

MORE December 1977

AN OUNCE OF LOVE?

"An ounce of pure love," the Krugerrand's ads call it. "A piece of *apartheid*," says the American Committee on Africa.

Here, as in South Africa, the lines are being drawn clearly. And here, as in South Africa, the media is finding itself in the middle.

"My company doesn't have a foreign policy," CBS Vice President of Program Practices Van Gordon Sauter told the mid-October public meeting of the National Association of Broadcasters in Boston. He was responding to demands from questioners that the networks either pull the ads for the gold coins or provide fairness doctrine time to opponents, who claim that sales of the Krugerrand bolster the South African regime and its *apartheid* policies.

The networks are not the only ones feeling the pressure. On September 27, Doyle Dane Bernbach launched the latest Krugerrand campaign in 25 major U.S. markets with an estimated budget of \$4 million devoted mainly to newspaper ads and 30-second TV spots. The campaign is meant to appeal to the small investor who is worried about inflation, but timid about entering the gold market. The Krugerrand, exactly one troy ounce of South African gold, is designed to make gold owning easy. The campaign to sell it, however, has sparked opposition around the country.

The Krugerrand contains very little "love," its opponents point out. 2,993 South African miners died between 1972 and 1975 bringing the metal to the surface, and 110,169 others suffered serious injuries. Most of the casualties were blacks, who comprise about 90 percent of the industry's work force of some 380,000. They get paid an average of \$124 a month, 22 percent of the average wage for their white counterparts.

In South Africa, moreover, gold and government go together. Gold is the linchpin of the white-dominated economy. Gold earned the country more than \$2.7 billion in 1976—40 percent of its foreign exchange total. Krugerrand demand helps keep the price high.

Boston has been the hub of the most intense anti-Krugerrand activity. On October 13, the Massachusetts House of Representatives passed a resolution which condemned the advertising and sale of the coin. Two groups—the Steve Biko Memorial Committee and Action for Black Media—have been actively pressuring the Boston media for equal time to state their case. Letters and broadcast editorials on the subject have received prominent play since September.

Several days after the October NAB meeting, demonstrators picketed WBZ-TV, the NBC affiliate in Boston. WBZ was also presented with a petition, signed by nearly one-third of its employees, condemning the station for airing the ads. Under this pressure, the station issued a statement that said, in part, "By airing this advertising, WBZ is not in any way taking a stand in favor of the political or social policies of the

government of South Africa."

The Boston Globe also continued to run the ads. On October 25, the paper editorialized that, "If the *Globe* pursued its long-felt sympathies in this case, we would drop the South African government's ads But to do that would be to pursue the same course of censorship and repression that we condemn in South Africa."

Anti-Krugerrand forces have been hard at work elsewhere. The city councils of San Antonio, Dayton, Denver, and Chicago have all passed resolutions condemning the sale of the Krugerrand within the last year. The Chicago resolution specifically urged "the print and electronic media based in Chicago to reconsider their policy to carry advertisements for the sale of the Krugerrand." *The Chicago Tribune*, the *Sun-Times*, and the *Daily News* continued to run the ads, and advertising spokesmen at all three papers pleaded ignorance of the council action.

The first major breakthrough for opponents of the ads came on October 28 when, in response to community pressure, two network television affiliates in New York—WNBC and WCBS—announced they were suspending the commercials. Several days later, WABC followed suit. Said Ken McQueen, vice president and general manager of WABC in New York, "I felt that, all things considered, at this point in time, it might be upsetting to a large segment of our viewing audience" to run the ads.

Meanwhile, that same week, Doyle Dane made a decision to cancel its entire media schedule in Boston and New York. But, within days, the agency had partially reversed itself: the print schedules remain intact.

The Boston Globe reported that the Doyle Dane cancellation arrived too late to stop the campaign's fifth insertion. The cancellation of the cancellation arrived just in time to allow the sixth to proceed on schedule days later.

Jerry Gast of Rubenstein, Wolfson, which handles publicity for Intergold, the Krugerrand marketing organization, isn't worried about all the turmoil, however. "I think Krugerrand sales are governed by people's interest in owning gold, rather than by political developments. They do or do not want to own gold, regardless"

Just to be on the safe side, however, the South African gold industry recently established the Gold Information Center.

Only months old, the center has already taken out full-page ads in *The New York Times Magazine* and *Time* headlined, "You'll understand why gold is so precious when you know how little exists." Nowhere in the ads is the center identified as South African. But it is. The same folks who brought you Krugerrand—the gold industry of South Africa, Doyle Dane, and Rubenstein, Wolfson—are at work again.

—Barbara Demick



The Germans and Swiss are buying
some 45,000 Krugerrands a week.
Maybe they know something you don't.



The Krugerrand
The world's easiest way to own gold.

Chicago City Council Resolution

July 7, 1977

Presented by

ALDERMAN EVANS (4th Ward) and OTHERS:

People of Chicago Urged Not to Buy Krugerrand Gold Coin.

A proposed resolution (presented by Aldermen Evans, Roti, Barnett, Kenner, Lathrop, Sawyer, Wilinski, Humes, Adduci, Kelley, Rhodes, Marzullo, Ray, Washington, Cross and Oberman) reading as follows:

WHEREAS, A nationwide advertising campaign has been mounted in Chicago and in twenty-four other metropolitan areas of the United States, by an organization called the International Gold Corporation and also known as Intergold, to promote the sale of gold bullion coins minted in South Africa and called Krugerrands; and

WHEREAS, Intergold has close ties with the racist government of the so-called Republic of South Africa, which itself does not trade in coins, but which permits the use of its official mint for the manufacture of Krugerrands, and which shares in the profits from the sale of said coins; and

WHEREAS, The government of South Africa, a country whose population is made up of 15.1 million blacks and 3.8 million whites, has been condemned throughout the world for its suppressive and barbaric treatment of Blacks and its program of apartheid; which is based on racial segregation and on white domination; and

WHEREAS, South African Apartheid contravenes the basic human rights and values upheld by the American Constitution, and therefore represents a principle which Americans and the government of the United States ought to oppose, both privately and officially; and

WHEREAS, In 1976 alone, in struggling to maintain their abhorrent racial policies, South Africa authorities have killed more than 400 and have injured more than 3000 black people, many of whom were children, and many of whom were struck by bullets fired point blank into protesting crowds; and

WHEREAS, A substantial portion of the profits derived from the sale of Krugerrands will help finance the present government of South Africa, and to strengthen its repressive and cruel domination; now, therefore,

Be It Resolved, That the City Council hereby expresses its opposition to and abhorrence of the racial policies of the government of the so-called Republic of South Africa and urges the people of Chicago not to buy the coins known as Krugerrands whose sale will help to reinforce the present government of South Africa in pursuing its repugnant and inhuman racial policies and urges further that electronic and print media based in Chicago reconsider their policy to carry advertisements for the sale of the Krugerrand.

Alderman Evans moved to *Suspend the Rules Temporarily* to permit immediate consideration of and action upon the foregoing proposed resolution. The motion *Prevailed*.

On motion of Alderman Evans said proposed resolution was *Adopted*.