January 19, 1978

Dear Friends,

Jimmy Carter has been in the White House for one year, and government programs that support the South African Vorster regime are still in place. Some things have changed. The Carter Administration officially supports majority rule in South Africa. The U.S. voted for a mandatory arms embargo against South Africa at the United Nations in response to the October crackdown against all organized opposition to apartheid. Now Administration spokespeople say that this small step is as far as they are willing to go.

But the economic crux of U.S. policy hasn't been touched.

We think it is time to mount a major public campaign to end U.S. government economic support for South Africa. And we think the place to start is with official Export-Import Bank financing of trade.

In Congress, a bill has been introduced to end the use of Export-Import Bank facilities to finance exports to South Africa. H.R. 9746, introduced by Rep. Andrew Maguire (D-N.J.), provides that:

"In no event shall the (Export-Import) Bank guarantee, insure or extend credit or participate in any extension of credit to the Republic of South Africa."

Over sixty prominent Americans in leadership positions of national church, civil rights and peace groups have called for an end to Eximbank support for South Africa.

The Eximbank campaign can build on the momentum of organizing already going on across the country. In at least ten cities, coalitions are organizing to stop commercial bank loans to South Africa. It is just as important to oppose financing by the government-run Eximbank, where we, American taxpayers, bear the ultimate burden if South Africa defaults.

Many national and local groups are also working to stop foreign aid to governments which commit gross violations of human rights against their own people. Stopping the flow to racist South Africa of Export-Import Bank financing, which is considered by the Executive Branch as a form of foreign aid, should become a critical part of this human rights work.

We need to mount a campaign against Eximbank's South Africa connection to demonstrate to the Congress that there is a popular demand in this country for not only talk, but action, to break U.S. links with apartheid, beginning with the Export-Import Bank. We also need to direct our attention toward the Executive Branch. President Carter could decide, even without the Congress acting, to stop Eximbank financing to South Africa tomorrow.
Here is the legislative timetable: The Banking Committees of the House and Senate will be considering a new authorization bill for the Eximbank this spring. The House Subcommittee will hold hearings soon on the Export-Import Bank and South Africa, and on the general bill in mid-February. Senate hearings will be in March. We expect that the language of H.R. 9746 will be offered as an amendment to the authorization bill in Committee, and reach the floor for a final vote after May 15th.

This is how you can help:

- Order bulk copies of the enclosed "Stop Export-Import Bank Financing Apartheid" leaflet. Distribute them at meetings, at churches and schools, and through local networks. Orders of over 50 cost only 5¢ each.

- Use the enclosed petition to build support in your community. Collect signatures of people you can contact against when a South Africa amendment to the Eximbank bill comes to a vote in Congress. Send a copy to President Carter and demand that he take unilateral action.

- Get endorsements from representatives of key local organizations. This will be a good basis for a meeting with your Congressional representatives, for letter-to-the-editor, and for encouraging individuals associated with these groups to act. Send us a copy.

- Most importantly, meet with your Representative and Senators to tell them to vote to stop Eximbank financing of apartheid. Organize letter-writing and telephone campaigns in support of H.R. 9746. During the next two months give special attention to members of the Committees which will be considering this legislation (see list below). We will keep you informed about legislative developments so your work can be most timely and effective.

We hope you will share our enthusiasm about this new campaign. Please let us know what organizing you do in your community to end the Eximbank-South Africa connection. And contact us if we can give you any further materials, advice or support.

Sincerely,

Edgar Lockwood  Christine Root  George Wright

House Committee on Banking, Currency, and Housing

Democrats: Reps. Henry Reuss (Wis.), Thomas Ashley (Ohio), William Moorhead (Pa.), Fernand St. Germain (R.I.), Henry Gonzalez (Tex.), Joseph Minish (N.J.), Frank Annunzio (Ill.), James Hanley (N.Y.), Parren Mitchell (Md.), Walter Fauntroy (D.C.), Stephen Neal (N.C.), Jerry Patterson (Calif.), James Blanchard (Mich.), Carroll Hubbard (Ky.), John LaFalce (N.Y.), Gladys Spellman (Md.), Les AuCoin (Ore.), Paul Tsongas (Mass.), Butler Derrick (S.C.), Mark Hamannafoor (Calif.), David Evan (Ind.), Clifford Allen (Tenn.), Norman D’Amours (N.H.), Stanley Lundine (N.Y.), Herman Badillo (N.Y.), Edward Pattison (N.Y.), John Cavanaugh (Neb.), Norman Leach (Iowa), Henry Hyde (III.), Richard Kelly (Fla.), Charles Grassley (Iowa), Millicent Fenwick (N.J.), James Leach (Iowa), Newton Steers (Md.), Thomas Evans (Del.), Bruce Caputo (N.Y.), and Harold Hollenbeck (N.J.). (Members listed in italics are on the Subcommittee on International Trade, Investment and Monetary Policy which has jurisdiction over Eximbank.)

Senate Committee on Banking, Housing and Urban Affairs

Democrats: Senators William Proxmire (Wis.), John Sparkman (Ala.), Harrison Williams (N.J.), Thomas McIntyre (N.H.), Alan Cranston (Calif.), Adlai Stevenson (Ill.), Robert Morgan (N.C.), Donald Riegle (Mich.), and Paul Sarbanes (Md.). (Senators listed in italics are on the Subcommittee on International Finance which has jurisdiction over Eximbank.)

A CALL to the President and Congress to End Exim Financing for South Africa

On October 19, 1977, South Africa cracked down against all organized, legal opposition to apartheid. This is only the latest brutality of a regime which has detained thousands of its opponents, and denied the most basic human, economic and political rights to the majority black population.

We believe that further loans to South Africa by commercial and government-controlled banks in the United States are morally wrong and undermine the interests and values of the American people.

We believe that the continued granting of credit by the Export-Import Bank, with the full backing of the United States, to help finance purchases by government and private purchasers in South Africa strengthens the apartheid system.

WE THEREFORE CALL ON THE PRESIDENT AND THE CONGRESS to forbid the use of all Export-Import Bank facilities to support purchases of American goods by the South African government, its agencies and any private interests in the Republic of South Africa.

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