

Day Session Student Government

Hunter College of the City University of New York

695 Park Avenue, New York, N. Y. 10021

THE CUNY DIVESTMENT COALITION

Office Rm. 121
570-5504

To: The Editor

From: Diana Dwyre
Chief Coordinator
CUNY Divestment Coalition

Re: Article for CUNY newspapers about South Africa and divestment

Dear Editor:

Enclosed you will find an article by the CUNY Divestment Coalition outlining CUNY's involvement with banks and corporations that do business with South Africa and announcing the Coalition's plans to urge CUNY to divest these funds. We are asking the CUNY newspapers to publish this article in one of their first issues, and we hope to have regular articles/announcements for your paper.

We request that the article be printed as is. However, if the piece is too long, we can discuss what should be omitted. Please let me know if you need further information (e.g., the date of the next meeting depends on the date the the article is printed). I would also like a copy of the issue that the article appears in. Please send this to me at the above address.

Thank you for your cooperation on this pressing issue of human rights.

Sincerely,



Diana Dwyre

DD/phm

CUNY Divestment Coalition / Diana Dwyre
Hunter College Day Session Student Government
695 Park Avenue
Room 121 North
New York, NY 10021
212-570-5504

CUNY STUDENTS PUSH FOR DIVESTMENT OF SOUTH AFRICA-LINKED STOCK

By

The CUNY Divestment Coalition

Through its investments the City University of New York is helping to back the racist system of apartheid in South Africa; a situation that CUNY students are no longer tolerating. This fall the CUNY Divestment Coalition has launched a systematic campaign to end all CUNY investments in U.S. banks and corporations with operations in South Africa. In its general investment pool CUNY has approximately \$3 million in such investments, including stock in CITICORP which has participated in over \$2 billion in loans to South

Africa. The horrific realities of South African apartheid and the U.S. corporate role in that country make the battle for divestment an important priority for the CUNY community. We urge you to get involved.

Apartheid and U.S. Corporations

Under South African apartheid 4.5 million whites hold a monopoly on political and economic power, while the Black majority of 21 million is deprived of all citizenship and human rights. At the heart of apartheid is the "homelands" policy under which Blacks are "citizens" in only 13% of the land whose barrenness forces them to work for starvation wages in the factories and mines of "white" South Africa. In order to implement apartheid, over 3.5 million Blacks have been forcibly removed from their homes in "white areas" to the "homelands" where 25% of Black children die before the age of five.

Attracted by cheap Black labor, U.S. corporations have flocked to South Africa where they play a direct role in maintaining white minority rule through loans, sales of goods to the military, technology transfer, and tax payments to the government. These corporations by their presence in South Africa strengthen apartheid far more than they can contribute to its breakdown:

U.S. corporations employ less than 1% of all Black workers, while providing essential support to the regime in the militarily key petroleum, automobile and computer industries. The possible good U.S. firms might do for their employees is far outweighed by the strategic support they are required to provide under the 1970 National Suppliers Procurement Act. For example:

1) Mobile and Caltex are required to supply the military with the oil South Africa lacks and together account for 40% of the entire South African market

2) US automobile firms sell motor vehicles to the South African military, and General Motors has coordinated its security plans with the South African police in the event of a civil uprising.

3) U.S. computer firms (such as IBM, Burroughs, Control Data, Honeywell) sell 75% of all computers in South Africa, many of which are used for strategic military research and population control.

Given the critical role of foreign capital to apartheid, to advocate corporate withdrawal and divestment in South Africa is a crime punishable by a minimum of five years

imprisonment and a maximum of death. Despite these heavy penalties major anti-apartheid leaders such as Black Consciousness leader Steven Biko - murdered by the police in 1977 - and Bishop Desmond Tutu have called for an end to western investment in South Africa.

Responding to this call, student groups in the United States have forced divestment at 40 schools of over \$175 million in stock linked to South Africa. In addition legislative action at the state and city level - notably in Massachusetts, Michigan, Washington, D.C. and Philadelphia - has already resulted in the divestment of over \$400 million in public funds linked to South Africa. Just last month the New York City Employees' Retirement System passed a measure which will lead to the divestment of nearly \$665 million in city pension funds linked to South Africa through U.S. corporations and banks.

CUNY Divestment NOW

Now is the time for the CUNY system to divest all holdings linked to South Africa. The following four corporations in which CUNY owns stock illustrates the depths of CUNY's complicity in South African apartheid:

1) CUNY has \$148,500 worth of stock in CITICORP, the world's largest private lender to South Africa. CITI CORP recently participated in a loan of \$250 million to the South African government and one of \$100 million to AEI, South Africa's largest explosives company.

2) CUNY has \$251,875 invested in BURROUGHS CORPORATION which supplies the South African Government with computers to administer its population control system through local and provincial "Bantu Administration Boards." Burroughs is the third largest computer company in South Africa and also supplies computers to the state-owned Iron and Steel Corporation - a major component of the South African military establishment.

3) CUNY has \$362,500 invested in UNITED TECHNOLOGIES CORPORATION - a top US defense contractor - which has assets of \$12 million in South Africa. United Technologies controls four subsidiaries in South Africa, including UTL Corporation which sells aircraft engines and helicopters.

4) CUNY has \$218,750 worth of stock in BOEING CORPORATION, which is heavily involved in military-related aircraft production and in the 1980's has had yearly sales of up to \$141.1 million in South Africa.

In response to these linkages, the CUNY Divestment Coalition was formed and kicked off its campaign by leafletting and handing out buttons at CUNY graduations in May. This fall the Coalition has initiated a petition and educational drive aimed at exerting pressure on the CUNY Board of Regents to divest. The Coalition has already found many allies, including Hunter College President Donna Shalala who wrote to CUNY Chancellor Murphy to press for divestment.

Your support is urgently needed in the struggle to achieve CUNY divestment. Here is what you can do:

- 1) Sign and circulate the petition calling for CUNY Divestment
- 2) IMMEDIATELY contact the CUNY Divestment Coalition
c/o Hunter College Day Session Student Government
Diana Dwyre
695 Park Avenue
Room 121 North
New York, NY 10021 (212) 570-5504
- 3) Attend the next Coalition meeting: _____

- 4) Call and write the CUNY Chancellor's office to express your opposition to CUNY investment linked to South Africa: Chancellor Joseph S. Murphy
CUNY
535 East 80th St.
New York, NY 10021 (212) 794-5311

5) Schedule a film and speaker about Southern Africa at your school in September and October. For a list of films and speakers contact: American Committee on Africa

198 Braodway

New York, NY 10038

(212) 962-1210

6) Start a CUNY Divestment Coalition chapter at your school. For information contact the Coalition at at address and phone number given in # 2.

THE END