

TIAA-CREF DIVESTMENT CAMPAIGN NEWS

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TIAA-CREF ASKS 160 CORPS TO LEAVE SOUTH AFRICA

TIAA-CREF, IN A REVISED STATEMENT ON investments and South Africa, stated "that U.S. portfolio corporations should withdraw from South Africa as expeditiously as possible." A press release issued July 23 stated that "TIAA-CREF intends to begin submitting shareholder resolutions in support of its new policy calling for withdrawal of its portfolio companies [approximately 160] from South Africa."

REASONS FOR THIS ACTION

AS REASONS FOR THIS CHANGE, TIAA-CREF stated that "South Africa continues to be the only country in which TIAA-CREF ... has an economic interest in corporate activities that are directly affected by government and social policies clearly designed to maintain the economic and political dominance of a white racial minority over other races."

"TIAA-CREF also recognizes that U.S. corporations are severely restricted in what they can do to bring about the dismantling of the apartheid system[;] their resources for effecting political change are limited, especially under current conditions there."

"Moreover, a growing world outrage may be translated into additional sanctions against South Africa and boycotts against U.S. corporations doing business there. In this environment, the financial risks of portfolio corporations remaining in South Africa will increasingly outweigh the potential rewards."

CAMPAIGN REACTIONS

THE CAMPAIGN'S STEERING COMMITTEE is encouraged by TIAA-CREF's new policy. The

trustees have finally concluded that U.S. corporations do not represent a positive force for change in South Africa. Importantly, the trustees also state that their investments are threatened by continued operations in South Africa. The Campaign can move on both these realizations to push toward TIAA-CREF's divestment.

The crisis in South Africa is intensifying daily and as it does, TIAA-CREF will have to respond to corporate inaction on their shareholder resolutions. Divestment is the only reasonable next step for the TIAA-CREF trustees.

NATIONAL ACTION DAYS

THE CAMPAIGN ENCOURAGES MEMBERS to hold actions protesting TIAA-CREF's connection with apartheid, focusing on the weekend beginning Friday, October 10. Friday is "National Day for Divestment and Sanctions against South Africa," coordinated by student activists.

The Campaign can gain strength and visibility in joining with student activists on these days. The days also can be used to organize petition drives and letter writing campaigns, and to urge TIAA-CREF members to adopt faculty and staff association resolutions that call on TIAA-CREF to divest its holdings in companies that operate in South Africa.

Also, take advantage of these two action days to get publicity for the Campaign in campus and local newspapers. Make the public aware of our dissatisfaction with TIAA-CREF's policy which continues to profit from apartheid.

Finally, let the Campaign headquarters know what you have planned. Copies of news articles that appear in local newspapers should also be forwarded. With this information, the Campaign steering committee can keep up with what is happening on our campuses.

CONCERNED ABOUT OUR PENSIONS

SOME MEMBERS OF TIAA-CREF HAVE BEEN RELUCTANT to sign our petition and to address trustees on divestment out of concern for the effects that divestment might have on financial returns and thus, on their pensions. Support for this argument collapsed over the summer even more rapidly than political objections to divestment. When conservative Republican Governor Deukmajian of California reversed his position, two giant California pension funds and the University of California pension plan, totalling over \$40 billion, committed themselves to full and orderly divestment. New York City's over \$20 billion in pension plans are already committed to the same course. A majority of professional managers now offer South Africa-Free investment even in a fiduciary capacity.

TIAA-CREF trustees themselves have stated that, "a growing world outrage may be translated into additional sanctions against South Africa and boycotts against U.S. corporations doing business there....[T]he financial risks of portfolio corporations remaining in South Africa will increasingly outweigh the potential rewards."

The TIAA-CREF Divestment Campaign has literature and references available on the (essentially non-existent) investment implications of divestment, including material presented by steering committee member, Robert Zevin, to the Regents of the University of California.

BALLOT FOR TIAA AND CREF TRUSTEE

MOST TIAA-CREF MEMBERS HAVE RECEIVED a mailing from TIAA-CREF concerning candidates for TIAA and CREF trustee positions. The nominees for CREF are Elizabeth E. Bailey, Dean of the Graduate School of Industrial Administration at Carnegie-Mellon University; William C. Brainard, Professor of Economics at Yale University; and Estelle A. Fishbein, General Counsel of The Johns Hopkins University. The nominees for TIAA are Marcus Alexis, Dean of the College of Business Administration at the University of Illinois, Chicago; Robert C. Clark, Professor of Law at Harvard University; and Douglas C. North, Professor of Economics, History and Luce Professor of Law and Liberty, and Director of the Center in Political Economy at Washington University, St. Louis.

The TIAA-CREF Divestment Campaign is in the process of writing to the candidates concerning their positions on divestment and South Africa. Because this information could influence your vote on the ballot, please wait until the Divestment Campaign reports on the nominees. Information should be forwarded to campaign coordinators by the beginning of October. Otherwise, Greg Finger will have the results. He can be contacted at 914-895-3544.

TIAA-CREF BOARD MEETS

THE TRUSTEES OF TIAA-CREF WILL HOLD their annual fall meeting on November 20, 1986. We need strong pressure on the trustees as they go into this meeting. We must reach the trustees with petitions, resolutions, letters, phone calls and personal meetings. Individual contact with the trustees of TIAA-CREF is essential. TIAA-CREF must realize the importance of this issue.

The TIAA-CREF Divestment Campaign is currently soliciting a meeting with the TIAA-CREF Committee on Corporate Social Responsibility before the November board meeting. This trustee committee is responsible for proposing new options regarding TIAA-CREF investments and South Africa.

The TIAA-CREF Divestment Campaign is also planning its second demonstration in front of the TIAA-CREF Building on Third Avenue, on November 20, 1986. Our first demonstration, held last February, attracted about 100 faculty members from the New York area. The demonstration was peaceful. We handed out leaflets about the Campaign and had several prominent speakers address the issue of divestment. Information about the possibility of a second demonstration will be passed along as it becomes available.

COLLEGES AND PENSION FUNDS

TO INCREASE PRESSURE ON TIAA-CREF trustees, members of TIAA-CREF as well as newcomers to the education field should make sure to inquire about South Africa-free pension funds. Although we cannot withdraw funds already held by TIAA-CREF, we can make new educators as well as our institutions, aware of TIAA-CREF's involvement with apartheid and discourage new educators from investing their pension funds with TIAA-CREF.

INFORMATION CENTERS

THE DIVESTMENT CAMPAIGN HAS TWO information centers. The headquarters, located at Dartmouth College, should receive all photocopies of petitions and resolutions. Original copies should be sent directly to TIAA-CREF (730 Third Avenue, New York, NY 10017). It would also be helpful if you send Campaign headquarters copies of letters sent to TIAA-CREF trustees, as well as any news articles that appear in local newspapers about the Campaign.

All questions about the Campaign's direction this fall should be directed to Greg Finger, National Campus Organizer at 914-895-3544 (Wallkill, NY). He is also the person to contact if you need Campaign petitions or supporting information on divestment. A bibliography of supporting material can also be obtained from Greg. Written comments should be directed to James Breeden, TIAA-CREF Divestment Campaign, 102 College Hall, Dartmouth College, Hanover, NH 03755.