

## **Court: Apartheid Suits Vs. Companies In U.S. Barred**

Larry Neumeister, Associated Press

NEW YORK (AP) — Two automakers and a technology company cannot be held liable in the U.S. for abuses committed by South Africa's government, a federal appeals court said Wednesday in a blow to class-action lawsuits that had tried to hold American, Canadian and European companies liable for the claims of millions of people who say they suffered under apartheid.

The 2nd U.S. Circuit Court of Appeals said claims that subsidiaries of the companies are to blame for selling cars and computers to the South African government must be rejected. The Manhattan court left it to a lower court to formally toss the claims, the remnants of lawsuits that once named 78 diverse foreign and domestic corporations representing a broad spectrum of the international economy.

Lawsuits still sought to hold Daimler AG, Ford Motor Co. and IBM Corp. responsible for race-based injustices including rape, torture and murder under apartheid, which ended two decades ago.

They said Daimler and Ford manufactured military vehicles for the South African security forces and assisted security forces in identifying and torturing anti-apartheid leaders. The plaintiffs also accused IBM of providing computer equipment so the South African government could restrict black South Africans' movements, track dissidents and target individuals for repressive acts.

The appeals court based its ruling on a recent Supreme Court decision pertaining to the Alien Tort Statute, an obscure 1789 law originally enacted to prosecute pirates that was revived in recent decades to permit lawsuits in the United States against those who violate human rights abroad. The decision written by 2nd Circuit Judge Jose A. Cabranes concluded that federal courts may not recognize common-law claims brought under the statute for conduct in another nation's territory.

Lawyers on both sides did not immediately return messages for comment.

The latest twist in the case is among many since lawsuits were filed 11 years ago and consolidated in New York. U.S. District Judge John E. Sprizzo, who has since died, threw out the lawsuits in 2004, saying he did not have jurisdiction. He noted that Congress had supported and encouraged business investment in South Africa as a way to achieve greater respect for human rights and a reduction in poverty.

And he cited vigorous objections to the lawsuits by the U.S. and its allies. The U.S. had said the lawsuits posed a foreign policy problem, threatening to inflame U.S. relations with South Africa. The South African government had said the cases interfered with its rights to litigate such claims itself, though it later reversed its

## **Court: Apartheid Suits Vs. Companies In U.S. Barred**

Published on Industrial Maintenance & Plant Operation (<http://www.impomag.com>)

---

position after the 2nd Circuit heard arguments three years ago.

The 2nd Circuit had reinstated the case in 2007, saying international interests should not always come first in human rights cases.

**Source URL (retrieved on 12/27/2014 - 7:49pm):**

<http://www.impomag.com/news/2013/08/court-apartheid-suits-vs-companies-us-barred>