A SUMMARY REPORT ON THE BANK CAMPAIGN
Against the Consortium Loan to South Africa

INTRODUCTION

On November 21, 1969 an obscure Associated Press release reported an announcement by the South African Finance Minister, Mr. Gerald W. Browne, that “because of the Republic's strong gold and foreign exchange position, credit [the $40 million credit loan by ten U.S. banks to the Government of South Africa] has not been used for some three years, and it was not deemed necessary to incur the expenses of extending it.” Thus, in one short sentence the issue of direct loans by American banks to the apartheid regime was closed. In a press release issued on November 25, the American Committee on Africa interpreted this South African pronouncement: “It is entirely possible that the banks themselves initiated the action to terminate the credit arrangement, even though the announced procedure was from the Government of South Africa to Dillon Read and Co. [handling arrangements] to the banks.”

There is no question that the “bank campaign” had been a strain on the public relations resources of the banking community. Group after group, individual after individual, wrote letters, asking for meetings, sponsored pickets — all in protest over the fact that 10 banks, and in particular Chase Manhattan and First National City, were helping, psychologically and financially, the racist government of South Africa. Mr. Browne’s announcement was therefore a victory — an indication that, in spite of the economic factors, the credit arrangement had become so uncomfortable that the banks apparently wanted to end the direct and open connection they had with the South African Government.

The banks will naturally continue their more informal ties with South Africa: i.e., First National City Bank still maintains 6 branches inside the country organized along apartheid lines; Chase Manhattan Bank still holds a substantial interest in Standard Bank, the second largest banking institution in South Africa; and Chemical Bank still holds the accounts of South African financial institutions such as the South African Reserve Bank. There are no doubt other loans outstanding from these banks to related parts of the South African government such as the Industrial Development Corporation. It was never contended by those involved in the bank campaign that the $40 million credit extension was of great financial importance to any of the parties concerned. Rather it became a symbol of the multitude of relationships between the United States and South Africa, which weight U.S. support on the side of a white totalitarian minority oppressing millions on the basis of color. The bank campaign was a beginning — a beginning of examining ways in which Americans could respond on a personal level to their institutions' support for apartheid; a beginning at creating public consciousness; a beginning at opening an understanding of the Western capitalist alliance with white South Africa.

The following report will outline the origins of the bank campaign, a chronology of activities and an analysis of some of the major centers of action, such as the churches, the United Nations and the universities. No firm conclusions should be drawn about the effectiveness of the campaign, mainly because it must be seen as part of a process of tearing down, through exposure, action and education, the pillars that enable white minority rule in southern Africa. The ultimate victory will naturally be that of the people themselves, led by the liberation movements. It is hoped, however, that through actions such as the bank campaign we will continue to provide support to them, particularly in heightening knowledge about the U.S. role, and that we will be able to link more clearly our efforts with those of resistance to and action against racialism here and in southern Africa. The end of the consortium loan should be seen as an inspiration for further disengagement.

ORIGINS OF THE CAMPAIGN

The initial exposure of the strategic role played by U.S. corporations in the South African economy came with the publication of a special issue of the then ACOA journal, Africa Today, in March, 1964. The issue, “Partners in Apartheid,” revealed that the United States, through private business activity as well as trade, was indeed a “partner in apartheid.” This factual foundation, appearing at the same time as major discussions and conferences on the viability of sanctions against South Africa, was a key factor in the momentum for action by American groups on the southern African issue.

1 The ten banks participating in the $40 million credit arrangement were: Bank of America (National Trust & Savings Assoc.); Chase Manhattan Bank; First National City Bank; Manufacturers Hanover Trust Co.; Morgan Guaranty Trust Co.; Chemical Bank New York Trust Co.; Bankers Trust Co.; Irving Trust Co.; Continental Illinois National Bank and Trust Co.; First National Bank (Chicago).

2 There are even some valid questions about the “strong gold and foreign exchange position” of South Africa, the rationale cited by the Finance Minister for the end of the U.S. loan. In February, 1969, Minister of Finance Diederichs went to Europe to seek foreign loans and explained to the House of Assembly that although the loans were not always needed for financial reasons, “it is always wise to keep your name on the most important capital markets of the world,” and “... it is good to know that they are available should they be necessary later.” (Rand Daily Mail, 2/18/69). The Johannesburg Star commented at the same time that South Africa needed external loans to help drain excess liquidity from her economy and to cope with the non-gold current account deficit. (Star, 2/11/69, quoting The Financial Times). Although the financial picture has changed with the recent drop in the free market price of gold which resulted in the U.S.-South Africa-IMF compromise allowing South Africa the controlled sale of her gold to central banking authorities, it is still expected that South Africa will have some payment problems in the future. Therefore an American credit extension would have not been detrimental to South Africa’s needs.
The response, sometimes spontaneous, sometimes organized, was mirrored by the student groups of the era — the National Student Association and the Students for a Democratic Society. Both NSA and SDS printed their own material calling for action against U.S. complicity with racist South Africa, and both narrowed down their focus to the role of U.S. banks in providing the government of South Africa with revolving credit facilities. On March 19, 1965, SDS sponsored a demonstration at 1 Chase Manhattan Plaza, in front of Chase’s main headquarters, the first of a number to consecrate that ground. A sit-in at the back doors of the bank indicated the contemporary militancy of the group and about 50 demonstrators were arrested. Meanwhile students at Union Theological Seminary and others at Columbia University, spurred by the presence of South Africans in their community and the fact that one African in the employ of the National Council of Churches refused to accept a payroll check drawn from one of the consortium banks, formed the Southern Africa Committee of the then National Student Christian Federation (later the University Christian Movement). This group, and a similar committee within Union Seminary, helped concentrate the attention of the Protestant church bodies resident at 475 Riverside Drive on the question of church involvement in financial institutions profiting from racism. In addition, ACOA undertook further research on U.S. corporate involvement in South Africa, including more specifics on the banks and the key role of banking institutions in stabilizing the South African economy after the Sharpeville depression period (1960-62).

Thus through a natural evolutionary process, the concept of a selective campaign, aimed at American banks, and in particular two New York based banks which had the greatest South African ties, was decided upon.

The Union-Morningside Heights activity continued into 1966, and on April 20 of that year 300 students and community people marched down Broadway to the 111th Street branch of First National City Bank where 70 people withdrew their accounts. The publicity and excitement generated by the success of this action led to the formation of a concentrated campaign. Meetings were held, and in late spring, an organizational body, the Committee of Conscience Against Apartheid, a structure uniting the American Committee on Africa and the National Student Christian Federation, was formed.

THE COMMITTEE OF CONSCIENCE AGAINST APARTHEID

In June and July, 1966, the logistics of a campaign were worked out by two full time staff members of the Committee of Conscience using the offices of ACOA. The campaign, it was envisioned, would aim at the withdrawal of institutional and individual funds from Chase Manhattan and First National City Banks, with the target date for removal on December 9, 1966, the Friday preceding Human Rights Day. During these summer months basic flyers and other material setting out the rationale for the campaign were prepared, sponsors were recruited, contact was made with the banks, and some withdrawal pledges secured. The focus of the organizers on the institutional level was the churches (local and denominational structures) and labor unions.

A. Philip Randolph, Chairman of the Committee of Conscience, and Co-Chairman of ACOA, signed the appeal letter to potential sponsors. The response was positive; more than 123 individuals and organizations joined the campaign, representing one of the most unique de facto coalitions of the decade and revealing the potential of the southern African issue to cut across many otherwise impassable political lines. In his call, Randolph wrote, "The campaign on the banks will be only a beginning. Essentially, what we wish to accomplish is to make clear to ourselves, to our fellow countrymen, and to our government, that Americans must disengage economically from the injustices of the apartheid regime in South Africa. We must no longer make it easy for South African businessmen to say, 'So long as United States banks and businesses back us, we can go ahead.'" Some of the sponsors of the campaign included: I.W. Abel, Conrad Aiken, Joan Baez, Theodore Bikel, Monsignor Thomas Carey, Stokely Carmichael, Diannam Carroll, Paddy Chayefsky, The Hon. John Conyers, Jr., Ossie Davis, Harvey Cox, The Hon. Charles C. Diggs, The Hon. Leonard Farbstein, James Farmer, Paul Hall, Rev. Donald S. Harrington, The Hon. Augustus Hawkins, Nat Hentoff, Granville Hicks, Rev. Daniel V. Kilfoyle, S.J., Allard Lowenstein, Prof. Staughton Lynd, Floyd McKissick, Rev. Thomas Merton, Emanuel Muravchik, Reinhold Niebuhr, Victor Reuther, Cleveland Robinson, The Hon. Benjamin Rosenthal, Rabbi Marc H. Tanenbaum, Immanuel Wallerstein, Theodore Weiss, and Livingston Wingate.

Letters calling for support actions on December 9 were sent to many foreign anti-apartheid groups, while letters outlining the concerns of the Committee of Conscience were sent to the chairman of the 10 banks involved in the consortium loan. The common response from the banks was the denial of support for apartheid, deference to the U.S. government policy of relations with South Africa, and balance of payments considerations. A meeting was held on July 25 with Chase Manhattan officials at which the CCAA was represented by Mr. Randolph, Peter Weiss of ACOA, Ford Johnson, and Richard Courage, the summer co-ordinators of the campaign. At this session Chase submitted that its involvement was a "constructive response" to the South African situation (a theme to be repeated by those advocating so-called "positive engagement" by U.S. businesses in South Africa), and admitted that one of the bank's primary aims was to service American corporations there.

Other activities during these summer months were two demonstrations held at the U.S. Mission to the U.N. on July 29 and August 4 primarily involving members of CORE, and a press conference called by Mr. Randolph on August 3 to announce the launching of the bank campaign. At this conference Randolph indicated that the reason for the boycott of the two banks was to "dramatize to the public the fact that American dollars invested in South Africa strengthen the hand of that regime in carrying out its brutal policy of racial suppression called Apartheid." He also said, referring to the aims of the campaign,
Local meetings were organized in communities such as Queens and Riverdale; local leafletings of banks occurred sponsored by the Union Theological students, Bronx CORE, and the New York University Southern African Committee. Larger meetings were held on into the autumn with university students and church groups. Through these months of organizing, the aims of the campaign were clarified, the rationale refined, and more and more information dispersed into new communities such as letters to United Nations delegates from Africa. On December 7, Mr. Randolph held another press conference, this time announcing that almost $23 million had been withdrawn from the banks by more than 200 groups and individuals, including local churches such as Mother A.M.E. Zion and St. Marks in the Bouwerie Episcopal; by the Methodist Mission to the U.N. and the National Federation of Catholic College Students (New York/New Jersey region); by the periodical Christianity and Crisis; by the Committee for Nonviolent Action, the Women’s International League for Peace and Freedom, and the student governments at Barnard and Union. Individuals who removed their funds from either Chase or First National were Theodore Bikel, Pete Seeger, Arthur Miller, Nat Hentoff, Immanuel Wallerstein, Congressman Jonathan Bingham, State Senator Basil A. Patterson, Reinhold Niebuhr, and Rev. Donald S. Harrington. Finally, on December 9, the target date, 300 people marched and rallied at 1 Chase Manhattan Plaza, moving later to the First National City Bank headquarters. On that day, an Episcopal group entitled Concerned Communicants issued a statement directed toward their own church for action against the banks.

The announcement of the $23 million removals was hotly denied by the banks, although it was clear that several businesses and institutions which withdrew their funds had failed to inform the banks of their reasons for fear of economic reprisals, such as problems related to outstanding loans or mortgages. Chase Manhattan had also attempted to prevent the demonstration on December 9 through legal means claiming that the Committee of Conscience was planning to invade private Rockefeller property.

All in all, however, the year of concentrated activity on the bank campaign had succeeded in Mr. Randolph’s terms – the New York community had heard the news, press coverage had been adequate, and more and more people began to make connections between the banks and apartheid. The issue had also begun to penetrate the institutional structures of most of the major Protestant denominations.

ACTION ON MAJOR FRONTS

1. Churches: From the very beginning of the bank campaign there were Catholic, Jewish and Protestant individuals in full support of the action. Dr. Henry Pitney Van Dusen, President Emeritus of Union Theological Seminary, led a group of churchmen in a strong statement of support for the campaign in January, 1967, while theological schools at Princeton, Union, Chicago and Boston all raised the issue.

To move beyond the personal conscience level into a process of major institutional decisions on the bank issue involved a much longer and more laborious effort. The churches were challenged by the campaign, and kept being challenged by their own student affiliates, the hard-core of students at Union located near the Protestant churches national headquarters on Riverside Drive, the University Christian Movement, a co-sponsor of the CCAA, and groups such as the Episcopal Churchmen for South Africa. Other support for broader church action was evidenced in the liberal journals Christianity and Crisis and The Christian Century, while the World Student Christian Federation (affiliated with the World Council of Churches) not only withdrew funds from First National City Bank but also produced a valuable booklet, “The Banks and Apartheid.” Most of the Protestant churches began considering the question of economic support for apartheid as early as 1965, but it was not until 1967 that action moved beyond the discussion realm.

In September, 1967, the United Methodist Church Board of Missions voted to remove a $10 million investment portfolio from First National City Bank if the bank renewed its part of the consortium loan. The Methodists declared this act a “first step,” and throughout its proceedings leading up to the vote, pickets urged action in front of 475. Also, the church had received messages from some of its constituencies such as a group of Philippines Methodists. In February, 1968, the Board made the concrete transfer of investments when it was clear that FNCB would continue as part of the consortium loan.

During the period of the Methodist “first step” (September-October, 1967), a number of discussions on an ecumenical basis were held under the auspices of the Department of International Affairs of the National Council of Churches. The NCC itself had looked toward the denominations for action and conceived of itself as a co-ordinator. An ecumenical group did sign a statement recommending “significant” although undefined church withdrawals if the loan were renewed, and the Director of the DIA wrote letters to the banks asking for meetings. The major emphasis of the NCC was specifically on bank loans to the South African government, and not the general role of the banks or other U.S. corporations in strengthening apartheid. This definition stressing the loan had certain implications for the future of the campaign in that the demand of the protestors was the termination of the consortium not an end to all forms of relationships with South Africa.

It is of course our ultimate hope that these banks will decide to withdraw their support from South Africa, but if we are able to bring this issue to the public in a meaningful way and create public sentiment and support for American disengagement, then we will consider this effort a success.
Other major Protestant denominations involved in the bank action were the United Church of Christ, the Episcopal Church and the United Presbyterian Church. In September, 1967, the UCC Board for World Ministries corresponded with Chase Manhattan, First National City and Chemical urging non-renewal of the loan and threatening to review their dealings with these banks. In June of the next year, the Council for Christian Social Action urged withdrawal by UCC boards and committees, and in 1969 at the General Synod Meeting in Boston, it was recommended that all church investments in any financial institution doing business with South Africa should be withdrawn.

The history of the Episcopal Church is somewhat different in that a special commission was established, after significant pressures from the Episcopal Churchmen for South Africa and the Episcopal Society for Cultural and Racial Unity. In 1966 national and diocesan officials had been called to consider the “moral dilemma” of investments in South Africa, and the Triennial Convention called for a review of church involvement in banks and corporations throughout southern Africa. In December, 1968, a lay and church commission was established which set out criteria for investigating the bank situation. More meetings were held, and in May, 1969, a resolution was passed by the churches’ Executive and Financial Committee asking the Council Treasurer to remove about $2 million of church funds from Chase Manhattan, First National City and Morgan Guaranty Trust if they should renew the consortium loan. Again it was not a simple decision — pressures on the church included the holding of a public hearing in the Episcopal Church Center lobby on the day the Executive Council met in closed session with the bankers and other witnesses. The final decision of the Executive Council (now invalidated because of the termination of the loan) was that the consortium credit did not promote, according to the pre-established criteria, the “education of Africans, development of family life; labor management relations and collective bargaining process; increased skills of the African labor force; equality of wage scales; pension provisions and social security; hospitalization and other benefits; and breaking down of the pass law system and other restrictions.” This decision was the first church affirmation which affected not simply the churches’ stock portfolios, but rather revolving funds which are considerably more difficult to withdraw. But again in this case, with the end of the $40 million loan, the churches must look to the more pertinent issue of their total involvement in southern Africa, and their relationships with American corporations investing in apartheid.

The United Presbyterians acted primarily through letters and meetings with bank officials beginning in 1967. In May of that year the UPUSA General Assembly passed a resolution to the effect that American business should oppose apartheid, and that if this were not possible, business should leave South Africa. If businesses were uncooperative with church requests, then the church should divest itself of holdings in these companies. The Council on Ecumenical Mission and Relations (COEMAR) corresponded and met with bank officials, and in March, 1968 a COEMAR representative testified at an annual stockholders’ meeting of First National City Bank. A Special Task Force on Southern Africa was set up in 1969 which was proceeding to move toward concrete action, such as withdrawal, at the time the loan was canceled.

A number of other individual churches, churchmen and religious organizations were involved in the bank campaign, and some did withdraw funds, such as the American Friends Service Committee (Metropolitan Regional Office). There is also no question that the churches played a significant role in maintaining continuous pressure on the banks and their public relations personnel. Although they did not participate in the most public actions, the persistence of some individuals on church boards and often the personal relationships they had with bank officials gave a certain continuity to the campaign, and constant reality to the threat of a tarnished bank image.

2. Universities: Beginning in 1966, campus groups started the process of investigating university connections with South Africa, most often through the examination of university investment portfolios or the involvement of trustees with corporations doing business in South Africa. Although often lacking in long range programs, actions on campuses spurred the issue into new channels. Given the origins of the bank campaign in a university community in New York City, via the actions of Union Theological students and others, it followed that early in the campaign, students at New York University, several city high schools and local college student councils staged rallies, local pickets and withdrew funds from the banks. Much time was consumed at Union in discussions with the Seminary’s Board of Directors, and the formation of an investigation committee, and although no decision was ever made to remove the Seminary’s funds from the consortium banks, the students were a continuous source of inspiration. In early 1967 SDS, University of Chicago and Chicago Theological Seminary students held a demonstration at Continental Illinois Bank, while in California, students in the Claremont area held meetings with Bank of America officials.

The most publicized actions occurred in 1968-69 at Cornell and Princeton Universities where radical white and militant black students forced the sale of university stock in the banks (although the university treasurers claimed “financial” reasons for the dropping of the bank stocks). At Princeton a student-faculty committee undertook a lengthy investigation of the university’s investment policies, and eventually the President of the University announced that no more stocks would be bought from banks loaning money directly to the government of South Africa. President Goldeen’s statement, in spite of its ambiguity on the wider issue of corporate investment in South Africa, did commit the University on the bank issue. At the Universities of Wisconsin, Rutgers, Brown, Antioch, California (Santa Barbara), Boston Theological Seminary and others, the issue was also raised — at times by confronting recruiters from the banks or symbols (i.e., the Rockefellers) of U.S. complicity in supporting apartheid. The spin-off effect of the campaign, especially as it relates to university investments in corporations involved in South Africa, is still evident on campuses, and often in crucial periods it was students who provided visibility to the issue.
3. Elected Officials: The original sponsors of the bank campaign included Congressmen such as John Conyers, Charles Diggs, Leonard Farbstein, Don Edwards, Augustus Hawkins, Elmer Holland, Robert Nix, William Ryan, Benjamin Rosenthal, and some New York State representatives. But the importance of the issue in legislative circles, except insofar as the March, 1966 hearings on U.S.-South African policy dealt with the banks, did not emerge until September, 1969 when N.Y. Assemblyman Franz S.J. Leichter called upon the State Controller to withdraw all New York State funds from banks supporting South African racism. In addition, Leichter urged the New York State Superintendent of Banks to declare unlawful the making of the consortium loan to South Africa as it contradicted United Nations' resolutions. Mr. Leichter was prepared to introduce legislation in Albany to this effect. Democratic and Reform Democratic clubs in the New York area had already removed funds early in the bank campaign, and a number were prepared to rally support for Leichter's effort.

On a national level, nine Congressmen, led by Jonathan Bingham (D.-N.Y.) and Ogden Reid (R.-N.Y.), co-signed letters to all of the 10 bank presidents in November, 1969. They called upon the banks to "abstain from participation in any continuation of such a line of credit for the apartheid regime in South Africa." The argument proposed by the legislators was that the United States did not, in fact, conceive of South Africa in "normal" terms, but rather distinguished it by a policy which neither encouraged nor discouraged trade or investment there. Therefore, the Congressmen asserted that the banks could not use this rationale for their loan to South Africa. The effect of this letter is difficult to estimate, but it no doubt heightened the seriousness of the issue from the banks' perspective.

4. The United Nations: Although sympathetic U.N. delegations were aware of and concerned about the bank campaign, it was again in 1969 that action took concrete form. In 1966, the General Assembly resolution on the policies of apartheid had appealed to all States to "discourage loans by banks in their countries to the Government of South Africa or South African companies," but in March, 1969, during a Special Committee on Apartheid seminar held at U.N. headquarters, the question of Chemical Bank, a consortium member, being the bank located at the U.N., came to a head. By chance, Chemical Bank New York Trust Company had placed an advertisement in the New York Times the same day as the seminar meeting in which it lauded the bank's role in securing a deal between South Africa and Japan for the sale of iron. This remarkable situation, where U.N. resolutions were in essence being ignored by the United Nations itself, resulted in proposals by the Special Committee to the Secretary General asking an investigation of Chemical Bank's role at the U.N. This culminated in a General Assembly Resolution passed in November, 1969, which called upon the United Nations and its affiliates to "refrain from extending facilities to banks and other financial institutions which provide assistance" to South Africa and firms registered there. During this period a number of non-governmental organizations, most especially ACOA, corresponded and met with African delegations and the Secretary General's representatives urging strong U.N. action on the Chemical issue. In April a demonstration was held at the Chemical branch near Columbia University.

5. Black Community Action: Another situation which heightened the exposure of the issue was that of a number of black employees of Chase Manhattan who, during 1966, filed a complaint with the New York City Commission on Human Rights about discrimination by the bank. The linkages between Chase Manhattan's operation in South Africa and the United States were made clear by the black group entitled The Organization for Self Improvement. Ultimately the Human Rights Commission subpoenaed the bank officials, but in 1969 the charges were dropped. During this time members of the Organization had been fired by the bank, and the case received some publicity.

In line with the role of the black community, there were a number of black leaders as sponsors of the bank campaign, including: Paul Boutelle, Robert S. Browne, Stokely Carmichael, Diahann Carroll, Ossie Davis, Ruby Dee, James Farmer, Norman Hill, John Holloman, J. Raymond Jones, John Lewis, Lincoln Lynch, Floyd McKissick, Cleveland Robinson, Bayard Rustin, Hope Stevens, Gayraud Wilmore, Livingston Wingate, and the Chairman of the Committee of Conscience, A. Philip Randolph. CORE, SNCC, NAACP and others made reference to the banks in their own actions or resolutions, and in 1969 the Black Manifesto of the National Black Economic Development Conference included a demand to the churches for the liquidation of church assets in South Africa.

6. Other Public Actions: Basic questions and protest about bank policy were made in the public forum at annual stockholders' meetings of the banks. In 1967 and 1968 the meetings of Morgan Guaranty, Chase Manhattan, and First National City Bank were attended by representatives of ACOA and/or church groups. These stockholder critics spoke from the floor at the meetings and received considerable publicity. This was important because it forced bank officials to try to justify their policy. The most explicit statement made by an official was that of David Rockefeller at the 1967 annual meeting when he spent 10 minutes of his presentation defending Chase Manhattan's role in Africa as a whole (through its relationship with Standard Bank of Africa) while avoiding the question of the direct consortium loan. The stockholders' meetings were also occasions for pickets and leafletings.
OTHER ASPECTS OF THE BANK CAMPAIGN

Press: The bank campaign was a self-generated issue. The press vibrations therefore had to be in response to demonstrations, press conferences, meetings and the like, rather than reporting on some “newsworthy” aspect of U.S.–South African relations. Given these limitations, the coverage was considerable, particularly at key points such as December, 1966, when one of the wire services picked up a story and it was featured in non-New York papers. Major articles or editorials were carried by the special interest press and church related publications, and in East and South Africa coverage was prominent.

Bank Response: Bank officials from the branch level to the upper echelon management were forced through constant inquiry and deputations to refine their arguments and/or justifications for loaning funds to the government of South Africa. Most revealing information came in small private meetings with bank officials, such as the closed hearing of the Episcopal Church, or through correspondence with the bank by people wanting to withdraw funds. The contradictions in the banks’ policies through their defense of their own as well as South Africa’s policies were apparent throughout. Claims of dislike for apartheid, for balance of payments concerns, for the positive side effects of economic development as a means of changing the situation, fear of economic harm to Africans or a hardening of South Africa’s “laager mentality,” and the proverbial benefit of dialogue—all such arguments came from the bankers. Each rationale, however, avoided dealing with the real reason for direct loans to a white supremacist government. Thus it was this highly visible credit loan which caused the banks more trouble than it was worth.

CONCLUSION

The original and limited aim of the bank campaign has been realized. The direct loan by the consortium of American banks to the South African government has been ended. There is very little doubt that the banks wanted a way out. The $40 million loan was not worth the trouble to the banks, and no given bank had very much invested. Further, the bank campaign publicized in a unique way the tie-in between American capital and the economy of the white minority and racist regime of South Africa. This was a prime objective of the campaign.

It should be borne in mind by those who have the general position of ACOA that other purposes of the bank campaign still remain to be realized.

For one thing, First National City Bank and Chase Manhattan are still deeply involved in the South African economy; First National City still has its 6 branches there and Chase Manhattan still is heavily involved through Standard Bank. Secondly, the overall campaign for disengagement, of which this was only a part, still goes on. American investment in South Africa continues to grow. There is no evidence that such investment is in any way breaking down the apartheid system as the proponents of increased economic involvement argue; rather the reverse. Therefore, although the supporters of the bank campaign can feel a momentary satisfaction that a limited objective has been achieved, the real struggle lies ahead.

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