

Friday, July 22, 1977

Committee to Oppose Bank Loans to
South Africa
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To: Friends working on the campaign to oppose bank loans to South Africa

From: Prexy Nesbitt

Re: BANK CAMPAIGN UPDATE

Our apologies for the delay in getting this note out. Also, let us apologize in advance for the notation format this note will assume. But we want to share with you many new developments as efficiently as possible.

SOME CAMPAIGN ACTIVITIES

1. On July 21 the Furriers Joint Council of New York (FJC) withdrew in excess of \$10 million from Manufacturers Hanover Trust protesting that bank's policy of loans to South Africa. The FJC are officially part of the Committee to Oppose Bank Loans to South Africa (COBLSA) and we salute their leading contribution. Various other trade unions will be doing the same thing in the near future.

- On July 6 fifteen trade union leaders issued a statement calling upon Citibank, Manufacturers Hanover Trust, Morgan Guaranty, Chase Manhattan, Continental Illinois, First Chicago and Bank of America to "cease immediately all further loans to the South African government of its agencies." This action was initiated by the Interfaith Center for Corporate Responsibility (ICCR). Some of the trade unionists in the group are officially working with the COBLSA. All - including the ICCR - have been invited to do so. They have also been approached in terms of joining in withdrawal actions as a more effective form of protest at this particular stage.

2. In Chicago and Boston demonstrations, withdrawals, delegations to the banks, and press conferences have clearly had some serious initial impact. At a June 29, 1977 meeting with First National Bank of Chicago the bank's Vice President, W. McDonough, said that First's position was that "the bank will make no loans to South Africa, i.e., to the government or any of its agencies or corporations, in the near future." He also said that the bank wouldn't release a policy statement on loans "because it limits the bank's flexibility in dealing with South Africa..."

In Northern California various mass meetings have been held and withdrawals made. Clearly, Bank of America feels the pressure and is presently "re-evaluating" its loan policy as a result of that pressure and the general political/economic situation in South Africa itself.

In Southern California research is being done as to whether or not the Bank America credit card is a viable avenue for protesting BA's loans to South Africa.

3. The New York Conference of the United Methodist Church in June voted unanimously to withdraw conference funds from banks participating in loans to South Africa and to urge congregations, individuals and denominations to do the same.

- At the Seventh General Synod of the United Church of Christ in Washington, D.C. in July, general "pro-withdrawal" resolution was passed by the entire Synod. The New York Conference of the United Church of Christ introduced at the Synod a specific resolution urging the Synod, all UCC congregations, and members to withdraw their accounts from the seven major commercial banks involved in loans to South Africa.

- The National Council of Churches (NCC) is presently implementing the withdrawal of its payroll account for its 380 employees from the Citibank in N.Y.

Other things are happening. Many individuals and organizations are withdrawing their accounts. Above are but a few. In the future a more systematic effort will be made to communicate so we are better informed about each other's work.

DEVELOPMENTS FROM THE SEAMY SIDE: THE BANKS AND THEIR ACTIVITIES

- Sometime in mid June this year, Citibank of New York concluded a \$60 million loan to Phelps Dodge Corporation and the Consolidated Gold Fields of South Africa who are jointly expanding a "base minerals" mining project at Aggeneys, Northern Cape Province. It is a 7-10 year loan and mostly locally financed with the whole project receiving \$172 million financing.

- Recent research into lists of EX-IM Bank Guaranteed Loans by COBLSA, Boston people and ICCR have turned up some forty-odd new banks which are involved in either trade finance loans (\$\$'s to private U.S. companies for their activities in South Africa) or loans to South African government/parastatals. A list is appended herein. Although the amounts involved are not huge- as far as we know - it is important that we begin to raise the issue with these banks as well. Very useful documentation of all this is in "Resource Development in South Africa and U.S. Policy", May 25 and June 8, 1976 Hearings before the Subcommittee in International Resources, Food and Energy (Diggs Committee)

- A statement by ICCR and COBLSA analyzing some recent bank gestures such as David Rockefeller's April 19, 1977 statement to the Chase Annual Meeting and recent Bank America initiatives will soon be available from either ICCR or COBLSA. This will be part of an ongoing process of analysis of bank initiatives - an essential part of our work.

NEW RESOURCES

- ICCR has prepared a slide show presentation on bank loans to South Africa. With Nina Simone singing from Brecht's Three Penny Opera, and an opening shot of a huge pink piggy bank, it is useful and will be available at the end of July.

- The World Council of Churches (WCC) has issued a booklet, "The WCC and Bank Loans to Apartheid." Available from ICCR (475 Riverside Drive, Room 566, NYC 10027) it is informative and useful for our work, especially with some churches. Incidentally, ICCR recently sent a letter summarizing various international activities. COBLSA is making other efforts to coordinate our efforts with international campaigns and you will be kept informed about these.

- "The ABCs of U.S. Bank Loans to South Africa: A Primer" is being finished by members of COBLSA and should be available in the early fall.

APPENDIX: ADDITIONAL BANKS INVOLVED

American Express Int'l Banking Corp, NY	Mellon Bank NA, Pittsburgh
American National Bank & Trust Co, Chicago	Merchants National Bank, Cedar Rapids, Iowa
Bank of Boston International, NYC	National Bank of Detroit
Banters Trust NY Corp.	North Carolina National Bank
Central Cleveland Int'l Bank	Northern Trust Int'l Banking Corp, NY
Central National Bank of Chicago	Northwestern National Bank of Minneapolis
Central National Bank of Cleveland	Northwestern National Bank, Omaha
Chemical Bank, NY	Philadelphia National Bank
Citizens & Southern National Bank of Atlanta	Philadelphia Int'l Bank, NY
Cleveland Trust Co.	Pittsburgh National Bank
Continental Bank Int'l, Houston	Provident National Bank, Philadelphia
Continental Bank Int'l, NY	Society National Bank of Cleveland
Crocker Mid-America Int'l Bank	Trust Co. of GA, Atlanta
Crocker National Bank, LA & SF	Wells Fargo Bank, National - LA & SF
European American Banking Corp, NY	
Fidelity Int'l Bank, NY	
First Boston Corp, NY	
First City National Bank of Houston	
First National Bank of Minneapolis	
First National Citibank Int'l, LA	
First Wisconsin National Bank of Milwaukee	
Harris Bank Int'l Corp, NY	
Harris Trust & Savings Bank, Chicago	
Irving Trust Co, NY	
Marine Midland Bank, Buffalo	
Mellon Bank Int'l, NY	