An Appeal

to the people of New York
not to bank at First National City
& Chase Manhattan
to protest their involvement with racism in SOUTH AFRICA
Withdraw your Accounts December 9, 1966
[day before Human Rights Day]

What is Apartheid?

To the African, apartheid means humiliation, degradation, starvation, disease and death, jail, beatings, torture and hangings. It means the banning of all his political organizations; it means the proscription of his rights to strike or bargain with his employer; it means Pass Laws which severely limit his right to travel. Apartheid has resulted in the uprooting of hundreds of thousands of Africans living in the areas designated for whites only, and their transportation to "tribal homelands" where the majority find neither homes nor means of subsistence. Thus, apartheid means that most Africans are forced to seek employment in white areas as stateless, migrant workers, separated from their families and completely at the mercy of their employers, police, local labor officials and virtually every white with whom they come in contact.

Statistics cannot begin to show the affront to human dignity caused by apartheid; however, this brief table summarizes some of its important characteristics:

<table>
<thead>
<tr>
<th>White</th>
<th>Black (Africans)</th>
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<tbody>
<tr>
<td>Population (millions)</td>
<td>3.4</td>
</tr>
<tr>
<td>Income per capita</td>
<td>$1,790</td>
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<tr>
<td>Average wage (mining)</td>
<td>$3,800</td>
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<tr>
<td>Income exempt from tax</td>
<td>$500</td>
</tr>
<tr>
<td>Education expenditure per pupil</td>
<td>$300</td>
</tr>
<tr>
<td>Infant mortality per 1000 births</td>
<td>29</td>
</tr>
<tr>
<td>Life expectancy</td>
<td>67-72</td>
</tr>
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Percent of population (balance Asian and Coloured): 19 | 68
Percent of land reserved: 87 | 13
Persons in registered trade unions since 1948: 344,752 | none
Persons convicted of pass offenses: none | 5,000,000

*Failure to produce AT ANY TIME AND ANY PLACE the travel permits which all Africans must carry.

Outside action is needed to rekindle the faith of the oppressed in the possibility of a just and creative solution to their problems.

Why is it our concern?

All nations but one (Portugal) have over the last twenty years condemned the South African Government's policies of apartheid. It is irrevocably an issue of concern to all mankind. This condemnation and the increasing resolve of world forces to see apartheid crushed testifies to the omnipresent threat of a violent upheaval.

Because America has extensive interests in South Africa, our involvement in any conflict would be in defense of those interests that have allowed and encouraged our participation, the "Verwoerd Government."

With the probable alignment of African forces with the Eastern Bloc countries, Americans would once again be called upon to defend government's policies by fighting against the non-white forces in Africa. Because of this tragic possibility, it is our concern that the American government and American business take a more enlightened approach to the problem of South Africa, anticipating and preventing catastrophe rather than merely reacting.

The U.S. and Apartheid

Over and over, our government has made clear its abhorrence of apartheid and its ultimate desire to see it end.

President Johnson, at the White House reception celebrating the third anniversary of the Organization of African Unity, said: "The foreign policy of the United States is rooted in its life at home. We will not permit human rights to be restricted in our own country. And we will not support policies abroad which are based on the rule of minorities or the discredited notion that men are unequal before the law."

These broad aims of American policy, however, must be viewed against more specific interests of the United States in South Africa. According to a former Assistant Secretary for African Affairs, these include: the fact that South African ports are "highly useful logistically to the U.S. Navy"; the location of space tracking facilities in South Africa; total U.S. investments of $800 million as of 1960; a favorable balance of trade with the Republic; and South Africa as a source for many strategically important minerals.

Therefore, concluded the Assistant Secretary, "the U.S. Government neither encourages nor discourages investment in South Africa... the decision about whether to invest remains with the individual or company."

This policy of hands-off South Africa has been of incalculable assistance to the pro-apartheid forces, both financially and psychologically. "So long as United States banks and business back us, we can go ahead," was the way one important statesman from South Africa phrased it.

Thus U.S. trade and investment in South Africa are harnessed to racial exploitation. No wonder investors receive 15 percent returns on raw investments and nearly 30 percent on reinvested profits. Between 1950 and 1964, U.S. companies earned $800 million in profits; five hundred million was repatriated, the balance reinvested.

Two hundred and forty-three U.S. corporations are presently operating in South Africa, including most of the major blue-chips. American oil, rubber and motor companies are each dominant in their sectors. From breakfast cereals to mining equipment, American trade names are ubiquitous.

Outsiders could appeal to the oppressor by using reason, but for twenty years this has been tried and has failed. Outsiders could prepare to use force... but this would only precipitate the great destruction we seek to avoid. Alternatively, outsiders can steer between the two and disengage from a South Africa whose prosperity depends largely on the influx of capital and exportation of agricultural and mineral commodities. The South African status

quo rests on the confidence of international business, primarily British and American, in the economy.

At present, the U.S. Government policy represents the interests of large corporations. There will be no changes unless WE initiate them.

Why you should withdraw accounts

Banks and banking policies stand at the center of most national economies. After the Sharpeville massacre in 1960, the South African Government faced a severe financial crisis. It was the American banking interests that rushed to their aid with important confidence-building loans.

The American bank practice of extending loans to South Africa is more than a mere bookkeeper's formality. It involves important political assumptions testifying to the expected stability of that government, a stability which they are helping to insure by their presence.

Yet in the end, banks depend on individual, business and institutional depositors for their very existence. Without these, banks would atrophy, if not perish.

As a depositor in one of these banks, you are unwittingly a supporter of apartheid. It should be a matter of the utmost concern to all individuals that they no longer participate in the investment irresponsibility that these banks have exemplified by their participation in apartheid.

Because Chase Manhattan and First National City banks have on several occasions indicated their unwillingness to heed the demands of concerned citizens and are persisting in their determined policy of profiting from racial exploitation in South Africa, withdrawing your account is one important step that you as an individual can take to express your disagreement with these policies.

The act of withdrawing your account requires relatively little effort but can result in the significant overhaul of Chase and First National's South African investments.
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1961, '63, and '65 to extend credit to South Africa for $40

Million. The present agreement is to be renegotiated in

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operation with 10 other U.S. banks which agreed in 1959, '61, '63, and '65 to extend credit to South Africa for $40

million. The present agreement is to be renegotiated in

1967.

(2) In 1961 it extended a loan of $5 million to the Indus­

trial Development Corporation, which now has two

branches in New York. Barclays' deposits in South Af­

rica are among the largest of any bank doing business

there. As it would be altogether inconsistent with our objec­
tives not to discourage depositing in this bank, we urge

Barclays' not be used as an alternative.

(3) Granted in conjunction with two other concerns, a loan

of $7 million to form the First Consolidated Leasing Cor­
aporation (Pty) Ltd.

This persistent and ever expanding support of apartheid can no longer go unchallenged.

First National City Bank

First National City Bank of New York (South Africa) Ltd., which now has two branches in South Africa, began operations in 1958. From May of 1961 to October of 1964, total liabilities to the public rose from $5.9 million to $23 million.

First National's support of Apartheid has been evinced in other ways:

(1) It has participated in a revolving credit plan in cooperation with 10 other U.S. banks which agreed in 1959, '61, '63, and '65 to extend credit to South Africa for $40 million. The present agreement is to be renegotiated in 1967.

(2) In 1961 it extended a loan of $5 million to the Industrial Development Corporation during the height of South Africa's financial crisis, thus enabling industry to recoup itself and expand its support of apartheid.

(3) Granted in conjunction with two other concerns, a loan of $7 million to form the First Consolidated Leasing Corporation (Pty) Ltd.

Chase Manhattan

Chase Manhattan's involvement in the South African economy began in 1959 through Chase Manhattan (South Africa) Ltd.

Chase in July of 1959 granted a $10 million loan to that government for three years. At the same time, it granted a revolving credit of $8.5 million to the Industrial Development Corporation. This money was used to finance industrial development by private enterprises, in which nonwhites have no chance of sharing.

It joined with the ten U.S. banks in the $40 million floating credit arrangement.

While Chase has sold its branches, its participation in the merged Standard Bank and its agreement to assume important management positions as well as to market services testifies to its remaining commitment to the South African system of apartheid.

Alternative banking suggestions

This Committee takes the position that you should redeposit your account in any bank of your choosing. There are, however, two important exceptions.

The floating loan arrangement with the South African Government for $40 million also involves eight other U.S. banks. These concerns are not as deeply involved in the South African picture, but nevertheless should be censured.

For tactical reasons it was decided to limit the focus of this campaign to the two largest American banking interests involved in the South African economy. You are urged, however, if at all possible not to use the facilities of any of these other investors in the New York area.

They are:

Manufacturers' Hanover Trust Co.

Morgan Guaranty and Trust Co. of New York.

Irving Trust Co.

Chemical Bank New York Trust Co.

Bankers Trust Co.

Barclays' Bank D.C.O. is a British concern but has branches in New York. Barclays' deposits in South Africa are among the largest of any bank doing business there. As it would be altogether inconsistent with our objectives not to discourage depositing in this bank, we urge that Barclays' not be used as an alternative.

Outside the scope of these additional limitations, there are a wide variety of commercial and exclusively savings banks which are acceptable alternatives.

Withdraw your support from Apartheid

On Friday, December 9, thousands of New Yorkers will join in this campaign of protest against American support of apartheid in South Africa. They will, as a definite act, withdraw accounts between December 1st and 9th from Chase Manhattan and First National City. They will urge others to join them.

They will urge organizations of which they are a part to do so. If they do not have accounts, they will protest the banks' support of apartheid in South Africa.

Will you participate? You may indicate your willingness by signing the attached blank or writing to:

Committee of Conscience Against Apartheid

Room 705 211 East 43rd Street

New York, N.Y. 10017

PARTIAL LIST OF SPONSORS

A. Philip Randolph, Chairman • Joan Baez • Roger Baldwin • Rev. Daniel Berrigan, S.J. • Rev. Philip Berrigan, S.J. • Paul Cadmus • Daniel Callahan • Stokley Carmichael • The Hon. John Conyers • Irving Trust Co.

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COMMERCIAL BANKS

• Amalgamated Bank of N.Y.

• Atlantic Bank of N.Y.

• Bank of Commerce

• Banco de Ponce

• Banco Popular de Puerto Rico

• Bank of N.Y.

• Bank of North America

• Central State Bank

• Chelsea National Bank

• Federation Bank & Trust Co.

• Freedom National Bank

• Israel Discount Bank

• Lafayette National Bank

• Marine Midland Grace Trust

• Meadow Brook Bank

• Royal National Bank of N.Y.

• Merchants Bank of N.Y.

• Sterling National Bank & Trust Co.

• Trade Bank & Trust Company

• Kings County Lafayette Trust Co.

• United Industrial Bank

• Savings Banks

Any savings bank is recommended

SAVINGS BANKS

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