

## STOP BANKING ON APARTHEID

In June 1976, a well of anger against the apartheid system in South Africa culminated in actions by thousands and thousands of black South Africans. The Soweto Uprisings, as they came to be called, heralded a new stage in the struggle by South Africans to dismantle the apartheid system and the racist government which has instituted it.

In commemoration, June 16 has been declared an International Day of Withdrawal by those participating in the campaign to stop all bank loans going to South Africa. Publicity, actions and bank account withdrawals will be held throughout North America and in Africa and Europe.

In coordination with KOPANO, a black South African organization based in California, STOP BANKING ON APARTHEID is concentrating on several activities. We will be giving numerous interviews on radio, TV and in the printed media, as well as holding a Press Conference on the 16th. The prior Sunday has been declared a DAY OF CONCERN by Northern California churches. Church services will focus on conditions in South Africa and the role the US has in the country. Throughout California on the 16th, Bank of America branches will be leafleted. The purpose is to encourage bank account withdrawals and to explain to bank customers and the general public the role of California banks in supporting apartheid. And we will be concentrating on increasing the endorsements of the Campaign and encouraging those endorsing to put their money in financial institutions accountable to the communities within which they operate.

We need you and your organization's help to make the banks take notice that citizens do not want their funds supporting the current South African regime and its apartheid system. And we need to know *as soon as possible*.

### NEWS BRIEFS

#### CALIFORNIA

*Voices of protest* were heard at the Bank of America annual stockholders' meeting April 25 in Los Angeles. Outside, 100 demonstrators brought to the public their concern over the Bank's loans to South Africa and Chile. Inside, public officials and representatives of church, public interest and community groups questioned management on affirmative action, redlining, and loans to South Africa and Chile. The filers of the resolution opposing continued financial relationships with South

Africa maintained that loans constitute "an economic vote of confidence in apartheid". 4.9% of the shareholders agreed. While this percentage is small, it is actually a significant vote against management and assures the resolution's automatic consideration at the next annual meeting.

*The Western Region of the YWCA* endorsed the Stanford Chapter's divestment of all its holdings in corporations operating in South Africa. The Region is recommending that the national YWCA adopt the same policy.

*Pressure by UC students* at 9 campuses has caused the Regents to set up a special meeting this June 8 to consider UC investments and South Africa. This is quite a precedent, particularly since the University of California has the largest investment fund of any UC university, with about \$800 million in stocks, bonds and short term investments in companies doing business in South Africa. Specific times have been set for "expert" and community testimony regarding divestment. Contact Carol Bremner (Students for Economic Justice) at (415) 548-5173 for more information.

*The Sacramento State Student Government* has begun a phased withdrawal of its \$250,000 deposited in Bank of America, Crocker and Lloyds Bank. They also withdrew their funds from the California State Surplus Pool because of its financial credit arrangement with US corporations and banks who invest in South Africa. The Student Government at San Jose State has done likewise. Similar campaigns are under way at San Diego State, Cal State Dominguez Hills, Cal State Northridge and Occidental College, as well as the UC campuses.

*The San Francisco Board of Supervisors* sent a letter to the State Department asking that the South African Consulate be closed. They have received no reply. The resolution recommending NO city investments in firms doing business in South Africa is still being considered by the full Board. Let your Supervisor know of your support immediately.

*Oakland and San Diego City Councils* are being pressured to remove pension funds and other city investments from banks and corporations involved in South Africa.

*The Bill to curb South African investment* is still on the Assembly floor. It would disallow tax credits on taxes paid to South Africa by California-based transnationals. TO MAKE SURE IT PASSES write your Assemblyperson or contact Willie Brown, the sponsor, at (415) 557-0784.

*State Bank Legislation* failed to clear the Senate

Governmental Organizations Committee, and is dead for this year. At the hearings, the bills came under strong attack from the banking lobby, officials of various pension funds, and State Treasurer Jess Unruh. Discussions will begin shortly with regard to the future of this legislation—in what form the bills should be reintroduced and what kind of campaign can be built around them.

#### NORTH AMERICA

*A confidential State Department diplomatic cable reveals increasing hostility among blacks to foreign investment in South Africa. The memorandum, sent by US Ambassador Bowdler, concludes: In recent past, foreign capital, in particular American capital, could defend its presence in SA by claiming it followed progressive employment practices that set a standard for others. In pre-Soweto period when most SA blacks could visualize only a gradual process of improvement in their status, this argument carried weight. Advent of black consciousness, especially among urbanized young and dissatisfaction with pace of events has brought a shift in attitudes. Measures which only relieve hardships like marginal raises, subsidized meals, school fee allowances, and personal loans are seen as panaceas which evade question of basic rights of workers. Moreover benevolence toward workers which may impress stockholders at home fails to get at issue of whether presence of foreign firms represents collusion with and effort to profit from apartheid.*

*Students at over 100 colleges and universities across the nation are demanding that their institutions divest themselves on monies in companies doing business in South Africa. Campuses in California working on this issue increased from 11 to 33 in less than one year. Cal State colleges, community colleges, private universities, and the entire UC system are all coordinating research, protests and other activities. Contact the South African Catalyst Project, 570 Oxford E., Palo Alto 94306, (415) 327-3947.*

*Black Alliance Week was observed at 13 Eastern campuses by a series of demonstrations focusing on apartheid and demands that the institutions unload their investments in South Africa.*

*The Canadian Bank Campaign, active in 10 major cities, is achieving substantial withdrawals. The Canadian University Overseas organization withdrew \$11 million from the Royal Bank of Canada, and Oxfam (Canada) withdrew \$1 million from the same bank. The Canadian Union of Public Employees withdrew \$3 million from offending banks and student unions have withdrawn over \$1.5 million.*

*Actions against the Krugerrand* have had several notable successes in stopping various media from carrying advertisements, including major radio stations in New York, Boston, Chicago, and Portland. Numerous department stores, coin shops and banks have stopped carrying the Krugerrand because of protests. A major sales effort for the coin is intensifying in the Bay Area. It can be stopped! To help, contact the National Coalition to Support African Liberation at 834-5767 in Oakland.

*The US remains South Africa's major trading partner*, followed by Japan, the United Kingdom, and West Germany. During the first six months of 1977 alone, two-way trade between those four nations and South Africa totaled a whopping \$5.3 billion. Total book value of US corporate plants in South Africa is around \$1.8 billion. US banks are believed to have loans outstanding to South Africa of about \$3 billion. Indirect investments such as US stock holdings in gold mines are estimated at \$2.5 billion.

*The American Express Company*, in a recently released statement on their involvement in South Africa, admitted operating six travel service offices in South Africa and to selling American Express Cards denominated in Rands (the South African currency) through a local franchise. Also, the American Express International Banking Corporation has about \$18 million in short-term loans and \$23 million in medium-term loans in South Africa.

*Ex-Im Bank financing of trade with South Africa* has been substantially curtailed by the House of Representatives on June 2. Credits can not be extended to the South African government, its parastatals, or the military. Any company desiring the credits must agree on the Sullivan Principles and accept Collective Bargaining by South African blacks. This is a BIG victory due to the efforts of citizen pressure.

*New US investments would be banned* in South Africa under legislation introduced by Re. Steven J. Solarz (D-NY). Only "plowbacks" of earnings from existing corporations would be allowed; violators would be severely punished. The Solarz Bill has 29 co-sponsors, including three powerful sub-chairmen of the House International Relations Committee.

*Redlining by Saving and Loan Associations prohibited*: the Federal government on May 18 prohibited the Associations from discriminating in mortgage lending on the basis of the age or location of a building. The action by the Federal Home Loan Bank Board is intended to end redlining, whereby aging urban neighborhoods are written off by lenders. The Board also

ordered federally chartered Savings and Loans to ask loan applicants to state their race, sex, marital status and age. The Board said that if a lender made no loans to minorities, it would "flag potential discriminatory loan decisions" by the lender.

#### INTERNATIONAL

*The British Campaign against Barclays Bank* continues: their goal is closing 250,000 accounts. A mass Day of Action on June 1 against Barclays began a month of activities commemorating the Soweto Uprisings.

*In the Caribbean*, where Barclays and the Canadian-based banks are very strong, publicity has now begun to appear concerning the involvement of these banks in South Africa. Churches and other concerned groups are starting to put pressure on banks throughout the region.

*The French 'Boycott Outspan Campaign'* has produced a Study Document on the involvement of French banks in South Africa.

*Organizations in Belgium* are joining the international campaign to stop bank loans to South Africa. As would be expected, their first representations to Belgian banks have not met with great success.

*Press coverage in South Africa* has been severely curtailed since the death of Steve Biko and the government's massive political crackdown on apartheid dissidents. However, Black protest continues, particularly in the key industrial city of Port Elizabeth. Black student boycotts are still in effect in many townships, and there is continuing violence throughout the country. Not only are foreign press subdued but the local South African press is scarcely reporting Black protest due to self-censorship.

*Officials of General Motors (South Africa)* drafted a secret contingency plan last summer to deal with potential "race riots". Timothy Smith, Director of ICCR and who provided a copy of the memo to the Press, said it proved the strategic significance of General Motors to South Africa and it seemed to indicate that General Motors was cooperating with the South African Government in its contingency planning. The plan indicates that in a national emergency, control of the General Motors factory would be taken over by the Ministry of Defence and would be protected by a "Citizen Force Commando Unit" under the direction of the local military authority. Its employees would serve in

the Unit.

*South Africa's largest white Afrikaans Church* has cut its ties with the parent church in Holland, thus isolating itself internationally and from its sister churches inside South Africa. The Cape Dutch Reform Church, which has close ties to the ruling Afrikaans-dominated National Party, decided to make the break within hours of the Reformed Church of Holland's decision to support the World Council of Churches' Programmes to Combat Racism. This Programme, among other things, provides funds to Black Nationalist movements fighting in southern Africa.

*\$BOA, AFSC, 2160 Lake Street, San Francisco, California 94121*