‘industry opportunity structure.’¹¹⁴ The oil industry is controversial, Shuili Du and Edward T. Vieira, Jr. assert, ‘because there has been persistent, widespread engagement in unscrupulous business practices that entail adverse social, environmental, and ethical consequences.’¹¹⁵ From the perspective of the AAM, negative connotations among the public pertaining to such business practices – in addition to Shell’s role as supplier of services and products to the South African authorities – would facilitate mobilization efforts.

Prior to the Shell AGM in May 1986, it was proposed that British and Dutch campaigns should be initiated simultaneously for optimal effect and that activities should be organized and new campaign material produced.¹¹⁶ This early framework for the campaign, it was noted, ‘envisages a major locally based campaign to expose the role of Shell in fueling the apartheid system.’¹¹⁷ During the month of January, Boycott Committees had been established in ten major US cities with the purpose of ‘organizing a campaign to force Shell out of Namibia and South Africa’ and local authorities began to establish ‘Shell-free zones’ in which Shell products and services were

¹⁰⁹ Embargo in correspondence with ELTSA: Bod.MSS.Afr.s. 2350/76 (67H).

¹¹⁰ Paper entitled “10 Reasons to Boycott Shell:” Bod.MSS.Afr.s. 2350/76 (67H).

¹¹¹ Ibid.

¹¹² Ibid.

¹¹³ Ibid.

¹¹⁴ Soule, *Contention and Corporate Social Responsibility*, 45.

¹¹⁵ Du and Vieira, “Striving for Legitimacy Through Corporate Social Responsibility: Insights from Oil Companies,” 1.

¹¹⁶ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 77; AAM document on the Shell campaign: LMA/4421/01/02/002.

¹¹⁷ Ibid.

systematically boycotted.¹¹⁸ The company was particularly concerned about such initiatives since 25 per cent of its profits were generated in the US, while only one per cent could be attributed to the South African market.¹¹⁹ This intensification of the campaigns initiated what van den Bergh defines as the final phase (1986-1991) in the activity against Shell, which saw more radical activity by the activists.¹²⁰

The campaign effectively began on 21 March 1986 – the anniversary of the Sharpeville Massacre and the Langa Killings – when an ultimatum was sent to the board of directors at Shell stating that several national campaigns would be launched if Shell had failed to announce its complete disinvestment by the end of the AGM, starting with a month of boycott during the summer of 1986.¹²¹ A few weeks later, Shell objected in a letter to ELTSA:

It is obviously up to you to judge the effectiveness and value of such a campaign but we regard it as highly unfair – partly because it seeks to coerce us into one particular view as to the course which will be most beneficial to the black community, and partly because we strongly reject the charge that ‘Shell’ is supporting apartheid.¹²²

At the Shell AGM in May, Chairman Peter Holmes devoted ten minutes of his opening statements to the situation in South Africa.¹²³ Since the company had not announced its disinvestment from South Africa, however, the plans for a month of boycott proceeded and in July local anti-apartheid groups published a Shell Shadow Report and picketed Shell stations and the Shell-sponsored British Grand Prix.¹²⁴ A few months later, anti-apartheid groups from more than twenty countries had signaled their support for the campaign against Shell.

¹¹⁸ Sethi and Williams, *Economic Imperatives and Ethical Values in Global Business: The South African Experience and International Codes Today*, 296. AAM document on the Shell campaign: LMA/4421/01/02/002.

¹¹⁹ Sampson, *Black and Gold*, 25.

¹²⁰ Hengeveld and Rodenburg, *Embargo: Apartheid's Oil Secrets Revealed*, 312.

¹²¹ AAM document on the Shell campaign: LMA/4421/01/02/002; Shell Shadow Report 1987: Bod.MSS.Afr.s. 2350/99; Paper entitled “Royal Dutch/Shell: The Campaign So Far.” Bod.MSS.Afr.s. 2350/76 (67H).

¹²² Letter from Shell to ELTSA on 18 April 1986: Bod.MSS.Afr.s. s.2350/97.

¹²³ Shell AGM 15 May 1986: Bod.MSS.Afr.s. 2350/70 1/3.

¹²⁴ Paper entitled “Royal Dutch/Shell: the Month of Boycott – July 1986.” Bod.MSS.Afr.s. 2350/76 (67H); Minutes from the Thirty-Ninth Meeting of the World Council of Churches on 10-20 August 1988: Bod.MSS.AAM 1743.

While the economic impact of the international campaign on Shell was not immediately perceptible, the management was starting to get concerned about the continuous negative publicity. In order to address the barrage of reproach generated by activists and other critics, the company decided to become more active participants in the debate on foreign investment and oil supply to South Africa.¹²⁵ This change in strategy was similar to the change from Barclays' reticent response to the first controversy regarding the Cabora Bassa dam project to the increasingly pro-active strategy during the course of the campaign. Whereas Barclays had employed the Pegasus Group to help formulate the proper strategy against the activists, Shell correspondingly contacted Pagan International – a consulting firm based in Washington – to assist the company primarily in the confrontation with American boycott activists.¹²⁶ A strategy paper by Pagan International from June 1986 asserts that the 'boycott coalition targeting Shell and Royal Dutch/Shell is currently very large, and has organized at a surprisingly rapid pace.'¹²⁷ The paper lists the main allegations directed against Shell as presented by the activists and notes that the 'way the issues have been framed by the critics is an attempt to force the company to play by the critics' rules. In order to respond directly, the company is put on the defensive.'¹²⁸ The allegations were used by the activists, it is argued in the paper, as 'persuasive tools to mobilize opinion against the company.'¹²⁹ Pagan International further warned Shell that the 'first impressions' generated by the activists' campaign would be difficult to erase.¹³⁰

Based on this assessment of the status of the campaign, the objective established by Pagan International was to prevent Shell from 'becoming the focal point of media activity on South Africa and to minimize the credibility of the allegations of the anti-Shell forces by emphasizing post-apartheid planning' by the company.¹³¹ To attain this objective, Shell was to develop a 'perception of openness with the media by addressing their concerns before viewpoints become settled and shift the focus of debate from Shell to disinvestment and other issues.'¹³² This strategy should be seen as a continuation of the activists' 'war of representation' against Barclays, which denotes the efforts of both actors to promote their particular framing of the campaign in the media. In essence, the

¹²⁵ Sluyterman, *A History of Royal Dutch Shell*, vol.3, 323.

¹²⁶ *Ibid.*, 330.

¹²⁷ Shell U.S. South Africa Strategy by Pagan International from June 1986: Bod.MSS.Afr.s. 2350/100.

¹²⁸ *Ibid.*

¹²⁹ *Ibid.*

¹³⁰ *Ibid.*

¹³¹ Unnamed strategy document by Pagan International: Bod.MSS.Afr.s. 2350/100.

¹³² *Ibid.*

strategy presented by Pagan International emphasized the need to change the public perception of Shell rather than the policies that generated the criticism in the first place. Summarizing Shell's strategy from 1985 onwards, van den Bergh notes that the company cautiously acknowledged that it had been too passive in pressing for democratic change in South Africa and that it would endeavour to become more pro-active on this area.¹³³ Rather than acquiescing with the activists' demands and disinvesting, Shell would advocate more strongly for the benefits of constructive engagement.¹³⁴ Moreover, the company would 'isolate radical critics as much as possible' while continuing dialogue with what was perceived to be more moderate groups and organizations.¹³⁵

Embargo responded by stating that the 'fact that Shell are prepared to [...] spend an estimated one million dollars in public relations to counter the boycott illustrates both the moral bankruptcy of their activities in Southern Africa and how worried they are about the consequences.'¹³⁶ A document by the ICCR entitled *The Shell Game: Shell Oil's Secret Plan to Counteract the Anti-Apartheid Boycott* predicted that 'ironically, Shell's efforts through Pagan International to undercut the Shell campaign will have exactly the reverse effect.'¹³⁷ In the Netherlands, it was noted by the research bureau of the Christian Democratic Party that the purpose of the strategy presented in a report by Pagan International was 'not to find a morally responsible direction for Shell in regard to South Africa' and that it was 'purely based on economic company interests which are in no way relativized with respect to other considerations, for example, those of a social or moral nature.'¹³⁸ During the following years, the gist of this criticism would come to form the basis of the interaction between Shell and the British anti-apartheid activists.

Despite years of sporadic anti-apartheid action against Shell in Britain, a sustained campaign was not established until early 1987. I propose that a contextual analysis of the British campaign between 1987 and the early 1990s may help explain both the strategies deployed by the activists and Shell's reasoning in its response to the boycott campaign. From the perspective of the activists, Markoff's reference to a 'causal dependence' between movement decisions elucidates the significance to the campaign of early action against Shell that – to some extent – guided the subsequent selection of tactics. While I promote a historically sensitive analysis of the boycott

¹³³ Hengeveld and Rodenburg, *Embargo: Apartheid's Oil Secrets Revealed*, 316.

¹³⁴ *Ibid.*

¹³⁵ *Ibid.*

¹³⁶ Press Release entitled "Shell Counter Church Support for Boycot:" Bod.MSS.Afr.s. 2350/100.

¹³⁷ Document by the Interfaith Center on Corporate Responsibility entitled "The Shell game: Shell oil's secret plan to counteract the anti-apartheid boycott" from September 1987: Bod.MSS.Afr.s. 2350/69.

¹³⁸ Hengeveld and Rodenburg, *Embargo: Apartheid's Oil Secrets Revealed*, 317–18.

campaign, I am conscious of the risk of unintentionally constructing ‘causally plausible stories’ that over-accentuate particular influences or points of comparison.¹³⁹ While cautious of such analytical facets, however, I *do* want to emphasize the contribution of the appropriate contextual factors in furthering an understanding of the interaction between the activists and Shell. Thus, the activists constructed their own narratives when – simultaneously looking back on the previous campaign and forward to the activities against Shell – a popular slogan during the transitional period optimistically announced that ‘1986 was the year of Barclays, 1987 will be the year of Shell.’¹⁴⁰

The Onset of the Campaign, Mid-1980s to Late 1980s

‘The situation is not comfortable. Shell’s position is not comfortable. The threat of disinvestment is real. It is important that everyone accepts that. It is important that every member of staff realizes that the survival of this company depends to some extent on their own commitment to the company’s stance.’¹⁴¹ This blunt cautioning was issued in August 1986 by John Wilson, Chairman of Shell South Africa. From early 1987, action against Shell accelerated substantially when it was decided at the AGM of the AAM that a permanent boycott campaign would be conducted against the company.¹⁴² As we have seen, sporadic activities had taken place for many years yet no organized and continuous effort had been sustained. The announcement by Barclays in late November 1986 that it would disinvest freed up resources within the movement and the strategic considerations that had restricted the activists to lead no more than one single-company campaign at a time now allowed for Shell to be targeted instead. From the mid-1980s, the company had become more openly critical of the Botha administration and it even closed its offices on 16 June in commemoration of the Soweto Uprising.¹⁴³ To the activists, however, any action short of disinvestment was insufficient and Shell’s recurrent statements that a boycott would not compel the company to leave South Africa was widely received as ‘a challenge to continue’ the campaign.¹⁴⁴

¹³⁹ Markoff, “Historical Analysis and Social Movements Research,” 3.

¹⁴⁰ Internal report on UK Shell Campaign 1989 from 5 June 1989: Bod.MSS.Afr.s. 2350/4.

¹⁴¹ Keynote address by John R. Wilson at the Shell South Africa Senior Staff Conference on 4-5 August 1986 entitled “A Change from Shell Perspective:” Bod.MSS.Afr.s. 2350/83.

¹⁴² Minutes from the Thirty-Ninth Meeting of the World Council of Churches on 10-20 August 1988: Bod.MSS.AAM 1743.

¹⁴³ Sampson, *Black and Gold*, 206.

¹⁴⁴ Brief by Sietse Bosgra entitled “Shell must set an example for European companies to leave South Africa” from January 1987: Bod.MSS.AAM 1751.

‘Strategically,’ John Wilson, Chairman of Shell South Africa, stated at the onset of the boycott campaign, ‘one could not choose a better or bigger target.’¹⁴⁵ The company was the largest non-American corporation in the world in terms of assets and the largest single investor in South Africa.¹⁴⁶ At a meeting of the World Council of Churches in August 1988, it was emphasized that ‘in an international context, Shell’s visibility is undeniable and it is easy to identify.’¹⁴⁷ The fact that the company’s South African investment accounted for a mere one per cent of its global revenue was further taken as an indication by the activists that it was possible to compel Shell to terminate its operations in the country.¹⁴⁸ Finally, the comparison between the campaigns against Barclays and Shell was inescapable: a pamphlet by War on Want optimistically suggests that ‘an effective boycott against Barclays has forced it to disinvest; an equally effective boycott of Shell garages could have the same result.’¹⁴⁹

As we have seen, optimism was high among the activists at the onset of the campaign against Shell with 1987 declared as ‘Year against Shell’ by the AAM.¹⁵⁰ A paper from May that year assessing the early stages of the campaign argues that the ‘quick, enthusiastic response to the AAM’s second venture into the arena of secondary boycotting to secure disinvestment, viz. the launch of the “Boycott Shell” campaign further demonstrated that, in the right conditions, such a boycott can give a clear focus, and a cutting edge, to a disinvestment campaign in a specific case.’¹⁵¹ At the 1987 Shell AGM, one activist indicated that the ‘company image in this country is deteriorating much faster than did Barclays’ and the base is being laid for a much more thorough campaign.’¹⁵² Further cautioning against continued investment in South Africa, the activist suggested that ‘in view of the fact that the Times reported Barclays having lost millions of Pounds by not responding to the Boycott and pulling out sooner, surely it is in the interests of shareholders to break all links with the racist regime now.’¹⁵³ Another point of persuasion by the activists was the prospect of Shell losing

¹⁴⁵ Keynote address by John R. Wilson at the Shell South Africa Senior Staff Conference on 4-5 August 1986 entitled “A Change from Shell Perspective:” Bod.MSS.Afr.s. 2350/83.

¹⁴⁶ Minutes from the Thirty-Ninth Meeting of the World Council of Churches on 10-20 August 1988: Bod.MSS.AAM 1743.

¹⁴⁷ Ibid.

¹⁴⁸ Holland, *The European Community and South Africa: European Political Co-Operation under Strain*, 61.

¹⁴⁹ Pamphlet entitled “Formula for Apartheid:” WoW, box number 193, acc. no. 00862.

¹⁵⁰ Holland, *The European Community and South Africa: European Political Co-Operation under Strain*, 61.

¹⁵¹ Paper entitled “Targetting of Companies Collaborating with Apartheid: The Role of Boycotts in the Campaign for Sanctions & Disinvestment” from May 1987: Bod.MSS.AAM 1681.

¹⁵² Questions for annual general meeting of Shell T&T 1987: Bod.MSS.AAM 1736.

¹⁵³ Ibid.

its top status in market research surveys as the ‘most respected company in Britain.’¹⁵⁴ By linking the company to apartheid, as had been attempted in the campaign against Barclays, the activists could target the brand and public reputation of Shell.

With decades of campaigning experience in addition to a few years of sporadic action against Shell in particular, the AAM had developed a tactical repertoire that included a range of activities. I will briefly examine each type of activity and elaborate on their implications by deploying my theoretical framework. First, the activists aimed to put pressure on the company through letters to the headquarters, the press etc.¹⁵⁵ Central to this strategy were the efforts, on the one hand, to ‘hassle Shell management’ and, on the other hand, to consistently keep the ‘profile of the campaign reasonably high.’¹⁵⁶ In terms of events scheduled to take place at Shell stations etc., ‘pre-publicity’ was deemed most important since this would ensure press attendance as well as greater number of participants.¹⁵⁷ At the actual staging of the events, the local anti-apartheid groups were encouraged to ‘try to consider any eye-catching stunts or publicity-generating material and angles which may occur locally.’¹⁵⁸ In an attempt to repeat previous successful practices, a brief emphasizes the importance of raising the ‘equivalent awareness to that reached in the Barclays campaign.’¹⁵⁹ Richard Tookey, Group Public Affairs Director at Shell International, cautioned the management in June 1988 that ‘activist groups are adept at attracting wide international media attention to their causes.’¹⁶⁰ An internal assessment report by Shell further indicates that the company was concerned about the ‘potential support of professional academics’ who could provide ‘intellectual legitimacy to the boycott.’¹⁶¹

From a social movement perspective, the instrumental benefits of attracting attention to the campaign can be assessed in terms of increased mobilization as well as pressure on Shell by way of media coverage. At a more abstract level, the purpose of disseminating information on the company’s economic ties to South Africa is to demonstrate Shell’s – and, in the final instance, the individual customer’s – complicity in perpetuating the oppressive apartheid system. Following

¹⁵⁴ Letter from the Consumer Boycott Committee to AAM vice-chairman Dan Thea on 3 September 1988: Bod.MSS.AAM 1557.

¹⁵⁵ Campaign briefing entitled “No Fuel for Apartheid:” Bod.MSS.AAM 452.

¹⁵⁶ Briefing entitled “Shell and South Africa: A Campaign Briefing:” Bod.MSS.AAM 1734.

¹⁵⁷ AAM document on Shell: LMA/4421/01/02/002.

¹⁵⁸ Ibid.

¹⁵⁹ Document entitled “Making the Boycott Bite: Shell Campaign:” Bod.MSS.AAM 1738.

¹⁶⁰ Extracts from June 1988 talk to Shell staff by Richard Tookey (Group Public Affairs Director at Shell International): Bod.MSS.Afr.s. 2350/72.

¹⁶¹ Intelligence Assessment report for Shell: Bod.MSS.AAM 1744.

Young's social connection model, 'obligations of justice' emerge from this complicity since awareness about the link between Shell in Britain and Shell in South Africa necessitates a critical look at the actors involved and their role in preserving the social structures that connect them.¹⁶² The activists relied on publicity to frame Shell as an enabler of structural injustice and as an intermediary between the apartheid regime and the British consumers. Fostering awareness was thus an essential part of the campaign since it established the justification for targeting Shell.

The second major action against Shell entailed urging individual and institutional shareholders to divest themselves of Shell shares and to accompany this sale with a condemnation of the company's South African operations.¹⁶³ Among these institutional shareholders, pension funds and local councils were generally perceived to be among the most important. Similar to the campaign against Barclays, students also figured as an important source of protest against Shell; an internal assessment report by the company submits that the 'divestment movement on campuses was a sign of students' frustration with their inability to directly pressure for change and of their desire to do "anything" they can to support the anti-apartheid movement.'¹⁶⁴ The report concludes that 'if the boycott captures the attention of students, Shell could face demonstrations and recruitment problems.'¹⁶⁵

Viewed in extension of the activists' effort to explicate the structural link between Shell and the policies of the South African government, the call for divestment provides a remedy by circumventing parliamentary politics and allowing for individual and institutional shareholders to sever their connection to the company. The principles of divestment, I would argue, thus comply with Beck's definition of subpolitics as 'economically guided action in pursuit of interests.'¹⁶⁶ Divestment constitutes a form of *active* subpolitics aiming to engage with the socio-political grievances associated, in this case, with Shell's operations in South Africa. By advocating divestment, the activists offered a pragmatic response to the problematization of Shell's operations. In line with the second strand of the strategy deployed against Shell, a boycott was encouraged among individual consumers, organizations, and institutions.¹⁶⁷ Bulk purchasers targeted by the

¹⁶² Young, "Responsibility and Global Justice: A Social Connection Model," 102.

¹⁶³ Campaign Briefing entitled "No Fuel for Apartheid:" Bod.MSS.AAM 452.

¹⁶⁴ Intelligence Assessment report for Shell: Bod.MSS.AAM 1744.

¹⁶⁵ Ibid.

¹⁶⁶ Beck, *Risk Society, towards a New Modernity*, 222.

¹⁶⁷ Campaign Briefing entitled "No Fuel for Apartheid:" Bod.MSS.AAM 452.

activists included local and health authorities, fleet operators etc.¹⁶⁸ However, the ‘predominant activity that suggests itself for the Boycott of Shell,’ a campaign briefing suggests, ‘is that of picketing Shell station and leafleting passers-by and customers.’¹⁶⁹ In order to heighten the visibility of the pickets, large banners were sometimes suspended from motorway bridges and celebrities were invited to attend.¹⁷⁰ Also, bumper stickers were produced and the Shell logo was ‘smeared,’ according to the Australian Business Review Weekly, ‘by turning it into a politicized and hated symbol of apartheid.’¹⁷¹ In addition to the AAM, groups such as Embargo, ELTSA, and War on Want engaged in picketing outside of Shell stations.¹⁷² One estimate suggests that 200 local anti-apartheid groups regularly conducted pickets, motorcades etc.¹⁷³ Sean O’Donovan, Secretary of the Haringey anti-apartheid group, describes how when at one picket the activists were ‘outside Shell with our ‘Boycott Apartheid – Boycott Shell’ banner and placards, very few cars went into the forecourt.’¹⁷⁴ He continues: ‘any drivers that did were handed a leaflet explaining Shell’s involvement with South Africa, this resulted in many of the drivers turning round immediately and leaving without buying any petrol.’¹⁷⁵

Compared to the institutional emphasis of divestment, the boycott of Shell may – initially – be perceived as a more individualized subpolitical tactic. Having recognized the social injustices transmitted through the connection between the company and the apartheid regime, individuals can choose to avoid Shell stations entirely. By using their purchasing power as an expression of their support of the anti-apartheid cause or as an instrument of pressure on Shell, individuals may be labelled political consumers. As discussed in chapter one, however, social movement activity often functions as an ‘incentive, if not a determinant, of individual political consumption’ and the campaign by the AAM against Shell may thus be perceived as a framework within which individual consumers could contribute by boycotting the company.¹⁷⁶ In addition to the act of boycotting, the rest of the activities listed above also accentuate the corporate properties of the target, which further

¹⁶⁸ Minutes from the Thirty-Ninth Meeting of the World Council of Churches on 10-20 August 1988: Bod.MSS.AAM 1743.

¹⁶⁹ Briefing entitled “Shell and South Africa: A Campaign Briefing:” Bod.MSS.AAM 1734.

¹⁷⁰ Document entitled “Making the Boycott Bite: Shell Campaign:” Bod.MSS.AAM 1738; AAM document on Shell: LMA/4421/01/02/002.

¹⁷¹ Business Review Weekly from 11 December 1987: Bod.MSS.Afr.s. 2350/67.

¹⁷² Embargo meeting minutes from 5 May 87: Bod.MSS.Afr.s. 2350/67.

¹⁷³ Minutes from the Thirty-Ninth Meeting of the World Council of Churches on 10-20 August 1988: Bod.MSS.AAM 1743.

¹⁷⁴ Press release by the AAM entitled “Follow-up on London-wide day of action against Shell Saturday 6 may 1989:” Bod.MSS.AAM 1735.

¹⁷⁵ Ibid.

¹⁷⁶ Balsiger, “Making Political Consumers: The Tactical Action Repertoire of a Campaign for Clean Clothes,” 312.

substantiates a discussion of these activities as part of a political consumerist regime. When problematized as such, the boycott-related activities aimed at Shell can be discerned as social movement activity distinctly targeting a company as opposed to more generic contentious politics. Similar to the campaign against Barclays, fundamental differences in the views of the activists and their target company were quickly distinguishable. In a letter to Holmes, Chairman of Shell UK, the AAM asserted that the company had an ‘obligation’ to contribute to the democratic transition in South Africa and the movement called on Shell:

Announce that you are willing to support the oil embargo, as backed by the United Nations and the Commonwealth, as well as to co-operate with the UN oil embargo monitoring group [...], and refrain from investing new foreign capital in South Africa until there is an international consensus that financial sanctions should be lifted.¹⁷⁷

As discussed, the oil embargo was a complicated issue since the UN General Assembly had passed non-binding resolutions while the EEC embargo was not implemented properly and could be circumvented by transnational companies in a number of ways. Persuading Shell to comply with the international oil embargo thus presented an uphill struggle since – as was made clear in a letter to the activists – the company did ‘not believe [it] is in place.’¹⁷⁸ Shell did, however, follow the various restrictive measures set up by the EEC and the Commonwealth, which meant that the activists would have to concentrate their efforts on the morally *illegitimate* and not the *illegal* aspect of foreign investment in South Africa (as had been the case against Barclays).¹⁷⁹

Shell’s response to being targeted by the activists was to assert that the company’s South African subsidiary was ‘financially self-sufficient’ and that its ‘physical assets cannot be removed,’ which meant that the company would continue operations under different ownership in the event of disinvestment.¹⁸⁰ This argument was similar to Barclays’ rationalization of constructive engagement and it did not dissuade the activists from using Shell as a surrogate boycott target. A slightly more

¹⁷⁷ Letter to Peter Holmes, Chairman of Shell UK, from the AAM: Bod.MSS.AAM 1556.

¹⁷⁸ Letter by J. Claxton, Company Secretary of Davy Corporation, to D. Craine of Embargo, ELTSA, on 2 September 1987: Bod.MSS.AAM miscellaneous notes on the oil campaign.

¹⁷⁹ Ibid.

¹⁸⁰ Shell UK report from 23 January 1987: Bod.MSS.Afr.s. 2350/78.

persuasive angle was raised by Shell when the company contended that the foremost impact of the British boycott would be felt by the ‘small businessmen who are Shell dealers and licenses around the country, and their employees.’¹⁸¹ This prospect was a cause of concern among many participants in the campaign who felt that it ran counter to the solidary character of anti-apartheid activism. In an attempt to circumvent this problem, the activists primarily targeted petrol stations owned by Shell as opposed to those only associated with the Shell franchise.¹⁸²

Shell further responded to the campaign by allocating a substantial amount of resources to countering the activity of the activists. Already from the 1970s, the company had engaged in occasional dialogue with its critics yet at the request of Shell in the US, Pagan International formulated a 264-page document entitled the *Neptune Strategy*, which was used to organize and streamline the company’s response to the boycott campaign.¹⁸³ This strategy was built upon the notion that activists and civil society groupings had experienced an increase in political and economic leverage through transnational networks and cooperation.¹⁸⁴ According to a brief by the AAM, however, the ‘plan backfired when a secret document outlining the strategy was obtained by anti-apartheid groups.’¹⁸⁵ The brief further noted that the ‘Pagan tactics have enraged church leaders and others throughout the world and has actually strengthened support for the boycott.’¹⁸⁶

Part of Shell’s strategy in Britain also included legal action, which was characterized by the activists as a type of ‘heavy-handedness unseen during the Barclays campaign.’¹⁸⁷ A report by the AAM from June 1987 asserts that Shell ‘decided to try and win the public debate about their presence in SA/Namibia, whilst resorting to legal action in cases where their failure to win their debate and head off the boycott threatens to cost them valuable customers.’¹⁸⁸ Specifically, Shell initiated litigation against three local councils due to their formal support of the boycott of Shell: Lewisham in London, Oslo, and a Dutch town.¹⁸⁹ Lewisham Council had organized an initiative called Joint Action Against Apartheid (JAAA), which involved close to twenty local authorities

¹⁸¹ Ibid.

¹⁸² Minutes from the Thirty-Ninth Meeting of the World Council of Churches on 10-20 August 1988: Bod.MSS.AAM 1743.

¹⁸³ “Shell Plans Revealed to Counteract Boycott” in Ecumenical Press Service from October 1987: Bod.MSS.Afr.s. 2350/100.

¹⁸⁴ Sluyterman, *A History of Royal Dutch Shell*, vol.3, 330–31.

¹⁸⁵ “Shell Supports Apartheid: 1988 Update:” Bod.MSS.Afr.s. 2350/99.

¹⁸⁶ Ibid.

¹⁸⁷ Ibid.

¹⁸⁸ Report to the Executive Committee on Shell Campaign 16 June 1987: Bod.MSS.AAM 1738.

¹⁸⁹ Paper on Shell: Bod.MSS.AAM 1741; I have not been able to identify the Dutch town.

from across the country.¹⁹⁰ Similar to the AAM, JAAA advocated for divestment and disinvestment as opposed to establishing or complying with codes of conduct for foreign-owned companies in South Africa. In a letter to Sir John Harvey-Jones, Chairman of Imperial Chemical Industries PLC, Martin Day from JAAA explains that he notes the ‘details on education given in your latest EEC Code Report, but would ask what the company is doing by way of contributing to the end of the apartheid system which is the cause of gross inequalities in education provision in the first place.’¹⁹¹ While the AAM had been resolute in its criticism of the Sullivan Principles and the EEC Code of Conduct from the beginning, others began to view the codes with increasing skepticism towards the end of the 1980s as evidenced by Sullivan’s rejection of his own code (as related in chapter two).

While engagement in discussions on disinvestment by Lewisham Council was not illegal, however, its decision to formally boycott Shell and to attempt to persuade other local authorities to follow suit was deemed *ultra vires*.¹⁹² In a letter from October 1986 to Holmes, Chairman of Shell UK, Martin Day wrote on ‘behalf of a number of local authority and Shell shareholders who are extremely concerned about your company’s involvement in South Africa.’¹⁹³ Day proceeds by acknowledging that ‘Shell is starting to voice its concern about apartheid and has started to argue for the establishment of political rights for the black majority’ yet he concludes by arguing that ‘surely, it is now time for Shell to follow the example of other major international companies, and withdraw operations from a country perpetuating the system Shell claims it deplors.’¹⁹⁴ In December 1986, representatives of the Council met with Richard Tookey, Group Public Affairs Director at Shell International, who was unable to guarantee the company’s disinvestment from South Africa.¹⁹⁵ According to Day, Tookey had conceded that ‘if Shell had a choice, they would not go into South Africa now, but as they had been there for seventy years they would stay put.’¹⁹⁶ After the meeting, Day was convinced that Shell would not disinvest unless pressured to do so and he

¹⁹⁰ Caribbean Times on 21 November 1986: Bod.MSS.Afr.s. 2350/109.

¹⁹¹ Letter from Martin Day (London Borough of Lewisham Chair of Finance, on behalf of the Joint Action Against Apartheid Campaign) to Sir John Harvey-Jones (Chairman of Imperial Chemical Industries PLC in London): Bod.MSS.AAM 768.

¹⁹² Allan, “Abuse of Statutory Powers: Apartheid, Disinvestment and Coercion,” 335; Letter by Councillor Dave Sullivan (Leader of Lewisham Council) to “All JAAA Council Leaders and London Labour Leaders” on July 20 1987: Bod.MSS.AAM 768.

¹⁹³ Letter from Martin Day (London Borough of Lewisham Chair of Finance, on behalf of the Joint Action Against Apartheid Campaign) to Peter Holmes (Chairman of Shell UK) on 24 October 1986: Bod.MSS.AAM 768.

¹⁹⁴ Ibid.

¹⁹⁵ Allan, “Abuse of Statutory Powers: Apartheid, Disinvestment and Coercion,” 334; the official verdict on Lewisham Council: Bod.MSS.AAM 1740.

¹⁹⁶ Letter from Martyn Day (Councillor for Joint Action Against Apartheid) to other councils: Bod.MSS.AAM 768.

encouraged a boycott of the company ‘in view of the success that Councils’ boycotts have had on Barclays.’¹⁹⁷

From the spring of 1987, the decision by Lewisham Council to begin a formal boycott of products and services from Shell in cases that offered viable alternatives led Shell to pursue legal action.¹⁹⁸

The AAM sought to help the Council by publishing leaflets, for instance, which ran: ‘STOP SHELL! International giant Shell, worth £30 billion, is threatening Lewisham council with massive High Court legal fees.’¹⁹⁹ In a letter to Miriam Jørgensen from the Danish South Africa Committee on 21 September, David Crane from Embargo claims that ‘we never witnessed that degree of aggressiveness even at the height of the Barclays campaign, but it could well backfire on Shell.’²⁰⁰

The official verdict on the case from November 1987, however, concludes that the Council had ‘acted in breach of their legal powers and have misused their powers by leading a political campaign to cause damage to a Shell company and thereby coerce the Board of Shell Transport, an English public company, into adopting a policy leading to disinvestment from South Africa.’²⁰¹

Soon after this verdict, a new piece of legislation was introduced called the Local Government Act 1988 that banned politically motivated boycotts by local councils.²⁰²

Losing Momentum, Late 1980s to Early 1990s

After a year of campaigning against Shell, the activists were still largely optimistic about the prospects of compelling the company to disinvest. The disruption of the Shell AGM in 1988, for instance, signified the continued support of the campaign and it gave an indication as to the problems it posed to the company. A report by the activists asserts that the first seven questions at the AGM revolved around apartheid and disinvestment and that many regular shareholders ‘left before the end in disgust at the predominance of South Africa and Namibia questions.’²⁰³ It was proposed that the following AGM should be attended by ethnic minority shareholders, which would

¹⁹⁷ Ibid.

¹⁹⁸ Letter by Councillor Dave Sullivan (Leader of Lewisham Council) to “All JAAA Council Leaders and London Labour Leaders” on July 20 1987: Bod.MSS.AAM 768.

¹⁹⁹ Leaflet by the AAM: Bod.MSS.AAM 1557.

²⁰⁰ Letter from David Crane from Embargo to Miriam Jørgensen from the South Africa Committee in Copenhagen on 21 September 1987: Bod.MSS.Afr.s. 2350/72.

²⁰¹ The official verdict on Lewisham Council: Bod.MSS.AAM 1740.

²⁰² Minutes from the Thirty-Ninth Meeting of the World Council of Churches on 10-20 August 1988: Bod.MSS.AAM 1743.

²⁰³ Activist report on the Shell AGM 1988: Bod.MSS.Afr.s. 2350/67.

serve to ‘underline the total unacceptability of a major company like Shell defying the feelings of an important part of the community.’²⁰⁴

Assessing the impact of the campaign on Shell until this point, the activists claimed to have contributed to a decrease in the company’s share of the British market ranging from 3.3 to 6.6 per cent, according to various estimates.²⁰⁵ A letter from Shell to Embargo, however, disputes these figures and contends that the ‘boycott has had no measurable effect.’²⁰⁶ In Denmark, activist approximations venture that Shell had lost 7 per cent of its market share as well as a number of major heating contracts.²⁰⁷ The company explained that the total Shell sales had increased markedly yet it concluded that ‘we do not claim that this is due to the boycott campaign since sales go up, and down, for a whole variety of reasons and it is not possible to isolate the effect of one particular factor.’²⁰⁸

This problematization of the impact on Shell is reflective of more general concerns pertaining to the use of boycotting, as discussed in chapter one. While the symbolic message of the anti-apartheid activists’ reliance on the surrogate boycott was of principal significance, the boycott was also intended to have pragmatic consequences for Shell in terms of a decline in profits. Doubts concerning the economic impact of the boycott would thus be counter-productive to the motivation and mobilization efforts of the AAM, which is why the activists were generally eager to proclaim the success of this tactic. As discussed in chapter three, this inclination was demonstrated in the response of the activists to Barclays’ announcement to disinvest, which they claimed as a ‘victory’ for their campaign.²⁰⁹ Acknowledging the threat of the boycott campaign, Desmond Watkins, Director of Shell International, conceded that if the ‘effect of the anti-apartheid pressure, boycotts, etc. were to bring about a position where a continuing investment in South Africa was to be or likely to be financially negative for the Group as a whole, with no probability of this position

²⁰⁴ Letter from the Consumer Boycott Committee to AAM vice-chairman Dan Thea on 3 September 1988: Bod.MSS.AAM 1557.

²⁰⁵ Press release entitled “UK Shell Boycott Bites as Sales Drop” from 23 March 1988: Bod.MSS.Afr.s. 2350/69; “Shell Supports Apartheid: 1988 Update:” Bod.MSS.Afr.s. 2350/99.

²⁰⁶ Letter from Shell to David Crane from Embargo on 4 August 1988: Bod.MSS.Afr.s. 2350/75 (61H).

²⁰⁷ Document entitled “Shell Supports Apartheid: 1988 Update:” Bod.MSS.Afr.s. 2350/99.

²⁰⁸ Letter from Shell to David Crane from Embargo on 4 August 1988: Bod.MSS.Afr.s. 2350/75 (61H).

²⁰⁹ David Lascelles and Jim Jones, “Barclays Pulls out of South Africa by Selling 82 M Pounds (pds) Stake.” *Financial Times*, 25 November 1986.

changing, then there would be a clear case for consideration of withdrawal on business grounds.’²¹⁰ ‘So far,’ he added, ‘that has not been the case.’²¹¹

Erik Van den Bergh lists three of the company’s most central areas of concern: first, the profitability of retaining operations in South Africa was a powerful motive for Shell to resist the boycotters’ demands.²¹² Despite the fact that Shell’s South African subsidiary was responsible for approximately one per cent of the total group profits, it was valued as a highly lucrative business. Second, the company wanted to avoid making a precedent for future campaigns. According to the reasoning behind this concern, compliance with the activists’ demands – or even just a compromise – could serve as incentive for other groups or movements to initiate a boycott against Shell.²¹³ Finally, the company was highly protective of its ‘*personnel* and its *corporate image*,’ I elaborate on this point later in this chapter. In terms of valuable management resources, the president of Shell Nederland explained in an interview that he ‘spent one third of his time on the issue’ during a particularly hectic period.²¹⁴ Such extensive distraction from other duties was not sustainable and it constituted a persuasive argument in favour of a proactive strategy by Shell tailored to terminate the campaign as quickly as possible.

By mid-1988, two additional points of criticism were included in the allegations by the activists against Shell. First, the company was condemned for its participation in the development of a new offshore gas field at Mossel Bay by the Eastern Cape. The gas field was scheduled to provide ten per cent of South Africa’s fuel import needs, which would contravene the international oil embargo.²¹⁵ From a legal standpoint, however, Britain was not fully committed to a ban on all oil products and related technology and a number of British companies took advantage of legal gaps in order to partake in the development of the Mossel Bay project.²¹⁶ The second point of criticism was leveled at Shell’s alleged violation of the international coal boycott; on 17 April, an article in the London Observer asserted that Shell played a ‘key role in disguising South African coal as Dutch

²¹⁰ Address by Desmond Watkins (Director of Shell International) to the Business International Conference in London on 3 October 1988 entitled “Business and South Africa: Reason and Responsibility:” Bod.MSS.Afr.s. 2350/83.

²¹¹ Ibid.

²¹² Hengeveld and Rodenburg, *Embargo: Apartheid’s Oil Secrets Revealed*, 321.

²¹³ As I discuss later in this chapter, Shell’s hardline strategy against the AAM did not deter groups such as Greenpeace from targeting the company only a few years later.

²¹⁴ Hengeveld and Rodenburg, *Embargo: Apartheid’s Oil Secrets Revealed*, 321.

²¹⁵ Brief entitled “British Companies Help South Africa Bust Oil Sanctions” from 15 March 1988: Bod.MSS.AAM miscellaneous notes on the oil campaign.

²¹⁶ Document entitled “The Mossel Bay Gas Project: British Involvement in South Africa’s Offshore Gas Development:” Bod.MSS.AAM miscellaneous notes on the oil campaign.

coal’ and that ‘ships owned or chartered by Shell bring coal from the South Africa terminal, which it co-owns, to the Netherlands.’²¹⁷ At the time, coal was the third-most profitable sector in South Africa.²¹⁸ Shell wrote in response to these claims that ‘to suggest, as have the anti-apartheid movements in the Netherlands and here, that Shell is in some way trying to disguise the origin of its coal is typical of the deliberate vilification that we have been subjected to since the boycott campaigns started.’²¹⁹ The company further stated that it was not engaged in illegal activity and referred to the OECD Guidelines for Multinationals and the UN Code of Conduct for Multinationals as the standards by which it operated.²²⁰

This style of reply by Shell is indicative of a more general pattern by which the company was engaged in efforts to counter negative statements or contentions; in my view, Shell was even more proactive in such efforts than Barclays had been. In a letter by Shell to the AAM from June 1988, it is noted that the ‘Anti-Apartheid Movement feels free to publish false and deliberately misleading statements about the Royal Dutch/Shell Group of Companies without making the slightest attempt to offer a shred of supporting evidence, and yet refuses to believe our subsequent denials because we have not provided “any evidence to the contrary.”’²²¹ The management at Shell was conscious of the threat posed by the ‘war of representation,’ which Barclays had lost most clearly in the public reception of the bank’s announcement to disinvest. If Shell could successfully dismiss the major allegations by the activists before they gained traction among the public and the media, the most important tool in the boycott campaign had been severely weakened. In a letter by Shell to Archbishop Huddleston on the topic of distortion of information by the AAM, the company emphatically stated:

Shell companies are not breaking any oil embargoes; they are not ‘passing South African coal off as Dutch coal’; Shell Oil South West Africa is not ‘plundering’ Namibia’s resource since no Shell company has been involved in the exploration or development of oil, coal or metals in Namibia; there are no plans to ‘become involved in blending ethanol-from-sugar’; no Shell company is contravening ‘the spirit of the

²¹⁷ Minutes from the Thirty-Ninth Meeting of the World Council of Churches on 10-20 August 1988: Bod.MSS.AAM 1743.

²¹⁸ Ibid.

²¹⁹ Letter from Shell to David Crane on 4 August 1988: Bod.MSS.Afr.s. 2350/75 (61H).

²²⁰ Ibid.

²²¹ Letter from M. Le Q. Herbert of Shell to Mike Terry of the AAM on 30 June 1988: Bod.MSS.AAM 1741.

EEC ban' on investment; there are no 'splits within the Royal Dutch/Shell Group at board level' over South Africa; company morale is not falling.²²²

While I will refrain from attempting to verify these allegations against Shell, what is important in terms of the interaction between the activists and the company is the effort by both actors to institute *their* account of events. Shell, on the one hand, emphasized the legal nature of its activities and its conviction about the merits of constructive engagement. The activists, on the other hand, were interested in facts only to the extent that they would implicate Shell in conduct that could be construed as illegal or immoral. The company criticized the activists for this approach by characterizing them as the 'sort of people who can only think in slogans, and who, as a mob, try and disrupt our Annual General Meeting.'²²³ Shell further admonished the AAM by suggesting that the 'end justifies the means seems to be the underlying philosophy!'²²⁴ Substantiating this criticism by the company were the frequent attacks of sabotage against Shell stations and the threats of violence against Shell employees. While such action was repeatedly condemned by the AAM and its affiliated groups, internal Shell documents suggest that acts of violence were of constant concern to the company.²²⁵ While no exact numbers exist, a Shell publication estimates that approximately ten attacks on petrol stations took place every week at the peak of the campaign and that the number had fallen to 76 by 1991.²²⁶ Attacks appear to have been more frequent in Denmark than in Britain: in a 1987 interview, Aaron Mnisi, representative of the ANC in Denmark, acknowledged the potential economic impact of sabotage yet he expressed the concern that the public might come to associate anti-apartheid activism with illegal destruction of property.²²⁷

In terms of the company's positive influence in South Africa, Watkins, Director of Shell International, maintained that the 'call from Shell's Black employees, dealers and customers is for Shell to stay in South Africa.'²²⁸ He continued to stress that 'there is no Black boycott of Shell in

²²² Letter to Huddleston from Shell on 12 October 1988: Bod.MSS.AAM 1735.

²²³ Letter to Robert Hughes from Shell on 8 August 1989: Bod.MSS.AAM 1741.

²²⁴ Letter to Robert Hughes from Shell on 8 August 1989: Bod.MSS.AAM 1741.

²²⁵ Intelligence Assessment report for Shell: Bod.MSS.AAM 1744.

²²⁶ Hengeveld and Rodenburg, *Embargo: Apartheid's Oil Secrets Revealed*, 318.

²²⁷ En gruppe folk fra det autonome modstandsmiljø, *Sydafrika: forskellige artikler om frihedskampen i Sydafrika, Rote Zora og sabotage mod Shell*, 32.

²²⁸ Minutes from the Thirty-Ninth Meeting of the World Council of Churches on 10-20 August 1988: Bod.MSS.AAM 1743.

South Africa' and that the 'Black community increasingly looks to Shell for support.'²²⁹ According to Sluyterman's official history of Shell, the company had managed to build a good relationship with the ANC.²³⁰ Regardless of the nature of their relationship, however, the fact remains that the call by the ANC for total disinvestment by foreign investors ran counter to Shell's intents. The company allegedly placed two advertisements in South African newspapers in the late 1980s, the first of which stated that 'we're backing South Africa.'²³¹ The second advertisement suggested that 'two is a company, eight is a commitment,' which referred to the expansion of the company's operations from petroleum and other oil products to gas, coal, wood, chemicals, and various strategic metals.²³²

From a conceptual viewpoint, Shell's insistence on *actively* contributing to political change invites us to revisit my discussion of subpolitics in the introduction. *Active* subpolitics is used to characterize the deliberate activities of social movements and civil society organizations, while *passive* subpolitics denotes the unintended side-effects of the business of, for instance, transnational corporations. The most conspicuous example of the latter is Shell's supply of oil to the South African military, which is comparable to Barclays' purchase of defence bonds. When Shell claims to be conscious of the side-effects of its business conduct and the company asserts that this conduct is beneficial to the non-white population of South Africa, however, the subpolitics engaged in by the company appears to be closer to the *active* than the *passive* type. The reason why I would maintain that Shell's adherence to constructive engagement is an example of passive subpolitics is the fact that the principal motivation for the company to retain operations in South Africa is profit-oriented and not intended to bring about socio-political transformation. In other words, while Shell may be conscious about the side-effects of its operations, their supposedly beneficial consequences are only secondary to the overriding aim of making a profit. To that effect, the Shell South Africa Social Report 1985-86 states that the company's 'primary objective in South Africa is that shared by any business concern; it is there to trade profitably over the long term.'²³³ Conversely, the foremost objective of the campaign by the AAM was to generate socio-political transformation. In essence, applying the active/passive division compels us to consider the intention behind Shell's

²²⁹ Ibid.

²³⁰ Sluyterman, *A History of Royal Dutch Shell*, vol.3, 329.

²³¹ Elnor, *Shell Oil: Lifeline to Apartheid*, 3.

²³² En gruppe folk fra det autonome modstandsmiljø, *Sydafrika: forskellige artikler om frihedskampen i Sydafrika, Rote Zora og sabotage mod Shell*, 48.

²³³ Shell South Africa Social Report 1985-86: Bod.MSS.Afr.s. 2350/78.

activities, which in turn nuances our examination of the interaction between the company and the activists.

Despite the early success of the activists in attracting publicity and their steady dialogue with Shell, the resolve of the activists began to falter by the end of 1988. 'As it became clear during 1988 that Shell was not about to pull out,' an internal AAM report states, 'the question of how to sustain the campaign became increasingly important.'²³⁴ The extensive organizational resources required for the Freedom at 70 concert further resulted in late planning for a Week of Action in November, which did not have the intended impact.²³⁵ In a resolution for the AGM of the AAM in November, the activists committed themselves to 'stepping up local group action through: more pickets, greater efforts to shift bulk contracts, more pressure on community and arts groups not to accept Shell sponsorship, more and broader publicity about the boycott throughout the community.'²³⁶ This escalation in activity should not be perceived as a testament to the accomplishments of the campaign until this point but rather as an acknowledgement of the dwindling commitment of the activists involved. Embargo proposed that higher priority should be given to activity by the local anti-apartheid groups and that new areas of vulnerability for Shell should be identified.²³⁷

In June 1989, it was conceded that the 'major challenge for the Shell Campaign in 1989 has been to sustain activity following the launch of the Campaign in 1987 and the intense activity throughout 1988.'²³⁸ This acknowledgement was issued in the wake of the protest at the 1989 Shell AGM, which had seen a greater number of participants than before with 50 activists present.²³⁹ Despite such support, however, the event was overshadowed by an article in *The Guardian* on the same day criticizing the activists for 'retaining the amateurism of student lobbies.'²⁴⁰ A few months later, a report to the National Committee on the Shell campaign insisted that 'we need to dramatically intensify the profile of the campaign so that the Shell Boycott assumes at least the same significance as the Barclays Boycott.'²⁴¹ The report further recommended that the constituencies of support for the Shell campaign should be expanded and that educational and campaigning material should be

²³⁴ Internal Report on UK Shell Campaign 1989-90: Bod.MSS.AAM 1738.

²³⁵ Ibid.

²³⁶ Resolution for 1988 Anti-Apartheid Movement AGM: Bod.MSS.Afr.s. 2350/97.

²³⁷ Motions submitted by Embargo to the AGM of the AAM on 26-27 November 1988: LMA/4421/01/01/001.

²³⁸ Internal report on UK Shell Campaign 1989 from 5 June 1989: Bod.MSS.Afr.s. 2350/4.

²³⁹ Internal Report on UK Shell Campaign 1989-90: Bod.MSS.AAM 1738.

²⁴⁰ Ibid.

²⁴¹ Report to National Committee on Shell Campaign on 9 September 1989: Bod.MSS.AAM 1738.

subjected to stricter quality control.²⁴² Regardless of such intentions, however, the campaign had seriously ‘lost momentum:’ no new material was produced for local groups for a couple of years and the scheduled status meeting and reboot of the campaign was postponed from late 1989 to early 1990.²⁴³

The principal reason for this reorganization was the election of President De Klerk in South Africa in August 1989 and his announced intentions to initiate the democratic transition. These political developments meant that much anti-apartheid activism was put on hold in anticipation of the release of Mandela in February 1990 and further proclamations regarding the abolishment of the apartheid system. Planned action against Shell in February 1990 was cancelled and an internal report explains how a ‘Day of Action on Shell on 7 May has still not been confirmed with under three weeks to go.’²⁴⁴ It was even suggested that the campaign was rapidly approaching a scenario entailing ‘demobilization by default.’²⁴⁵ Considering the declining rate of activities already before the election of De Klerk, this development should also be attributed to a failure by the AAM to sustain the campaign. The activists debated whether to employ full-time campaign staff in order to resuscitate the campaign yet such proposals did not come to fruition.²⁴⁶

Taking into account Markoff’s historically grounded approach to social movement analysis, the political transformation signaled by De Klerk can be characterized as a ‘punctual’ event, which substantially alters the prospect of mobilization and the choice of strategy. Due to the historical significance of the event, however, De Klerk’s announcements may overshadow other simultaneous factors contributing to the decline of the campaign against Shell. Markoff warns about this phenomenon when he discusses the risk of unintentionally constructing ‘causally plausible stories.’²⁴⁷ While the event had an undeniable impact on the sustainment of the campaign, we have seen how the level of activities had already begun to falter beforehand, precipitated by factors such as Shell’s unwavering support of foreign investment in South Africa and the overstretch of the AAM’s areas of activity.

Concern arose among the activists that the developments in South Africa would embolden Shell’s resolve to retain its operations in the country and to ‘ride out the storm,’ which would complicate

²⁴² Ibid.

²⁴³ Internal Report on UK Shell Campaign 1989-90: Bod.MSS.AAM 1738.

²⁴⁴ Ibid.

²⁴⁵ Ibid.

²⁴⁶ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 123.

²⁴⁷ Markoff, “Historical Analysis and Social Movements Research,” 3.

the effort by the activists to compel the company to disinvest entirely.²⁴⁸ Substantiating this concern, the company did in fact claim that the changes in the political scenery ‘vindicated’ their policy of constructive engagement.²⁴⁹ The Shell AGM in May 1990 distinguished itself from the previous years in the sense that the company had come to an agreement with the activists that they would be granted the first 30 minutes of the time allocated for questions. This arrangement was intended to inhibit the disruptive nature of the previous AGMs and to lessen antagonism from other shareholders.²⁵⁰ Despite such advances for the activists, however, the campaign continued to lose momentum and a gradually decreasing number of activities were organized and executed. In an open letter by an aggregate of anti-apartheid groups in early 1991, the World Council of Churches and its member churches were encouraged to sustain their support of the boycott against Shell until the ‘representative organizations of the majority of South Africans, such as the African National Congress and the South African Council of Churches, call on them to be lifted.’²⁵¹ This recommendation is consistent with the close alignment of the AAM with the programs of the ANC, which had served as a point of reference for much British anti-apartheid activism (as discussed in chapter one).

In May 1992, Embargo issued a press release commending Shell South Africa’s public support for an interim government and for a ‘democratic base on which a new constitution can be built.’²⁵² The group further welcomed statements by John Kilroe, Executive Chairman of Shell South Africa, that the company would contribute to the eradication of ‘socio-economic backlogs built up over decades,’ among other efforts, as well as the intention of Shell to ‘meet its “fair share” of the tasks ahead.’²⁵³ Concluding the press release, however, David Crane from Embargo emphasized that ‘companies like Shell could still do more to combat the devastating effects of apartheid and its legacies of poverty and injustice.’²⁵⁴ Though still critical of Shell, the rhetorical vigour of the early days of the campaign appears to have faded as the activists progressively realized that the company would retain its operations in South Africa.

²⁴⁸ Internal Report on UK Shell Campaign 1989-90: Bod.MSS.AAM 1738.

²⁴⁹ Ibid.

²⁵⁰ Financial Times on 18 May 1990: Bod.MSS.Afr.s. 2350/67.

²⁵¹ Open letter from Embargo, Working Group Kairos, the Holland Committee on Southern Africa and the AAM to the delegates to the General Assembly of the World Council of Churches in February 1991: Bod.MSS.Afr.s. 2350/113.

²⁵² Press release by Embargo on 13 May 1992 entitled “Support for interim government welcomed... Shell could still do more:” Bod.MSS.Afr.s. 2350/69.

²⁵³ Ibid.

²⁵⁴ Ibid.

Assessing the Dutch campaign against Shell – the impact of which is comparable to that of the British campaign – van den Bergh argues that the company management and regular employees became personally affected, shareholders were provoked, the company brand was tarnished, and that ‘there was no significant support for the increasingly isolated company.’²⁵⁵ He further suggests that Shell was ‘prepared to accept a new policy in South Africa,’ that the company’s ‘public and political profile was changed radically’ and that it had never before ‘spent so much time and energy on extending information on a similar political problem.’²⁵⁶ Sir Mark Moody-Stuart, later Chairman of Shell, added in an interview that the most substantial impact of social movement campaigns against the company were not ‘on direct loss of sales or margin but on employee morale and the ability to attract and retain high-quality employees.’²⁵⁷ While such costs in time and resources were substantial, they do not present an adequate answer to the question of why the campaign was not successful in achieving its stated aim of compelling Shell to sell its South African subsidiary.

I have discussed the waning vitality of the campaign, Shell’s motivations to retain its South African operations, and De Klerk’s conciliatory announcements as plausible interrelated reasons for why the campaign failed to have the intended impact on Shell. Donna Katzin argues that despite this apparent failure, the boycott was declared a ‘victory.’²⁵⁸ The success of the campaign, she suggests, is evident in the ‘boycott’s catalytic role in galvanizing the anti-apartheid movement and focusing its effective economic and psychological pressure on Pretoria at the height of the anti-apartheid movement.’²⁵⁹ Katzin further notes that the campaign helped consolidate transnational alliances, which ‘laid the foundation for ongoing work for economic justice and corporate responsibility in the emerging South Africa.’²⁶⁰ Considering the choice of surrogate boycotting as the main tactic in the campaign against Shell, Katzin essentially proposes that the success of the campaign should be measured in terms of its impact on the target for which Shell was a surrogate (the South African government). In chapter three, I drew on the notions introduced by Monroe Friedman to discuss how Barclays’ disinvestment was a ‘micro-victory’ for the activists in the sense that their surrogate target complied with their demands yet at the same time a ‘macro-defeat’ since the overall aim of ending apartheid was not precipitated by this event. If we accept Katzin’s assessment of the

²⁵⁵ Hengeveld and Rodenburg, *Embargo: Apartheid’s Oil Secrets Revealed*, 316–17.

²⁵⁶ *Ibid.*, 323.

²⁵⁷ Yaziji and Doh, *NGOs and Corporations: Conflict and Collaboration*, 61.

²⁵⁸ Hengeveld and Rodenburg, *Embargo: Apartheid’s Oil Secrets Revealed*, 327.

²⁵⁹ *Ibid.*

²⁶⁰ *Ibid.*

campaign against Shell, the outcome in this case was the reverse: the activists did not manage to compel their surrogate target to withdraw from South Africa yet the campaign may nevertheless have contributed to the more fundamental aim of pressuring the South African authorities to abandon their apartheid policies.

I agree with Katzin's observation that the campaign helped concentrate the efforts of the AAM, which is the purpose of a single-target boycott campaign. I am hesitant, however, to support conclusively the understanding that the campaign had any notable impact on the political developments in South Africa, which by the late 1980s were affected by numerous more significant factors such as domestic organized pressure and resistance in addition to the recently imposed sanctions and embargoes by the international community. Without underestimating the consequences that a disinvestment signal by Shell might have had, even a full-scale withdrawal by the company in the very late 1980s might have been perceived as a late addition to the surge of disinvestment announcements by foreign-owned companies initiated a few years earlier. Rather than engage in a counterfactual analysis, however, I want to redirect my discussion to the implications of the interaction between Shell and the anti-apartheid activists for the development of CSR.

Shell and Social Responsibility

In contrast to the *longue durée* perspective characteristic of the campaign against Barclays and the gradual developments in the bank's socially responsible policies, my focus on British anti-apartheid initiatives against Shell in the late 1980s does not lend itself to a similar analytical approach. Irrespective of the temporal variations, however, Barclays and Shell were both compelled by the activists to direct their attention towards the same basic problem areas. As echoed by Sluyterman, Shell's dilemma consisted in the fact that 'on the one hand, top management wished to send out a strong message that it was against apartheid and the apartheid regime, but on the other hand it also wanted to stick to the Group philosophy of not interfering in the political system of any country.'²⁶¹ The compromise, according to Sluyterman, was that John Wilson, Chairman of Shell South Africa, assumed the role of a more vocal critic of the apartheid system within South Africa.²⁶² In the previous sections, I have provided an account of the campaign against Shell and discussed what I

²⁶¹ Sluyterman, *A History of Royal Dutch Shell*, vol.3, 324.

²⁶² Ibid.

believe to be the events and decisions most evocative of the process. For the remainder of this chapter, I want to expound on the dilemma referred to above and dissect the implications of the interaction between the activists and Shell for the development of CSR.

Going back to the 1970s – before the onset of the British campaign – Shell was already confronted with ‘public concern about the power of large companies.’²⁶³ As discussed in chapter two, the academic and business communities had begun to pay attention to the idea of social responsibilities particularly of transnational corporations. A 1975 Trade Relations Report by Shell notes that ‘transparency’ was becoming a key signifier of the general requirements and expectations of elected officials, and this trend would gradually sieve into the private sector.²⁶⁴ In 1976, the same year that the OECD published its Guidelines for Multinational Enterprises, Shell developed its own internal guidelines. Entitled *Shell’s Statement of General Business Principles*, these guidelines affirmed the company’s policy to always ‘act commercially, operating within existing national laws in a socially responsible manner, and avoid involvement in politics.’²⁶⁵ According to Sluyterman, the guidelines did ‘not debate issues, but clearly responded to criticisms raised by certain groups in society.’²⁶⁶ Four main stakeholders were identified: shareholders, employees, customers, and society.²⁶⁷ Other oil companies such as Exxon and BP also published similar guidelines, which – together with the establishment of international codes of conduct – is suggestive of broader developments within the field of CSR in the late 1970s.²⁶⁸ From its introduction in 1977, Shell supported the EEC Code of Conduct in addition to the OECD guidelines and the ILO Tripartite Declaration of Principles.²⁶⁹

Considering the timeline, an apparent connection can be discerned between attempts at establishing formal international guidelines for transnational corporations and Shell’s intensified CSR efforts. According to John Wilson, Chairman of Shell South Africa, domestic developments within South Africa played an even more crucial role in the advancement of the socially oriented aspects of the company’s operations. Discussing earlier decades of inaction on this area, Wilson asserted in 1986 that the fact that the South African business community ‘failed to involve themselves in the broader political issues of South Africa was not owing to indifference, or lack of feeling on the part of

²⁶³ Ibid., 303.

²⁶⁴ Ibid., 307.

²⁶⁵ Grande-Bretagne, Bingham, and Gray, *Report on the Supply of Petroleum and Petroleum Products to Rhodesia*, 217–18.

²⁶⁶ Sluyterman, *A History of Royal Dutch Shell*, vol.3, 307–8.

²⁶⁷ Shell South Africa Social Report 1985-86: Bod.MSS.Afr.s. 2350/78.

²⁶⁸ Sluyterman, *A History of Royal Dutch Shell*, vol.3, 309.

²⁶⁹ Shell South Africa Social Report 1985-86: Bod.MSS.Afr.s. 2350/78.

business leaders. It was rather the notion that the political arena was something divorced from the business world.²⁷⁰ Wilson points to the Durban strikes in 1973 and the Soweto Uprising in 1976 as defining events that prompted the business community to reconsider the extent to which ‘politics began to hurt business, and to adversely affect the return on investments.’²⁷¹ Whereas the government and the business community had always been engaged in dialogue on economic issues, a shift precipitated mainly by social unrest meant that socio-political topics were now highly prioritized. There should be no mistaking the fact, however, that for Shell the ‘South African problem is essentially a political one requiring a political solution.’²⁷²

From 1978, the company began to report on its socially oriented policies in its annual reports. From 1981, a ‘Shell in the Community’ section sought to explicate the company’s progressive initiatives.²⁷³ In the 1983 report, L.C. van Wachem, President of Shell, emphasizes the importance of executing the company’s ‘world-wide operations in a socially responsible and acceptable manner.’²⁷⁴ The 1984 annual report further demonstrates Shell’s attention to CSR-oriented business conduct by proposing that the ‘most important contribution that Shell companies can make to the social and material progress of the countries in which they operate is in conducting their business operations profitably and as efficiently as possible.’²⁷⁵ It is further detailed in the report that educational projects constituted a substantial part of Shell South Africa’s ‘community programme.’²⁷⁶ This rhetoric is consistent with the company’s adherence to the constructive engagement approach and it is evident from the annual reports that Shell not only paid attention to the development of CSR-related measures but that the company was also highly aware of the strategic benefits of having a strong profile within this area. In May 1985, Wilson noted:

Business must accept that it cannot divorce itself from the social environment in which it functions. Business must recognize this and be prepared to play its role in

²⁷⁰ Keynote address by John R. Wilson at the Shell South Africa Senior Staff Conference on 4-5 August 1986 entitled “A Change from Shell Perspective:” Bod.MSS.Afr.s. 2350/83.

²⁷¹ Ibid.

²⁷² Minutes from the Thirty-Ninth Meeting of the World Council of Churches on 10-20 August 1988: Bod.MSS.AAM 1743.

²⁷³ Sluyterman, *A History of Royal Dutch Shell*, vol.3, 320. Annual Report by the Royal Dutch Petroleum Company 1981: Shell archives.

²⁷⁴ Annual Report by the Royal Dutch Petroleum Company 1983: Shell archives.

²⁷⁵ Annual Report by the Royal Dutch Petroleum Company 1984: Shell archives.

²⁷⁶ Ibid.

society. The businessman can no longer say “I am a businessman and not interested in the vital social and political issues of our times and of our country.” Business must assume these responsibilities and take the initiative.²⁷⁷

By all accounts, such rhetoric was perceived as progressive at the time, particularly when compared to other transnational companies such as IBM (as discussed in chapter two). In addition to a stated recognition of the need for ethics in business, Shell increased its social responsibility programs by 70 per cent in 1987.²⁷⁸ The intensified activity on this area, however, should also be seen partly as a response to a 1986 EIRIS report on the implementation of EEC Code of Conduct that listed Shell as paying some of its employees less than the minimum subsistence wage.²⁷⁹ In general, however, wages in the oil industry were above the South African average.²⁸⁰ Assessments of Shell South Africa’s personnel policy and the company’s relationship with trade unions also varied significantly: van den Bergh notes that the ‘upper echelons were completely white’ and that the six-fold increase in the amount of non-white employees in management positions between 1977-1987 should partly be attributed to a ‘general increase in personnel, while the total number of blacks remained extremely low.’²⁸¹

Assessing the changes made by Shell in the mid- to late 1980s, M.S. Adams suggests that the company ‘increases the skills base of the country, addressing its own skills shortages; distances itself and the business community from apartheid and disarms the disinvestment campaign, legitimizing the presence of multinational corporations in South Africa.’²⁸² Furthermore, he argues, ‘for its outlay Shell gains itself an enhanced corporate image, aiding its sales drive among black consumers.’²⁸³ Shell on its part maintained that ‘it’s not done to gain brownie points overseas but because we have a genuine commitment to social change within the country.’²⁸⁴ In a speech to Shell staff in 1988, Tookey, Group Public Affairs Director at Shell International, explained that ‘society is even less inclined than perhaps it once was to judge business on economic criteria alone, but

²⁷⁷ Shell South Africa Social Report 1985-86: Bod.MSS.Afr.s. 2350/78.

²⁷⁸ Hengeveld and Rodenburg, *Embargo: Apartheid’s Oil Secrets Revealed*, 310.

²⁷⁹ Paper from the AAM entitled “Royal Dutch/Shell and South Africa:” Bod.MSS.AAM 765.

²⁸⁰ Hengeveld and Rodenburg, *Embargo: Apartheid’s Oil Secrets Revealed*, 310.

²⁸¹ *Ibid.*

²⁸² *Ibid.*

²⁸³ *Ibid.*

²⁸⁴ *Ibid.*

increasingly takes into account moral or ethical concerns.²⁸⁵ Three years later, Tookey advised the management to ‘be human’ in its choice of business strategy: ‘the public will judge us not by how much we comply,’ he implored, ‘but by how much we care.’²⁸⁶ The newsletter *Shell World* concluded in 1990, however, that ‘oil wells dry up. Tankers rust and people die, but brands and trademarks live on.’²⁸⁷ While a poor choice of words in an apartheid-era context, a company’s adherence to ethical principles does not exclude profit-oriented incentives, although such ‘shared value’ might raise questions about the selection of concrete CSR programs.²⁸⁸

The anti-apartheid activists largely disregarded Shell’s efforts to improve conditions for the non-white population of South Africa since the main criteria of success for the campaign against Shell was the much more categorical demand of complete disinvestment. Despite the fact that Shell introduced several CSR initiatives, offered its employees shares in the company, and advertised on the front page of the *Weekly Mail* in support of a free press, freedom of assembly and movement, and other democratic rights, the AAM would only be content once the company was no longer involved in South Africa.²⁸⁹ Thus, by the end of 1989, David Crane from Embargo maintained in the face of intensified CSR commitment by Shell that it ‘is becoming increasingly clear that Shell’s stubborn refusal to “bow” to the growing international boycott of Shell products, shows a lack of commercial as well as *ethical* sense.’²⁹⁰

Considering the determination by the company to retain operations in South Africa, it is possible to view Shell’s commitment to CSR – in combination with its support of constructive engagement – at least partly as a means to justify its continued investment in the country. While the activists acknowledged that constructive engagement might improve conditions for non-white employees, they maintained that it would not be sufficient to fundamentally transform the South African system of governance. The activists further argued that the urgency of the situation meant that the socio-economic betterment generated by the social programs of the multinational corporations would be too slow. In a letter to Embargo occasioned by the publication of the company’s recent social report, Shell concedes that ‘progress towards a desired objective can never be fast enough.’²⁹¹

²⁸⁵ Extracts from June 1988 talk to Shell staff by Richard Tookey (Group Public Affairs Director): Bod.MSS.Afr.s. 2350/72.

²⁸⁶ Sluyterman, *A History of Royal Dutch Shell*, vol.3, 334.

²⁸⁷ *Ibid.*, 215.

²⁸⁸ For a discussion of the concept of ‘shared value’, see Porter and Kramer, “Creating Shared Value.”

²⁸⁹ Jones, “South Africa: Sanctioning Apartheid,” 76.

²⁹⁰ Letter from David Craine of Embargo on 23 November 1989: Bod.MSS.Afr.s. 2350/87, my emphasis.

²⁹¹ Letter from Shell to David Crane of Embargo on 6 March 1987: Bod.MSS.Afr.s. 2350/75 (61H)

Not only would disinvestment be immoral, Shell contended, it would fail to have any practical impact. The company's arguments against the sale of its subsidiary are similar to those by most other transnational corporations (as discussed in chapter two). Shell repeatedly emphasized the fact that 'Shell South Africa is a South African company' and that the 'operating company has to be and be seen to be acting in the interests of the country where its business is and where it is registered to carry out that business.'²⁹² Another commonly held argument was that the 'physical assets cannot be removed from the country: they would be taken over by a new owner and the corporations would continue.'²⁹³ In an effort to substantiate this claim, a confidential management brief entitled *South Africa – the Case against Disinvestment* from 1987 refers to the disinvestment by General Motors and the subsequent announcement by the new owners that they would not observe the Sullivan Principles.²⁹⁴ The brief asserted that the 'foreign ownership of assets in South Africa is relatively small compared with those owned by the major South African corporations' and that less than ten per cent of the 'total fixed capital stock' was foreign-owned by the end of 1985.²⁹⁵ Regarding the political and economic pressure generated by disinvestment, Shell suggested that supporters of the South African government in fact welcomed the withdrawal of foreign investment and businesses.²⁹⁶ The impact on the government, it is noted a 1987 Shell UK report, 'would be nil.'²⁹⁷ In correspondence to this bleak perception of the prospects for socio-political change in South Africa, Archbishop Huddleston received a letter from Shell in May 1988 pointing to the 'growing realization that the struggle may yet be a long one' and emphasizing that 'disinvestment is not producing change.'²⁹⁸

Apart from the condemnation of the apartheid system, then, little accord could be found between Shell and the AAM. What the two actors *did* agree on, however, was that transnational corporations could exercise considerable political leverage. Shell, on the one hand, used this insight to rationalize its adherence to the constructive engagement approach by arguing that the company's socially responsible policies could influence workplace norms and eventually contribute to wider socio-economic change. The Shell South Africa Social Report 1985-86 affirms that the business

²⁹² Address by Desmond Watkins (Director of Shell International) to the Business International Conference in London on 3 October 1988 entitled "Business and South Africa: Reason and Responsibility:" Bod.MSS.Afr.s. 2350/83.

²⁹³ Shell brief from the AGM of shareholders on 14 May 1987: Bod.MSS.AAM 1740.

²⁹⁴ Confidential management brief from Shell entitled "South Africa – the Case against Disinvestment" from May 1987: Bod.MSS.AAM 1740.

²⁹⁵ Ibid.

²⁹⁶ Shell brief from the AGM of shareholders on 14 May 1987: Bod.MSS.AAM 1740.

²⁹⁷ Shell UK report from 23 January 1987: Bod.MSS.Afr.s. 2350/78.

²⁹⁸ Letter to Huddleston from Shell on 18 May 1988: Bod.MSS.AAM 1735.

community ‘commands great persuasive power, and can act as a stimulus, mediator and conciliator.’²⁹⁹ Wilson, Chairman of Shell South Africa, even cautioned that the ‘influence of the business community, and of foreign-owned companies in particular, must not be underestimated.’³⁰⁰ More concretely, Shell perceived its subsidiary as a ‘channel through which international influence can be brought to bear on South African social and political mores.’³⁰¹ Disinvestment, the company argued, would ‘obviously remove this channel.’³⁰² In another letter, Holmes, Chairman of Shell UK, notes that ‘we feel we have a moral responsibility not to abandon our employees, of all races, and their families for the sake of what we believe would be little more than a symbolic, political, gesture.’ Recognizing the complexity of the issue, he adds that ‘how best to proceed is not an easy decision.’³⁰³

The AAM, on the other hand, saw the advantages of this potential influence of transnational corporations in terms of their capacity to put direct pressure on the South African government by either threatening to disinvest or disinvesting entirely. Another course of action was for Shell to retain operations in South Africa but to actively contravene South African law. Comparable to the campaign against Barclays, there was a distinct divide between the activists’ perception of apartheid law as fundamentally illegitimate and Shell’s policy of compliance. The company argued in a letter that illegal activity ‘would be an extremely dangerous road to follow’ since the Shell Group ‘operates in more than 100 countries of many different political complexions and its operations would be severely hampered [...] if it was seen to be anything other than apolitical.’³⁰⁴ Wilson’s introduction in the Shell South Africa Social Report 1985-86 specifies that the company is committed to ‘doing all it can to eradicate apartheid, and to ensuring a free and equal society for all’ but that this ‘does not mean that Shell will embark on a campaign of law-breaking; that would, in our view, be wrong.’³⁰⁵ Wilson elaborated in an interview that ‘one’s got to remember first of all that government is the voice of the electorate.’ ‘There are those who will say it’s a minority voice,’ he added, ‘but be that as it may, the government is the voice that people democratically elected.’³⁰⁶ According to Sampson, one high-ranking Shell employee affirmed that the company would ‘always

²⁹⁹ Shell South Africa Social Report 1985-86: Bod.MSS.AAM 1736.

³⁰⁰ Ibid.

³⁰¹ Confidential management brief from Shell entitled “South Africa – the Case against Disinvestment” from May 1987: Bod.MSS.AAM 1740.

³⁰² Ibid.

³⁰³ Letter to Richard Caborn from Peter Holmes, Chairman of Shell UK, on 28 May 1987: Bod.MSS.AAM 1740.

³⁰⁴ Letter from Shell to Mr. J. Whitehead on 2 May 1986: Bod.MSS.Afr.s. 2350/97.

³⁰⁵ Shell South Africa Social Report 1985-86: Bod.MSS.Afr.s. 2350/78.

³⁰⁶ Hengeveld and Rodenburg, *Embargo: Apartheid’s Oil Secrets Revealed*, 309.

serve under the government, whatever it is. There's one thing you must never ask a multinational to do: to choose.'³⁰⁷

This discrepancy between the activists' emphasis on the *illegitimate*, on the one hand, and Shell's observance of the *legal* on the other hand was a major point of contention throughout the campaign. A letter by the company to Reverend Haslam, however, concedes that 'your suggestion that Shell South Africa should contravene "the so-called 'Law' of apartheid South Africa" raises a difficult issue.'³⁰⁸ The anti-apartheid activists did not accept the resolve by Shell to operate within the confines of apartheid law as a valid justification of what the activists saw as an insufficient signal to the South African authorities. In a letter to Shell, Robert Hughes, Chairman of the AAM, retorted that 'from a moral point of view it is surely inadequate to imply [...] that Shell washes its hands of any responsibility for any military supplies your South African subsidiary may make, because of restrictions imposed by the Pretoria regime.'³⁰⁹ Hughes concluded by addressing the perceived inconsistency in Shell's moral reasoning by arguing that 'your position amounts to little more than "see no evil, hear no evil, speak no evil" and is totally at odds with your public position of responsible opposition to the regime.'³¹⁰

According to Sluyterman's analysis, the company's interaction with the anti-apartheid activists was the primary motivation why the 'vision of Shell shifted from the principle that it was enough to observe the national law in each country in which it operated, to the view that Shell companies should be able to follow Shell's own Statement of General Business Principles in their own operations.'³¹¹ The company's Public Affairs department was particularly observant of developments in the public expectations of Shell's commitment to socially responsible conduct, and the idea of a moral 'licence to operate' attained prominence during the two decades of anti-apartheid action against the company.³¹² 'In 1972,' Sluyterman notes, 'reputation was considered necessary to enable Shell to operate, but by 1990 Shell was apparently supposed to need a public consent, permission to operate.'³¹³

³⁰⁷ Sampson, *Black and Gold*, 25.

³⁰⁸ Letter from M. Le Q. Herbert to David Haslam on 14 July 1986: Bod.MSS.Afr.s. 2350/97.

³⁰⁹ Letter to Mr. Wadham of Shell from Robert Hughes on May 1989: Bod.MSS.AAM 1741.

³¹⁰ *Ibid.*

³¹¹ Sluyterman, *A History of Royal Dutch Shell*, vol.3, 329.

³¹² *Ibid.*, 334.

³¹³ *Ibid.*

The consumer boycott campaign against Shell should be seen as a manifestation of the deficiency of this public consent. This campaign was motivated not by Shell's general business platform but rather its association with the South African regime. Discussing this connection in his keynote address at a Senior Staff Conference in August 1986, Wilson posed the question: 'does Shell need a corporate code of values, a code which would set out Shell's approach and philosophy in the abnormal society which is South Africa?'³¹⁴ Judging by the annual strategy meeting a few months earlier, the answer was 'no.'³¹⁵ The reasoning behind this attitude was that Shell's general statement of business principles, which pertained to Shell companies worldwide, was an adequate response to the South African context. Nonetheless, a preamble was included in addition to the specification that 'Shell South Africa has resolved to promote and actively contribute to the elimination of racial intolerance, unjust laws and unacceptable human rights practices.'³¹⁶ In his explanation of this amendment to the company's principles, Wilson conceded that 'you would be justified in being highly skeptical and asking whether Shell's change in direction is merely the result of external pressures, of the threat of sanctions and disinvestment, a reaction to the international boycott action against the group.'³¹⁷ He added that 'we would have difficulty in pretending that these factors have not contributed to our stance.'³¹⁸ An internal note from Shell South Africa Public Affairs further affirms that 'due to the increased pressure on Shell SA in respect of the Shell boycott and disinvestment it has been necessary to step up on our corporate advertising.'³¹⁹

Asked to sum up the motivation for Shell's intensified commitment to social responsibility in one word, Wilson responded: 'survival.'³²⁰ This admission suggests that rather than engaging in CSR-related programs from a proactive and philanthropically grounded standpoint, Shell's socially responsible initiatives were the product of influence from above – in the form of increasingly restrictive policies regarding foreign investment in South Africa – and from below – as embodied by the anti-apartheid activists. Substantiating this analysis, Erik van den Bergh concludes that 'Shell appeared to be prepared and able, *when put under pressure*, to adjust its policies on various

³¹⁴ Keynote address by John R. Wilson at the Shell South Africa Senior Staff Conference on 4-5 August 1986 entitled "A Change from Shell Perspective:" Bod.MSS.Afr.s. 2350/83.

³¹⁵ Ibid.

³¹⁶ Ibid.

³¹⁷ Ibid.

³¹⁸ Ibid.

³¹⁹ Hengeveld and Rodenburg, *Embargo: Apartheid's Oil Secrets Revealed*, 310.

³²⁰ Keynote address by John R. Wilson at the Shell South Africa Senior Staff Conference on 4-5 August 1986 entitled "A Change from Shell Perspective:" Bod.MSS.Afr.s. 2350/83..

levels.³²¹ I would be hesitant to accept van den Bergh's analysis on the basis of Wilson's address alone since – as discussed at the beginning of this section – his role as outspoken critic of the South African authorities and, effectively, as conciliatory figurehead of Shell's socially conscious efforts problematizes his credibility as representative of the management's actual motivations.

Nevertheless, Wilson's address by no means represents an anomaly in terms of the explanations provided by Shell's management. In an unusually candid address entitled *Business and South Africa: Reasons and Responsibility* from October 1988, Watkins, Director of Shell International, discusses the call for disinvestment as well as the relationship of the company to the still emerging concept of CSR. Watkins introduces the topic by challenging the perception of the disinvestment issue as a 'conflict between principles and profits.'³²² Rather than accepting this divide, he proposes that it is the 'very pragmatic businessmen who withdraw from South Africa' based on an exclusively profit-oriented calculation of their operations in the country.³²³

In September 1987, Tookey, Group Public Affairs Director at Shell International, reaffirmed Shell's attitude that 'disinvestment on moral grounds would not be a demonstration of moral rectitude or virtue but of moral weakness. It would be washing our hands of any further social responsibility.'³²⁴ This was echoed by Watkins a year later when he asserted that 'those who stay are not only trying to run a business in a profitable manner but are also having to wrestle with issues of principle involving a whole range of ethical, human, legal and corporate dilemmas.'³²⁵ While consistent with Barclays' rationalization of its continued investment in South Africa a few years earlier, Watkin's argument hints at a more nuanced understanding of CSR than offered by the bank. At the same time, however, he blatantly admits to the significance of external pressure for the implementation of socially responsible programs when he suggests that the 'businessman's problem in South Africa would be a great deal easier to deal with and to explain if we could rely on the Friedman view. However, in practice, society will not allow us to do so.'³²⁶

³²¹ Hengeveld and Rodenburg, *Embargo: Apartheid's Oil Secrets Revealed*, 311.

³²² Address by Desmond Watkins (Director of Shell International) to the Business International Conference in London on 3 October 1988 entitled "Business and South Africa: Reason and Responsibility:" Bod.MSS.Afr.s. 2350/83.

³²³ Ibid.

³²⁴ Address by Richard Tookey (Group Public Affairs Director at Shell) in September 1987 at the International Conference on South Africa in Transition entitled "Securing the future:" Bod.MSS.Afr.s. 2350/83.

³²⁵ Address by Desmond Watkins (Director of Shell International) to the Business International Conference in London on 3 October 1988 entitled "Business and South Africa: Reason and Responsibility:" Bod.MSS.Afr.s. 2350/83.

³²⁶ Ibid.; I discuss Friedman's view on CSR in chapter two.

This conception of CSR brings us back once again to Seidman's interpretation that 'external pressures on a corporation defined its societal obligations, not the moral instincts arising from within.'³²⁷ While I concur with this understanding of CSR within the context of foreign investment in South Africa, Shell's response seems peculiar when considering the fact that most external sources of pressure advocated the divestment of the company. Instead, Shell chose to retain control of its foreign subsidiary yet with a more clearly defined socially responsible profile. As argued on the basis of statements by Shell staff, I perceive the strategic reasoning behind the company's CSR commitment as intended to appease the critics of the company. By demonstrating its recognition of ethical principles and social responsibility, Shell could deflect the activists' attempts to depict the company as engaged in morally illegitimate conduct and establish itself as a responsible actor comparable to the AAM. Consequently, in Shell's communication the debate on divestment between the activists and the company is often construed as a choice between two equally moral paths through the company's insistence on its status as socially responsible. The almost complete disregard by the activists of Shell's CSR programs, however, facilitated their continuous refusal to accept this representation of their confrontation with the company.

Regarding the impact of the boycott campaign against Shell, I accept Katzin's analysis that the 'victory of the Shell boycott may be the unprecedented international foundations it has established for promoting economic justice and corporate responsibility in a new South Africa.'³²⁸ While failing to compel the company to divest, the anti-apartheid activists' campaign contributed to the macro-narrative of emerging attention towards social responsibility for transnational corporations; not only in South Africa, as Katzin proposes, but more widely in both academic and managerial discussions on account of the campaign's high level of publicity. I want to nuance this analysis, however, by examining more long-term effects of the campaign on Shell: viewed in isolation from later developments, the interaction between the AAM and the company suggests a gradual escalation in Shell's CSR efforts, which appears to indicate that the management was attentive to the company's role as a socially responsible business. Taking into the account the events of 1995, however, an assessment of the impact of the anti-apartheid effort is complicated considerably.

³²⁷ Seidman, "Monitoring Multinationals: Lessons from the Anti-Apartheid Era," 392.

³²⁸ Hengeveld and Rodenburg, *Embargo: Apartheid's Oil Secrets Revealed*, 337.

Shell after Apartheid

Two significant events catapulted Shell into a major publicity crisis in 1995: the disposal of the Brent Spar platform off the coast of Scotland and the execution of – among others – the Nigerian activist Ken Saro-Wiwa. In addition to Shell’s own subsequent statements, most of the literature on these events suggests that the scandals surrounding the company during this period prompted Shell to carefully review its social responsibilities and what these might entail. Thus, Esther Hennchen refers to the Nigerian controversy as the ‘origin of Shell’s CSR agenda.’³²⁹ As we have seen in this chapter, however, years of prior anti-apartheid campaigning and interaction with activists on this issue had already generated substantial reflection within the company. In the following, I examine the two events in order to determine their implications for Shell’s relationship to CSR. A discussion of this perspective within the general framework of this dissertation occasions a comparative assessment of why the events of 1995 is widely considered to mark the beginnings of Shell’s CSR commitment when the previous interaction between the company and the anti-apartheid activists revolved around this same issue.

In early 1995, Shell announced its decision to execute a deep-water disposal of the Brent Spar oil platform that had been towed into place almost twenty years earlier. Prior to the announcement, the company had consulted the Scottish Office, the British Department of Trade and Industry and other government departments. In February 1995, Shell’s decision was approved by Tim Eggar, the Trade and Industry Minister.³³⁰ In addition to official institutions, Shell reached out to those external stakeholders explicitly mandated by the British Petroleum Act of 1987.³³¹ Between 1992 and 1994, the company had conducted comprehensive investigations into the optimal option for disposal in cooperation with engineering consultants from Aberdeen University.³³²

Notably, the tactical repertoire developed by the AAM in its campaign against Shell included an effort to identify alternative areas of vulnerability for the company such as ‘environmental campaigns against chemical dumping,’ which could serve as additional pressure points.³³³ While this approach was downplayed in the anti-apartheid campaign, it constituted the basis for the campaign by Greenpeace that began to attract public and media attention from 30 April 1995 when

³²⁹ Hennchen, “Royal Dutch Shell in Nigeria: Where Do Responsibilities End?,” 4.

³³⁰ Sluyterman, *A History of Royal Dutch Shell*, vol.3, 335.

³³¹ Grolin, “Corporate Legitimacy in Risk Society: The Case of Brent Spar,” 217–18.

³³² *Ibid.*, 214.

³³³ Document entitled “Making the Boycott Bite: Shell Campaign.” Bod.MSS.AAM 1738.

members of the group boarded the Brent Spar platform.³³⁴ The motivation behind this action can be found in the nearly ten years of lobbying by Greenpeace for a global ban on ocean dumping that had eventually been introduced in 1993 with the London Convention.³³⁵

In response to the campaign initiated by Greenpeace, several Western European countries criticized the deep-water disposal of the platform and on 18 May the European Parliament adopted a resolution aimed to prevent Shell from executing its decision.³³⁶ At the Fourth North Sea Conference a few weeks later, most of the attending countries supported a similar recommendation.³³⁷ At this time, Shell was ‘caught in the middle between local communities, the national government and global public opinion.’³³⁸ This extensive political pressure was not sufficient for Shell to change its decision, however, and an international consumer boycott was launched instead. During the span of a few weeks, the campaign against Shell attracted widespread media coverage and Greenpeace ‘played a crucial role in providing visual images,’ Jesper Grolin proposes, ‘not least through their occupations of the platform.’³³⁹ Similar to the anti-apartheid campaign, petrol stations were now boycotted in a number of European countries with German petrol stations reporting up to 50 per cent decline in sales in mid-June.³⁴⁰

Despite the fact that Shell had begun towing the platform in mid-June, only a few days later the company abandoned its scheduled offshore disposal. This reversal of its decision led British Prime Minister John Major to characterize Shell as ‘wimps’ for succumbing to the public pressure.³⁴¹ According to Sluyterman, Shell ‘concluded from the uproar over what they had considered to be a fairly technical decision, that public perception counted and that Shell needed to involve the views of external stakeholders in its decision-making.’³⁴² While the Brent Spar incident may have elicited further reflection by the company, we have seen in this chapter that Shell was conscious about the importance of external stakeholders already during the anti-apartheid campaign. Although ultimately not effective, parliamentary debates on the involvement of the company in South Africa coupled with increasingly restrictive legislation on foreign investment had hinted at the potential

³³⁴ Sluyterman, *A History of Royal Dutch Shell*, vol.3, 337.

³³⁵ Grolin, “Corporate Legitimacy in Risk Society: The Case of Brent Spar,” 218.

³³⁶ *Ibid.*, 214.

³³⁷ *Ibid.*

³³⁸ Holzer, *Moralizing the Corporation: Transnational Activism and Corporate Accountability*, 59.

³³⁹ Grolin, “Corporate Legitimacy in Risk Society: The Case of Brent Spar,” 214–15.

³⁴⁰ Sluyterman, *A History of Royal Dutch Shell*, vol.3, 337; Grolin, “Corporate Legitimacy in Risk Society: The Case of Brent Spar,” 214.

³⁴¹ Sluyterman, *A History of Royal Dutch Shell*, vol.3, 338.

³⁴² *Ibid.*, 339.

risk of conducting business in a controversial area. Moreover, public pressure spearheaded by the AAM had demonstrated the need to be perceived as a morally legitimate company.

Extrapolating on the basis of the Brent Spar incident, Ulrich Beck points to the campaign initiated by Greenpeace as an event that ‘brought about a change in the political scenery: the politics of the first, industrial modernity made way for the new politics of the second, reflexive modernity.’³⁴³ Beck lists a number of reasons for this transition yet the principal stimulus for his analysis is the disclosure of new forms of legitimacy derived not from institutional structures but from the moral appeals of ‘unauthorized actors.’³⁴⁴ To that effect, he argues, ‘Greenpeace only illuminated the existing vacuum of legitimation and power within the political system.’³⁴⁵ This understanding can similarly be applied to the AAM and its dual aim of lobbying the elected officials to implement sanctions against South Africa, on the one hand, and on the other hand of exposing the structural complicity of British companies in perpetuating the apartheid system. Extending Beck’s analysis, Grolin suggests that ‘Brent Spar marked a fundamental shift and decentralization in the location of the driving forces of politics from formal political institutions to groups and individuals of civil society, reflecting a process of subpoliticization.’³⁴⁶ While this may be a valid interpretation of the nature of the implications, I am hesitant to attribute this level of significance to the Brent Spar incident particularly when taking into account the anti-apartheid campaign against Shell.

In 1993, a few years prior to the campaign by Greenpeace against Shell, massive protests were aimed at the company in Nigeria by the Ogoni people. The basis for the protests was the fact that the profit made from the extraction of oil in their land did not benefit the Ogoni people but rather devastated and polluted the area.³⁴⁷ When writer and activist Ken Saro-Wiwa was arrested by the Nigerian regime together with a few others as leaders of the Movement for the Survival of the Ogoni Peoples (MOSOP) in 1994, civil society groups put pressure on Shell internationally to use its political leverage to prevent the execution of the Nigerian activists.³⁴⁸ In response, Shell repeated its arguments used against the anti-apartheid activists that a company should remain politically neutral and refrain from interfering in the political decision of sovereign nations.³⁴⁹ In his closing

³⁴³ Beck, “Subpolitics: Ecology and the Disintegration of Institutional Power,” 62.

³⁴⁴ *Ibid.*, 63.

³⁴⁵ *Ibid.*, 62.

³⁴⁶ Grolin, “Corporate Legitimacy in Risk Society: The Case of Brent Spar,” 219.

³⁴⁷ Crane, *The Oxford Handbook of Corporate Social Responsibility*, 419–20.

³⁴⁸ Hennchen, “Royal Dutch Shell in Nigeria: Where Do Responsibilities End?,” 4; Crane, *The Oxford Handbook of Corporate Social Responsibility*, 420.

³⁴⁹ Crane, *The Oxford Handbook of Corporate Social Responsibility*, 420.

address to the tribunal before his execution in late 1995, Saro-Wiwa proclaimed that Shell was more on trial than he and his co-defendants were.³⁵⁰ The case engendered an international outcry and the company experienced a severe backlash in the wake of the executions, including ‘consumer boycotts in Europe and North America, shareholder activism through formal resolutions in Europe, increasing levels of community disruption in the Niger Delta, falling share prices, and hemorrhaging staff.’³⁵¹ In terms of the consumer boycott, however, a greater number of participants had been mobilized during the Brent Spar incident; this may be related to the fact that the boycotts were only a few months apart.³⁵²

In the 1995 annual report, C.A.J. Herkströter, President of Shell International, discusses both Brent Spar and the controversy pertaining to the company’s involvement in Nigeria: ‘whereas there are those who criticize the Group for non-interference in Nigeria,’ he notes, ‘there is also a long-standing and considerable body of opinion that finds political interference unacceptable.’³⁵³ Herkströter elaborates on this notion in an address in late 1996 when he asserts that ‘as a large commercial company, and a very successful one, we have economic weight. But, that is not political power. [...] we have no social authority, we have no political authority and we have no ability to impose our views.’³⁵⁴ Reflecting on the strategic implications of the two events, Herkströter acknowledges that the incidents ‘demonstrated the degree of complexity in the multinational operations of Group companies and the need to gain broader understanding and acceptance of their activities. This is, in effect, the Group’s license to operate.’³⁵⁵ Whereas Shell consistently emphasized the legal as opposed to the morally legitimate aspect of its business in its interaction with anti-apartheid activists, Herkströter’s statement indicates a more profound acceptance of the inclusion of ethical concerns in Shell’s strategies and operations. According to a recent article by Hennchen, ‘Shell executives realized that the company had grown out of touch with societal expectations’ after the controversy in Nigeria.³⁵⁶ This observation is corroborated by Magdalena Bexell who proposes that the ‘spotlight on Shell led to a major shift in corporate awareness of issues arising from demands for a social responsibility of business.’³⁵⁷

³⁵⁰ Sluyterman, *A History of Royal Dutch Shell*, vol.3, 353.

³⁵¹ Hennchen, “Royal Dutch Shell in Nigeria: Where Do Responsibilities End?,” 4.

³⁵² Sluyterman, *A History of Royal Dutch Shell*, vol.3, 355.

³⁵³ Annual Report by the Royal Dutch Petroleum Company 1995: Shell archives.

³⁵⁴ Herkströter, “Dealing With Contradictory Expectations: Dilemmas Facing Multinationals,” 104.

³⁵⁵ Annual Report by the Royal Dutch Petroleum Company 1995: Shell archives.

³⁵⁶ Hennchen, “Royal Dutch Shell in Nigeria: Where Do Responsibilities End?,” 4.

³⁵⁷ Bexell, “Exploring Responsibility: Public and Private in Human Rights Protection,” 35.

This perception is further substantiated by statements from the Shell management, and while part of Shell's strategy against the AAM had been to deny or downplay the impact of the anti-apartheid campaign, the rhetoric did indeed change considerably after 1995. Sir Philip Watts, Chairman of Royal Dutch/Shell, noted that Shell 'had been the strong, silent type' but that the company was now preoccupied with 'engagement, engagement, engagement.'³⁵⁸ Presumably, this juxtaposition of Shell's strategy during the anti-apartheid campaign with the company's recently intensified commitment to CSR is intended to signal change rather than provide an adequate account of Shell's strategies. As discussed in relation to the anti-apartheid campaign, Shell was persistently engaged in dialogue with the activists as well as other interest groups and stakeholders. To be precise, however, this interaction revolved around the effect of sanctions, disinvestment etc. and not the co-operative configuration of ethical guidelines and socially responsible policies.

In the wake of the events of 1995, Mark Moody-Stuart, Chairman of the Committee of Managing Directors at Shell, stated that 'Shell is undergoing fundamental change ... We have learned the hard way that we must listen, engage and respond to our stakeholder groups.'³⁵⁹ Sluyterman expounds on this assertion by explaining that 'with the help of research among the general public, special groups, and Shell managers, round-table meetings and benchmarking, Shell examined society's rising expectations and Shell's inability to meet them.'³⁶⁰ In 1996, the company established the 'Society's Changing Expectations' project, which improved the conditions for auditing.³⁶¹ The following year, Shell revised and expanded its 1976 Statement of General Business Principles and – among other initiatives – offered management training in order to enhance competence within the areas of social responsibility and respect for human rights.³⁶² The company's 1998 report *Profits and Principles* is characterized by Leslie Sklair as a 'leading exemplar of the quest for global corporate citizenship, as state of the art in this realm at the end of the twentieth century.'³⁶³

It is evident, then, that Shell's CSR commitment escalated substantially in the aftermath of 1995. Despite the fact that a similar process had taken place during the anti-apartheid campaign, the company's transformation in the late 1990s was more extensive. With few years between the campaigns, the rapid developments within the CSR field during this period should nonetheless not

³⁵⁸ Becker, "Private Sector; At Shell, Grades for Citizenship."

³⁵⁹ Frynas, *Beyond Corporate Social Responsibility*, 23.

³⁶⁰ Sluyterman, *A History of Royal Dutch Shell*, vol.3, 356.

³⁶¹ Frynas, *Beyond Corporate Social Responsibility*, 23.

³⁶² Hennchen, "Royal Dutch Shell in Nigeria: Where Do Responsibilities End?," 5.

³⁶³ Sklair, *The Transnational Capitalist Class*, 185.

be disregarded; thus, Soule points out that while in 1977 less than 50 per cent of Fortune 500 companies included CSR in their annual reports, more than 90 per cent of them did by the end of the 1990s.³⁶⁴ Taking into account this gradual acceptance of CSR, by the late 1990s it had arguably become less controversial for Shell to engage more actively in this area.

Grolin, conversely, seeks to explain the difference in response by Shell from a micro-perspective: as demonstrated earlier in this chapter, the campaign by the AAM against Shell attracted widespread media coverage while maintaining a visible public profile due to the pickets of petrol stations etc. Referencing this campaign, Grolin argues that ‘Shell’s buffer or allowance for mistakes had already been pretty much exhausted by the time the Brent Spar conflict started.’³⁶⁵ This analysis ties together the campaigns against Shell by suggesting that the anti-apartheid effort contributed to negative connotations among the public regarding the company and that this accumulated dissatisfaction resulted in greater pressure on Shell in 1995 than might otherwise have been the case. McDonnell, King, and Soule have recently conceptualized this idea by proposing a ‘process by which a movement’s activity can open avenues of influence for later movements.’³⁶⁶ As discussed in chapter two, this conception is grounded in the notion that activists and increased CSR commitment by a company ‘reinforce one another through a feedback cycle of activist activity and increased receptivity to activists,’ which aptly conveys the case of Shell’s transition from the mid-1980s to the mid-1990s.³⁶⁷

A plausible rationalization of the scholarly omission of the anti-apartheid effort against Shell is that the campaign failed to attain its stated aim and that it gradually dissolved outside of the public’s attention. There was no blatant culmination to the campaign that functioned as a turning point for the company’s attitude towards CSR. In line with Markoff’s categories of historical analyses of social movements, there was no ‘punctual’ event that had a transformational impact on Shell. Rather, the ‘duration’ of the campaign – in combination with the company’s concern about potential long-term negative effects on its image – incited Shell to engage more actively in socially responsible conduct. Comparatively, the protests against the company motivated by the Brent Spar incident and the controversy in Nigeria were short-lived and had more decisive outcomes in the form of a tangible shift in rhetoric and policy.

³⁶⁴ Soule, *Contention and Corporate Social Responsibility*, 20.

³⁶⁵ Grolin, “Corporate Legitimacy in Risk Society: The Case of Brent Spar,” 215–16.

³⁶⁶ McDonnell, King, and Soule, “A Dynamic Process Model of Private Politics,” 672.

³⁶⁷ *Ibid.*, 674.

Conclusion

By presenting a historical account of Shell's involvement in South Africa and the early international anti-apartheid action against the company in the first two sections of this chapter, I set the stage for an examination of the British campaign in the late 1980s. My subsequent analyses in sections three and four of the tactical repertoire employed by both sides of the campaign and the communicative relationship between the two actors traced developments in their interaction. As Erik van den Bergh observes, the 'objectives were fixed; the strategy was extremely flexible.'³⁶⁸ It is safe to say that the campaign against Shell did not proceed as envisioned by the AAM since the activists failed – at the height of the popular support for the anti-apartheid cause – to compel the company to withdraw from South Africa. Internally, the declining effort by the activists during the course of the campaign prompted self-reflection on the future activities of the movement, which was reinforced by the prospect of democratic elections in South Africa. Having established a nuanced outline of the campaign, I was able to discern and discuss the implications of the consumer boycott on Shell's CSR commitment in section five. Despite differences in opinion as to what constituted socially responsible conduct for Shell, I maintain that the interaction between the company and the activists generated deliberation within Shell on CSR, which increased the susceptibility of the company to public demands for more ambitious policies on this area a few years later.

³⁶⁸ Hengeveld and Rodenburg, *Embargo: Apartheid's Oil Secrets Revealed*, 314.

Conclusion

In 2002, a reparations case was filed at a US court by the Khulumani Support Group – backed by Jubilee South Africa – against numerous transnational corporations for ‘aiding and abetting’ crimes against humanity committed by the apartheid regime.¹ Among the companies charged were Barclays, for subsidizing the military apparatus through loans to the South African government, and Shell, for violating trade embargoes.² The cases were later dropped on account of a ruling that banks and oil companies merely provided their regular services.³ As I address later in this conclusion, however, such measures supplementing civil society campaigns have become increasingly commonplace and they are indicative of a heightened sensitivity to the negative side-effects of economic globalization.

Studying the influence of anti-apartheid consumer boycott campaigns on corporate targets dictates the inclusion of several fields of research. First, this dissertation expands the literature on British anti-apartheid activism by engaging closely with two of the major campaigns conducted by the AAM and its affiliated groups; these campaigns have not previously been examined in such detail, nor have the benefits of a comparative analysis of the campaigns for a more profound understanding of the strategies and tactics deployed by the activists been explored.

Second, this dissertation addresses the pronounced lack of case studies observing responses by companies to boycott activity. Also, rather than approaching the interaction between the actors involved from the perspective either of the social movement *or* the company, I have sought to disclose internal discussions and reflections by *both* actors in an effort to provide a more comprehensive analysis of the campaigns. The diversification of my analytical perspective through my primary source material collected from Barclays, Shell, and British anti-apartheid groups further works in conjunction with the historical and theoretical contextualization provided by the secondary literature to substantiate my construal of the impact of the consumer boycott campaigns.

¹ Bohler-Muller, “Reparations for Apartheid-Era Human Rights Abuses: The Ongoing Struggle of Khulumani Support Group.”

² Kollewe, “Barclays Faces Apartheid Court Action.”

³ Bohler-Muller, “Reparations for Apartheid-Era Human Rights Abuses: The Ongoing Struggle of Khulumani Support Group.”

Finally, this dissertation contributes to the field of CSR by extrapolating on the development of the concept on the basis of historical case studies; the study of anti-apartheid consumer boycott campaigns extends previous findings on the advance of social responsibilities for companies by including (1) top-down regulations (codes of conduct, sanctions etc.), (2) bottom-up advocacy (social movement activity), and an (3) overview of contemporary attitudes by other companies (foreign investment in South Africa). Together with internal documents, minutes etc., this triad of contextual influences furthers insight into organizational decision-making at the junction between traditional shareholder concerns and CSR. A dissertational example of this process is the decision by Barclays – partly in response to political developments and the ‘bank run’ precipitated by Chase Manhattan – to disinvest, which incited concern among the shareholders and internal deliberation on the social responsibility of the bank.

I want to conclude this dissertation by drawing connections between some of the main concepts involved as they figure in my historically framed analyses and their present contours. The purpose of this exercise is to trace the extended implications of anti-apartheid consumer boycott campaigns in order to discern their current relevance. I propose that the case studies conducted in this dissertation have played a prominent part in the development of social movement activism (notably boycotting and the call for divestment/disinvestment), CSR, and codes of conduct. Common to these phenomena is their maturation into more established concepts – in academic research *and* in practice – than during the apartheid era.

Social Movements

In a recent assessment of the field of social movement studies, Klaus Eder asserts that the ‘missing link between actors and the macro-reality of state, economy, and society are the micro-structures of social relations.’⁴ These micro-structures, he suggests, ‘constitute social action and [...] force macro-structures to adapt.’⁵ In this capacity, the AAM’s definitive aim of terminating the apartheid system by isolating South Africa might be conceived as an effort to compel a macro-structure to adapt. Among the benefits of an amalgamation of Young’s social connection model, Beck’s subpolitics, and political consumerism is the formation of a theoretical construct that facilitates analysis on both micro- and macro-levels. Thus, the activists’ subpolitical strategies – including

⁴ Eder, “Social Movements in Social Theory,” 43.

⁵ *Ibid.*, 44.

surrogate boycotting and direct interaction with the targeted companies – can be viewed as remedies to the implication of individual responsibility inherent in the social structures explicated by Young; by problematizing these structures, macro-structures that are products of economic globalization might be renegotiated and altered. Further, Young and Beck’s theoretical narratives critically address the insistence by many managers of companies involved in apartheid South Africa (as discussed in chapter two) on a clear divide between economics and ethics. By demonstrating levels of connection between British citizens and the apartheid government through consumption, we are compelled to consider the rationale and potential of CSR.

Despite the fact that the individual concepts of my analytical strategy do not constitute the cutting-edge within social movement studies, I would argue that their advantage lies in the consolidation between the concepts as applied in this dissertation, which allows for a nuanced and historically anchored analysis of anti-apartheid consumer boycott activism as a catalyst for CSR.⁶ My permissive attitude towards tried concepts is conditioned in part by an apprehension towards the early proclamation of a shift away from previous procedures and circumstances. Thus, the contention by Michel Wieviorka (more than a decade ago) that the ‘era of “new social movements” is behind us now’ since it ‘corresponded to a transitional phase between the working-class movement of yesterday and the “global” movements of today’ may be both premature and a deterrent to valuable insights gained from comparative analyses of movements.⁷ The global movements referred to by Wieviorka are the anti-globalization movements that proliferated from the late 1990s, most visibly at the 1999 WTO meeting in Seattle. Stressing the continued relevance of NSMs, Kate Soper, Martin Ryle, and Lyn Thomas suggest that this meeting ‘opened a new phase, in which new social movements of an alternative-global variety have massively resorted to the whole spectrum of consumer actions (boycotts, naming and blaming, ethical merchandising, and so on) to widen the repertoire of political participation, find new ways to mobilise people, and address global issues.’⁸ William G. Martin adds that these movements ‘consciously and increasingly

⁶ I want to nuance my suggestion that Beck’s concepts and political consumerism do not constitute the ‘cutting edge’ within social movement studies: outside of this field, Beck’s general emphasis on unintended side-effects is widely applied such as in recent works on the socio-economic implications of climate change; see Urry, *Climate Change and Society*; Wright and Nyberg, *Climate Change, Capitalism, and Corporations Processes of Creative Self-Destruction*; while political consumerism is not a new area of research, it remains a highly relevant field in development; see Gotlieb, “Civic, Cooperative or Contrived? A Functional Approach to Political Consumerism Motivations”; Balsiger, “Making Political Consumers: The Tactical Action Repertoire of a Campaign for Clean Clothes”; Stolle, *Political Consumerism*.

⁷ Wieviorka, “After New Social Movements,” 8.

⁸ Ryle, *The Politics and Pleasures of Consuming Differently*, 34.

operate through transnational and transcontinental alliances.’⁹ Appreciating the tactics and experiences of transnational anti-apartheid activism aids an understanding of the subsequent development of social movement activism regardless of socio-technological advances. Thus, Håkan Thörn proposes an association between anti-apartheid activism and more recent movements:

The history of the anti-apartheid struggle provides an important historical case for analysis of present-day global politics, as it is evident that the present mobilization of a global civil society in relation to economic globalization and supranational political institutions such as WTO, IMF and the World Bank, has historical links to the post-war, transnational political culture that the anti-apartheid movement formed an important part of.¹⁰

While several parallels can be drawn between anti-apartheid activism and movements of the past two decades, my concern is the type of activism that targets companies. By most accounts, political and economic influence has shifted in favour of large transnational corporations since the acceleration of economic globalization a few decades after the Second World War. With this process, social movement activism has shifted accordingly and has become increasingly preoccupied with targeting dominant actors in the private sector. Particularly since the 1990s, consumer boycott activism has been abetted by a ‘heightened vulnerability of corporate reputation and brand image.’¹¹ Specifically, *surrogate* boycotting has become progressively more popular among activists; in 2013, a list by the *Ethical Consumer* indicated that 53 per cent of ongoing boycotts were surrogate boycotts.¹² This strategy is not unproblematic from a CSR perspective (as discussed throughout this dissertation) since a perception of Barclays and Shell as means to an end possibly lessened activist interest in effecting sustained organizational transformation within the target companies.

Integral to an analysis of the relationship between the anti-apartheid activists and institutional actors are also the concepts of disinvestment and divestment. As outlined in chapter two, my use of

⁹ Wallerstein, Martin, and Agartan, *Making Waves: Worldwide Social Movements, 1750-2005*, 8.

¹⁰ Thörn, *Anti-Apartheid and the Emergence of a Global Civil Society*, 206.

¹¹ Klein, Smith, and John, “Why We Boycott: Consumer Motivations for Boycott Participation,” 93.

¹² Balabanis, “Surrogate Boycotts against Multinational Corporations: Consumers’ Choice of Boycott Targets,” 515.

‘disinvestment’ denotes the choice by a company to rid itself of shares in or sell off its subsidiary. ‘Divestment,’ alternatively, refers to a ‘socially responsible investing tactic to remove assets from a sector or industry based on moral objections to its business practices.’¹³ The decision by Lewisham Council to divest itself of Shell shares related in chapter four is an example of divestment within an apartheid context. The divestment tactic constituted a major part of the anti-apartheid action repertoire yet I have limited my discussion of this phenomenon to acts of divestment directly associated with the campaigns against Barclays and Shell. Divestment and disinvestment share similar traits in their emphasis on the economic and signal values of the selling of shares.

In recent years, Gay W. Seidman asserts, divestment has ‘emerged as a mainstay of transnational activism.’¹⁴ Current divestment campaigns are rooted in apartheid-era divestment advocacy as well as in efforts to target controversial industries such as tobacco and arms.¹⁵ Together with other environmentalists, Bill McKibben launched a divestment campaign in 2012 that principally aims to encourage university students to compel their respective universities and colleges to divest from fossil fuels; this focus corresponds to the main strategy for apartheid-era divestment.¹⁶ According to Chelsie Hunt, Olaf Weber, and Truzaar Dordi, the ‘cause-effect relationship has yet to be established for both the anti-Apartheid and fossil fuel divestment campaigns.’¹⁷ This assessment, however, is concerned with economic ramifications. Seidman instead emphasizes the symbolic implications of divestment:

Divestment is rarely a goal in itself. Most divestment activists are not interested in harming their own institutions, but rather seek to stigmatize longstanding business practices or push powerful actors to regulate those activities. Divestment is a tactical weapon, one that aims to call attention to larger issues, redrawing moral lines around acceptable behavior and changing the calculations of multinational corporations and national governments.¹⁸

¹³ Jill E. Hopke and Luis E. Hestres, “Fossil Fuel Divestment and Climate Change Communication,” 2.

¹⁴ Seidman, “Divestment Dynamics,” 1015.

¹⁵ Jill E. Hopke and Luis E. Hestres, “Fossil Fuel Divestment and Climate Change Communication,” 6.

¹⁶ The fossil fuel divestment campaign has now transformed into a global social movement spearheaded by the organization 350.org, which was co-founded by Bill McKibben.

¹⁷ Hunt, Weber, and Dordi, “A Comparative Analysis of the Anti-Apartheid and Fossil Fuel Divestment Campaigns,” 78.

¹⁸ Seidman, “Divestment Dynamics,” 1016.

Examining motivations for divestment, then, occasions reflection on the social responsibility of companies. In an article in *The Guardian* comparing apartheid-era divestment and the current campaigns against fossil fuels, Piers Telemacque refers to ‘divestment’s ability to turn the normal into the unthinkable.’¹⁹ Activism that challenges the norms by which the private sector operates, in other words, potentially expands the applicable social structures. As discussed in the introduction, the foremost contribution of Young’s social connection model to my analysis of the campaigns against Barclays and Shell is that it ‘brings into question precisely the background conditions that ascriptions of blame or fault assume as normal.’²⁰ This effect resembles the qualities ascribed by Seidman and Telemacque to the strategy of divestment. More than the economic impact of divestment, the symbolic and structural implications are asserted as envisioned transformative repercussions. The value of this contribution is further reflected in the assessment by Roger Fieldhouse that the AAM’s ‘greatest achievement was in raising awareness both within the political establishment and the general public.’²¹

In this capacity, the intended purpose of divestment is akin to the anti-apartheid activists’ conception of the consumer boycott as discussed in chapter one. A central distinction between the two tactics, however, is the proactive withdrawal of funds intrinsic to divestment as opposed to the abstentious character of the boycott. Whereas apartheid-era divestment revolved around links to South Africa, fossil fuel divestment tends to be industry-oriented; the two approaches are merged in this dissertation in my emphasis on the links between the banking and oil industries and South Africa. Thus, the overview of these industries in chapters three and four serves to explicate the significance of the specific sectors within which Barclays and Shell were embedded in order to further an understanding of the activists’ choice of targets and tactics, as well as the political and economic implications of the companies’ disinvestment or – alternatively – heightened commitment to constructive engagement. Important to my analyses of the campaigns, then, are the industry and corporate opportunity structures that conditioned the strategies of the activists and the responses by the companies.²²

¹⁹ Telemacque, “Whether It’s Apartheid or Fossil Fuels, Divestment Is on the Right Side of History.”

²⁰ Young, “Responsibility and Global Justice: A Social Connection Model,” 120.

²¹ Fieldhouse, *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*, 481.

²² Soule, *Contention and Corporate Social Responsibility*, 45.

The propensity towards the professionalization of civil society actors described in chapter one has arguably intensified in the years following the abolishment of the apartheid system. New and often complicated standards of accountability for companies with cross-border product chains or transactions have necessitated supplementary expertise within the civil society. At the same time, the realization by movements and organizations of the potential for mobilization found in experienced full-time staff has motivated the shift towards professionalization as evidenced by the tendency by some PR consultancies to characterize civil society organizations as ‘brands,’ a label previously reserved for companies.²³ Once again, early indications of the transformation conveyed here can be identified in anti-apartheid activism: we saw in chapter one how t-shirts with anti-apartheid slogans were made in the mid-1980s and in chapter four how the employment of full-time staff was discussed as a compensation for the overstretch of the movement’s activities. Such initiatives are symptomatic of later developments in social movement activism and broader activity within civil society.

I have refrained from discussing in detail the problem areas – or passive subpolitics – of consumer boycott activism; this is a deliberate choice conditioned by an assessment of such an undertaking as peripheral to the principal aim of this dissertation. As Seidman points out, however, it is worth noting that ‘local trade unionists express strong suspicions of transnational campaigns, viewing consumers boycotts as potentially undermining local efforts to organize workers.’²⁴ This is merely one example of the dilemmas inherent to activism that circumvents institutional platforms. As explained in chapter four, another example is the unintended economic ramifications of the boycott of Shell petrol stations for the owners of the individual stations bearing the Shell name. I have sought to include reflections on this aspect of consumer boycott activism whenever relevant yet I maintain that such perspectives are marginal to an analysis of the impact of the anti-apartheid campaigns on Barclays and Shell.

CSR and Codes of Conduct

My discussion of the social responsibility of companies operating in apartheid-era South Africa has engaged with phenomenological observations on CSR rather than detailed outlines of the initiatives taken by Barclays and Shell. My usage of CSR has been intentionally generic on account of three

²³ Hilton et al., *A Historical Guide to NGOs in Britain*, 327–28.

²⁴ Seidman, *Beyond the Boycott, Labor Rights, Human Rights, and Transnational Activism*, 37.

factors: first, the anti-apartheid activists were largely disinterested in the nuances of CSR but advocated a heightened attention to social responsibilities in corporate decision-making, which was believed to result in disinvestment. Second, this orientation by the activists is reflected in their interaction with Barclays and Shell, which had a similarly non-specific character; exceptions consist of attempts by the companies to demonstrate their social responsibility through constructive engagement programs. Finally, my research strategy of extrapolating from the historical case studies examined on wider CSR-related perceptions and advances diminishes the need to address in detail the manifestation of socially oriented concerns within Barclays and Shell.

Instrumental to this approach is the assumption – as formulated by Gabriel Abend – that ‘business ethics is a great area to empirically study public moral normativity.’²⁵ In this capacity, the qualitative analysis of anti-apartheid activism as a catalyst for CSR is intended to convey transformations in perceptions of the societal role of companies. Aiding the identification of such transformations is my conceptual framework, which embeds analyses of exchanges on CSR between activists and companies within a context of increasing awareness of the unintended side-effects of economic globalization. Thus, the active subpolitics of the AAM figures as the remedial counter-strategy to the passive subpolitics of Barclays and Shell. Among the benefits of the conceptual framework as applied to my empirical source material is the potential for initiating discussion on the development of CSR on both micro- (changing perceptions within the targeted companies on their social responsibility) and macro-levels (normative conceptions). In this dissertation, I have merged the two levels in order to nuance and substantiate the findings derived from my analysis of the consumer boycott campaigns.

With the bolstering of the notion in civil demands for CSR that the conduct of transnational corporations may have unintended negative consequences, the lack of governmental and institutional measures aimed at curtailing these passive subpolitical ramifications have come into focus. In fact, Jeremy Moon and David Vogel propose that civil society organizations target transnational corporations in response to the ‘regulatory vacuum created by the inadequacies of both national governments and international institutions.’²⁶ While this attention to regulation has intensified in recent decades, I argue that international anti-apartheid activism *also* emerged in part as a consequence of the absence of institutionalized action against apartheid. Thus, rather than

²⁵ Abend, *The Moral Background: An Inquiry into the History of Business Ethics*, 369.

²⁶ Crane, *The Oxford Handbook of Corporate Social Responsibility*, 309–10.

considering measures such as ethical guidelines for companies a comparatively new phenomenon, insights may be gained from an examination of how the perceived shortcomings of institutional action have elicited earlier activist and civil society responses.

Applying a *longue durée* perspective validates an accumulative conception of the proliferation of the standardization protocols known as ‘codes of conduct;’ this is similar to my argument in chapter four that Shell’s CSR commitment in the late 1990s was influenced by earlier interaction with the anti-apartheid activists. Seidman suggests that the ‘effort to monitor and transform corporate behavior in South Africa helped shape subsequent discussions about corporate codes of conduct.’²⁷ It was difficult for the activists to monitor companies, however, since it was ‘virtually impossible for them to gather detailed information about specific companies’ workplace behavior in South Africa.’²⁸ Conceiving of codes of conduct partly as a by-product of anti-apartheid consumer boycott activism would appear paradoxical since most activists explicitly *rejected* codes as a tactic of constructive engagement (as discussed in chapter two). This opposition to codes, however, should be observed within an apartheid-era context in which complete disinvestment was the uncompromising objective. More commonly, codes of conduct would be included as part of the social responsibility of transnational corporations advocated by social movements such as the AAM and its affiliated groups.

The assertion by Luc Boltanski and Eve Chiapello that ‘one of the determining elements in the formation of the spirit of capitalism peculiar to a period’ is the ‘satisfaction of certain criticisms,’ then, is discernable in the anti-apartheid promotion of social responsibilities for transnational corporations manifested in later codes of conduct.²⁹ In early 1999, UN Secretary-General Kofi Annan and Reverend Sullivan jointly introduced the Global Sullivan Principles of Social Responsibility, which expanded the original principles beyond their focus on South Africa.³⁰ Despite the mixed results of the Sullivan Principles in the 1980s (as related in chapter two), the potential of such codes of conduct for providing a counter-measure to unregulated economic globalization was widely acknowledged. Shortly after the announcement of the new Sullivan Principles, Annan gave a speech at the World Economic Forum in which he affirmed that

²⁷ Seidman, “Monitoring Multinationals: Lessons from the Anti-Apartheid Era,” 382–83.

²⁸ *Ibid.*, 393.

²⁹ Boltanski and Chiapello, *The New Spirit of Capitalism*, 96.

³⁰ Stewart, “Amandla! The Sullivan Principles and the Battle to End Apartheid in South Africa, 1975-1987,” 62.

‘globalization is a fact of life.’³¹ Annan then proclaimed the establishment of a formal UN code of conduct called the Global Compact that was intended to ‘give a human face to the world market.’³² The launch of this code is indicative of the proliferation of ethical guidelines for companies from the late 1990s, which exhibits an increasing acceptance of the need to extend responsibility for human rights and the environment beyond the state-level.

During the same period, labelling schemes and other product certifications became a common part of consumers’ shopping experiences. As discussed in chapter one, the AAM was continuously struggling with changes in legislation on product origins such as the Trade Descriptions Acts, and the effort to inform consumers about the implications of buying South African products often had to be performed on a manual case-by-case basis. Consequently, Lisbeth Segerlund points out that no one would have believed a claim ‘in the late 1980s [...] that in 20 years’ time, we would have an international social labelling scheme for coffee that would give millions of small farmers and their families a guaranteed price.’³³ This supposition is echoed in the contention by David Thackeray that ‘by focusing on the power of multinational business, anti-apartheid also arguably played a vital role in setting the parameters of contemporary debates about ‘fair trade’ and ethical business practice.’³⁴

It is plausible that instances such as the anti-apartheid consumer boycott experience helped foster awareness about the disadvantages of a restriction on product information. Common to the development of many CSR-related facets is initial pressure exercised by the civil society. Seidman notes accordingly that ‘if the Sullivan experience shows that corporations can be persuaded to accept voluntary regulation, it also shows how difficult that persuasion can be, and what kind of persistent pressure is required to ratchet up that regulation beyond the barest minimum.’³⁵ This deduction corresponds to my proposal in this dissertation that the perception of social responsibility for foreign-owned companies in apartheid-era South Africa was transformed through continuous renegotiation and reinterpretation between the activists and the companies (hence the title of the dissertation).

³¹ Annan, “Secretary-General Proposes Global Compact on Human Rights, Labour, Environment, in Address to World Economic Forum in Davos.”

³² Ibid.; the Global Compact was extended in 2011 with the Guiding Principles on Business and Human Rights, which provides instructions for implementing the principles of the Global Compact: <https://www.unglobalcompact.org/library/2>.

³³ Segerlund, “Making Corporate Social Responsibility a Global Concern Norm Construction in a Globalizing World,” 1.

³⁴ Thackeray, “Boycotting Apartheid.”

³⁵ Seidman, *Beyond the Boycott, Labor Rights, Human Rights, and Transnational Activism*, 70.

In contrast to the comparatively structured character of ethical guidelines, progression in the normative conceptions of CSR is also evidenced in the growth of the notion of ‘corporate legitimacy.’ In chapter two, I emphasized the socially constructed dimension of corporate legitimacy, which denotes the ‘result of communication where the societal limits on business are continuously defined and redefined.’³⁶ This delineation of corporate legitimacy corroborates my approach to CSR as a renegotiation of responsibility and indicates that the extent of the legitimacy of Barclays and Shell was a product not of legal requirements but discursive compromise.

Rather than grouping together Barclays and Shell for analytical simplicity, however, I want to reiterate the discrepancies between the two campaigns. Throughout chapter four, I sought to identify parallels and differences between the course of the campaigns, including contemporary socio-political developments and the implications of targeting the banking and oil industries. In my approach to this analysis, I emphasized discursive nuances and contextual interpretations of the interaction between activists and companies as opposed to a more quantitative isolation of variables from equivalents. Central to my juxtaposition of the two campaigns is the hypothesis that a comparative analysis offers new perspectives on social movement activism as a catalyst for CSR. Thus, I suggest that the differences in outcome of two campaigns conducted by the same movement elevate the campaigns against Barclays and Shell as exceptionally edifying objects for analysis. My selection of only two campaigns is compensated – besides the de facto limitations inherent to the launch of no more than two major single-company consumer boycott campaigns by the AAM – by the *duration* of the two consecutive campaigns and the attention to *detail* in the analyses.³⁷

As discussed in chapter three, the decision to disinvest constituted the ‘worst single financial loss Barclays had suffered to that point.’³⁸ While this decision was the product of several factors, the media response largely recognized the announcement by the bank as a capitulation to the AAM. The eventual dominance of the activists in the ‘war of representation’ meant that the confluence of factors precipitating Barclays’ decision was discounted. As a consequence, the bank was provoked to consider the nature and public expectations of its social responsibility commitment. Already with the transition from Barclays D.C.O. to BARNAT in the early 1970s and the succeeding alterations

³⁶ Joutsenvirta and Vaara, “Legitimacy Struggles and Political Corporate Social Responsibility in International Settings: A Comparative Discursive Analysis of a Contested Investment in Latin America,” 743.

³⁷ While the campaigns against Outspan could also be characterized as single-company consumer boycott campaigns, less material exists on these campaigns and activity by the activists was more sporadic. Also, as discussed in chapter three, the AAM identified the campaign against Barclays as the first single-company campaign despite previous activity aimed at Outspan.

³⁸ Ackrill and Hannah, *Barclays: The Business of Banking, 1690-1996*, 301.

in policy, Barclays had demonstrated a marked attentiveness to CSR compared with most other contemporary transnational corporations, albeit the bank's apartheid-era initiatives seem negligible by present-day standards. In a progressive statement in 1987 (as related in chapter three), Sir Bevan, Chairman of Barclays, proposed that 'large businesses do have a responsibility for the communities in which they operate.'³⁹ Signifying the gradual acceptance of CSR in the banking industry in the decades that have passed since the mid-1980s, the current *Barclays Group Statement on Human Rights* from 2015 states:

While it is incumbent upon governments to draft and implement national legislation to protect human rights, the extent to which it is implemented through national legislative frameworks varies significantly between countries. This Statement draws together the policies, principles and standards relevant to all parts of Barclays in respecting and promoting human rights consistently across our operations globally.⁴⁰

This statement addresses some of the negative aspects of economic globalization, and the accentuation of the imbalance in national regulation corresponds to the concerns raised by Young and Beck in their respective frameworks. I would argue that Barclays' statement on human rights is indicative of a propensity still in development within the private sector to explicate more clearly the social responsibility of transnational corporations.

The initial lesson afforded Shell departed from Barclays' disinvestment experience. As related in chapter four, I disagree with the conclusion by Sluyterman that 'Shell learned the importance of keeping up with the issues' from being targeted by the anti-apartheid activists.⁴¹ The controversies of the mid-1990s appear to have had a more direct and profound impact on the company, though I argue that the subsequent intensification of Shell's CSR commitment should also be perceived as a product of the accumulated dissatisfaction with the company originating with the anti-apartheid campaign. I want to pinpoint two more recent examples suggestive of the changes in the CSR

³⁹ Proceedings at the AGM of Barclays on 22 April 1987, chaired by Sir Timothy Bevan: Barclays Archive 860/83.

⁴⁰ Excerpt from the 2015 "Barclays Group Statement on Human Rights," see "Human Rights | Barclays."

⁴¹ Sluyterman, *A History of Royal Dutch Shell*, vol.3, 330.

landscape since the apartheid era: first, a landmark ruling in The Hague in 2013 held Shell accountable for oil pollution in the Niger Delta. Esther Hennchen contextualizes:

A precedent was set. It was the first time that a company established in the European Union was held responsible in its own country for abuses committed elsewhere. The case was of considerable international significance since it stirred up a hot controversy over the scope of responsibilities of multinational corporations (MNCs) operating in a controversial human rights context and a public responsibility void for both their negative and positive impact.⁴²

Such verdicts bridge the gap that anti-apartheid activism aimed to address between national legislation and the negative side-effects of transnational corporate conduct. Prospectively, the deterrent value of the ruling against Shell may encourage further reflection within transnational corporations on the extent of their social responsibility.

The second example is Shell's partnership since 2011 with the Danish Institute for Human Rights. Such collaborations were highly exceptional in the 1970s and 1980s and they signify a new phase in the interaction between civil society and transnational corporations.⁴³ Michael Yaziji and Jonathan P. Doh advise that the 'importance and impact of corporate-NGO engagements – both adversarial and collaborative – is growing. A fuller understanding of the role of business in society requires a comprehensive understanding of these engagements.'⁴⁴ I have aimed to produce an extensive account of the relationship between a social movement (AAM) and its target companies (Barclays and Shell), as well as the motivations, strategies, and responses of each actor. McDonnell, King, and Soule have recently suggested that 'further exploring variations in the type of defensive strategies that firms use to respond to different classes of activist challenges represents a promising area for future research.'⁴⁵

⁴² Hennchen, "Royal Dutch Shell in Nigeria: Where Do Responsibilities End?," 2.

⁴³ The Danish Institute for Human Rights self-identifies as a 'state institution, independent of government' and as operating 'at the nexus between governments, NGOs and businesses' and is thus very different from a social movement yet there are numerous examples of cross-sector partnerships between civil society and transnational corporations: <https://www.humanrights.dk/who-we-are>.

⁴⁴ Yaziji and Doh, *NGOs and Corporations: Conflict and Collaboration*, xiv–xv.

⁴⁵ McDonnell, King, and Soule, "A Dynamic Process Model of Private Politics," 675.

By examining consumer boycott campaigns by the AAM against companies involved in South Africa, the ambition of this dissertation is two-fold: first, it should be seen as an effort to advance research concerned with social movement consumer boycott strategies and the ensuing interaction between activists and companies. Second, this dissertation contributes with original perspectives on the emergence of CSR as a renegotiation of responsibility.

In late 2015, a number of British student organizations decided to launch a divestment campaign against the banking sector, specifically targeting Barclays and HSBC for ‘financing the fossil fuel industry.’⁴⁶ Taking into account the fact that Shell is also a major target of divestment activism, several patterns of recurrence between apartheid-era and present-day strategies can be discerned. A few years after the abolishment of the apartheid system, J.E. Spence suggested that the ‘South African episode was the first in which major companies and banks found themselves under sustained, well-nigh universal pressure to play a self-conscious positive role in effecting political change via the process of disinvestment [or divestment]’ and he surmised that it was ‘doubtful whether their experience on that scale would be repeated elsewhere.’⁴⁷ In view of the parallels identified above, the doubt expressed by Spence appears to have been superseded by current developments. Experience gained from the anti-apartheid campaigns may translate into valuable insight not only for the current social movement effort to renegotiate the responsibility of transnational corporations but also for future research preoccupied with the societal role of the private sector and the negative consequences of economic globalization.

⁴⁶ Jill E. Hopke and Luis E. Hestres, “Fossil Fuel Divestment and Climate Change Communication,” 11.

⁴⁷ Mitchell, “Companies in a World of Conflict NGOs, Sanctions and Corporate Responsibility,” 297.

Primary Sources

British Archives

Barclays Archive	Barclays Archive, Manchester
Bod.MSS.AAM, Bod.MSS.Afr.s.	The Bodleian Library, Oxford, Special Collections
FCO	United Kingdom National Archives, Kew
ICSL	Institute of Commonwealth Studies Library, London
LMA	London Metropolitan Archives, London
WoW	War on Want Archive at SOAS, London

Danish Archives

ABA	Arbejderbevægelsens Bibliotek og Arkiv, Copenhagen
KB	The Royal Danish Library, Copenhagen
Rigsarkivet	The Danish National Archives, Copenhagen

Dutch Archives

Shell Archive	Shell Archive, The Hague
---------------	--------------------------

South African Archives

MCH	UWC Robben Island Museum Mayibuye Archive, Robben Island
-----	--

Online Archives

AAA

African Activists Archive

<http://africanactivist.msu.edu/index.php>

ANC

ANC Archives

<http://research.ancarchives.org.za/page/aboutus>

HHA

Hansard Historical Archives

<http://hansard.millbanksystems.com>

Newspapers

Financial Times

The Guardian

Secondary Sources

AAM Archives. "Appeal from Chief Luthuli." Accessed August 9, 2017.

http://www.aamarchives.org/browse-the-archive/history.html?s_f_id=5066.

———. "The Boycott Movement." Accessed August 9, 2017.

<http://www.aamarchives.org/component/content/article/79-history/123-the-boycott-movement.html>.

Abend, Gabriel. "How to Tell the History of Business Ethics." *Zeitschrift Für Wirtschafts- Und Unternehmensethik* 17, no. 1 (2016): 42–76.

———. *The Moral Background: An Inquiry into the History of Business Ethics*. Princeton: Princeton University Press, 2014.

Ackrill, Margaret, and Leslie, Hannah. *Barclays: The Business of Banking, 1690-1996*. Cambridge, UK; New York, NY, USA: Cambridge University Press, 2001.

Alicke, Mark D. "Culpable Causation." *Journal of Personality and Social Psychology* 63, no. 3 (1992): 368–78.

Allan, T. R. S. "Abuse of Statutory Powers: Apartheid, Disinvestment and Coercion." *The Cambridge Law Journal* 47, no. 3 (1988): 334–36.

Annan, Kofi. "Secretary-General Proposes Global Compact on Human Rights, Labour, Environment, in Address to World Economic Forum in Davos." Accessed August 3, 2017. <http://www.un.org/press/en/1999/19990201.sgsm6881.html>.

Baker, James C. "The International Infant Formula Controversy: A Dilemma in Corporate Social Responsibility." *Journal of Business Ethics* 4, no. 3 (1985): 181–90.

Bakker, Frank G. A. de, Frank den Hond, Brayden King, and Klaus Weber. "Social Movements, Civil Society and Corporations: Taking Stock and Looking Ahead." *Organization Studies* 34, no. 5–6 (May 1, 2013): 573–93.

Balabanis, George. "Surrogate Boycotts against Multinational Corporations: Consumers' Choice of Boycott Targets." *British Journal of Management* 24, no. 4 (December 1, 2013): 515–31.

Balsiger, Philip. "Making Political Consumers: The Tactical Action Repertoire of a Campaign for Clean Clothes." *Social Movement Studies* 9, no. 3 (August 1, 2010): 311–29.

Balsiger, Philip. "Managing Protest: The Political Action Repertoires of Corporations." In *The Oxford Handbook of Social Movements*. Oxford: Oxford University Press, 2015.

- Barber, James. *The Uneasy Relationship: Britain and South Africa*. London: Published by Heinemann for Royal Institute of International Affairs, 1983.
- Batliwala, Srilatha. *Transnational Civil Society, an Introduction*. Bloomfield, CT: Kumarian Press, 2006.
- Bauman, Zygmunt. *Globalisering, De Menneskelige Konsekvenser*. Kbh: Hans Reitzels Forlag, 1999.
- Beaty, David, and Oren Harari. "Divestment and Disinvestment from South Africa: A Reappraisal." *California Management Review* 29, no. 4 (1987): 31–50.
- Beck, Ulrich. "Cosmopolitanism as Imagined Communities of Global Risk." *American Behavioral Scientist* 55, no. 10 (October 1, 2011): 1346–61.
- . *Magt og modmagt i den globale tidsalder: en ny global politisk økonomi*. Kbh.: Hans Reitzel, 2006.
- . *Risk Society, towards a New Modernity*. London: Sage, 1992.
- . "Subpolitics: Ecology and the Disintegration of Institutional Power." *Organization & Environment* 10, no. 1 (March 1, 1997): 52–65.
- . *World at Risk*. Cambridge: Polity, 2008.
- Beck, Ulrich, Wolfgang Bonss, and Christoph Lau. "The Theory of Reflexive Modernization: Problematic, Hypotheses and Research Programme." *Theory Culture and Society* 20, no. 2 (2003): 1–34.
- Beck, Ulrich, Scott Lash, and Anthony Giddens. *Reflexive Modernization: Politics, Tradition and Aesthetics in the Modern Social Order*. Cambridge: Polity Press, 2007.
- Becker, Elizabeth. "Private Sector; At Shell, Grades for Citizenship." *The New York Times*, November 30, 2003, sec. Business Day.
<https://www.nytimes.com/2003/11/30/business/private-sector-at-shell-grades-for-citizenship.html>.
- Beinart, William, and Saul Dubow. *Segregation and Apartheid in Twentieth-Century South Africa*. London; New York: Routledge, 1995.
- Benford, Robert D., and David A. Snow. "Framing Processes and Social Movements: An Overview and Assessment." *Annual Review of Sociology* 26 (2000).
- Bexell, Magdalena. *Exploring Responsibility: Public and Private in Human Rights Protection*. Lund: Department of Political Science, Lund University, 2005.

- Black, Lawrence. *Redefining British Politics: Culture, Consumerism and Participation, 1954-70*. Houndmills, Basingstoke, Hampshire; New York: Palgrave Macmillan, 2010.
- Bohler-Muller, Narnia. "Reparations for Apartheid-Era Human Rights Abuses: The Ongoing Struggle of Khulumani Support Group." *Southern African Legal Information Institute*. Accessed August 7, 2017. <http://www.saflii.org/za/journals/SPECJU/2013/1.html>.
- Boles, Elizabeth. *The West and South Africa, Myths, Interests and Policy Options*. London: Helm, 1988.
- Boltanski, Luc, and Eve Chiapello. *The New Spirit of Capitalism*. London: Verso, 2007.
- Bosgra, Sietse. "The European Community and Apartheid: Minimal Effective Pressure." In *International Solidarity. The Road to Democracy in South Africa, Vol.3*. Pretoria: SADET, 2008.
- Bramsen, Christopher Bo. *Sydafrika, Kamp Eller Dialog?* Kbh.: Dansk Udenrigspolitisk Institut: Jurist- og Økonomforbundet, 1989.
- Brewer, John, and Frank Trentmann. *Consuming Cultures, Global Perspectives: Historical Trajectories, Transnational Exchanges*. Oxford, UK; New York, NY: Berg, 2006.
- Bryant, Christopher, and David Jary. *Giddens' Theory of Structuration A Critical Appreciation*. Florence: Taylor and Francis, 2014.
- Buechler, Steven. "Beyond Resource Mobilization? Emerging Trends in Social Movement Theory." *Sociological Quarterly* 34, no. 2 (1993).
- Buechler, Steven M. "New Social Movement Theories." *The Sociological Quarterly* 36, no. 3 (July 1, 1995): 441–64.
- Butler, L. J., and S. E. Stockwell. *The Wind of Change: Harold Macmillan and British Decolonization*. Basingstoke: Palgrave Macmillan, 2013.
- Byrne, Paul. *Social Movements in Britain*. London; New York: Routledge, 1997.
- Caruana, Robert, and Andreas Chatzidakis. "Consumer Social Responsibility (CnSR): Toward a Multi-Level, Multi-Agent Conceptualization of the 'Other CSR.'" *Journal of Business Ethics* 121, no. 4 (2014).
- Center for Social Action of the United Church of Christ. "The Oil Conspiracy." New York, 1976.
- Clark, Wayne. *Activism in the Public Sphere: Exploring the Discourse of Political Participation*. Aldershot: Ashgate, 2000.
- Clarkson, Max. *The Corporation and Its Stakeholders Classic and Contemporary Readings*. Toronto: University of Toronto Press, 2016.

- Commonwealth Secretariat. *Banking on Apartheid: The Financial Sanctions Report*. London: Commonwealth Secretariat; James Currey, 1989.
- Crane, Andrew. *The Oxford Handbook of Corporate Social Responsibility*. New York: Oxford University Press Inc., 2008.
- Crawford, Neta C., and Audie Klotz. *How Sanctions Work: Lessons from South Africa*. Basingstoke; New York: Macmillan; St. Martin's Press, 1999.
- Crosfield, Hugh. *Commodity Boycotts, Activist Bodywork and Race: A Study of the Anti-Apartheid Campaigns of Boycott Outspan Action (1970-1992) and the Anti-Trafficking Campaigns of Stop The Traffik (2006-2013)*. London: University of London, 2014.
- Culverson, Donald R. "The Politics of the Anti-Apartheid Movement in the United States, 1969-1986." *Political Science Quarterly* 111, no. 1 (April 1, 1996): 127–49.
- Dahlin, Ulrik. *Da vandhanerne skiftede navn: en rapport om nordiske sanktioner mod apartheid*. København: Amandla, 1989.
- Dijk, Teun A. Van. *Discourse Studies - a Multidisciplinary Introduction*. London: Sage Publications, 1997.
- Doh, Jonathan P, and Hildy Teegen. "Nongovernmental Organizations as Institutional Actors in International Business: Theory and Implications." *Institutions and International Business* 11, no. 6 (December 2002): 665–84.
- Du, Shuili, and Edward T. Vieira Jr. "Striving for Legitimacy Through Corporate Social Responsibility: Insights from Oil Companies." *Journal of Business Ethics* 110, no. 4 (November 1, 2012): 413–27.
- Dubow, Saul. *Apartheid, 1948-1994*. Oxford: Oxford University Press, 2014.
- . "Smuts, the United Nations and the Rhetoric of Race and Rights." *Journal of Contemporary History* 43, no. 1 (2008): 45–74.
- . *South Africa's Struggle for Human Rights*. Auckland Park, South Africa Athens, OH: Jacana : Ohio University Press, 2012.
- Elnor, Nancy. *Shell Oil: Lifeline to Apartheid*. San Francisco: Boycott Shell Committee, 1990.
- En gruppe folk fra det autonome modstandsmiljø. *Sydafrika: forskellige artikler om frihedskampen i Sydafrika, Rote Zora og sabotage mod Shell*. Kbh., 1987.
- Fabian, Louise, Bjarke Skærlund, and Anne Engelst Risager. "Protestens taktikker, traditioner og teorier - Redaktionelt forord." *Slagmark* 2015/6, no. 71: 11-28.

- Fieldhouse, Roger. *Anti-Apartheid, a History of the Movement in Britain, a Study in Pressure Group Politics*. London: Merlin, 2005.
- First, Ruth, Jonathan Steele, and Christabel Gurney. *The South African Connection: Western Investment in Apartheid*. London: Maurice Temple Smith Ltd, 1972.
- Frederick, William C. "From CSR1 TO CSR2: The Maturing of Business-and-Society Thought." *Business and Society* 33, no. 2 ([1978] 1994).
- Freeman, R. Edward. *Strategic Management, a Stakeholder Approach*. Cambridge: Cambridge University Press, 2010.
- Friedman, Milton. "The Social Responsibility of Business Is to Increase Its Profits." *New York Times Magazine*, September 13, 1970.
<http://www.colorado.edu/studentgroups/libertarians/issues/friedman-soc-resp-business.html>.
- Friedman, Monroe. "Consumer Boycotts: A Conceptual Framework and Research Agenda." *Journal of Social Issues* 47, no. 1 (1991): 149–68.
- . *Consumer Boycotts, Effecting Change through the Marketplace and the Media*. New York: Routledge, 1999.
- . "Ethical Dilemmas Associated with Consumer Boycotts." *Journal of Social Philosophy* 32, no. 2 (January 1, 2001): 232–40.
- Frølund Thomsen, Jens Peter. *Magt Og Indflydelse*. Århus: Magtudredningen, 2000.
- Frynas, Jędrzej George. *Beyond Corporate Social Responsibility*. Cambridge University Press, 2009.
- Gamson, William A. *The Strategy of Social Protest*. Homewood, Ill, 1975.
- Geldenhuys, Deon. *Isolated States: A Comparative Analysis*. Cambridge; New York: Cambridge University Press, 1990.
- Giddens, Anthony. *Modernity and Self-Identity: Self and Society in the Late Modern Age*. Stanford, Calif.: Stanford University Press, 1991.
- Goodwin, Jeff. *Rethinking Social Movements, Structure, Meaning, and Emotion*. Lanham, Md: Rowman & Littlefield, 2004.
- Gotlieb, Melissa R. "Civic, Cooperative or Contrived? A Functional Approach to Political Consumerism Motivations." *International Journal of Consumer Studies* 39, no. 5 (September 1, 2015): 552–63.
- Grande-Bretagne, Thomas Henry Bingham, and Stephan Marius Gray. *Report on the Supply of Petroleum and Petroleum Products to Rhodesia*. London; H.M. Stationery Office, 1978.

- Grolin, Jesper. "Corporate Legitimacy in Risk Society: The Case of Brent Spar." *Business Strategy and the Environment* 7, no. 4 (September 1, 1998): 213–22.
- Guelke, Adrian. *Rethinking the Rise and Fall of Apartheid: South Africa and World Politics*. Houndmills, Basingstoke, Hampshire; New York, N.Y.: Palgrave Macmillan, 2005.
- Gurney, Christabel. "'A Great Cause': the Origins of the Anti-Apartheid Movement, June 1959-1960." *Journal of Southern African Studies* 26, no. 1 (March 2000).
- . David Haslam transcript, September 11, 2013. http://www.aamarchives.org/file-view/category/10-all-files.html?s_f_id=8396.
- . "In the Heart of the Beast: The British Anti-Apartheid Movement, 1959-1994." In *International Solidarity, 255–352. The Road to Democracy in South Africa, Vol.3*. Pretoria: SADET, 2008.
- Haenfler, Ross, Brett Johnson, and Ellis Jones. "Lifestyle Movements: Exploring the Intersection of Lifestyle and Social Movements." *Social Movement Studies* 11, no. 1 (January 1, 2012): 1–20.
- Haslemere Group. "You and Your Money." Accessed August 14, 2017. <http://www.aamarchives.org/file-view/category/27-barclays-and-shell.html>.
- Hauck, D. *Can Pretoria Be Moved?: The Emergence of Business Activism in South Africa*. Investor Responsibility Research Center, 1986.
- Hayes, J. P. *Economic Effects of Sanctions on Southern Africa*. Aldershot, Hampshire, England; Brookfield, Vt., USA: Gower, 1987.
- Heald, Morrell. "Business Thought in the Twenties: Social Responsibility." *American Quarterly* 13, no. 2 (July 1, 1961): 126–39.
- . "Management's Responsibility to Society: The Growth of an Idea." *Business History Review* 31, no. 4 (December 1, 1957).
- Hengeveld, Richard, and Jaap Rodenburg. *Embargo: Apartheid's Oil Secrets Revealed*. Amsterdam: Amsterdam University Press, 1995.
- Hennchen, Esther. "Royal Dutch Shell in Nigeria: Where Do Responsibilities End?" *Journal of Business Ethics* 129, no. 1 (2015): 1–25.
- Herkströter, Cor. "Dealing With Contradictory Expectations: Dilemmas Facing Multinationals." *Vital Speeches of the Day* 63, no. 4 (1996).
- Hermele, Kenneth, and Bertil Odén. "Sanction Dilemmas: Some Implications of Economic Sanctions against South Africa," 1988.

- Hilton, Matthew. *Consumerism in Twentieth-Century Britain, The Search for a Historical Movement*. Cambridge: Cambridge University Press, 2003.
- Hilton, Matthew, Nick Crowson, Jean-Francois Mouhot, and James McKay. *A Historical Guide to NGOs in Britain*. Basingstoke: Palgrave Macmillan, 2016.
- Hirschman, Albert O. *Exit, Voice and Loyalty: Responses to Decline in Firms, Organizations and States*. Cambridge, Mass.: Harvard University press, 1970.
- Holland, Martin. “Disinvestment, Sanctions and the European Community’s Code of Conduct in South Africa.” *African Affairs* 88, no. 353 (1989): 529–47.
- . “The European Community and South Africa: Economic Reality or Political Rhetoric?” *Political Studies* 33, no. 3 (September 1985): 399–417.
- . *The European Community and South Africa: European Political Co-Operation under Strain*. London: Pinter Publishers, 1988.
- . “The European Community and South Africa: In Search of a Policy for the 1990s.” *International Affairs (Royal Institute of International Affairs 1944-)* 64, no. 3 (1988): 415–30.
- Holzer, B., and M.P. Sørensen. “Rethinking Subpolitics: Beyond the ‘Iron Cage’ of Modern Politics?” *Theory, Culture and Society* 20, no. 2 (2003).
- Holzer, Boris. *Moralizing the Corporation: Transnational Activism and Corporate Accountability*. Cheltenham; Northampton, MA: E. Elgar, 2010.
- . “Political Consumerism between Individual Choice and Collective Action: Social Movements, Role Mobilization and Signalling.” *International Journal of Consumer Studies* 30, no. 5 (September 1, 2006): 405–15.
- Horn, Norbert. *Legal Problems of Codes of Conduct for Multinational Enterprises*. Deventer [etc.]; Hingham, MA: Kluwer, 1980.
- Houser, George, and American Committee on Africa. *A Rationale for the Protest against Banks Doing Business with South Africa*. New York: American Committee on Africa, 1966.
- “Human Rights | Barclays.” Accessed August 9, 2017. <https://www.home.barclays/citizenship/our-approach/human-rights.html>.
- Hunt, Chelsie, Olaf Weber, and Truzaar Dordi. “A Comparative Analysis of the Anti-Apartheid and Fossil Fuel Divestment Campaigns.” *Journal of Sustainable Finance & Investment* 7, no. 1 (January 2, 2017): 64–81.

- Ihlen, Øyvind. *Public Relations and Social Theory, Key Figures and Concepts*. New York: Routledge, 2009.
- Inglehart, Ronald. *Culture Shift in Advanced Industrial Society*. Princeton, N.J.: Princeton University Press, 1990.
- Irwin, Ryan M. *Gordian Knot: Apartheid and the Unmaking of the Liberal World Order*. Oxford Studies in International History. New York: Oxford University Press, 2012.
- Jasper, James, and Jane Poulsen. "Fighting Back: Vulnerabilities, Blunders, and Countermobilization by the Targets in Three Animal Rights Campaigns." *Sociological Forum* 8, no. 4 (1993): 639–57.
- Jennett, Christine, and Randal G. Stewart. *Politics of the Future: The Role of Social Movements*. South Melbourne: MacMillan, 1989.
- Jill E. Hopke, and Luis E. Hestres. "Fossil Fuel Divestment and Climate Change Communication." *Oxford Research Encyclopedia of Climate Science*, Oxford University Press (June 2017).
- John, Nerys. "The Campaign against British Bank Involvement in Apartheid South Africa." *African Affairs* 99, no. 396 (July 1, 2000): 415–33.
- Johnson, Phil, and Ken Smith. "Contextualizing Business Ethics: Anomie and Social Life." *Human Relations* 52, no. 11 (November 1, 1999): 1351–75.
- Johnston, Josée. "The Citizen-Consumer Hybrid: Ideological Tensions and the Case of Whole Foods Market." *Theory and Society* 37, no. 3 (June 1, 2008): 229–70.
- Jones, Lee. "South Africa: Sanctioning Apartheid." In *Societies Under Siege*. Oxford: Oxford University Press, 2015.
- Jones, Stuart. "Business Imperialism and the Imperial Banks in South Africa." *South African Journal of Economics* 66, no. 1 (March 1, 1998): 30–42.
- . "Origins, Growth and Concentration of Bank Capital in South Africa, 1860-92." *Business History* 36, no. 3 (July 1994): 62–80.
- Jones, Stuart, and Jon Inggs. "An Overview of the South African Economy in the 1970s." *South African Journal of Economic History* 14, no. 1–2 (September 1, 1999): 1–10.
- Joutsenvirta, M, and E Vaara. "Legitimacy Struggles and Political Corporate Social Responsibility in International Settings: A Comparative Discursive Analysis of a Contested Investment in Latin America." *Organization Studies* 36, no. 6 (2015): 741–77.

- Kaempfer, William H., James A. Lehman, and Anton D. Lowenberg. "Divestment, Investment Sanctions, and Disinvestment: An Evaluation of Anti-Apartheid Policy Instruments." *International Organization* 41, no. 3 (1987): 457–73.
- . "The Economics of the Call for Anti-Apartheid Investment Sanctions." *Social Science Quarterly* 68, no. 3 (September 1, 1987).
- Keck, Margaret E., and Kathryn Sikkink. "Transnational Advocacy Networks in International and Regional Politics." *International Social Science Journal* 51, no. 159 (March 1, 1999): 89–101.
- King, Brayden G. "The Tactical Disruptiveness of Social Movements." *Social Problems* 58, no. 4 (2011): 491–517.
- King, Brayden G., and Mary-Hunter McDonnell. "Good Firms, Good Targets: The Relationship between Corporate Social Responsibility, Reputation, and Activist Targeting." SSRN Scholarly Paper. Rochester, NY: Social Science Research Network, June 1, 2012.
- King, Brayden G., and Sarah A. Soule. "Social Movements as Extra-Institutional Entrepreneurs: The Effect of Protests on Stock Price Returns." *Administrative Science Quarterly* 52, no. 3 (2007): 413–42.
- Klein, Genevieve Lynette. "Publicising the African National Congress: The Anti-Apartheid News." *South African Historical Journal* 63, no. 3 (August 24, 2011): 394–413.
- Klein, Jg., N.C. Smith, and A. John. "Why We Boycott: Consumer Motivations for Boycott Participation." *J. Mark.* 68, no. 3 (2004): 92–109.
- Klinghoffer, Arthur Jay. *Oiling the Wheels of Apartheid: Exposing South Africa's Secret Oil Trade*. Boulder: L. Rienner, 1989.
- Knight, Graham, and Josh Greenberg. "Promotionalism and Subpolitics: Nike and Its Labor Critics." *Management Communication Quarterly* 15, no. 4 (May 1, 2002): 541–70.
- Kollewe, Julia. "Barclays Faces Apartheid Court Action." *The Independent*, March 17, 2011. <https://web.archive.org/web/20110317180637/http://www.independent.co.uk/news/business/news/barclays-faces-apartheid-court-action-523883.html>.
- Larana, E., H. Johnston, and J.R. Gusfield. *New Social Movements: From Ideology to Identity*. Temple University Press, 2009.
- Larney, Kathrine Toftkjær. *Aktivister Mod Apartheid, Dansk Solidaritet Med Sydafrika*. Kbh: Sydafrika Kontakt, 2004.

- Leape, Jonathan, Bo Baskin, and Stefan Underhill. *Business in the Shadow of Apartheid: U.S. Firms in South Africa*. Lexington, Mass.: Lexington Books, 1985.
- Lent, Adam. *British Social Movements since 1945: Sex, Colour, Peace, and Power*. New York: Palgrave, 2001.
- Levy, Philip I. "Sanctions on South Africa: What Did They Do?" *American Economic Review* 89, no. 2 (1999): 415–20.
- Lewis, Alan, and Karl Erik Wärneryd. *Ethics and Economic Affairs*. London: Routledge, 2002.
- Luyckx, Joost, and Maddy Janssens. "Discursive Legitimation of a Contested Actor Over Time: The Multinational Corporation as a Historical Case (1964–2012)." *Organization Studies* 37, no. 11 (2016): 1595–1619.
- Manby, Bronwen. "South Africa: The Impact of Sanctions." *Journal of International Affairs* 46, no. 1 (1992).
- Mandela, Nelson. *Selected Speeches and Writings of Nelson Mandela: The End of Apartheid in South Africa*. St. Petersburg, Fla.: Red and Black Publishers, 2010.
- Mangaliso, Mzamo. *Strategic Choice under Uncertainty: Multinational Corporations and the Pressure to Disinvest from South Africa*. Lanham, Md.: University Press of America, 2010.
- Maré, Gerhard, and Georgina Hamilton. *An Appetite for Power: Buthelezi's Inkatha and South Africa*. Johannesburg: Ravan Pr. [u.a.], 1988.
- Markoff, John. "Historical Analysis and Social Movements Research." In *The Oxford Handbook of Social Movements*. Oxford: Oxford University Press, 2015.
- Marks, Shula. "Introduction." South Africa House, London: Anti-Apartheid Movement Archives Committee, 1999.
- Marwick, Arthur. *British Society since 1945*. London: Penguin, 1996.
- Massie, Robert. *Loosing the Bonds: The United States and South Africa in the Apartheid Years*. New York: Nan A. Talese/Doubleday, 1997.
- Mathur, Nita. *Consumer Culture, Modernity and Identity*. Los Angeles [u.a.]: SAGE, 2014.
- McAdam, Doug, John D. McCarthy, and Mayer N. Zald, eds. *Comparative Perspectives on Social Movements: Political Opportunities, Mobilizing Structures, and Cultural Framings*. Cambridge: Cambridge University Press, 1996.
- McDonnell, Mary-Hunter, and Brayden King. "Keeping up Appearances." *Administrative Science Quarterly* 58, no. 3 (August 9, 2013): 387–419.

- McDonnell, Mary-Hunter, Brayden G. King, and Sarah A. Soule. "A Dynamic Process Model of Private Politics." *American Sociological Review* 80, no. 3 (2015): 654–78.
- Mermelstein, David. *The Anti-Apartheid Reader: The Struggle against White Racist Rule in South Africa*. New York: Grove, 1986.
- Micheletti, Michele. *Political Virtue and Shopping: Individuals, Consumerism, and Collective Action*. Basingstoke: Palgrave Macmillan, 2003.
- Mills, Claudia. "Should We Boycott Boycotts?" *Journal of Social Philosophy* 27, no. 3 (December 1, 1996): 136–48.
- Mitchell, John V. "Companies in a World of Conflict NGOs, Sanctions and Corporate Responsibility." Royal Inst. of Internat. Affairs [u.a.], 1998.
- Mitchell, Ronald K., Bradley R. Agle, and Donna J. Wood. "Toward a Theory of Stakeholder Identification and Salience: Defining the Principle of Who and What Really Counts." *The Academy of Management Review* 22, no. 4 (1997): 853–86.
- Morgan, Eric J. "The World Is Watching: Polaroid and South Africa." *Enterprise & Society* 7, no. 3 (2006): 520–49.
- Morgan, Kenneth O. *The People's Peace: British History, 1945-1989*. Oxford; New York: Oxford University Press, 1990.
- Moura-Leite, Rosamaria C., and Robert C. Padgett. "Historical Background of Corporate Social Responsibility." *Social Responsibility Journal* 7, no. 4 (2011): 528–39.
- Smith, N. Craig. *Morality and the Market, Consumer Pressure for Corporate Accountability*. London: Routledge, 1990.
- Newton, Lisa H. "Truth Is the Daughter of Time: The Real Story of the Nestle Case." *Business and Society Review* 104, no. 4 (1999).
- Norcia, Vincent di. "The Leverage of Foreigners: Multinationals in South Africa." *Journal of Business Ethics* 8, no. 11 (November 1, 1989): 865–71.
- Nxumalo, Jabulani "Mzala." *Gatsha Buthelezi: Chief with a Double Agenda*. London; Atlantic Highlands, N.J.: Zed Books, 1988.
- O'Brien, Richard. *Global Financial Integration: The End of Geography*. New York: The Royal Institute of International Affairs, 1992.
- Olson, Mancur. *The Logic of Collective Action, Public Goods and the Theory of Groups*. Cambridge, Mass, 1975.

- O'Sullivan, Kevin. "The Search for Justice: NGOs in Britain and Ireland and the New International Economic Order, 1968–82." *Humanity: An International Journal of Human Rights, Humanitarianism, and Development* 6, no. 1 (2015): 173–87.
- Padayachee, Vishnu. "Private International Banks, the Debt Crisis and the Apartheid State, 1982–1985." *African Affairs* 87, no. 348 (July 1, 1988): 361–76.
- Pagan, Rafael. "The Nestle Boycott: Implications for Strategic Business Planning." *The Journal of Business Strategy* 6, no. 4 (1986).
- Panayiotis Georgallis. "The Link Between Social Movements and Corporate Social Initiatives: Toward a Multi-Level Theory." *Journal of Business Ethics* 142, no. 4 (2017): 735–51.
- Pellandini-Simányi, Léna. *Consumption Norms and Everyday Ethics*. Basingstoke: Palgrave Macmillan, 2014.
- Porter, Michael E., and Mark R. Kramer. "Creating Shared Value." *Harvard Business Review* 89, no. 1/2 (February 1, 2011): 62–77.
- Price, Robert M. *The Apartheid State in Crisis: Political Transformation in South Africa, 1975–1990*. New York: Oxford University Press, 1991.
- Rasborg, Klaus. "Den Anden Modernitet: En Kritisk Diskussion Af Ulrich Becks Teori Om Risikosamfundet." *Slagmark*, Nr. 34 2002, 39–60.
- Ravi Raman, K. *Corporate Social Responsibility, Comparative Critiques*. New York: Palgrave Macmillan, 2010.
- Reddy, Enuga. S. "Apartheid and the International Community." *Issue: A Journal of Opinion* 4, no. 3 (October 1, 1974): 19–24.
- . *Apartheid: The United Nations and the International Community: A Collection of Speeches and Papers*. New Delhi: Vikas Pub. House, 1986.
- . "The United Nations and the Struggle for Liberation in South Africa." In *International Solidarity. The Road to Democracy in South Africa, Vol.3*. Pretoria: SADET, 2008.
- Rodman, Kenneth A. "Public and Private Sanctions against South Africa." *Political Science Quarterly* 109, no. 2 (1994): 313–34.
- Rowe, David M. *Manipulating the Market: Understanding Economic Sanctions, Institutional Change, and the Political Unity of White Rhodesia*. Ann Arbor: University of Michigan Press, 2001.
- Ruggiero, Vincenzo, and Nicola Montagna. *Social Movements: A Reader*. New York, NY: Routledge, 2008.

- Ryle, Martin H. *The Politics and Pleasures of Consuming Differently*. New York: Palgrave Macmillan, 2009.
- Sampson, Anthony. *Black and Gold*. New York: Pantheon Books, 1987.
- Sanders, James. *South Africa and the International Media, 1972-1979: A Struggle for Representation*. London; Portland, OR: F. Cass, 2000.
- Sapire, Hilary. "Liberation Movements, Exile, and International Solidarity: An Introduction." *Journal of Southern African Studies* 35, no. 2 (June 1, 2009): 271–86.
- Sasson, Tehila. "Milking the Third World? Humanitarianism, Capitalism, and the Moral Economy of the Nestlé Boycott." *The American Historical Review* 121, no. 4 (October 1, 2016): 1196–1224.
- Schildt, Axel, and Detlef Siegfried. *Between Marx and Coca-Cola, Youth Cultures in Changing European Societies, 1960-1980*. New York: Berghahn, 2005.
- Schwartz, David T. *Consuming Choices, Ethics in a Global Consumer Age*. Lanham, Md: Rowman & Littlefield Publishers, 2010.
- Schwartzman, Kathleen, and Kristie Taylor. "What Caused the Collapse of Apartheid?" *JPMS: Journal of Political and Military Sociology* 27, no. 1 (1999).
- Segal, Ronald. "Sanctions against South Africa." Baltimore: Penguin Books, 1964.
- Segerlund, Lisbeth. *Making Corporate Social Responsibility a Global Concern Norm Construction in a Globalizing World*. London: Routledge, 2010.
- Seidman, Gay W. *Beyond the Boycott, Labor Rights, Human Rights, and Transnational Activism*. New York: Russell Sage Foundation, 2007.
- . "Divestment Dynamics: Mobilizing, Shaming, and Changing the Rules." *Social Research; New York* 82, no. 4 (Winter 2015): 1015–1037.
- . "Monitoring Multinationals: Lessons from the Anti-Apartheid Era." *Politics & Society* 31, no. 3 (September 1, 2003): 381–406.
- Sethi, S. Prakash. *The South African Quagmire, in Search of a Peaceful Path to Democratic Pluralism*. Cambridge, Mass: Ballinger, 1987.
- Sethi, S. Prakash, and Oliver F. Williams. *Economic Imperatives and Ethical Values in Global Business: The South African Experience and International Codes Today*. Boston; Dordrecht: Kluwer Academic Publishers, 2000.
- Shaw, William H. "Boycotting South Africa." *Journal of Applied Philosophy* 3, no. 1 (1986): 59–72.

- Shipping Research Bureau. *The European Community and the Oil Embargo against South Africa*. Amsterdam: Shipping Research Bureau, 1987.
- Skinner, Quentin. *Visions of Politics*. Cambridge; New York: Cambridge University Press, 2007.
- Skinner, Rob. “Struggles on the Page: British Anti-Apartheid and Radical Scholarship.” *Radical History Review*, no. 119 (Spring 2014): 216–31.
- . *The Foundations of Anti-Apartheid: Liberal Humanitarians and Transnational Activists in Britain and the United States, c.1919-64*. Palgrave Macmillan, 2010.
- . “The Moral Foundations of British Anti-Apartheid Activism, 1946-1960.” *Journal of Southern African Studies* 35, no. 2 (June 2009): 399–416.
- Sklair, Leslie. *The Transnational Capitalist Class*. Oxford: Blackwell, 2001.
- Slater, Don. *Consumer Culture and Modernity*. Cambridge, UK; Cambridge, MA: Polity Press; Blackwell Publishers, 1997.
- Sluyterman, Keetie. *A History of Royal Dutch Shell, Vol.3*. Oxford: Oxford University Press, 2007.
- Smith, Robin. “Industrial Relations Policies and Political Change: The E.E.C. Code for South African Subsidiaries.” *British Journal of Industrial Relations* 18, no. 1 (March 1980): 99–114.
- Sørensen, Mads P. *Den politiske forbruger: i det liberale samfund*. Kbh.: Hans Reitzel, 2004.
- Sørensen, Mads P., and Allan Christiansen. *Ulrich Beck: An Introduction to the Theory of Second Modernity and the Risk Society*. Routledge Ltd, 2012.
- Soule, Sarah A. *Contention and Corporate Social Responsibility*. Cambridge: Cambridge University Press, 2009.
- Soule, Sarah A., and Brayden G. King. “Markets, Business, and Social Movements.” In *The Oxford Handbook of Social Movements*. Oxford: Oxford University Press, 2015.
- Spandau, Arnt. *Economic Boycott against South Africa: Normative and Factual Issues*. [Cape Town]: Juta, 1979.
- Sparks, Stephen. “Between ‘Artificial Economics’ and the ‘Discipline of the Market’: Sasol from Parastatal to Privatisation.” *Journal of Southern African Studies* 42, no. 4 (2016): 711–24.
- Steenbergen, V. *The Condition of Citizenship*. Politics and Culture Series. SAGE Publications, 1994.
- Stern, Nicholas H. *Why Are We Waiting? The Logic, Urgency, and Promise of Tackling Climate Change*. Cambridge, Massachusetts; London, England: MIT Press, 2016.

- Stevens, Simon. "Why South Africa? The Politics of Anti-Apartheid Activism in Britain in the Long 1970s." *The Breakthrough - Human Rights in the 1970s*, 2014.
- Stewart, James B. "Amandla! The Sullivan Principles and the Battle to End Apartheid in South Africa, 1975-1987." *The Journal of African American History* 96, no. 1 (2011).
- Stolle, Dietlind and Michele Micheletti. *Political Consumerism*. Cambridge University Press, 2013.
- Strydom, Piet. *New Horizons of Critical Theory: Collective Learning and Triple Contingency*. Delhi, India: Shipra Publications, 2009.
- Sullivan, Leon Howard. *Moving Mountains: The Principles and Purposes of Leon Sullivan*. Valley Forge, PA: Judson Press, 1998.
- Sutton, Brenda. *The Legitimate Corporation: Essential Readings in Business Ethics and Corporate Governance*. Cambridge, Mass.: Blackwell Business, 1993.
- Telemacque, Piers. "Whether It's Apartheid or Fossil Fuels, Divestment Is on the Right Side of History." Accessed August 2, 2017.
<https://www.theguardian.com/commentisfree/2015/apr/27/divestment-fossil-fuels-apartheid-barclays>.
- Thackeray, David. "Boycotting Apartheid: The Global Politics of 'Fair Trade.'" *Imperial & Global Forum*, December 17, 2013. <https://imperialglobalexeter.com/2013/12/17/boycotting-apartheid-the-global-politics-of-fair-trade/>.
- The Anti-Apartheid Movement. "Fight Apartheid with Your Shopping Basket." Accessed August 10, 2017. <http://www.aamarchives.org/file-view/category/21-boycott.html?start=20>.
- . *The Anti-Apartheid Movement: A 40-Year Perspective*. London: Anti-Apartheid Movement Archives Committee, 2000.
- Thörn, Håkan. *Anti-Apartheid and the Emergence of a Global Civil Society*. Houndmills, Basingstoke, Hampshire [England]; New York: Palgrave Macmillan, 2006.
- . "Solidarity Across Borders: The Transnational Anti-Apartheid Movement." *Voluntas: International Journal of Voluntary and Nonprofit Organizations* 17, no. 4 (2006): 285–301.
- Thörn, Håkan, and Sebastian Svenberg. "'We Feel the Responsibility That You Shirk': Movement Institutionalization, the Politics of Responsibility and the Case of the Swedish Environmental Movement." *Social Movement Studies* 15, no. 6 (November 1, 2016): 593–609.
- Tilly, Charles, and Sidney G. Tarrow. *Contentious Politics*. Boulder, Colo.: Paradigm Publishers, 2007.

- Tsutsui, Kiyoteru, and Alwyn Lim, eds. *Corporate Social Responsibility in a Globalizing World*. Cambridge: Cambridge University Press, 2015.
- Urry, John. *Climate Change and Society*. Cambridge; Malden (MA): Polity, 2015.
- Waddock, Sandra. *Difference Makers: How Social and Institutional Entrepreneurs Created the Corporate Responsibility Movement*. Sheffield: Sheffield: Greenleaf Publishing, 2008.
- Waldron, Theodore L., Chad Navis, and Greg Fisher. "Explaining Differences in Firms' Responses to Activism." *Academy of Management Review* 38, no. 3 (July 2013): 397–417.
- Wallerstein, Immanuel Maurice, William G. Martin, and Tuba. Agartan. *Making Waves: Worldwide Social Movements, 1750-2005*. Boulder: Paradigm Publishers, 2008.
- Wieviorka, Michel. "After New Social Movements." *Social Movement Studies* 4, no. 1 (May 1, 2005): 1–19.
- Williams, Elizabeth. "Anti-Apartheid: The Black British Response." *South African Historical Journal* 64, no. 3 (2012): 685–706.
- Williams, Oliver F. *Global Codes of Conduct an Idea Whose Time Has Come*. Notre Dame, Ind.: University of Notre Dame Press, 2000.
- World Council of Churches Programme to Combat Racism. *Fuelling Apartheid: Shell and the Military*. Geneva: Programme to Combat Racism, World Council of Churches, 1984.
- Wright, Christopher, and Daniel Nyberg. *Climate Change, Capitalism, and Corporations Processes of Creative Self-Destruction*. Cambridge: Cambridge University Press, 2015.
- Yaziji, Michael, and Jonathan P. Doh. *NGOs and Corporations: Conflict and Collaboration*. Cambridge: Cambridge University Press, 2009.
- Young, Iris Marion. "Responsibility and Global Justice: A Social Connection Model." *Social Philosophy and Policy* 23, no. 1 (2006): 102–30.
- Young, Iris Marion, and Martha Nussbaum. *Responsibility for Justice*. Oxford Political Philosophy. Oxford University Press, 2011.