WHAT HOUSE BILL 1256 WOULD DO

"Be it enacted by the People of the State of Illinois represented in the General Assembly:

Sec. 7... The State Treasurer shall reject the proposal of any bank which has in effect a loan to any individual, firm, corporation, agency, association or unit for the purpose of doing business in or with the Republic of South Africa until such time as the United Nations certifies that the system of racial discrimination, commonly known around the world as apartheid, is abolished.

Sec. 15. A bank approved as a depository shall cease to be an approved bank, and shall be disqualified by the State Treasurer:

... (5) Upon its making a loan to any individual, firm, corporation, agency, association or unit for the purpose of doing business in or with the Republic of South Africa until such time as the United Nations certifies that the system of racial discrimination, commonly known around the world as apartheid, is abolished."

THE MILLIONS OF TAX DOLLARS which the State of Illinois now deposits in banks which loan to South Africa could be placed in those banks which have most consistently supported the renewal and development of our communities. We say:

REDLINE SOUTH AFRICA - NOT OUR CITIES!

WHY IS THIS BILL IMPORTANT?

South Africa is a country where:
- a white minority (16%) owns 87% of the land & receives 67% of the national income
- blacks cannot vote or join political parties
- over 250,000 blacks are arrested yearly for passbook violations
- South Africa's execution rate is one of the highest in the world
- black unemployment is over 25% while white unemployment remains under 1%
- thousands of blacks continue to be forcefully relocated on barren reservations (bantustans) where half the babies die before their first birthday
- the government spent over $75 million to influence the American political process by buying American newspapers and helping to fund the election defeat of Sen. Dick Clark (D-Iowa), a prominent anti-apartheid spokesperson
THE ROLE OF AMERICAN BANKS IN S.A.

Large American banks, including First National Bank and Continental Bank in Chicago, raise funds directly for the South African government by selling the gold Krugerrand coin. Krugerrands now account for 30% of S.A.'s gold production. The U.S. accounts for half the Krugerrands sold in the world. Even before the recent skyrocketing of gold prices, First National was selling over 500 per day.

U.S. banks have $3 billion in outstanding loans to South Africa, an amount equal to S.A.'s defense and oil costs for one year and to one-third of its total overseas loans.

THE ROLE OF U.S. CORPORATIONS IN S.A.

480 American corporations now support the South African economy through their investments and trade. U.S. businesses control 43% of S.A.'s petroleum market, 23% of its motor vehicle sales, and 70% of its computer business. The U.S. has also become S.A.'s largest source of imports.

American corporations play a vital role in maintaining the strength of white minority control of the South African economy as well as its monopoly of political power. They profit directly from the systematic denial of basic political and economic rights to the black population.
WHAT OTHERS SAY ABOUT AMERICAN LOANS TO, OR INVESTMENTS IN, SOUTH AFRICA

The net effect of American investment has been to strengthen the economic and military self-sufficiency of South Africa's Apartheid regime.

-Senate Subcommittee on African Affairs, 1978 Study.

The City Council shall be responsible for...removing City of Berkeley monies from banks and other financial institutions doing business with the Republic of South Africa...as such securities mature.

-Berkeley Responsible Investment Ordinance, passed April '79

Foreign investment and loans have been used largely to maintain the present pattern of power and privilege in South Africa.

-South Africa Council of Churches

Heavy investments in the South African economy...serve to entrench the position of the white minority regime.

-Stephen Biko

U.S. corporations should immediately divest themselves of South African affiliates, and sever all ties with South African corporations.

-AFL-CIO Executive Council 2/24/78

The governing board of the National Council of Churches...undertake to withdraw all funds and close all accounts in financial institutions which have investments in...or make loans to the South African government or businesses.... 11/10/77

The NAACP should call upon US corporations to withdraw their investments in South Africa...[and] maintain its call for economic sanctions against South Africa until all vestiges of apartheid are eliminated. -1/16/78

We have not, do not, and will not make any loans to the Government of South Africa...[and] to the best of our knowledge...have not and are not making loans to corporations doing business in South Africa.

-Amalgamated Trust & Savings 4/77

WHO ELSE SUPPORTS HOUSE BILL 1256?

At the initiation of labor, community and religious groups, H.B. 1256 was introduced by State Reps. Carol Moseley Braun (D-24) and Woods Bowman (D-11) and co-sponsored by 20 other legislators. The Bill has generated wide support and been endorsed by the following organizations: (partial list)

Black Arts Celebration/Cairo United Front/Campaign for a Democratic Foreign Policy/Chicago Coalition on Southern Africa/Chicago Peace Council/Clergy & Laity Concerned/Coalition of Black Trade Unionists/8th Day Center for Justice/Independent Voters of Illinois-I.P.O./Lutheran Coalition on South Africa/Midwest Coalition on South Africa/Mt. Calvary Baptist Church/NAIMSAL/New World Resource

WHAT YOU CAN DO

1) Support passage of HB 1256 - contact your State Representative NOW!
2) Allow your organization's name to be used in the Campaign as an endorser of HB 1256 (see tearoff)
3) Issue a public statement by your organization supporting HB 1256
4) Assist the campaign: contribute to its costs or arrange an educational program at your church/union
5) Testify at the public hearings to be held this fall
I/our organization (circle one) support(s) Illinois House Bill 1256, which would keep State of Illinois funds out of banks which make loans to persons or firms doing business in or with South Africa until the United Nations certifies that Apartheid has been abolished.

(Name of individual/organization)

(Signature of authorized representative)

(Title of authorized representative)

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I would like more information. Please contact me.

I am enclosing $____ toward costs of the campaign to pass House Bill 1256.

(labor donated)
CAMPAIGN TO PASS HOUSE BILL 1256
7235 North Sheridan
Chicago, IL 60626