COORDINATOR'S REPORT

Since the Sept.-Oct. issue of COBLSA News, National Office activities have included the following:

- attending the International Conference in Solidarity with the Peoples of Southern Africa (with COBLSA Intern Shabu Qureshi) held Oct. 9-11 in New York. COBLSA contributed to two commission papers and I spoke at the workshop on Organizing in Local Communities to Break Economic Links with Apartheid. The Conference provided an opportunity for me to meet with several local affiliates (Oregon, Seattle, Boston, **C). Former COBLSA National Coordinator exy Nesbitt, currently at the Program to Combat Racism of the World Council of Churches, was a panelist on the Economic Commission.

- travelling to 7 southern states as part of an AFSC-initiated speaking tour. This trip provided exciting outreach to new constituencies in an area of the country with little prior bank campaign activity. I and other tour participants met with a variety of church, civic and student groups, including people who waged a successful campaign to get a New Orleans bank to stop selling Krugerrands and N.C. activists interested in rejuvenating the local bank campaign. A Ga. group has continued to meet since our visit to plan spring activities, and a Fla. group is interested in launching a municipal divestment campaign. A report on this tour follows. Follow-up on this tour has included:

**drafting (with Jean Sindab of WOA) an Anti-Apartheid Action Sheet which AFSC printed up for distribution to our southern contacts (enclosed);

**responding to a request by the Univ. of Va. Student Council Investment Comm. for input into their deliberations;

**generating additional resources, including a list of southern bank lenders, a list of commemorative dates around which to plan events, and a workshop proposal on "Runaway Banks: Misusing Our Money at Home and Abroad".

- doing initial fund-raising and further refining the proposal. A recent $1500 donation will help with short-term needs, and other fund-raising possibilities are being actively pursued. Any suggestions from affiliates will be appreciated.

- working with WOA in mobilizing southern and midwestern contacts in the successful fight to retain the Clark Amendment (prohibiting covert or overt aid to factions within Angola). This victory was a result of the strong stand taken by the Congressional Black Caucus and their allies in making sure the House conferees on the Foreign Aid bill stood firm for retention.

- developing plans for an organizers' manual on building a local bank campaign (see the proposed outline and how you can participate, below)

- exploring with several national groups the feasibility of two types of campaigns
exploring, with WOA and the Center for International Policy, the feasibility of a campaign to expel South Africa from the IMF (since its membership provides it with a 'safety net' of capital to draw on that helps sustain private bank lending). A recent UN committee vote called for SA's expulsion from the IMF and awaits General Assembly action. See the brief report on SA/IMF below, contributed by CIP.

Planning a meeting for late January of anti-apartheid, anti-nuke and nuclear disarmament activists to hear several European activists talk about European organizing strategies on these issues, their relevance to our work here, and how activists from these three networks might work together to target US-SA nuclear collaboration. One of our scheduled speakers was active in the Dutch bank campaign.

CAISA UPDATE

CAISA has been unable to meet since late September. However, a brief meeting is being planned immediately following a loosely structured 'coherence' meeting of national anti-apartheid groups being planned by AFSC for late January.

In talking to Dumisani Kumalo of ACOA following his recent 10-state tour, he noted three basic legislative strategies emerging around the country:
- bills to take public monies out of banks lending to South Africa;
- bills to prohibit investment of public university endowments in corporations or banks active in South Africa;
- bills to prohibit public employee pension funds from being invested in corporations or banks active in South Africa.

Bills targeting banks have recently enjoyed the most success; such victories are often a key first step in building momentum for action in the other two areas. COBLSA affiliates can play a key role in this area of the campaign against public investment in apartheid.

ACOA has offered to put together a periodic newsletter of relevant materials on activities in different states and by CAISA sponsors. In January we will be discussing how to better coordinate and focus our joint work.

PROPOSAL FOR NATIONAL DAY OF ACTION:

A number of organizations which are interested in withdrawing their accounts to greatest effect have asked when COBLSA is planning National Day of Action. This was discussed at our June 1981 meeting as something which we would build up to, preferably following a series of regional and/or statewide conferences of anti-apartheid and community groups. My sense is that we need to set a tentative date now to keep a sense of momentum on the national level.

Proposal: That COBLSA call for a National Day of Action on Bank Lending to South Africa for either June 16 (Soweto Day) or for sometime in October - November 1982. Several groups have suggested June 16th as being able to build on the momentum of spring actions (including the Two Weeks of Action in Solidarity with the Liberation Movements planned on campuses March 21-April 4). Others have suggested waiting until the Fall to give more time for mobilization and for these conferences to take place. Such a Day should take place before the election, however, and local affiliates should begin to make this a primary and campaign issue in the coming months in your community.

I will be calling all affiliates by Jan. 25 to assess your reactions. Can you talk with groups in your region to gain a greater sense of what date might allow for maximum joint effort?

WITHDRAW YOUR MONEY

UPDATE ON RELEVANT NATIONAL LEGISLATION

Two bills are currently pending before the House Subcommittee on Africa, both dealing with US investment in So. Africa. The Gray Bill (HR 3597) directs the president to use the International Emergency Economic Powers Act to prohibit all new investment in, or loans to, South Africa. The Solarz Bill (HR 3008) would make the Sullivan Principles mandatory for large corporate investors in SA, disallow new loans to the SA government or its agencies except for "humanitarian" purposes, and ban the importation of Krugerrands into the US.
The administration claims both bills would endanger its policy of "constructive engagement" with SA, and that US corporate activity helps black So. Africans. "We should stay, must stay, as long as we can contribute to positive change," said Princeton Lyman, Deputy Assistant Secretary of State for Africa, at Subcommittee hearings.

Both bills are due for mark up in late January, with a possible vote in February. Affiliates are urged to write the Africa Subcommittee members in support of the Gray Bill (HR 3597). The Solarz Bill, despite its good Krugerrand position, implies that the Sullivan principles are a meaningful step for US corporations to adopt. Its language on loans would allow US banks to argue, as Citibank does, that their lending promotes positive change in South Africa.

Members of the Africa Subcommittee are: Howard Wolpe (Chairman, D-Mich); Stephen Solarz (D-NY); Dennis Eckert (D-Ohio); Jerry Studds (D-Mass); Wm Goodling (R-Pa); Alan Erdahl (R-Minn); Robert Dornan (R-Ca); Olympia Snow (R-Maine). Mail may be addressed to: US House of Representatives, Washington, D.C. 20515.

(Prepared by Shabu Qureshi.)

SOUTH AFRICA AND THE IMF

The International Monetary Fund lent South Africa $118 million during 1979-80 and stands ready to provide another $5 b. if it is needed. On November 24, 1981 the UN General Assembly passed a resolution condemning this assistance and proposing, for the first time, that the IMF board of governors put So. Africa on the agenda for its next annual meeting.

It is important to realize that the IMF is an international governmental agency that is still providing aid when individual governments and many private financial organizations have already cut off aid.

The United States voted against the UN resolution on the ground that measures against So. Africa would politicize the IMF.

The average citizen does have leverage because the IMF must get periodic appropriations from Congress, and members of Congress are increasingly reluctant to vote the huge sums requested. The last appropriation was $5.5 billion.

We suggest concerned citizens write their representatives in Congress opposing any backdoor aid to So. Africa through the IMF, which is supported by their taxes. They should also write to:
- Hon. Donald T. Regan
  Secretary of the Treasury
  Washington, D.C. 20220
- Rep. Stephen L. Neal
  Chairman, House Subcommittee on International Trade, Investment & Monetary Policy
  Washington, D.C. 20515

(Written by the Center for International Policy.)

What Your Money A Series of Sessions for Residents of the DC Community. How different kinds of banks work and what they do with your money; how banks affect our community; redlining, services to the poor and elderly, employment policies and investment priorities; how U.S. banks use and misuse our money overseas; ways banks can strengthen our community; how Reagan's policies will affect banks and ourselves; how to pressure banks to change.

Carole Collins: national coordinator of the Campaign to Oppose Bank Loans to South Africa.

January 30 - March 13 (no class February 13) • Saturdays 10 am - 12:30 pm • 6 sessions, $40 (scholarship: $25).
PROPOSED COBLSA ORGANIZING MANUAL

Since 1977, discussions have been held at various times on the possibility of putting together an organizers' manual on how to research your bank and organize a campaign. A rough draft of such a manual was written by NY-COBLSA folks but never completed. An idea for a similar manual, to be completed by activists from different countries, was proposed at the 1981 Zurich Conference. Since then discussions with various groups have underlined how useful such a manual or handbook would be to guide the work of new campaigning groups (and strengthen that of old).

Below is a proposed outline for such a manual, tentatively titled: THE ABCs OF ENDING LOANS TO SOUTH AFRICA: A HANDBOOK FOR RESEARCH AND ACTION. While the National Office staff would write parts of the Handbook, the major portion would hopefully be written by local and national groups affiliated with COBLSA. Where possible, I have tried to suggest possible authors for segments of the Handbook. Please send your responses to the outline by Jan. 30 so that any necessary changes can be made. Indicate, if you can, whether you are interested in contributing to a section of the Handbook. I would hope that contributions would be submitted by May 1st.

Proposed Outline

- Introduction & Table of Contents
- Bank Loans to So. Africa: Why an Issue for Americans (putting them in the context of strategic support for Apartheid and what Apartheid is - basically an argument piece)
- US Economic Links to South Africa: Scope & Significance (summarizing the latest information on the status of bank lending and direct investment in SA) [COBLSA Coord.]
- Useful Facts & Figures on South Africa (could reproduce ACOA piece or write a new one aimed at providing local groups with quotable material for local pamphlets) [ACOA]
- How to Research Your Bank (research methodology; how to develop and implement a research plan; what criteria exist for evaluating your bank) [COBLSA; ACOA; ICCR]
- Building Alliances: The Link to Local Issues:
  - Banks & the Black Community
  - Banks and the Churches [ICCR & CALC]
  - Banks and Women [Ohio Women's Group]
  - Banks and Local Communities [BCLSA &/or D.C.B.C.]

- Planning Your Local Campaign (steps in the process; different organizing strategies to meet different local conditions) [COBLSA Coordinator]
- Identifying Alternative Banks (criteria and contradictions between criteria of different community groups) [COBLSA]
- Case Studies [by different local affiliates to illustrate different organizing strategies, what is generalizable from a specific experience]
- Gold & Krugerrand (would briefly summarize scope & significance of US sales; list relevant existing resources; provide a list of outlets) [COBLSA; ICCR; ACOA]
- IMF and South Africa (would summarize how the IMF provides a safety net that encourages private bank lending and how to do educational work on this) [Center for International Policy]
- Helping You Organize: Useful Groups
- Listing of Bank Lenders (indicating type of loan; size; when made; bank links; etc.) [COBLSA National Office]

The Handbook would be produced in some loose-leaf format to allow for easy updating. Tentative completion date would be June 1982.

This Newsletter was produced by:
Carole Collins, National Coordinator
Shahb Quadri, Intern
Sharon Mills, Intern
From Oct. 18 through Nov. 4, 1981, the COBLSA Coordinator was part of an AFSC-sponsored tour of 7 southern states. Others on the tour included: Rebecca Matlou (African National Congress-S.A.); Lindiwe Mabuza (ANC); Jean Sindab (Washington Office on Africa); Jerry Herman (AFSC/Southern Africa Program); and Wilfred Gray (International Defense & Aid Fund).

The trip was aimed at developing contacts on which to build future work and sharing resources (both people and films) not readily available in that region. The tour gave us a better understanding of the local political, social and economic conditions that must be taken into consideration in doing anti-apartheid work in the South.

Below is an impressionistic overview of the tour and some brief summaries of whom we met and spoke to on the tour.

Charlottesville, Va: We met with a small group of students and community activists on the Univ. of Va. campus (17,000 students, only 400 of them black). Workshops focused on analyzing the divestment movement on campus and on political prisoner work. Although the turnout was small, the people present struck us as very committed to continuing work on this issue. We discussed strategy and groups' difficulty in developing a united multiracial divestment campaign.

Greensboro, N.C.: We finally began to feel we really were in the South: the terrain so much more rural and people we met more readily speaking of the community's rising racial tensions following the Nov. 1979 shootings. A meeting with representatives of black community groups (NAACP; NBUC; black churchmen, businessmen, and academics) focused on Reagan Administration moves closer to So. Africa and on similarities between So. African apartheid and segregation in the South. After a meeting with local Quakers and 3 newspaper interviews, we spoke at a black Baptist church 3 blocks from the 1979 Klan shootings. The audience asked about how to organize against local bank lenders and local companies with So. African subsidiaries (IBM; textile cos.).

Atlanta, Ga.: All the new construction lining the highways underscores the economic vitality of this home to Coca Cola. We arrived during the last week of the mayoral campaign; our being welcomed by Coretta King, Rev. Jos. Lowery, the Mayor, a County Commissioner and a State Legislator at a press conference underscored the high level of consciousness on the South Africa issue in Atlanta. It also underscored, in this birthplace of Dr. King, how this tour was a sort of pilgrimage to key points of struggle in the civil rights movement. Speaking about denial of basic human and civil rights in South Africa was paralleled by discussion of local struggles to maintain the gains of the civil rights movement in every community we visited from Atlanta on. We had excellent press coverage here (several radio, TV and press interviews) and met with the Black Journalists Assoc. at Clark College (one of a network of black colleges throughout the South that invited us to speak). We met with the Christian Council of Greater Atlanta, informally with Andy Young at his Campaign headquarters, and spoke to 250 predominantly black students at Atlanta University.

Julian Bond, Jan Douglass (aide to then Mayor Jackson) and Beni Ivey sponsored a reception for us at a local restaurant frequently patronized by Atlanta's black political leadership. We also spoke at a meeting sponsored by the local anti-Reagan Coalition and met personally with Coretta King. Our most challenging meeting was with a bankers/business/
Jackson, Miss.: Our visit was assisted by Delia Ministry staff, who helped set up meetings at Tougalou and Jackson State Colleges, at the Black & Proud School (black nationalist in orientation), with a local CARD chapter, and with local media (including the Jackson Advocate, where we met Mayor Eddie Carthan of Tchula, Miss., focus of a campaign to get black office holders out of public office). A key theme in discussions with local folks was the rise in racial tensions and lynchings in Miss.; recent instances of prisoners found hanging in their cells were eerie reminders of similar supposed suicides by SA blacks held in detention.

New Orleans, La.: The cosmopolitan culture of this port city underlines its difference from the Deep South; it is much closer to the Caribbean in style, terrain and its economic dependence on trade for survival (as in its lack of productive corporate investment in the area). Our visit was assisted by Kalamu Ya Salaam, editor of the Black Collegian (which had just published an article on divestment). We visited the Ahidiana Work/Study Center, a model for self-programming education whose materials embody a strong critique of capitalism within a black national perspective. We later spoke at several universities, including Xavier (the only black Catholic Univ. in the US), Dillard (another black University), Univ. of New Orleans, State Univ. of New Orleans and at several community centers, a Unitarian Church (on US/SA nuclear collaboration) and a local high school. Each program was sponsored by different groups, including: the National Black Independent Political Party; AFSC & Xavier Student Awareness Comm.; People's Coalition (a multiracial group formed to protest Reagan's Sept. visit to N.O.) and 9 other groups; SANE, NAACP and several fraternities; Militant Forum; People's Bookstore (firebombed 3 times by right-wing Cuban/Nicaraguan groups); AFSC & LASIS (gay women's group).

Mobile, Ala.: Our visit began with a visit to the 3rd Baptist Church in nearby Whistler, where we briefly addressed the congregation toward the end of the service. We later met Angela Lee, Town Councilmember of Pritchard, a majority black town just outside Mobile, & met informally at a potluck with local activists, mostly New American Movement members, members of CAVAR (Comm. Against Violence & Racism which fights police brutality) and some ecologists and local pastors of white churches. Some press people from Passagoula, Miss. also came to do interviews.

Birmingham, Ala.: Perhaps one of the most meaningful of our stops on the tour; we spent an afternoon sitting at lunch counters and reflecting on how many sacrifices blacks had made in the US (and were still making in SA) to win the right to sit at a lunch counter. Our first evening, we met informally with civil rights veterans who were on the Executive Comm. of the Southern Organizing Committee for Social & Economic Justice: Rev. Shuttlesworth; Anne Braden; Ron Chisholm; CT Vivian of SCLC; Rev. Woods, a Baptist minister; Rita Anthony, NAACP/Community Leader; and others. A representative of Mayor Arrington welcomed us to the gathering and to B'ham. All of us were tremendously moved.

The next day we were introduced to the tradition of black preaching at the Mt. Calvary Baptist Church Men's Day Celebration. A brilliant sermon on political and civil rights struggles in the US and SA by Mayor Arrington (who came out to the church steps to see us off) both moved us and reminded us of the historic role of black churches as the cradle of the civil rights struggle.

During our stay we spoke at a high school for gifted students, Miles College (where we met a city council member), the Univ. of Ala., on a church radio station, and at a press conference held in a local Baptist church.

A high point was our talk to the Perry Co. Citizen's League in rural Marion, Ala. About 40 people came to hear us speak, all black, from a rural majority black county, with a long history of fighting the KKK. There were excellent questions, esp. about white control of South African land.

Baptist Church Men's Day was a model for self-programming education whose materials embody a strong critique of capitalism within a black national perspective.
That evening was spent in Africatown, USA, a community of people descended from the last slaveship to land in the US (in Mobile in 1859). Community leaders hope to turn it into a historic park as part of a plan for community redevelopment; it contains the first technical school set up in Ala.

Our next day included a one-hour call-in radio interview (listener questions concerned Reagan policy; whether white rule was better than Idi Amin’s; issues of "violent change" and communism). We subsequently spoke at a Teach-in at predominantly black Bishop State Jr. College and at South Alabama State College (we experienced the first of a pattern of hostile questions, subsequently repeated in meeting in Fla., that in the end helped generate some spirited discussion).

St. Petersburg, Fla.: I had to leave the tour early, so this is a summary provided by other participants. The tour met with about 65 local leaders, including a City Councilman, and generated excellent discussion. Once again, however, a person in the audience claimed we were misrepresenting So. Africa and asked why AFSC was sponsoring a tour by an ANC member. An evening meeting at Univ. of Fla. in Tampa attracted campus leaders and others; police were present at the meeting room for unexplained reasons.

Tallahassee, Fla.: A discussion with the Black Student Union stressed the need for anti-apartheid committees to reflect both campus and community. A number of media interviews were done before an evening session attracting about 150 people. The sponsoring group, Center for Participant Education, received a threatening call prior to the meeting threatening trouble, but none was encountered and our reception enthusiastic.

A Few Reflections:

The tour underlined several key points and issues related to organizing in the South:

- the importance of black churches and colleges as essential points of contact and work with the black community;

- the urgency the black community feels to attempts to roll back the hard-won gains of the civil rights movement, esp. attacks on the Voting Rights Act, the rise in lynchings and other violence against blacks (whether by police or the KKK), and erosion of the economic gains of blacks;

- the immediate responsiveness of the black community to the issue of repression in So. Africa as compared to whites (though sometimes folks would ask why we sought their support when they were faced with so many problems in their struggles here at home);

- the isolation of black and white communities from each other: rarely did they ever intersect or jointly participate in an event;

- the way racial tensions conditioned responses by blacks and whites everywhere we went, as they tried to deal with us individually or collectively as a multiracial group;

- the tremendous potential for successful state and municipal legislative campaigns in cities and counties with black majorities or substantial black populations (local legislators seemed very responsive);

- the power of 'naming names' - pointing out local banks and corporations which have lent to or invested in So. Africa, which often elicited shocked reactions from audiences;

In discussions among tour participants, we also saw a number of significant parallels between Reagan’s election in 1980 and the Afrikaaner Nationalist Party victory in 1948. Both groups represented, on coming to power, regional rather than multinational corporate interests and have intensified segregationist ideology and practice (sometimes in new guises) as rightwing groups have been on the rise. Forced relocations of blacks out of urban areas in So. Africa is paralleled by a real estate market in the US which is effectively relocating blacks to declining suburbs ringing newly gentrified inner cities. Both have tried to militarize their societies (though with somewhat different degrees of success). Despite many differences there is enough similarity in the social and economic theories underpinning their approaches to policy and government action to merit further exploration. What struck all of us was how much U.S. and South African realities and histories illuminated each other.
ACTION UPDATE

Chicago: A local affiliate, CALC, recently prepared an update on Continental Illinois Bank's South Africa lending for the Church & Society Committee of the Presbytery of Chicago. They also wrote to Rep. William Gray (D-Pa) in support of legislation he introduced in the House that would prohibit all new investment in South Africa.

Following 3 years of campus debate, Board discussions and meetings with bank officers, the Lutheran School of Theology at Chicago Board of Directors voted 20 to 7 to withdraw its accounts from Continental Illinois Bank November 20th. The action was "in support of Black people of South Africa, many of whom are Lutheran brothers and sisters, esp. in Namibia or Southwest Africa which is held illegally by the So. African government." Board Chairperson Hereth noted: "The bank continues to be involved in South Africa." "LSTC wants to remove its funds from such involvement and place them in a local bank which specializes in community development and has a stated policy against making loans to So. Africa."

[CALC met with LSTC students and officials frequently in these three years and provided resources and information to student activists in their campaign.]

D.C.: The local affiliate focused this fall on producing a slide show documenting the impact of Riggs Bank's lending policies on inner-city neighborhoods and the black community. On December 11th it put on an educational event where the slide show was shown for the first time. It was accompanied by the film TIGHTEN THE BELT, BITE THE BULLET (which documents the role of banks in the urban fiscal crises of New York and Cleveland) and a presentation on the history of the DC Bank Campaign. DCBC next plans to work on exploring the mechanics of a city referendum on divestment and on getting unions and church groups in the DC area to withdraw from Riggs. Some initial contact with Chicago groups has also been made.

Boston: BCLSA joined several other groups (including the Campaign for Nuclear Diversification, Mass Urban Reinvestment Advisory Group, Symphony Tenants Organizing Project, 9 to 5, Allston-Brighton Housing Alliance, Local 925(SEIU), Boston Jobs Coalition and 5 other groups) in establishing a Shadow Board of Directors to monitor 1st National Bank's performance on lending, employment, investment and consumer practices. The Board will hold 3 events each year: publish a "Shadow Annual Report" documenting bank policies and practices as they relate to each member's goals; hold a public workshop on 1st National and its role in the community; and demonstrate at 1st National's annual shareholders' meeting. Each member group of the Board will also continue their own campaigns and work targeting the bank. Members of the local affiliate are also exploring ways in which progressive donors to local grassroots organizations with holdings in banks and corporations active in South Africa can exert pressure on those institutions to break their links with apartheid.

Ohio: A Women's Collective linking a number of local women's projects took their several accounts out of a local bank this past November to protest its refusal to adopt a policy of no loans to South Africa.

Other actions:

- The World Council of Churches announced their decision to withdraw their deposits from several banks which continued to lend to South Africa in September 1981.

A BRIEF SETBACK

Middlebury College students in Montpelier, Vt. voted to keep stock of corporations active in South Africa, rather than abide by an earlier decision to divest, purportedly to gain greater say in company policy thru voting stock and because they felt divestment was ineffective.

[SA Digest, 11/13/81; from The Star, Nov.5]
ACTION UPDATE: FROM THE PRESS

CAMPAGNS IN THE USA

Disinvestment forces claimed a victory in a day-long debate with a state governor, legislators and business- men and vowed to press fresh legislation to pull $200m-

Connecticut funds out of companies involved in South Africa. Brought to Connecticut to express a South African viewpoint, an Anglican-led delegation proved 'just tremendous' said Miss Christie Hoffman, leader of the State's Anti-Apartheid Movement. The Connecticut case is considered critical by all sides because it is the first state to vote to withdraw funds from corporations which have SA links. Vetted by Governor William O'Neill, the state legislature backed the Bill by 81 to 61, short of the two thirds needed to over-ride the veto. Backed by business interests, Governor O'Neill urged a compromise endorsement of the Sullivan business code under the strengthened form proposed by this year's Rockefeller Commission report on South Africa. Disinvestment advocates agreed only reluctantly to the face-to-face debate to which a South African delegation led by the Very Rev Edmund King, Dean of St George's in Cape Town, and the Very Rev Simeon Nkose, Dean of Johannesburg, were invited.

'Everything the Governor and the businessmen said was just blown apart by the criticism of the South Africans themselves. It surprised and disappointed them and I feel we made a few converts,' Miss Hoffman said. Before the meeting the delegation told a news conference that it was against South African law for them to support disinvestment.

Rand Daily Mail 13.11.81

A campaign to oust South Africa from the IMF and World Bank gathered momentum when only 6 Western powers opposed a UN resolution urging these and other agencies in the UN system to support Swapo instead. Pressing for action, the resolution proposals prepared for the incoming Reagan Administration in Nov. 1980 (Mandate for Leadership, 1981) has this to say about economic sanctions and South Africa (pp. 584-586):

"The response of the White tribe (sic) of South Africa to the threats of an internationally imposed system of one-man, one-vote has been defiance, based not merely on prejudice and greed, but also on fear of of having South Africa disintegrate into chaos and anarchy - where much of Central Africa headed after the advent of one man, one vote."

"...Economic sanctions have been mentioned. Investment boycotts have been proposed.... These measures, it seems, will be utterly counter-productive if a conservative administration were to pursue any of them. Fear, not prejudice, is the major impediment to racial progress in South Africa today. The U.S. would be well advised to adopt policies to resolve these fears. South African whites are concerned that the politics of envy, where whites are rich and blacks are poor, will lead to advocacy of Marxist policies by Black leaders, since it will be white jobs and white-owned assets that are up for grabs. And in a one-man, one-vote situation, the results will be inevitable."

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"The South Africans may move gradually in the actual sharing of political power - much as our own country did in its earliest days with the franchise carefully limited to those with an understanding of the workings of a modern society, and therefore, capable of voting intelligently."

NEEDING ACTION NOW!

- Eartha Kitt is scheduled to visit SA in 1982 to star in Timbuktu, an African version if the musical Kismet. Let her know what you feel about her singing for Ap- partheid!

- The 19th general assembly of the International League of Surveillance Societies will be held in South Africa on October 7, 1982. The League represents security cos. with an est. turnover of $7 b/year.

- [Engineering Weekly(SA), July 30, 1981]

THE NEW RIGHT ON SOUTH AFRICA:

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FRENCH UNIONS ACTIONS

Militant trade unions are blocking French banking transfers to South Africa as part of their campaign against fascist countries. Figure magazine has reported. The union action mainly by the General Labour Confederation coincides with government moves to take over the remaining 36 private French banks, including the merchant banks Banque de Paris et des Pays Bas and the Compagnie Financiere du Suez. The trade unionists had set up an intelligence network to watch over management operations, the magazine said.

The Star 5.11.81

United Kingdom

Ken Livingstone, controversial leader of the Greater London Council, has promised to involve the GLC in fund-raising activities for Swapo and the ANC. His pledge was reported in an interview with 'New African' magazine. The magazine also quotes him as saying that the GLC will cease all business with any firms that deal with South Africa.

The Star 26.10.81
Citibank campaigns to expand banking operations with a little help from a gang of criminals

Citibank isn't exactly encouraging people to rob banks in its new public relations gimmick, a booklet titled "Old bank robbers' guide to where the new money is." The booklet offers some advice for would-be Bonnies and Clydes: Don't sandpaper your fingerprints, vary your computer programming.

In a series of sketches, the booklet shows how thieves, like Bill Dwyer and the Bandit Kid, Ma Barker, Jesse James and his gang, and Willie Sutton would be surprised nowadays by the changes which have taken place in the U.S. banking system. Money, market funds, insurance and communications corporations, and brokerage houses—many of them subsidiaries of non-finance-based multinational corporations—now perform most of the nation's financial services, the booklet alleges, while banks' share of U.S. financial services has dropped from 57% to 37% since 1946.

"Old-fashioned law-enforcing restrictions bank activities," Citibank implies, are part of the reason: Banks are prohibited from much of that new business by regulations dating from the era of Bonnie and Clyde.

Although the booklet makes no direct suggestions about what should be done to put more aspects of the financial business back in the hands of Citibank and other banks, it does threaten somewhat implacably, "Of course, if things continue as they are, there won't be any banks left to rob."

Asked about Citibank's purpose in putting out the booklet, public relations spokesperson Susan Weeks said that the information in it was gathered together for a speech given last year by Walter Wriston, president of Citibank. Publishing it in booklet form was "a way for us to catch people's attention about the fact that there are many more companies providing financial services than just banks," Weeks explained.

"Old bank robbers' guide to where the new money is" is available free from Citibank, Public Affairs Distribution Unit, 399 Park Ave., New York, NY 10043.

Bank of America expands in Argentina

Bank of America, number one among U.S. banks, has doubled the size of its Latin American operations with the purchase last month of the Banco Internacional, Argentina's 13th largest bank. The $150 million deal was one of the biggest takeovers by a U.S. financial institution ever in the region, and with the acquisition of Banco Internacional's 60 branches, Bank of America is now the largest foreign bank operating in Argentina.

Banco Internacional, formerly part of the huge Sasetru financial and food-processing conglomerate which was saved from bankruptcy by the Argentinian government a year ago, is one of more than thirty financial institutions which have collapsed since Finance Minister Jose Alfredo Martinez de Hoz initiated a series of "free market" economic policies in 1977. The banks have been unable to support their loan portfolios under conditions of rapid inflation, abolished credit, subsidies and import-tariff barriers, and overvalued currency. Local businesses have also been hit by these programs, which enable foreign firms, which have access to credit and currency abroad, to compete much more effectively and, in many cases, to buy out their Argentinian competitors.

"Martinez de Hoz' program has succeeded in almost entirely eliminating the profitability of Argentinian business," said Laurence Birns, director of the Council on Hemispheric Affairs, a Washington-based research organization on Latin America. "Argentina's GNP growth last year was the second lowest in Latin America, and these bank failures reflect the extent to which financing as well as goods must now come from abroad. The current 'free market' in Argentina is free only for the multinationals."
Credit Suisse First Boston, which participated in 1980 loans to the RSA, is a subsidiary of First National Bank of Boston.

MOVES TOWARD INTERSTATE BANKING

As more talk is heard about legalizing national branch banking within the next 2 years, bank lenders to SA have been active in working to consolidate their position in regional financial markets. COBLSA will need to keep abreast of these new linkages and how they will affect our local work (and the possibility of joint campaigns by groups in several states against linked banks). Some recent activities include:
- Chase Manhattan (which recently participated in consortium loans of up to R250 m. to help finance development of a pulp and paper mill in the Eastern Transvaal through its London banking group) is mapping its strategy for expansion into regional markets.
- Chemical NY Corp. has moved to acquire a substantial equity interest in Florida's 4th largest bank holding company, Florida National Banks of Fla. Inc., paving the way for a merger once interstate banking is legalized; the deal is similar to one negotiated by Chase Manhattan and Citicorp with smaller regional banks. Other suitors of Florida National in recent months included several lenders to South Africa: North Carolina National Bank, Southeast Banking Corp. of Miami and Marine Midlands Bank of Buffalo, NY. Many of these banks may have been seeking entrance into Latin American markets. (Based on BusinessWeek article of 11/16/81)

Chicago-based Sears Roebuck & Co., the No. 1 US retailer, proposed to buy the nation's 5th largest stock brokerage house, Dean Witter Reynolds Org. Inc. (which has helped arrange financing for South Africa) in October. Sears also plans to move into financial markets and to provide new financial services via its 859 stores. Its entire retail network of stores, catalogs, insurance offices, etc., outnumber the 4 largest bank holding companies combined, which is why this merger has affected the financial community more than Prudential's purchase of Bache Halsey (another SA-linked company) and Phibro of Salomon Bros. (also SA-linked).

R800-m gold swap

South Africa has raised at least R800 million in foreign exchange through a series of gold swap deals with overseas banks. More than R500-million has already been used to repay previous short-term foreign borrowings. Further swap arrangements may have to be made unless there is a remarkable early turnaround in the balance of payments — a current account deficit of R4 000-million looks probable for 1981. Rand Daily Mail, November 7

SA Digest, 4/13/81
THE UNITED STATES IN S.A.: COMPANIES

- Control Data plans to invest in education as a major part of their SA marketing strategy. It believes the SA market will outstrip the growth of the computer business in the US; already it has invested about R50-m. in SA and projects a 1980 turnover of R30-m., growing at 35% annually. 10% of its turnover has been committed to educational projects.
  - [Sunday Times (SA), 11/16/81]

- Celanese Corporation, one of the US's top 10 chemical giants, began accelerating its expansion plans for SA through its SA subsidiary, Stein Hall. It plans further growth based on continued profitability.
  - [Sunday Times (SA), 2/8/81]

- The U.N. Special Committee Against Apartheid published a report in June 1981 charging 65 MNCs in 11 countries with contributing significantly to the maintenance of apartheid SA. 22 of the listed corporations are US-based, including: Amex, Burroughs, Caltex, CITICORP, Control Data, Exxon, Firestone, Fluor, Ford, Foxboro, GE, General Tire, Honeywell, IBM, Mobil, NCR, Newmont Mining, Phelps-Dodge, Sperry, Union Carbide & US Steel.
  - [Evening Post (SA), 5/15/81]

- Stauffer Chemical (Conn.) began constructing a chemical plant at Springs, SA; chemical production is scheduled to begin in May 1982.
  - [SA Digest, 5/1/81]

- The Chemical Workers' Industrial Union, an affiliate of FOSATU, distributed over 15,000 pamphlets last May calling for a boycott of Colgate-Palmolive, to protest the company's refusal to negotiate on wages and working conditions.
  - [Rand Daily Mail, 5/12/81 & Sunday Trib.]

- ESCOM has obtained the enriched uranium required to operate SA's first nuclear power plant, Koeberg, near Cape Town. Reports indicate the uranium may have come from China, and will be supplied through France to Framatone (partly owned by Westinghouse), the consortium building Koeberg. Loading will begin next June. [So.Africa Digest, 11/20/81]

- A U.S. Company, Combustion Engineering, has won a R780-m. contract to build 6 boilers at ESCOM's proposed "C" power station, the biggest contract award to a U.S. company to date. [The Star, Nov. 17, 1981]

SOUTH AFRICA IN THE U.S.: COMPANIES

- Engineering Management Services, a division of SA's Murray & Roberts group, has been awarded mining design contracts by 2 US mining corps. One contract is to deepen a gold mine in So. Dakota for about $200 m.; the 2nd involves engineering design of the Phillips Uranium Corp. of Nose-Rock, N.M.
  - [SA Digest, 5/15/81]

- Amardah, jointly owned by the R1.2-b Murray & Roberts group and Darling & Hodgson, plans to earn R100-m a year in export earnings (nearly 50% of SA's total export of capital equipment) by building 4 oil rigs for U.S. oil-drilling concerns. Their first order came from Baker Marine Corp. (Texas). Rig construction in SA is aided by low-interest financing provided by the Industrial Development Corp. and ISCOR.
  - [South Africa Digest, Nov. 20, 1981]

Link in the US

A young Germiston-based company has secured an association with HPD Inc of Illinois US, a world authority on evaporation and crystallisation.

Sloan Durbach, sales director of Magcent, said the link with HPD offered a widely expanded range of services to his company's established business of supplying turnkey plant to the chemical, mining, food and pharmaceutical industries.

The first HPD-Magcent plant in South Africa would be built for E L Bateman for the Alprene plant at Newcastle, and will be ready for use by mid-1982, he said.

SA Engineering Week, October 29
Transnational Corporations & Investments

Foreign investment by transnational companies and banks in South Africa have risen sharply in the last 2 years, underlining US efforts to weaken S. Africa's apartheid policies, according to a UN report discussed in Geneva yesterday. The report by the Centre on Transnational Corporations says foreign money is being channeled into key South African industrial sectors including coal, oil, electronics, computers and chemicals. The assets of US institutions have risen by 20% to reach $9.460 m in mid-1980 compared with a year earlier, while those of Standard Bank group increased by 18% in 1979 from $5.900 m in 1978. Both groups are diversifying from commercial banking to a wide range of financial services including merchant banking, hire purchase, leasing, credit cards, management services, insurance broking and unit trusts. But some government officials are raising the question of whether reports made by the UN Commission on Transnational Corporations, which is preparing a final report code of conduct for transnationals, said the report was misleading and inaccurate.

Rand Daily Mail 15.9.81

Foreign Investment

A hard-hitting report released this week in Geneva by the UN Commission on Transnational Corporations charges that a sudden surge of Western investment in South Africa reduces its dependence on imported oil. The report is also critical of efforts by Western companies to apply voluntary codes to improve the wages of their black employees. The report is being presented at the 7th session of the Commission which is currently meeting in Geneva. It finds that foreign loans to South Africa increased from $29.75 m in 1978 to $795.25 m in 1980. The West's analysis of these loans finds that South Africa's external debt rose to $11.180 m by the end of 1979. Further, the report points out that the debt was accounted for by public sector borrowing and that between 1979 and 1980 the share of public corporations increased by 52% - well above that of South Africa's industrial government borrowing. Nine out of 13 loans identified in 1978 were made to energy-related projects of the South African strategic oil fund and Escom. By far the largest lenders in 1978 and 1979 were German and Swiss banks, says the report.

This report also implies that Western companies are failing to abide by the series of voluntary codes that were introduced in 1977 and 1978 - in particular the EC Code of Conduct drawn up by the EEC's foreign ministers. The companies employ between 200,000 and 315,000 black workers, 26% and 4.6% of the workforce respectively. Drawing on replies to questionnaires including replies of 202 British companies operating in South Africa, the report finds that 19 of manufacturing sectors in 1978 paid less than the average paid to blacks in the manufacturing sector as a whole.

Sunday Tribune 6.9.81

ECONOMICS

Anglo-American Corporation

A detailed report of stockbrokers Rowe and Pitman emphasizes that Mineraux has become the multi-national resource company within the Anglo empire. In 1970 mining companies directed to "broaden its field of operations and seek new business throughout the world." At that time it had few interests outside Zambia and the Zambian copper industry. Today, just over a decade later, it is a major natural resource investment company with net assets in excess of 1,700-million dollars. Last year several powerful and influential American and European businessmen were appointed to Mineraux's board, says the firm. These include Mr E. R. Michael, chairman of the Bank of Nova Scotia, Mr F. S. De Bono, chairman of Citicorp, Mr H. E. Rockwell, managing director of Dresdner Bank and Mr F. E. Sabatier, senior partner of Electricians and Merchants, says the report.

Cape Times 3.11.81

TRANSACTIONS:

- Broadening the SA arms embargo and establishing a full-scale civil war to embroil a national arms embargo,
- The US corporations now in SA should not expand their operations and that those not yet here should stay out,
- That the US government control exports to signal its response to positive or negative actions of the SA government,
- US aid to Southern African countries to reduce economic problems with SA,
- US stockpiling of key minerals - ferrochrome and ferromanganese in particular - to reduce the impact of possible SA stoppages.

Although disarmament as such and other major economic sanctions against SA were not recommended, the commission felt these should be kept in the US arsenal of potential actions. The point to be noted here is not the recommendations themselves, rather the people who made them. The commission, chaired by Ford Foundation chairman Franklin Thomas, was made up of non-extremists, seemingly objective men and women including the chairman of both Xerox Corp and Cummins Engine Co, a number of academics, and AFL-CIO executive on the part of the government of the Carnegie Corporation. And the theme running throughout their recommendations is that America 'must' make the fundamental and continuing opposition of the US government and people to the system of apartheid - with particular emphasis on the exclusion of blacks from an effective share in political power. However, the economic dealings between the two countries may be right now, it is clear that these sentiments will be hard to ignore in future.

Financial Mail 11.9.81
THE SOUTH AFRICAN ECONOMY: USEFUL FACTS & FIGURES

Prime Minister Botha announced a R600-m incentive plan to attract investment to the bantustans during an address to 600 SA businessmen in Capetown Nov. 12. The "Good Hope Conference" is a successor to the Carlton Conf. of 1979, where SA officials and businessmen sought greater consensus on economic policy. News reports indicated many reservations about gov't policies by the business community. Oppenheimer (Anglo American) objected to any decentralization plan 'if the primary motive was political.' The SABC, discussing the conf., noted that the bantustans provide no more than 3% of SA's GDP. Several papers noted business disappointment at Botha's failure to deliver on real reform. [South Africa Digest, Nov. 20, 1981]

- The price of bread rose 33.3% to 40% in late July, in the wake of earlier price rises on almost all basic foodstuffs (milk, mealie meal, sugar).
  [So. African Digest, Aug. 7, 1981]

- So. Africa, according to the deputy general manager of So. African Railways, has only 6% of Africa's population but 50% of its locomotive and rolling stock fleets, 42% of its motor cars and 48% of its tractors.
  [So. African Digest, July 31, 1981]

- The Fortune '500' list of the world's biggest companies includes 7 from So. Africa, led by Barlow Rand at 114th (Anglo American is too diversified to feature on the list).
  [So. Afr. Digest, July 31, 1981]

- Albertus Burger, a SA diplomat, said SA depended on foreign trade for 30% of its national income, speaking to the Pretoria Women's Club. [Pretoria News, Aug. 1, 1981]

- Capital projects worth nearly R50-b. are being planned in SA. They include ESCOM extensions (R15-b.); Post Office telecommunication projects (R5-b.); ISCOR (R3-b.); a possible 4th SASOL (R4-b.) and chemical industry projects (R7-b.). [SA Digest, 11/81]

- Trade & Industry(T&I), a major SA financial group, is planning a "massive drive" into the financial markets of the US, UK, Israel, Europe and Asia and spent nearly R2 m. on setting up foreign subsidiaries.

- Volksas Merchant Bank(VMB), a SA bank with close SA government connections, has just purchased a 75% stake in ES Schwab & Co. Ltd. (UK), a 'licensed deposit taker' providing virtually the same services as a bank. The move will provide VMB with new SA/UK corporate connections and easier access to the Euromarket (London controls about 46% of the market). Schwab currently provides commercial and merchant bank services mainly to small- and medium-sized companies. [Financial Mail, Nov. 20, 1981]

- The City of London's unregulated International banking is home to almost 500 foreign banks, including 4 SA banks (Nedbank; French Bank of SA; Trust Bank; Union Acceptances).
  [The Star, Nov. 16, 1981]
NEW PUBLICATIONS

The following resources arrived in our office and may be of interest to others. A photocopy may be ordered for 10c/page plus postage.

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From the Congressional Research Service, U.S. Library of Congress:
- The Role of Gold in the International Monetary System (Arlene Wilson, 1980);
- Commercial Bank Underwriting of Municipal Revenue Bonds: A Summary of the Issues (Carol Leisenring, 1979);
- A Glossary of International Finance (Ben Crain, 1974);
- Regional Shifts in Economic Activity: A Selected Annotated Bibliography (Breckenridge & Chin, 1980);
- U.S. Foreign Direct Investments in the Wartime (Driscoll, 1980);
- A Survey of Foreign Indebtedness to the U.S. (Ahern & Wertman, 1981 Update);
- CIA Interventions, 1950-1974 (1978);
- Foreign Assistance in the Angola Civil War: Chronology of Reported Events, 1957-1976 (Lowenthal, 1976);

From the United Nations Centre Against Apartheid:
- Bricks in the Wall by Beate Klein (originally prepared for the WCC/PCR), May 1981.

From the U.N. Economic and Social Council:
- Activities of Transnational Corporations in the industrial, military and nuclear sectors of South Africa (Commission on Transnational Corporations; Report of the Secretariat, 2 April 1980).
- Transnational corporations in southern Africa: update on financial activities and employment practices (CTC; Report of the Secretariat, 9 July 1981)

Sanctions Against South Africa: A Selective Bibliography, Dag Hammarskjold Library, UN, 1981. 28 pp. Extensive listing of journal articles, UN documents, etc.

South Africa: Strategy for Survival?
William Gutteridge (Conflict Studies No. 131, Institute for the Study of Conflict, London, June 1981). Explores the possibility of significant change in government policies following Botha's April electoral victory; also explores the feasibility of sanctions in bringing about such a change.


"Some of So. Africa's Political Alternatives in consociational perspective" by A.J. Venter (So. Africa International, Vol. 11, Jan. 1981, 13 pp.): Both articles, by a West German and white South African respectively, put forward the idea of a "negotiated partition" similar to India/Pakistan(sic) as a possible solution given white intransigence. Neither article challenges the basic premises of white minority rule.


The Struggle for Southern Africa: Can the Frontline States Escape Apartheid's Stranglehold? Plaut, Unterhalter, Ward (Liberation & War on Want, 1981). Details SA's direct & indirect influence over the economic life of its neighboring countries, how it has tried to use this influence to further its political goals, and the responses of these countries. 54 pp.

Namibia: The Strength of the Powerless. An IDOC Dossier (Rome, 1980). Details policies of western powers towards Namibia, western collaboration with SA, the struggle for freedom, and the role of international institutions and churches in Namibia. 161 pp.


WORK IN PROGRESS: a collection of articles on issues of controversy within South Africa by diverse writers from S.A. Roughly monthly. Recent issues:

#17: Old Age Pensions & Bantustans; Apr/1981 Inflation & the Working Class; court cases & labor actions; Squatters & politics of housing in SA.

#20: Determined Poverty; Inflation & Food Monopolies; Schoolboy police; Crossroads & Nyanga; court cases & police actions, union action.


Standard Bank Review (South Africa), Sept. 1981 (Prospects for Int'l Oil; Coal Exports; Financial Markets)


UPCOMING RESOURCES

- Updated version of Investors in Apartheid by American Friends Service Committee/NARMIC.

NEWSLETTER SUBSCRIPTIONS:

COBLSA News costs about 4¢/page to reproduce, plus postage. All affiliates and key contact people in different states receive it free of charge. Donations of $5-10, however, would be appreciated from any persons or groups who can afford it; these donations will also help ensure receipt of the newsletter by those who cannot. (Checks should be made out to COBLSA.)

COBLSA CLIPPINGS: These supplementary packets of articles are sent out to affiliates only. They generally include such things as relevant UN documents; materials from other groups; longer news articles of use to local groups.