Dear Carol Collins,

Out of our distress and concern about the increasingly repressive apartheid regime in South Africa, a group of stockholders connected to the Haymarket People's Fund have planned a divestment action. As stockholders we are particularly able to use our power to contribute to the work of the many who are demanding majority rule in South Africa. The United Nations has condemned South African policy as a crime against humanity. The United States, meanwhile, with an investment exceeding 6 billion dollars has become South Africa's most important trade partner.

The South West Africa People's Organization of Namibia and the African National Congress of South Africa, internationally recognized organizations, have called for divestment of U.S. dollars from South Africa as well as its total political and economic isolation. The U.N., churches and thousands of national organizations, student groups and individuals are joining the movement for divestment of U.S. dollars from South Africa.

As part of a public campaign, divestment has enormous implications and repercussions, such as: creating a significant 'hassle factor' for corporations supporting the South African economy; pinpointing businesses that comply with apartheid, thereby engendering negative publicity for them and damaging South Africa's image abroad; and, not least of all, requiring us to educate ourselves about what is going on in South Africa.

We have chosen to target five of the worst offenders from a list of over 400 companies doing business as usual in South Africa. We can send you the full list on request along with alternative investment information.

A national Day of Divestment has been chosen by the Campaign to Oppose Bank Loans to South Africa: Wednesday, June 16th, a date commemorating the 1976 student uprisings in Soweto. As individuals we have little impact. But, as a group we can pressure companies to stop doing business in South Africa until majority rule is achieved. You can participate in the following ways:

1.) Send a letter to your money manager or investment firm making use of any of the suggested points in the enclosed material, adjusting them to suit your needs.
2.) Make and send copies of the letter you have written to each of the five corporations listed regardless of whether or not you own stock in them. Consider including a cover letter explaining divestment action.

3.) Mail us the enclosed postcard so we will know how many people are participating. (The list of names will be confidential.)

4.) If you have already spoken to your financial advisor, this action could reaffirm your support.

5.) Please carry this out by June 16th, or as soon thereafter as possible.

Divestment itself cannot end apartheid. But, it is a useful tool to force corporations to terminate their involvement in such a reprehensible system. Holding stock in these companies is by no means a neutral act. It is a real support of apartheid. We hope this campaign sets in motion a network of concerned stockholders who are taking a stand against racial injustice.

yours,

Tracy Barnes    Annie Hoffman    George Pillsbury
Mitch Ryerson    Rita Toll
Stockholders for Majority Rule in Southern Africa
Notes on a Divestment Letter to Your Money Manager

The following are some points you might want to include when writing to your stockbroker or money manager. If you do not have personal control over your investments, send a letter to each of your trustees instead, urging them to take this action.

(1) Explain that you refuse to be a stockholder in these companies so long as they support the apartheid economy by their presence in and financial dealings with South Africa. In addition, you refuse to authorize any future investment in them until they are out of South Africa or until majority rule is achieved. At the same time however, say you would like to encourage these companies to support neighboring countries such as Angola or Zimbabwe.

(2) Point out the urgency of this divestment action as a means of resisting the U.S administration's rapidly growing support for the South African government. American companies must be made aware that President Reagan's relaxing of trade sanctions against South Africa -- like the approval for sale of transport plans and medical supplies to the South African military -- only reinforces our objections to collaborating with the apartheid government.

(3) Point out the limitations of the "Sullivan Principles" as a means of social change. These theoretical guidelines for the fair employment of blacks do not begin to confront the basic issue of apartheid, and are used by the companies that endorse them mainly as a screen for their real economic interests.

(4) Point out the fallacy of the justification used by many companies that it is the job of the Government, not the private sector, to define foreign policy. By investing in South Africa, these companies are actively supporting apartheid and are making a foreign policy statement that sends a message to the whole world.

(5) Mention that you are doing this as part of the Day of Divestment campaign, and that you would like to be divested from these companies on or before June 16th, the national day of commemoration of the 1976 Soweto Uprisings. In addition, encourage your stockbroker to convey their knowledge of this action and these concerns to the companies involved when he or she next communicates with them.
Corporations Targeted for Divestment

Fluor Corporation

Mr. J.R. Fluor
Fluor Corporation
3333 Michelson Drive
Irvine, CA 92730

The Fluor Corporation is now playing the key role in building oil from coal facilities in South Africa. Under a $4.2 billion contract Fluor is overseeing an immense expansion of South Africa's first, limited efforts at coal conversion. In doing so, Fluor is lending direct support to apartheid.

Mobil Corporation

Mr. Raleigh Warner, Jr., Chairman of the Board
Mobil Corporation
150 East 42nd St.
New York, NY 10017

Mobil is the largest U.S. investor in South Africa. Its assets there total approximately $426 million. As a seller to the South African government, Mobil has no policy specifically prohibiting sales to the South African police and military and under South Africa's Official Secrets Act is even unable to confirm or disclose the amount sold to the police and the military.

Citicorp

Mr. W.B. Wriston, Chairman of the Board
Citicorp
399 Park Ave.
New York, NY 10043

In 1980, Citibank co-managed a $250 million loan to the South African ministry of Finance. In September, Finance Minister Horwood stated that funds were not needed, but South Africa sought a "test of its credit worthiness". Citibank has been one of America's largest lenders, with a past exposure of $400 million. Past loans included unrestricted loans to the South African government that could be used for financing military growth and repressive legislation. While other banks such as Chase Manhattan, American Express, Mellon Bank, Banker's Trust, Chemical Bank, Irving Trust, Pittsburgh National Bank have adopted policies prohibiting or greatly restricting loans, Citibank's policy allows a variety of loans including loans to South African government agencies.

IBM

Mr. F.T. Cary, Chairman of the Board
IBM
Armonk, NY 10504

IBM is the U.S. computer company with the largest sales and
investment in South Africa. IBM computers are in virtually every government department and IBM sales are the largest among U.S. computer companies.

General Motors

Mr. R.B. Smith, Chairman and Chief Executive Officer
General Motors
3044 West Grand Blvd.
Detroit, MI 48202

General Motors' South African operations have created significant controversy over the past decade with stockholders for their sales to the police and military of South Africa. South African war legislation states that any company in South Africa can be forced to provide goods to the government for military purposes. In June 1980, the government passed a bill confirming the power of the state to designate strategic installations such as factories and government buildings as "national key points". The South African Defense Ministry is empowered to order owners of such "national key points" to reinforce security in the event of civil unrest or attack. General Motors' facilities in Port Elizabeth, S.A. constitute a "national key point".