

pletely idealistic, but few are likely to sacrifice principles for negligible and minor gains. Canada, however, has so far opted for this latter materialist extreme. Our trade with South Africa is neither significant nor important. The total Canadian exports to South Africa are only one-half of 1 per cent of Canada's total exports. Yet the Canadian Government is constrained from recommending any significant policy application of its affirmed concern for social justice. The Government has thus consciously placed a price-tag on the social and political values Canadians might expect their foreign policy to reflect. It is a price-tag that is pitifully small and almost inconsequential to the broad economic welfare of this nation.

The policy recommendations that recur in the statements and recommendations of informed and concerned Canadian organizations include the following:

(1) That South Africa should no longer be given preferential access to the Canadian market. South Africa left the Commonwealth in 1961 partly at Canada's instigation. It is ludicrous that Canada still extends to South Africa this Commonwealth preference. It is humiliating that, when Canada finally lifts these preferences, it will do so as a consequence of the General Agreement on Tariffs and Trade and not as an indication of any desire to limit economic involvement with South African racism.

(2) Canada should follow the lead of the Scandinavian countries, the Netherlands and the World Council of Churches, and directly provide humanitarian assistance to the liberation movements of southern Africa.

(3) Canadian investment in Namibia should be entirely stopped. The Canadian Government has taken the correct position that the continued rule of South Africa over Namibia is illegal under international law. The International Court of Justice has given an advisory judgment to that same effect. Yet Canadian companies continue to invest in Namibia, co-operating with and paying taxes to a regime the Government of Canada regards as illegal. Worse still, Canadian mining operations continue to deplete Namibian natural resources before a government of its own people can determine its policies and benefit from the royalties.

(4) Canada should discourage further investment in South Africa. The Canadian Government must stop trying to separate its trade and investment policies in South Africa from its foreign policy. When the Aluminum Company of Canada builds a border industry, when the Bank of Mont-

real, the Canadian Imperial Bank of Commerce and the Toronto Dominion Bank join an international banking consortium to lend \$70 million to the South African Government, when Falconbridge Nickel Mines engages in extensive exploration and mining in Namibia, these activities are more significant than Canada's rhetorical condemnation of *apartheid*. In fact, compared to Canada's "cool but correct" political position, Canadian trade policies are the only policies of significance in regard to South Africa.

The case for the first three of these four recommendations is, perhaps, self-evident. Some, however, including Mr. Sharp, have argued that the Canadian investor in South Africa is an agent of progressive social change. They point to the fact that, as a result of high investment-rates, there has been an increase in the numbers of semi-skilled and skilled jobs being filled by Africans in a wide range of manufacturing industries. This is important, but its significance as far as white supremacy is concerned is easily exaggerated. The commitment to white domination has meant that the employer has always been careful to insure that all his white employees remain in positions that are superior to those held by Africans. Thus, while this process involves some Africans performing jobs that previously have been reserved for whites, it in no way involves an undermining of *apartheid*, of job reservation or of white domination. What is occurring is an upper adjustment of the line that divides blacks from whites. However, there has not been any blurring of the line separating the races. Far from representing a significant crack in *apartheid*, it merely illustrates the regime's ability to adjust *apartheid* to the realities of the supply of white labour. No more than that has happened.

Nor can it be argued that foreign investment will somehow prove more liberal and more significantly reformist in its impact upon South Africa than domestic investment. Foreign investment is and has been extremely important to South Africa. This investment has saved South Africa from severe balance-of-payments problems. It has also permitted South Africa to draw upon the technological advances of Western capitalism, which the South African economy, because of its tiny base, could not itself have hoped to duplicate. Thirdly, heavy foreign investment has shielded South Africa from international isolation. An investor can be counted upon to "put his mouth where his money is". These investors continue to be very effective defenders and allies of the South African

Some argue benefits of Canadian investment in South Africa

Apartheid merely adjusts to realities of labour supply