Dear Friend,

This Newsletter is Number 1 in our effort to keep you posted on the work of the STOP BANKING ON APARTHEID campaign. It will be brief as possible so as to cover the wide range of events taking place. Reports of your group's activities and plans are solicited and your comments and suggestions are welcome. In order for this service to continue, money is URGENTLY NEEDED. We will gladly receive donations from organizations and individuals.

A REMINDER: If you or your organization has not yet endorsed this campaign, please sign and return the Statement of Agreement on the back page. The number of endorsements is growing, but we need MORE MORE MORE if we are to succeed!

**NEWS**

**CALIFORNIA**

Bank of America's Annual Meeting will be held April 25 in Los Angeles. A shareholders' resolution opposing continued financial relationships with South Africa is being voted upon. Tim Smith, Executive Director of the Interfaith Center on Corporate Responsibility, will present the resolution. ICCR includes 14 Protestant denominations and 180 Catholic orders.

**Actions**

**Protesting University Stock Ownership** in Bank of America, as well as BoFA policies, are being held throughout the state. They have been initiated by Coalition United Against Apartheid and will continue until the Annual Meeting. Contacts: Berkeley—Carol Bremer (415)548-5173; Irvine—Miles Mendelsohn (714)494-3818; Los Angeles—Beth Weisbuck (213)473-4682; Occidental—Andrew Roth (213)259-2717; Riverside—Bob Lawrence or Edward Taylor (714)784-0136; Santa Barbara—Ted Fullwood (805)968-0291; Santa Cruz—Stewart Lawrence (408)427-0611; and Stanford—Maggie Gould (415)327-3947 or Linda Gardner (415)494-0355.

**Stanford University**

Trustees accepted recommendations from the Committee on Investment Responsibility in favor of shareholder resolutions demanding disclosure, acceptance of the Sullivan Principles, and nonexpansion by US corporations operating in South Africa. The CIR was set up last spring in response to student demands for Trustee accountability for Stanford's stock in firms investing in South Africa. While the recommendations were accepted, the Trustees were split—quite unusual since they try to achieve unanimity. They voted 13-8 to abstain on the BoFA resolution, but agreed to write a letter to BoFA management opposing loans to South Africa's government. CUA/A demonstrated at the meeting in support of CIR's recommendations.

**Crocker National Bank's Annual Meeting** was held April 17. The same shareholders' resolution as that before BoFA had been submitted to Crocker's shareholders, but at the last minute management declared such a resolution could only be filed by Common Stock owners—those who filed held Preferred Stock.

**Davis, California**, passed the nation's first referendum on US investments in South Africa. It called for the removal of municipal funds from banks doing business with South Africa and for reinvestment to solve problems of jobs, housing and crime. A Citizen's Task Force has been set up to determine whether and how these withdrawals can take place.

**The San Francisco Board of Supervisors** will vote April 24 on a resolution recommending NO city investments in firms doing business in South Africa. Supervisors Milk, Hutch, Silver and Feinstein introduced the recommendation and the state and National Affairs Committee gave it a "Do Pass". It did the same with a resolution submitted by Supervisor Milk to close the South African Consulate (also before the Board on April 24).

**A Bill to Curb South African Investment** passed the Assembly Committee on Revenue & Taxation by 10-1 and is now 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** will be considered April 25. SB 1820 creates a state-funded economic development bank which would target public funds to sector in need of credit (small businesses, family farms, alternative energy, etc.) which will yield positive social and economic benefits. SB 1821 authorizes a "linked deposits" program, whereby deposits of public funds in private institutions would be based on returns being offered and lending performance of the institutions. SB 1745 sets up an Investment Policy Task Force to develop priorities for public fund investments so that the public can use these as a means of controlling corporate misconduct. THESE NEED YOUR SUPPORT IMMEDIATELY, Write Sen, John Dunlap, Senate Select Committee on Investments, 1116 9th St. no. 66, Sacramento 95814.

**New SBOA endorsers**: American Friends Service Committee, Berkeley Citizens Action, State Senator: John Dunlap, Ecumenical Peace Institute/Clergy & Laity Concerned; Supervisor John George (Alameda County), Cary D. Lowe (California Housing Action and Information Network and California Public Policy Center), New School for Democratic Management, Northern California Interfaith Committee on Corporate Responsibility, OPEIU Local 29, Steve Talbot (Internews), Union WAGE (SF Chapter of Women's Alliance to Gain Equality), and Hugh Wire (GTOP).
The NAACP is calling for total withdrawal of US business from South Africa and is urging US depositors to withdraw their funds from banks doing business in South Africa. It had earlier asked that the government call on US companies to stop investing there.

Major Trade Unions are withdrawing their funds. The most recent are the United Auto Workers, District Council 31 of the Steel Workers (largest local in the US), and the National Union of Hospital and Health Care Employees (District 1199 of New York with over $200 million in its pension fund).

On March 21, the date commemorating the Sharpeville massacre in which 87 unarmed South African demonstrators were killed and another 180 wounded, demonstrations opposing bank loans to South Africa took place in over 15 cities across the United States and Canada. Announcements of large withdrawals were made; prominent community, national and international leaders spoke against the Banks’ loan policies; letters to bank employees were distributed; and citizens were asked “to keep the phones ringing” about bank policy on loans to South Africa.

Bank officials have said, according to a March 1978 report of the Investor Responsibility Research Center, that there is a growing “hassle factor” that makes lending to South Africa less attractive than it once was. “The cost of management time spent in responding to people questioning loans to South Africa and the possibility that depositors might withdraw funds or complain publicly about lending practices have become factors to be weighed carefully in evaluating future loans.”

The Wall Street Journal on February 23 recognized the “...pamphlet-power... of a small group of activists putting pressure on big firms to get out of South Africa...” (in 33 column inches)

From an article by C. Frederic Wiegold appearing in the American Banker on March 14: “U.S. banks are becoming increasingly reluctant to lend to South Africa, although apparently none has gone so far as to impose an across-the-board ban that would cut off credits to privately owned enterprises in the racially segregated nation.”

Six Major Banks have recently announced they will not lend to the South African government. While this is a significant concession, their statements fall far short of the objectives of our North American campaign which seeks to end all loans to South Africa. (The banks were Citibank, Chemical Bank, Continental Illinois Bank, First National Bank of Chicago, Northwestern National Bank of Minneapolis and First Wisconsin Bank.)

A Major Report on US Corporate Involvement in South Africa was released in January by the Senate Committee on Foreign Relations. Among its conclusions: “American corporations operating in South Africa have done almost nothing to resist that nation’s racial apartheid policy and have acted contrary to American foreign policy.” It recommends denying tax credits to firms that support apartheid, cutting off Ex-Im Bank credits, and closing any governmental economic programs that support the South African government. (Obtain this Report from the Senate Subcommittee on African Affairs, Senate Office Building, Washington, D.C.)

Export-Import Bank Credits are being targeted by the Washington Office on Africa (supported by a broad coalition of national organizations). Petitions are being circulated throughout the US—they can be obtained through SBOA. Write or call Rep. Hannaford (CA) to persuade him to support the denial of these credits for South Africa trade financing.

The Michigan Legislature passed a concurrent resolution urging the US Congress and the President to impose immediate sanctions against the South African government in response to that country’s disregard for human rights and dignity. (Feb. 78)

INTERNATIONAL

Nigeria ordered its government agencies to withdraw from Barclays Bank of Nigeria, Ltd., because of Barclays involvement in South Africa. The Nigerian government also ordered that one-third of the Barclays foreign staff leave Nigeria within one month. (April 1978)

In Britain, 200 branches of Barclays Bank were picketed March 1 as a first step in the campaign aiming to get 10,000 accounts withdrawn. On March 21, 300 people demonstrated at Standard Bank headquarters in London (largest South African bank).

Leslie O. Harriman (Nigeria), Chairman of the U.N. Special Committee Against Apartheid, issued a statement March 13 which said in part: “There must be a complete cessation of all investments in South Africa, and all loans and credits... as well as indirect assistance through export financing and guarantees, until apartheid is eradicated and the South African people as a whole exercise their right of self-determination. The financial institutions, which have acted as bankers for racism in South Africa, bear a heavy responsibility for the build-up of the military and repressive apparatus of the racist regime, and for its defiance of the international community. They must be persuaded by all appropriate means, to cease all their operations in South Africa.”

The International Monetary Fund’s lending to South Africa over the last two years was almost exactly equalled by the increase in South Africa’s military expenditures over the same period. In secret IMF Executive Committee meetings, loans were approved with the support of the US and Britain over the objections of the African representative, according to a special report by the Center for International Policy, Washington, D.C.

The Krugerrand, South Africa’s 1 oz. gold coin, has been doubled in output since last year, accounting for 30% of the gold production in that country (according to a Wall Street Journal report on March 31). South Africa fosters the demand through a US marketing campaign, though anti-apartheid protests have affected sales at some US outlets. Monex International Ltd., a California-based firm, is the nation’s largest retail coin dealer. Its president, Louis Carabini, says they have had a tremendous increase in sales in the last six months.
A Brochure emphasizing the South African part of the SBOA campaign is available in limited quantity for organizational mailings or your own distribution. (Second printing)

The Stop Banking on Apartheid Slide/Tape Show is finished. It’s an excellent introduction to apartheid, US corporate and bank support of this system, and to the widespread resistance growing throughout the country. It’s accompanied by music, narrative and songs.

Informational Packets are now available. They contain discussion of relations between apartheid in South Africa and discrimination at home; tools for campaigns, such as a list of questions to raise with banks and a model letter of withdrawal; the Statement of Agreement; news reprints and other backup information.

SBOA’s Rebuttal contains counter-arguments and facts which disprove US corporate justifications for their continued involvement in South Africa. It was issued specifically in response to Tom Clausen’s interview in Bank American, “Some Straight Talk on South Africa” (April 1978).

Presentations can be made to your organization about the SBOA campaign—we emphasize California bank involvement in South Africa as well as their contribution to problems in our own communities—which might include home, mortgage or small business loan discrimination, job discrimination or ineffective “affirmative action” programs, or denial of employees’ right to unionize.

Research: your participation as “barefoot researchers” is very much needed. In order to determine which financial institutions are best (and worst) serving our communities, we want to distribute the Questionnaire as broadly as possible. This is a HUGE job but can easily be done by a lot of people working in their own neighborhoods. We can help with basic workshops for an organization or neighborhood on methods to approach banks, etc. and to get answers, if you’d like. We’re also talking with community organizations which already have some of the answers. Which ones do you know of?

**HELP!**

Speaking: help us spread the word in whatever way you can, and let us know how we can assist you to do so!

Publicity: articles need to be written for as many publications as possible—we’ve a long list, if you’re interested in working with us. Plus all the other kinds of publicity...

**COMING EVENTS**

April 23 – General Meeting of the Zimbabwe Medical Relief Drive, 3 pm, Peoples Cultural Center, 721 Valencia, SF.

April 26 – Benefit for the Black Consciousness Movement and the Zimbabwe Medical Drive. Jane Fonda & Tom Hayden host an “Evening of Support!”, featuring Roots of Creation and speakers from the liberation movements. 7 pm, Booth Auditorium, Boalt Hall, UC Berkeley, $3.00 donation.

May 10 – NEXT SBOA MEETING. We’ll be discussing what happened around the BoFA meeting and what we can do before June 16. Please come! 7 pm, 570 Oxford Apt. E, Palo Alto. Call 752-7766 (Niva) for info about rides.

June 10 – Trade Union Conference to be held in Bay Area (more on this later).

June 16 – International Day of Bank Account Withdrawals.

**MONEY NEEDED!!**

We have no “Local Loan” to call, but are in the process of writing funding proposals. In the meantime, we are DESPERATE for money—just for day to day needs, not to mention the minimum necessary to widen SBOA’s outreach. (And a big thankyou to those who have already donated!!)
STATEMENT OF AGREEMENT

I/we support the $TOP BANKING ON APARTHEID campaign. I/we recognize the role U.S. banks are playing through loans to South Africa, providing a critical underpinning to the apartheid system. I/we know that as depositors and/or shareholders in U.S. banks, I/we have a social responsibility in this matter. I/we will inquire of my/our banks what their policies are in regard to South Africa and will communicate my/our concern. I/we will take whatever steps are possible for us and necessary to participate in this campaign.

I/we agree with the principles and objectives of the $TOP BANKING ON APARTHEID campaign.

Signature ..............................................
Title ..................................................
Organization ........................................
   (for identification only)
Organization ........................................
   (agrees to participate in the campaign)
Address ..............................................
Phone ................................................

Return as soon as possible to $TOP BANKING ON APARTHEID, AFSC, 2160 Lake St., San Francisco 94121