

STOP BANKING ON APARTHEID



SeaFirst Supports Apartheid

**Seattle Committee To Oppose
Bank Loans To South Africa
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Apartheid — A Crime Against Humanity

The United Nations General Assembly, upon adopting its "Programme of Action Against Apartheid" on November 9, 1976, condemned the South African system, saying that "apartheid, like slavery, must be eradicated because it is a crime against humanity..." Under apartheid (which literally means apartness), the lives of the 20 million blacks, 4 million so-called coloureds, and 1 million Asians are strictly controlled for the benefit of the white minority of 4 million. Whites, who control all of the political and economic institutions, enjoy one of the highest standards of living in the world, while 80% of the African population lives below the government-designated Poverty Datum Level (the subsistence level for a family of four). For the vast majority of the people of South Africa, apartheid has meant grinding poverty, mass unemployment, complete disenfranchisement, imprisonment and torture.

The white minority government has decreed that if you are black, you have no right to vote, no right to own property, no right to strike or to bargain collectively, no right to live with your family, no right even to travel freely in the land of your birth!

Since the Soweto Uprisings in June, 1976, the struggle in South Africa has taken on a renewed militancy and a greater sense of urgency. Once again, the South African government demonstrated its inhumanity by shooting down hundreds of unarmed school children who were peacefully protesting the apartheid educational system. And once again, black people in South Africa demonstrated their determination to be free.

The struggle continues in South Africa today. The inhumanity continues. Apartheid in the 20th century, like slavery in the 19th century, must be eradicated.

Banking On Apartheid

Private U.S. corporations and banks have invested heavily in South Africa over the last 20 years. U.S. corporate investment is almost \$2 billion, while private U.S. bank loans to the South African government have now reached \$3 billion. U.S. corporations have found investments in South Africa quite lucrative, netting an average rate of return of 19% per year, as compared to the domestic rate of 6-8% and an international rate of 10-12%. The repressive South African government has provided a "stable investment climate" where labor is cheap, mineral resources abundant, and market potential great.

The availability of international credit is critical to the maintenance of the apartheid system and U.S. banks provide a large portion of that credit. A report prepared for the Senate Subcommittee of African Affairs noted that international bank lending in South Africa nearly tripled between 1974 and 1976. The \$2.2 billion in outstanding claims by U.S. banks in 1976 was, according to the report, "roughly equivalent to the amount of foreign exchange required to cover South Africa's defense and oil import costs for the same year."

South Africa's massive — and growing — debt to private Western banks effectively locks the west into dependence on South Africa's continued prosperity in order to insure the protection of Western investments. This flow of credits from the U.S. and other Western nations supports the white minority regime and the status quo in South Africa. Foreign loans guarantee that South Africa's overall budget is in a strong position and that the economy is viable. Bank loans subsidize South Africa's military capability and, thus, are a direct resourcing of machinery for oppression of the black majority.



SeaFirst Supports Apartheid

Seattle First National Bank is among those banks which are loaning money in South Africa. SeaFirst has made four loans to three government-controlled corporations in South Africa totalling \$14 million. SeaFirst has flatly refused to adopt a policy of no loans in South Africa. In addition, Rainier Bank has also loaned an undisclosed amount to government-controlled corporations in South Africa and, together with People's Bank, has extended loans for trade with South Africa through the Private Export Funding Corporation (PEFCO).

SeaFirst's loans to South Africa are *not* an isolated incident, but are part of a continuing pattern of using *your* money in ways that violate human rights both at home and abroad. In 1975, SeaFirst was implicated in the redlining scandal, which saw poor and third world people being discriminated against for home loans. In addition, SeaFirst has twice been found guilty by the National Labor Relations Board of bargaining in bad faith with the Financial Institution Employees of America, the union that represents bank employees, and still refuses to recognize the union as the legitimate bargaining agent for its 4,700 non-supervisory employees. And in Alaska, SeaFirst loaned \$27 million to Wien Air Alaska in the midst of a 21-month strike by the Airline Pilots Association. The loan allowed Wien Air to continue its strike-breaking activities. SeaFirst also loaned \$5 million to the military junta in Chile, which, along with South Africa, has been repeatedly condemned by the international community for its gross violations of human rights.

Because SeaFirst is the largest single lender to South Africa in the state of Washington, the Seattle Committee to Oppose Bank Loans to South Africa has initiated a campaign to pressure the bank to adopt a policy of **NO LOANS IN SOUTH AFRICA.**

International Call To Action

The campaign against SeaFirst is part of an international effort to stop the flow of credits to South Africa. The UN General Assembly, in its "Programme of Action Against Apartheid," calls upon governments to "prohibit loans by banks or other financial institutions in their countries to the racist regime of South Africa or South African companies" and further calls upon trade unions, churches, anti-apartheid and solidarity movements, and other non-governmental organizations "to intensify campaigns against banks and other transnational companies which collaborate with South Africa."

In the Netherlands, as a result of considerable public pressure, the Amsterdam-Rotterdam Bank made public its decision to make no further loans to the South African government or its agencies until "essential changes" occurred in that land. In Holland, the World Council of Churches has received assurances from the Algemene Bank Nederland that it will refuse loan requests from the South African government or its agencies until "legally enforced racism" has been abolished. In Great Britain, Barclay Bank stated that as a matter of policy, it makes no loans to the South African government or its agencies.

In the U.S., bank loan campaigns are under way in New York, Boston, Chicago, Philadelphia, Los Angeles, San Francisco, Portland, and Eugene, to name a few of the cities. Several major banks — Chase Manhattan, Citibank, Chembank, Morgan Guarantee and Trust are among them — have yielded to pressure from their depositors and have publicly stated that they will not make loans to the South African government or to government-controlled corporations. However, these banks still make loans to private banks and corporations in South Africa.

In Seattle, the Seattle Committee to Oppose Bank Loans to South Africa urges you to become part of the movement that demands that SeaFirst and other banks stop supporting apartheid.

What You Can Do To Stop Banking On Apartheid

The Seattle Committee to Oppose Bank Loans to South Africa is a group of citizens who are concerned about the role the U.S. plays in supporting racism and economic exploitation in South Africa. We oppose the continued financing of apartheid by U.S. banks and corporations and we support the struggle of the majority of the people of South Africa for freedom and dignity.

We offer the following actions you can take to stop banking on apartheid:

1. The Committee has designated FRIDAY, MAY 25, 1979 as a DAY OF WITHDRAWAL. On that day, we will picket and leaflet at the main branch of Seattle First National Bank, 1001 Fourth Avenue, from 4 p.m. to 6 p.m. We ask you to join us and to withdraw your money from SeaFirst in protest of its continued support for apartheid.

We ask you to send the enclosed postcard back to us. We will forward the right half to SeaFirst announcing your intention to withdraw your account if it has not adopted a policy of no loans in South Africa by MAY 25.

2. Organize an educational program for your community, church, school, club or union. We have slideshows, films, speakers, and literature available.
3. Join the Seattle Committee to Oppose Bank Loans to South Africa. We meet weekly on Thursday to study and to strategize about the campaign.
4. Investigate your union, community group, church, school, or club and see if they have accounts with SeaFirst, Rainier, or People's.

Remember...
Friday, May 25, 1979
Day Of Withdrawal