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Campaign to Oppose Bank Loans to South Africa (COBLSA): Report on Activities and Some Proposals

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WHAT IS COBLSA?: The Campaign to Oppose Bank Loans to South Africa (COBLSA) was founded in early 1977, following the Soweto uprising, to link the efforts of national and local groups, campuses and community groups, churches and unions to end US bank financing of white minority rule in South Africa. It does this primarily through organizing individual and organizational withdrawal of deposits from those banks which lend to the South African government, government-owned corporations, or to private corporations operating in South Africa. COBLSA built on the pioneering work of US churches which since the mid-1960s had been presssing banks to end all loans to South Africa.

A major purpose in initiating COBLSA was to broaden and deepen these activities at the local level, linking local church and campus groups, labor unions and community organizations to press for an end to such loans. In doing this, COBLSA has increasingly connected bank lending to South Africa to other areas of corporate social irresponsibility: banks' "red-lining" (or denying of mortgages, loans, insurance) of low-income and minority communities; union-busting activities of banks (banks are one of the least unionized industries in the US); banks' poor affirmative action record in hiring and advancing minorities and women; banks' refusal to invest significantly in job-generating community reinvestment or to provide services to the elderly and poor; and banks' role in creating urban fiscal crises through demanding higher interest rates on municipal bonds funding essential public services.

COBLSA is a network of several national and a number of local affiliates and contacts around the country. COBLSA's national office researches U.S. financial links to South Africa; produces resources for organizing; provides testimony at public forums; works with the media; and expands COBLSA outreach to new constituencies. Activities of its local affiliates have included: withdrawal days coordinating institutional and individual withdrawals for greatest public impact; organizing a successful referendum requiring withdrawal of Berkeley (CA) municipal funds from targeted banks; forcing the first hearing before the US Comptroller of the Currency in Region V under the Community Reinvestment Act on a bank's request to expand its number of branches; coordinating protests with unions, tenants groups, and anti-nuclear groups at annual shareholders' meetings.

COBLSA is part of IBCASA (International Bank Campaign Against South Africa), which links similar bank campaigns in a number of countries around the world. It works on state divestment campaigns through affiliation with CAISA (Campaign Against Investment in South Africa), a network of national groups active in supporting state or municipal divestment campaigns. COBLSA's national office actively participates in the Southern Africa Working Group, which links those DC-based national organizations which lobby Congress on national legislative issues.
1982 Activities: In the past year, COBLSA's national office has focused on the following:

Development of resources: *We have updated state-by-state listings of all bank lenders to South Africa and their subsidiaries and affiliates (because of US banking law, national branch banking is prohibited; thus, separate campaigns must be organized in each state to focus on specific local banks). *A rough draft of an Organizers' Guide on Ending Bank Loans to South Africa will be completed by January (will have sections on role of foreign financing in SA's economy; role of banks vis-a-vis different constituencies among which COBLSA organizes; how to research a local bank lender; how to develop and implement a campaign strategy; how to link withdrawal campaigns to legislative divestment campaigns; sections on Krugerrand and IMF). *We have developed regional/state listings of corporate investors and bank lenders to South Africa for use by speaking tours (One for Southeast; one for Southwest).

Two fact sheets are being prepared on:
- US bank involvement in South Africa's nuclear program and in uranium extraction from Namibia and South Africa (as part of campaign to Stop the Apartheid Bomb being launched by WOA);
- US bank involvement in Namibia (there are very few banks directly involved--Bank of America and possibly Citibank--but many are indirectly involved as correspondent banks, as primary banks for companies with large direct investment there, as banks providing trade-related financing; fact sheet will highlight some of these indirect--or less publicly visible--financial activities in Namibia, as well as the ways in which US loans to South Africa--e.g. loans to ESCOM, SASOL, etc.--impact Namibia.)

Outreach to New Constituencies: COBLSA's national office has prioritized outreach to new constituencies; several cities in the South (Atlanta, St. Petersburg) are actively considering launching withdrawal campaigns; we have provided COBLSA brochures and fact sheets to several groups for them to do local outreach (e.g. to Operation PUSH; to United Church of Christ for regional mailing to southeast; to black clergy groups).

Outreach to Media: The national office has written a number of articles on bank loans, on divestment, and on The Reagan Administration's southern Africa policy generally for a number of publications, including Multinational Monitor, National Catholic Reporter, The Nation, Pacific News Service, In These Times, etc.

Public Speaking: COBLSA's national coordinator testified before the Maryland State Assembly/Committee on Finance and before the Philadelphia City Council on divestment legislation; participated in a speaking tour of 7 southern states with members of other anti-apartheid groups and representatives of the African National Congress; spoke at a number of colleges and universities (e.g. Yale, University of Virginia, American University).

New Areas of Work: COBLSA has become more active in linking its work to the campaign to end nuclear collaboration with South Africa (its national coordinator participated in an Action Workshop at the UN Special Session on Disarmament in June 1982 and developed two fact sheets on corporate/bank collaborators with SA's nuclear program and on how to develop campaigns on this issue). We feel work on this issue provides a way to make the bank campaign more relevant to broader constituencies mobilized around the issues of disarmament and anti-nuclear groups concerned about the relationship between nuclear energy and nuclear weapons. It also provides the bank campaign with a "handle" to do some work around Namibia as well as South Africa.
Organizing around Namibia: Our work has always been limited until recently because of the few US banks directly involved there (only Bank of America, through its part-ownership of SWABank, can be said to be directly involved; Citibank reportedly has a representative there). The national office is currently in the process of researching less direct bank connections to Namibia:

- trying to trace any identifiable trade-related loans;
- identifying the primary banks utilized by major/corporate investors in Namibia that would be most likely involved in lending activities there or providing letters and lines of credit for business activities there (preliminary research indicates many US companies with direct investment in Namibia have primary bank relations with major lenders to South Africa such as Citibank, Chase Manhattan, Morgan Guarantee Trust, Manufacturers Hanover, Continental Bank of Illinois, First City National Bank of Texas, First Interstate Bank of Oregon);
- identifying those banks whose officers/board of trustee members serve on the board of trustees of major investors in Namibia;
- clarifying the ways in which loans to South Africa indirectly or directly serve to maintain white minority rule inside Namibia (e.g. how loans to ESCOM assist SA's continued occupation of Namibia, etc.)[ELTSA's excellent paper will assist us greatly in this area.]

Work on the campaign to "Stop the Apartheid Bomb" will allow us to link the issue of lending to South Africa's nuclear program and repression in Namibia.

Comments and Proposals:

- we need to link up more to our colleagues in other countries: a networking of groups working around breaking economic links with white minority rule in Namibia is urgently needed, to expedite sharing of information and strategies and to know what actions have taken place. (Several US groups will visit Europe in April to link up to anti-apartheid and disarmament groups.)
- we need to do greater work with labor unions and fully involve them from the beginning in work on Namibia; the tours following this seminar, which involve SWAPO, are a key example of how to begin to do this effectively.
- a key weakness of our work has been failure to sufficiently involve the black community in the bank campaign. We must struggle to make our issues accessible to broader constituencies and to involve them in its conceptualization and development, not just in its implementation.
- we need to more efficiently record our research for easy access and updating by ourselves and others. Groups should consider, if they have access to small computers locally, setting up a network of groups that would maintain updated information on different aspects of corporate activity in Namibia and South Africa, acting as repositories for that information and sharing it expeditiously with other groups on request.
- we need a quick, fast way to share information with other groups about our activities, research needs, new resources produced, questions about strategies, etc. related to work on Namibia. An informal, less polished but frequent newsletter would be extremely helpful.