WORKSHOP ON CAMPAIGNS AGAINST BANK LOANS

Introduction

Participants were reminded that the present Seminar was set up as a result of discussions by the groups researching and campaigning on bank loans which took place at another UN-sponsored Seminar on wider issues in July 1980. The campaigning organizations set up an embargo network IBCASA, the International Banking Campaign Against South Africa. They agreed to co-operate in certain ways such as the exchange of information, joint activities against certain banks and an international newsletter. The United Nations Centre Against Apartheid kindly agreed to sponsor a Seminar in the future, which was finally convened here in Zürich, April 1981. The participants decided to have country reports first and strategic issues discussed afterwards. The report follows this form.

1. United Kingdom

The most prominent organization opposing bank loans to South Africa is ELTSA, End Loans to South Africa. A paper about the activities and plans of ELTSA was distributed during the Seminar.

Some of the British banks involved are:
- Barclays (largest British bank in South Africa)
- Standard Chartered Bank
- Hill Samuel, and to a lesser extent:
- Lloyds and,
- National Westminster

Two types of actions are used:
(a) a campaign for closing accounts
(b) appearing at shareholders' meeting

With regard to Barclays, a 'Shadow Board' has been formed composed of VIP's coming from different sectors of society. This Shadow Board published a Shadow Report on Barclays in April 1981.

A recent success in the U.K. is the withdrawal of an account with a turnover of £1.2 billions from Barclays by the London Burrough of Lambeth.

In the past ELTSA has organized international actions against Barclays. It is the experience of ELTSA that continuing pressure is necessary to keep banks busy and to keep the attention of the public. Also it is useful to set up a permanent clipping and filing service and a regular Newsletter to supporters.
2. Federal Republic of Germany

After the call of the World Council of Churches to stop granting loans to South Africa, several church groups in Germany took up this matter. This led to a strong reaction from the banks which threatened with law suits because they felt that their economic interests could be damaged. Since then, churches avoided conflicts with the banks although some church organizations and development agencies withdrew accounts from, e.g. Deutsche Bank. It appeared that one bank in Germany apparently did not extend loans to South Africa since 1972. The bank has not stated this publicly however. A women's organization, Evangelische Frauenarbeit, will launch a campaign against Krügerrands in May 1981, following successful boycott actions on South African fruit.

3. Switzerland

A report on the situation in Switzerland was handed out during the Seminar. After a period of thorough study, a campaign against bank loans has just been put on the road.

In Switzerland campaigners meet a situation in which banks have a very prominent position in a society in which the political climate is not very favourable with regard to the ending of bank loans to South Africa.

On the issue of South Africa, close cooperation has been built up between action groups of different natures. Actions will be started carefully beginning at a local level.

4. United States

The first actions against bank loans to South Africa date from 13 years ago. The publication of the so-called Frankfurt Documents in 1973 formed an important stimulus for further action.

Actions take the form of shareholder activities and the closing of accounts by individuals and organizations. The most recent focus is on Citibank which is a major lender to South Africa. Whereas some big banks have adopted the policy not to extend loans to South Africa, Citibank has recently participated in huge loans to this country. Citibank could not find partner banks in the U.S. to join in a recent loan to South Africa.

Several important organizations have closed accounts with Citibank or sold securities of this bank. A possible effect of the bank campaign in the U.S. might be that banks will think twice before embarking on new loans to the Republic of South Africa. The issue of investing in South Africa is presently also being raised in state and pension funds. Because of the substantial amounts of money involved, some strong effects may arise from these initiatives.
United States (cont'd)

On a local level many groups and organizations are engaging in actions against bank loans to South Africa. For banks, this is a bush fire which is hard to extinguish. Bank loan campaigners quite successfully try to develop ties with other movements like the anti-nuclear movement and groups opposed to 'red-lining' of poor urban areas where banks refuse to lend. This way the bank campaign can co-operate with other actions.

5. Canada

After the publication of the aforementioned Frankfurter Documents in 1973, Canadian churches took the lead in starting off discussions about bank loans to South Africa.

No church has withdrawn its account with Canadian banks involved in such lending, but church organizations took several initiatives to amend laws on banking operations by asking for the disclosure of foreign loans above certain amounts. However, the initiatives failed.

The Toronto Dominion Bank has taken a position according to which no lending to South Africa will take place "under the present conditions".

6. France

Actions against bank loans to South Africa were initiated in 1978 by the Anti-Apartheid Movement. Some trade unions joined the campaign but the churches preferred to follow their own policy which, however, is also focussed on halting future lending to South Africa.

Initially, the campaign was based on appeals to individuals - people were asked to write to their banks and close their accounts. This type of action did not produce a lot of success. More collective actions will be launched in the future. A positive result however, is the publicity which has stemmed from the actions. A special problem in France is produced by the fact that the important banks are actually under government control.

7. Belgium

Activities concerning bank loans to South Africa were triggered off in 1975 by the Justice and Peace Commission. Discussions and meetings were organized with the executives of the four major banks.

After these discussions "failed", the energy was channelled into trying to give wide publicity to the bank loans. Religious communities all over the country have been approached on the issue,
Belgium (cont'd)

This has resulted in an ultimatum to the banks to formulate a policy of ending bank loans to South Africa within six months. In the meantime, the Banque Bruxelles Lambert has recognized that ethical criteria must play a role in investment decisions. This gives an opening for discussions about South Africa.

A problem is faced where alternative banks should be recommended to the public. Plans are made to found an 'alternative bank'.

8. The Netherlands

After it was revealed, through the Frankfurt Documents, that the AMRO-Bank was engaged in substantial lending to South Africa, this issue was picked up by several individuals in The Netherlands. After the start of the correspondence between the AMRO-Bank and the World Council of Churches, the PCR-support group, Prepaid Reply, joined in the discussions asking AMRO-Bank to stop lending to South Africa. Also other Dutch banks were approached to inquire into their position towards South Africa. The ABN-Bank declared that it did not extend direct loans to South Africa. A nationwide boycott was then organized against AMRO together with many other groups.

The Council of Churches in The Netherlands supported the campaign and had two long talks with the Board of the AMRO-Bank.

The boycott campaign got the support of three political parties including the Labour Party, the biggest party in The Netherlands.

At this stage, the ABN-Bank issued a statement to the effect that it had given misleading information in the past. Therefore, the boycott campaign was extended to ABN-Bank.

When the additional support of municipalities for the campaign was discussed, both the AMRO-Bank and the ABN-Bank promised to stop lending to South Africa until legally enforced racism has been abolished.

One trade union bank, the ASN, now advertises that it does not lend to South Africa or Chile.

A report on the activities in The Netherlands is contained in the WCC brochure on bank loans to South Africa.

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Summary

Out of the country reports several points can be distilled which reflect common problems in the different countries.

It appears that in some countries groups have a hard time in creating effective national cooperation because of communication barriers (Canada, Switzerland, Belgium). These French-speaking countries should exchange information with France plus French-speaking African countries. Some groups have found a modus vivendi with the churches or even take common action with church organizations (United States, The Netherlands, United Kingdom); in other countries the relationships between campaigning groups and official church bodies could be improved (Germany, Switzerland). The same goes for relations with political parties. A weak point in almost all the activities of the action groups regards the relationship with trade unions.

In some countries (Canada, United Kingdom, The Netherlands) efforts were made to involve trade unions in campaigns against bank loans to South Africa but without a lot of success. France is an exception to this rule; trade unions initially did join the campaign. In other countries no such hints exist at all. Various action groups found it useful to cooperate with other movements like the anti-nuclear movement, the third world movement or groups fighting 'red-lining' by U.S. banks.

During the campaigns most of the organizations met the question as to which banks personal money could be entrusted. During the campaign in The Netherlands, a list of possible alternative banks was drawn up. In Belgium, plans are made to establish an alternative bank.

In some country reports reference was made to the activities of right wing organizations which apparently started a counter-attack e.g. Switzerland, Canada.

All the groups see the need for effective international cooperation in organizing their actions.

The workshop dwelt for some time on the issue of relations with the press. To get good and wide publicity some suggestions might be kept in mind:

- to develop close relations with individual press people;
- to give the press new elements in ongoing actions and discussions;
- to organize from time to time, gimmicks and stunts to draw the attention of the media;
- to aim for visual presentations and the involvement of well-known people.

An important suggestion was to send all news about national banking campaigns to the United Nations Centre against Apartheid and the United Nations Radio whose broadcasts are received in South Africa and who can use tapes about actions in different countries.

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