

DISPELLING THE MYTHS
some facts about divestment

4/14/88

MYTH: Wesleyan would lose money if we divested.

the **FACT** is: A study conducted by the Franklin Research and Development Corporation in 1983 concluded that Wesleyan's non-South Africa-related investments outperformed Wesleyan's investments in companies doing business in South Africa. (Argus 9/9/83)

MYTH: Corporate pull-out would hurt non-white South Africans.

the **FACT** is: Less than 1% (.8%) of Black South African workers are employed by foreign companies--the majority of these fill unskilled positions. Black labor unions, churches, the United Democratic Front (UDF), and the African National Congress (ANC), as well as Bishop Desmond Tutu and Nelson Mandela, representing almost all Black South Africans, urge corporate pull-out.

MYTH: Companies' presence can help dismantle apartheid.

the **FACT** is: A 45-50% tax on company profits must be paid by foreign companies directly to the South African government. In addition, the South African government can require a company to provide goods and services to the military at any time. In February, 1988, the South African government banned all anti-apartheid activities. Clearly, years of corporate presence ("constructive engagement") have done nothing to dismantle apartheid.

MYTH: Divestment would greatly limit the amount of money available for financial aid.

the **FACT** is: Wesleyan uses a mere 5% of its endowment as its operating budget and has every capability to increase that percentage to cover the need for financial aid monies.

NOW THAT YOU KNOW THE FACTS, COME RALLY FOR DIVESTMENT!!!

Saturday, April 16, starting at 10 AM at Downey House