H-**Diplo** Article Review 1000

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Zeb Larson's recent article in *Diplomatic History,* entitled "The Sullivan Principles: South Africa, Apartheid, and Globalization" assesses the contributions of the Sullivan Principles—a code of conduct for U.S. corporations doing business in Apartheid South Africa. Drawing on a wide variety of documents from government and anti-apartheid organizations, as well as oral histories, Larson argues for "the importance of the Sullivan Principles [in] augur[ing] the future of corporate responses to globalization concerns," while also highlighting the limitations of this approach for those invested in human rights (482).

The article begins with an introduction to Rev. Leon Howard Sullivan. A veteran of the civil rights movement, Sullivan was a well-known figure prior to the launch of the corporate code bearing his name. During the late 1950s and early 1960s, Sullivan earned national recognition for his role leading the Selective Patronage Movement protesting discriminatory employment practices in Philadelphia. Not long after, Sullivan launched Opportunities Industrialization Centers, Inc., a job-training and black empowerment program, which, by the 1970s, had chapters in over seventy communities across the U.S. and Africa. In 1971, Sullivan made history when he was appointed to the board of General Motors (GM), making him the first Black American to serve on the board of a major Fortune 500 company.

What happened next contributed, in Larson's words, to a "substantial change in American business practices" (484). Following his election to the Board of Directors for General Motors (GM), Sullivan sparked controversy with his support for a shareholder resolution submitted by the Episcopal Church calling for General Motors to leave South Africa. "Apartheid...is the most ruthless form of dealing with human beings in the world today. And...General Motors, Chrysler, Ford and 300 other American companies underwrite apartheid by being there...I hold that General Motors should get out of South Africa."[1] Within a year, however, Sullivan had moderated his views, noting that he was working with the company to improve conditions for Black South Africans. This collaboration culminated in the Sullivan Principles, which were launched in the wake of the 1976 Soweto Uprising and signed by twelve major companies, including GM, Ford Motor Company, and International Business Machines (IBM). At their height, the Principles had over 150 signatories.

Larson devotes a good amount of the introduction to situating his work within existing literature on the Principles. Despite the significant attention that was paid them by contemporaries, leading them to be praised by state department officials, business leaders, and universities as a major step in weakening Apartheid, the Principles have until recently garnered relatively little attention from scholars of U.S. international relations. Early scholarship on the anti-apartheid movement tended to dismiss the Sullivan Principles as ineffective, if not detrimental to the goal of ending Apartheid. "These histories," many of them written by activists, tended to "focus on what happened after the Principles had been adopted," says Larson

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[1] Sullivan quoted in "Episcopal Resolution Backed by Dr. Leon Sullivan of GM," *Oakland Post,* 28 April 1971, 13.

(480),[2] who, by contrast, makes the case that many of the ultimate shortcomings of the Principles can be traced to "the forces that shaped the Principles as they emerged" (480).

More recently, a new wave of scholarship—much of it still in-progress—has emerged with the aim of re-assessing the Sullivan Principles and their legacy.[3] Larson joins these scholars in moving beyond the question of the Principles' contribution to ending Apartheid in South Africa, stating, "I do not argue with historians or activists who criticized Leon Sullivan's work as ineffective…[I] agree that Sullivan's contribution to ending apartheid was minimal to nonexistent" (481). Instead, Larson shows how the Principles remained influential even after their initial decline, inspiring a range of similar codes, including the MacBride Principles (Northern Ireland), the Slepak Principles (Soviet Union), and the Miller Principles (China).

The long-term impact of the Principles, what Larson refers to as their afterlife, raises a "central paradox" of the Sullivan Principles: "How was it that the Sullivan Principles were accepted in the long-term despite being excoriated by activists for over a decade for failing to substantively end apartheid?" (500). Larson offers several solutions to this problem, including linking the history of the Sullivan Principles and other corporate codes to the rise of free-market politics and government-supported deregulation. This is one of the more noteworthy aspects of the article. Drawing on research in the State Department archives, Larson shows how the United States' government turned to corporations to put pressure on South Africa to modify their Apartheid policy as a means of getting around the country's Cold War alliance with South Africa. This effort was initially supported to a degree by anti-apartheid organizations, including the American Committee on Africa, which "encourage[d] private investors in South Africa to use the leverage that they wielded to undermine apartheid by adopting non-discrimination codes regarding employment, training, and housing" (485). Over time, however, anti-apartheid activists became more critical of the Principles. In 1986, Congress passed the Comprehensive Anti-Apartheid Act was passed by Congress, essentially negating the Principles through adopting widespread sanctions and divestment as the primary tool for combatting Apartheid. While successful in undermining the Sullivan Principles in the specific case of Apartheid, Larson makes the case that these same activists stopped short of debating "the actual utility of investor codes to change corporate behavior" (500). As such, corporate codes remained a popular response in the aftermath of the anti-apartheid movement, demonstrating "a degree of surrender to free-market capitalism" (502).

This argument mirrors recent trends in U.S. political and intellectual history with regards to the rise of free-market and deregulatory politics during the late twentieth century.[4] With some exceptions, much of this scholarship has focused on the

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[2] See, for example, Francis Nesbitt, *Race for Sanctions: African Americans Against Apartheid, 1946-1994* (Bloomington: University of Indiana Press, 2004), 96; Donald Culverson, *Contesting Apartheid: U.S. Activism, 1960-1987* (Boulder: Westview Press, 1999), 85, 125; An exception to this trend is Robert Massie, who discussed the Sullivan Principles at length in *Loosing the Bonds: The United States and South Africa in the Apartheid Years* (New York: Doubleday, 1997), 408-409, 447-449, 523-530, 578-580. While largely in agreement with other activist-scholars regarding the Principles ineffectiveness as a strategy for ending Apartheid, Culverson did comment on the longer-term effects that the Principles had on corporate social responsibility and institutional politics.

[3] Jessica Ann Levy, "Black Power in the Boardroom: Corporate America, the Sullivan Principles, and the Anti-Apartheid Struggle," *Enterprise & Society* 21:1 (March 2020): 170-209; Simon Stevens, "'From the Viewpoint of a Southern Governor': The Carter Administration and Apartheid, 1977-81," *Diplomatic History,* 36:5 (November 2012): 843-880; Eric Morgan, "The World is Watching: Polaroid and South Africa," *Enterprise & Society* 7:3 (2006): 520-549; Mattie Webb, "The Sullivan Principles at Work: The Conflicted Activism of Rev. Leon Howard Sullivan," *Scholar Blog, Stuart A. Rose Manuscript, Archives, and Rare Book Library,* 7 August 2019, https://scholarblogs.emory.edu/marbl/2019/08/07/the-sullivan-principles-at-work-the-conflicted-activism-of-rev-leon-howard-sullivan/#_ftnref4.

[4] See Angus Burgin, *The Great Persuasion: Reinventing Free Markets since the Depression* (Cambridge: Harvard University Press, 2015)*;* Bethany Moreton, *To Serve God and Wal-Mart: The Making of Christian Free Enterprise* (Cambridge: Harvard University Press, 2010); Kim Philips-Fein, *Invisible Hands: The Businessmen's Crusade against the New Deal* (New York: W.W. Norton, 2009); Shane Hamilton, *Trucking Country: The Road to America's Wal-Mart Economy* (Princeton: Princeton University Press, 2008). Meg Jacobs's work offers an important caveat with regards to this scholarship by demonstrating that the politics of deregulation only gained support amid an "intensification of liberal reform in the 1970s that gave conservatives a ready target to attack." Meg Jacobs, "The Politics of

domestic sphere.[5] By contrast, Larson extends this line of inquiry into the realm of U.S. foreign policy. Constrained by the politics of the Cold War, the U.S. government out-sourced aspects of foreign policy to U.S. corporations by supporting the Sullivan Principles. It is worth noting that this support stopped short of converting the Principles from a voluntary program into U.S. law, highlighting the dual nature of state-sponsored free enterprise and de-regulation.

Larson's analysis of the relationship between the U.S. government and the signatory companies is quite compelling and reveals his engagement with government archives. What I find less persuasive is Larson's discussion of globalization, which, alongside free-market capitalism, shapes his analysis of the Principles. Thus, for example, Larson states in the introduction that "early worries about globalization, and attempts to respond to it, drove the creation of the Sullivan Principles" (482). This kind of assigning of causal weight to globalization is not unique. Over the last few decades, it has become quite fashionable to use globalization to account for a number of political, economic, and cultural shifts during the late twentieth century. Yet, often the term lacks a degree of specificity and accuracy. In the case of the Principles, the notion that apprehension about globalization gave rise to business action is belied by the fact that many, if not all, of the signatory companies were global companies well before the 1970s.[6] Take for example General Motors and Ford Motors, two of the original twelve signatories. Both had operated in South Africa for over a half century—since 1913 and 1923, respectively—before embarking on the Sullivan Principles. Far from generating a sense of worry, this earlier period of international business proved quite profitable for American business. In South Africa during the 1960s, thanks in large part to Apartheid's political economy, American investors averaged a 20.6 percent rate of return on their investments, the highest rate of return in the world. Given this earlier wave of investment, which provoked no such commitment to equal opportunity and non-discrimination, it is difficult to make the case that globalization, in and of itself, drove the creation of the Sullivan Principles and other codes of conduct in the 1970s, 1980s, and 1990s.

Instead of relying on an abstract notion of globalization, scholars of U.S. international relations would benefit from paying closer attention to the effects that decolonization and the internationalist black politics it engendered had on American foreign policy, including the foreign policy of American corporations.[7] In the case of the Principles, this requires a more explicit recognition of the role that race and racism played in the rise of corporate social responsibility. As Marcia Chatelain and others have shown, black protests, not just the threat of government regulation, were central to the expansion of business activism during the late twentieth-century.[8] Corporate codes like the Sullivan Principles were part of a broader

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Environmental Regulation: Business-Government Relations in the 1970s and Beyond," in *What's Good for Business and American Politics since World War II* (New York: Oxford University Press, 2012), 212-232.

[5] A notable exception to this trend is Amy C. Offner's *Sorting Out the Mixed Economy: The Rise and Fall of Welfare and Developmental States in the Americas* (Princeton: Princeton University Press, 2019).

[6] Skepticism surrounding the concept of globalization has existed since its emergence as a major theory in the 1990s. See Paul Q. Hirst and Grahame Thompson, *Globalization in Question: The International Economy and the Possibilities of Governance* (Cambridge: Polity Press, 1996).

[7] On the challenges posed by anti-imperial and black internationalism to the existing international order see, Adom Getachew, *Worldmaking after Empire: The Rise and Fall of Self-Determination* (Princeton: Princeton University Press, 2019); Brenda Gayle Plummer, *Rising Wind: Black Americans and U.S. Foreign Affairs, 1935-1960* (Chapel Hill: The University of North Carolina Press, 1996).

[8] Marcia Chatelain, *Franchise: The Golden Arches in Black America* (New York: Liveright, 2020); Levy, "Black Power in the Boardroom"; Laura Warren Hill and Julia Rabig, eds., *The Business of Black Power: Community Development, Capitalism, and Corporate Responsibility in Postwar America* (Rochester: University of Rochester Press, 2012); Jennifer Delton, *Racial Integration in Corporate America, 1940-1990* (New York: Cambridge University Press, 2009).

effort to mitigate the more radical elements of a global Black Power movement and align post-civil rights and anti-apartheid politics with the interests of American capitalism.

Such an understanding comes from seeing the process of crafting and disseminating the Principles as one driven by White corporate executives in addition to Sullivan, and acknowledging the unequal power relations between them. From the moment Sullivan joined GM's board of directors, he faced significant pressure to modify his views on South Africa. After receiving numerous reports from GM officials concerning the company's ongoing work to improve conditions for non-white workers in South Africa, Sullivan traveled to South Africa in 1975 to see for himself. As Larson rightly notes, this trip proved crucial to the development of the Sullivan Principles, which were first alluded to in a sermon delivered by Sullivan shortly after his return to the United States. What Larson does not mention is that this trip was sponsored by the U.S. State Department and General Motors, which, working in concert, structured Sullivan's itinerary so as to minimize criticism and illicit optimistic, if not favorable, views about the ability of American business to be an effective tool for change in South Africa.

Sullivan faced similar kinds of constraints during the process of drafting the Principles. On page 489, Larson states that "executives agreed to work toward a series of principles which Sullivan would devise" (489). In reality, the executives were quite involved in shaping the Principles, including rejecting a crucial clause proposed by Sullivan that would have made adherence to the Principles a prerequisite for future investment in South Africa. This is an important point, because it highlights the limitations faced by Sullivan, the sole Black director working with some of the most powerful White executives in the country, if not the world.

Sullivan's politics, which often relied on working within, rather outside of mainstream institutions, including U.S. corporations, were certainly not without their limitations. Like a number of his contemporaries, including Andrew Young and Cyril Ramaphosa, a former trade unionist turned businessman and current President of South Africa, Sullivan demonstrated a certain willingness, if not enthusiasm, for using capitalism to fuel black advancement.[9] I am in full agreement with Larson when he warns that this "surrender to free-market capitalism" should concern those committed to expanding human rights. As the case of the Principles make clear, without government regulation, corporate social responsibility is incapable of solving entrenched problems of inequality. While Larson attributes this failure to globalization and, to some extent, a lack of vision on the part of activists, an alternative approach might have paid closer attention to some of the other long-term trends, including racism and imperialism, that have shaped the history of American capitalism.

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[9] Lester K. Spence, *Knocking the Hustle: Against the Neoliberal Turn in Black Politics* (Goleta: Punctum Books, 2015); Jessica Ann Levy, "Selling Atlanta: Black Mayoral Politics from Protest to Entrepreneurism, 1973 to 1990," *Journal of Urban History* 41:3 (2015): 420-443; Chatelain, *Franchise.*