

Meanwhile at home . . .

State considers divestiture

By David Ahmann
of the Cardinal Staff

The state of Wisconsin is considering the divestiture of more than \$82 million of state funds invested in corporations in business in South Africa.

The resolution, Assembly Bill 594, was submitted by Rep. Maria Coggs, D — Milwaukee, and was passed by the Committee on Aging, Women and Minorities by a vote of 5 to 4 on Sept. 30, 1981.

THE BILL HAS received widespread support from 50 co-sponsors so far. "The widespread support of the bill is partly attributable to the adverse publicity generated by a group of five Wisconsin legislators who visited South Africa in March of 1981, Coggs said.

"The ban will complete a movement which began in 1977, when the University of Wisconsin divested more than \$11 million of its holdings in companies doing business in South Africa," explained Coggs. According to investment advisors at the University that money has been reinvested with no ill-effects.

"American corporations in South Africa are merely benefiting from exploitation of the blacks," Coggs said. "Our investments are a major prop upon which the system of apartheid rests."

The economic sanction is a "step in a plan to apply further pressure to South Africa to end apartheid and other racially discriminatory policies," said Coggs. Challenging the system through such sanctions would place responsibility on American corporations to force the South African government to change.

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"This is the lever to force a change there," said Coggs. Rep. Richard Matty, R-Crivitz, was one of the five legislators who visited South Africa. Matty said, "AB 594 is anti-business, anti-private enterprise and anti-humane; it is the worst bit of legislation I've seen in ten years."

Matty admitted that there are imperfections within the system, but, "American investment is vital to South Africa and pulling out or divesting would only cause the nation as a whole to suffer," he said.

"With the money invested in South Africa by American companies the South African government is able to create a 1,000 new jobs a day. For the blacks it is absolutely vital because they need the security of the job so as to develop an economic foundation to stand on," said Matty.

"Divestiture is a step backwards to the development of South Africa, said Matty. He added, "That divestiture if passed would be a loss of real help — all in all it would be a nail in the coffins of blacks."

ELIZABETH SCHMIDT, a member of the Africanist students organization, contends that the divestiture could help to bring about a change in South Africa. "The major effect of the bill would be a psychological impact upon the South African government," said Schmidt. "It would be a blow to their public image which is bent on winning over public support," she added.

The bill is now before the Joint Committee on Finance chaired by Sen. Gerald D. Kleczka and Rep. John Norquist. According to an aide for Norquist the bill may come up for a public hearing in early January 1982.