October 30, 1978

Newsletter # 5

FLASH! FLASH!

October 16 - For the first time in history the US Congress enacted some economic sanctions against South Africa. Without debate and with adjournment dominating their minds, the Senate passed HR 14279, a bill on domestic bank interest rates. In so doing the Senate passed a provision that will stop all US Export-Import Bank loans, guarantees and insurance supporting exports to the South African government and its agencies. It will also stop all support to private companies in South Africa unless the US Secretary of State has judged that such a purchasing company is moving towards implementing the Sullivan principles.

For more information: Contact the Washington Office on Africa, 110 Maryland Avenue, NE, Washington DC 20002.

ALERT! INTERNATIONAL DAY OF ACTION AGAINST BANK LOANS TO SOUTH AFRICA. JOIN US!!

December 1st 1978 has been declared an International Day of Action Against Bank Loans to South Africa. On that day a consortium of groups (first convened at the August NGQ Anti-Apartheid Conference in Geneva) from England, Belgium, France, Holland, Switzerland, West Germany, Japan, New Zealand, various Caribbean countries, Canada and the US will conduct concerted activities against banks involved in lending to South Africa.

In the United States actions will go on in New York, Rochester, Chicago, Washington D.C., Milwaukee, Minneapolis and California. Be you farmer, student, teacher, engineer, janitor, lawyer, black, white, young, old, red brown, big, little, join our demonstrations December 1st. End Bank Loans to South Africa!

For more information contact either your local COBLSA groups or COBLSA-New York.
UPDATE ON
WITHDRAWALS AND OTHER ACTIONS TAKEN

New York

- Thursday September 7, the Village Independent Democrats voted unanimously to withdraw all funds from the Chemical Bank and urge all members to withdraw their individual accounts as well.

- July, the St. Athanasius Elementary School in the South Bronx withdrew a $300,000 account from the Manufacturers Hanover Bank.

- September, the State University of New York (SUNY) at Oneonta administration at the urging of the South African Coalition began a process of withdrawing all certificates of deposit from the Wilbur National Bank in Oneonta because of that bank's correspondent relationship to Chase Manhattan Bank, a lender to South Africa. The total value of the certificates to be moved is $580,000.

California

- The Trade Union Conference on Southern Africa, held in San Francisco on June 10, was attended by 209 delegates from 102 locals. John Gaetsewe General Secretary of the South African Congress of Trade Unions (SACTU) gave the keynote address. A well-balanced Program of Action was adopted, which contained the following: Encourage Trade Union support of community activity to "Stop Banking on Apartheid"; Encourage our local and international unions to withdraw our funds from banks doing business with southern Africa and encourage our own union members to withdraw their personal checking and savings accounts from banks doing business with S.A.

For more information contact: Trade Union Committee on Southern Africa, 255 9th Street, San Francisco, CA 94103.

- On June 16, in California 20,000 leaflets advocating withdrawal from Bank of America were posted up at 60 Bank of America branches in 22 cities from San Diego to Sacramento. Many Northern California churches celebrated a day of concern June 13, sending postcards to President Clausen of Bank of America.

- Sacramento, The Sacramento Rapid Transit System's Retirement Fund Board recently decided that it no longer wants stock in either Bank of America or Eastman Kodak because of their South Africa connections. The staff is also currently investigating withdrawing the Transit System's $18 million account from B of A.
Chicago

- September 11--As mandated by a 1977 Governing Board resolution, The National Council of Churches announced the closing of a checking account it had held with Continental Illinois Bank since 1946 because of Continental's role as a "financial lifeline to the apartheid government of South Africa." The turnover of deposits and checks during one year amounted to $4,042,458.00. The Council announced that it yet had payroll and checking accounts with two other apartheid/racist "lifers" - Citibank and Chase Manhattan.

- September 8, 1978--Two aldermen in Chicago called for the cessation of depositing public funds in banks doing business with South Africa. They introduced a bill directing the city controller to conduct hearings to determine "the links between Chicago area banks and South Africa." Ron Freund, Midwest Director of the Clergy and Laity Concerned, a prime mover of the initiative, discovered that the City of Chicago had at any given moment over $20 million deposited in various Chicago banks.

South Africa 'ties' costly to Loop bank

Associated Colleges withdraw $1.6 million

- October 19--The Board of Directors of the Associated Colleges of the Midwest (ACM) voted to withdraw all funds from the Continental Illinois Bank because of its apartheid ties. The ACM is made up of 13 colleges including Beloit, Carleton, Lawrence, St. Olaf, Ripon, Coe, Cornell, Lake Forest, Macalester, Grinnell, Knox, Mornmouth and Colorado. The funds involved will deprive Continental of $1.6 million annually. ACM investigated Continental's foreign involvement for nine months. Throughout the Continental management refused to answer the ACM Board President's inquiries.
North Carolina

- On June 16 there were pickets and demonstrations in Charlotte, Durham, Chapel Hill and Greensboro. In Charlotte depositors went jointly into the North Carolina National Bank (NCNB) and removed $35,000. Estimates are that an additional $50,000 was withdrawn in other cities. In addition, the issue of NCNB loans providing Cessna aircraft for the South African military machine was linked successfully to the other concerns in Charlotte's black community so as to frustrate the campaign of a local candidate who had been board chairman of NCNB when the loans were made.

Boston

- During the week prior to June 16, the Boston Soweto Day Coalition organized demonstrations at First National Bank of Boston (FNBB) branches in Roxbury, Dudley Station, Brigham Circle, Jamaica Plain and downtown Boston.

- Members of Boston's Church of the Covenant have organized broad delegations of religious leaders to meet with officials in FNBB. They have discussed not only FNBB's loans to South Africa but also FNBB's recent loan to DeBeers, Botswana for diamond mining pointing out that DeBeers Botswana is but a satellite of DeBeers South Africa and the Oppenheimer Empire. Many members are encouraging individuals to withdraw their accounts.

Washington, D.C.

- COBLSA says Welcome, Washington!

The United Church of Christ Potomac Association Task Force on Southern Africa and other groups have initiated a bank campaign in the District area. New information about some Washington banks is going to enable a good campaign there. Already there is activity to get several resolutions placed before the DC City Council.

Milwaukee

- Besides working on Marquette University's ties to companies in South Africa, the Milwaukee Committee on Southern Africa and others such as an AFSCME local are working to prevent county funds from going into institutions involved in South Africa. First Wisconsin Bank - a provider of Ex-Im credits to help move caterpillar equipment into South Africa - has a President, Mr. Hal Kuehl, who, recently, in a disinterested, scholarly and objective fashion, helped his fellow board members to vote to retain Marquette's portfolio of investments in companies doing business in South Africa.
- The following is from an interview by a South African business professor, one Meyer Feldberg. Feldberg was in residence at Northwestern University, School of Business doing research on the US divestment movement on campuses. During his stay in the states he interviewed Terry MacDonough, senior vice-president of The First National Bank of Chicago: (Summer, 1978)

**Question:** ...In other words, your position is purely economic in that you will do business where you believe it appropriate for the bank to do business?

**Answer:** Yes, we believe we are a major international bank and that it is appropriate for us to do business in any country in which we believe the risk to be acceptable...

**Question:** You are suggesting it has reached the stage now where political developments in SA influence your assessment of the risk?

**Answer:** Yes.

**Question:** Your exposure in South Africa is, I believe, about $16 million?

**Answer:** We do not reveal what it is to anyone.

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- Irving Trust Bank and other big American banks are mobilizing US and Canadian religious and university leaders for a 12 day South African bank-sponsored fact finding tour of South Africa. An Irving Bank executive perceptively wrote in a canvassing letter for the tour, "I am well aware that this type of visit could be viewed as propaganda for the South African government." (Rand Daily Mail, June 23, 1978.)

- Officials of the Transkei Bantustan are combing the world looking for overseas loans. Ciskei officials got $4 million in a Swiss loan managed by Hill Samuel. (Johannesburg Star, July 8, 1978)

- The California Senate Select Committee released a report from the California State Superintendent of Banks that five banks chartered by the State had made hitherto undisclosed loans totalling more than $44 million to the South African government, its agencies and businesses.

The five banks and their loans are: The Chartered Bank of London; ($5.4 mil); French Bank of California ($2.2mil); The Sumitomo Bank of California ($2.5 mil); The Union Bank ($5 mil); and the United California Bank ($31.3 mil).

Editorial Comment: Can we pressure other state banking superintendents to release information?
NEWS - 2

- **US Bank Loans Mean More to South Africa than US company operations!**
  Recently, the trustees of Yale Corporation wrote:

  As a general proposition, a U.S. bank that makes loans to the South African government contributes much more directly to the support of the government itself than do most other US based companies doing business in South Africa. Moreover, a US institutional lender that does not maintain operations in South Africa is not directly providing employment to non-whites and is not in as direct a position to seek to better their working and living conditions.

- **Former US Secretary of the Treasury, John Connolly, said after his tour to South Africa, "South Africa could play a key role in the defense of the West..."** He said he felt the US was interfering too much in the internal affairs of South Africa and that the US should be establishing naval bases on the East and West Coasts of Africa to counter the Cuban presence. (Rand Daily Mail August 28, 1978)

- **Singer Isaac Hayes is due in South Africa in November for a 4 week tour.** (Sunday Times. Johannesburg, September 3, 1978)

- **US Bank Loans to South Africa's Iron and Steel Corporation (ISCOR) for "improving workers housing" lead to more repressive control of workers!** According to the Rand Daily Mail (January 6, 1978) a new complex called "KwaMasiza," to house 20,000 African migrant workers at Iscor's Vanderbijlpark is really designed to prevent workers from organizing. Excerpts from the article follow:

  "Mr. Grobler, who began planning the complex eight years ago, says the intention was to create a hierarchy of dedicated steelmen. This hierarchical structure is built into each flat, where there is a prefect with a bedroom to himself, three assistants sharing a slightly larger bedroom and another six men in the third bedroom."

  "The pecking order extends to the positioning of a more senior man's bed so he can control the room's light switch. And it's all worked out by computer, programmed by a sophisticated personnel information system that is obviously Mr. Grobel's pride and joy..."

  "Each man's progress, abilities and personal details right down to the size of his boots, are stored in the computer's memory for instant recall. He is given a new merit rating after every 75 shifts and the computer knows precisely where he is and what he is doing...each working day."

  "To make the system's control complete, each flat is linked by intercom to the house father's cottage and to the central administration block." The reporter adds: "One feels it was planned by a team of clinical and industrial psychologists, sociologists, economists and social anthropologists who tried hard to consider all the angles...KwaMasiza could turn out to be a model for the country."

**EDITORIAL COMMENT:**

We say to Citibank of New York which since 1973 has participated in loans to Iscor estimated conservatively at $376.4 million, and to all other banks
lending to South Africa, that the Vanderbijl park housing project
may be "tangible progress away from apartheid." It is also a
steady path towards a 1984 type Auschwitz.

GENEVA CONFERENCE

An international anti-apartheid conference of non-governmental agencies
(NGO's) of the U.N. was held in Geneva, Switzerland in August. Beate Klein
represented COBLSA at the four day conference which was attended by 120
national and international NGO's and representatives of the liberation
movements, the UN and various governments. The key resolutions adopted
in Geneva included an agreement to improve the coordination and communi-
cation of NGO activities so as to truly internationalize the anti-
apartheid struggle, and a resolution for unequivocal support for the
liberation movements of southern Africa.

Bank campaign groups from Western Europe, Japan, New Zealand, the United
Kingdom, and the U.S. met to discuss the December 1 International Day
of Action Against Bank Loans to South Africa, as well as means by which
to improve the exchange of information and synchronization of national
bank campaign activities. A major step in this direction is a new study
by the Corporate Data Exchange which will list all Canadian and European
banks and bank loans to South Africa, in addition to the U.S. data
included in the current CDE Handbook. The report, which will be ready
in early 1979, will be key to the International Bank Campaign. If you
have any information about, or questions on, the European banks and bank
campaign, please contact Beate Klein of the New York COBLSA.
New Resources

Articles


Pamphlets


CDE writes: "Reaction to the release of the Handbook was stronger than anticipated. Several journalists and activists from states without bank campaigns called to get more information. Several of the smaller banks either refused to comment to journalists or reacted with considerable nervousness to questions about their involvement in South Africa. The South African press, embassy (U.S.) and some of the biggest U.S. banks got copies immediately, but have made no comment on the Handbook. Coverage of the Handbook came out in the Journal of Commerce, American Banker, Rand Daily Mail, Jack Anderson's news spot on the ABC-TV Good Morning America show Seven Days, Pacifica Network, Internews and other radio stations."

Nineteen Newly Identified Banks From the CDE Report

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<td>Merchant National Corp*</td>
<td>Walter E Heller International Corp</td>
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<td>Merchants National Bank &amp; Trust Co (Indianapolis)</td>
<td>American National Bank &amp; Trust Co (Chicago)</td>
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<td>National City Corp*</td>
<td>National Citybank (Cleveland)</td>
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* Banks lending directly to South African government and parastatals.
2. Dayton Women Working, Banks: Discrimination In Employment, Dayton, Ohio, 1978, 33 pp. Utilizing a little-publicized federal law requiring banks to reveal their hiring patterns this study documents facts like: the US Department of Labor's finding that "of all women employed by banks 88.6% of them are in the lower paying category of office and clerical staff." Available: Dayton Women Working, YWCA, Room 319, 141 West Third Street, Dayton, Ohio 45402.

3. Institute for Policy Studies, Human Rights, Economic Aid and Private Banks: The Case of Chile, Washington DC, 1978, 14 pp. Written by Isabel Letelier and Michael Moffitt, this pamphlet documents clearly that the banks lending to Chile are the same ones lending to South Africa. The study also shows the extent to which banks ignore US government policies and practices when it suits their purposes. In 1976, says the study, when the US Congress put a $27.5 million ceiling on US bilateral assistance to Chile, private US commercial bank loans to Chile increased more than 500% over 1975 totals to $520 million.

4. Anti-Apartheid Movement, Changing Patterns of International Investment in South Africa and the Disinvestment Campaign, London, September 78 33 pp author Simon Clarke. A well written and substantially documented piece, its major conclusion is:
"there are strong signs that South Africa's credit with the leading international bankers as well as with the IMF, is looking up. While the public relations chorus of politicians and bank chairmen continue to decry the policies pursued by the South African regime, the principal actors are quietly giving their verdict. It is for this reason that an escalation of the disinvestment campaign, focused on the actions of the international banks rather than their wards, is so important." (emphasis mine)

5. New York Chapter - COBLSA, A Report on Manufacturers Hanover Trust Mortgage Loan Practice in Harlem and Bedford-Stuyvesant, June 1978, 4 pp. The first in a series of reports on redlining by New York's major commercial banks, this piece provides undeniable proof of 'Manny Hanny's' redlining of Harlem while it lends to South Africa! It is available from COBLSA-New York City Chapter, c/o Simcich, 313 West 78 Street, # 4R, New York, NY 10024.

The New York Chapter of COBLSA is preparing a comprehensive list of all known loans by US commercial and investment banks. It is the first time such a list will have been made. It will be an indispensable tool for our work and will be available from: NY-COBLSA, c/o Simcich, 313 West 78 Street, Apt 4R New York City 10024.

FILMS

'Six Days in Soweto.' This 1978 color 55 minute film, produced for British TV by Anthony Thomas, contains excellent interviews with participants themselves in the Soweto uprising. The film is available from Southern Africa Media Center, California Newsreel, 630 Natoma Street, San Francisco, CA 94103 Tel: (415)621-6196.
OTHER RESOURCES

Stop Banking on Apartheid ($BOA), 2160 Lake Street, San Francisco, CA 94121 or 3410 19th Street, San Francisco, CA 94110, has issued an excellent informational packet. It contains such items as questions to raise with the banks and tools for campaigners. A new slide show is also available through $BOA.

BANKS OF MARBLE

Oh, the banks are made of marble
With a guard at every door.
And the vaults are stuffed with silver
That the people sweated for.

I've seen the weary farmer
A'plowing sod and loan
And I've heard the auction hammer
A'knocking down his home.

I've seen my brothers working (& sisters)
Throughout this mighty land
And I pray we get together
And together take a stand.

And we'll take those banks of marble
With their guard at every door
And we'll all divide that silver
That the people sweated for.

-- Wobbly song

UPCOMING

- In California on November 17, students, trade unionists, religious workers and others working in a broad coalition are picketing 500 branches of the Bank of America. 250,000 leaflets will be distributed throughout the state protesting Bank of America's involvement with South Africa. Minimal estimates place Bank of America's loans to South Africa at $188 million.

Those who profess to favor freedom and yet depreciate agitation, are men who want crops without ploughing the ground; they want rain without thunder and lightning; they want the ocean without the roar of its many waters. The struggle may be a moral one, or it may be a physical one, or it may be both. But it must be a struggle. Power concedes nothing without a demand; it never has and it never will. Men may not get all they pay for in this world, but they must certainly pay for all they get.

Frederick Douglas

THE BANK CAMPAIGN NEWSLETTER NEEDS FUNDS TO CONTINUE BEING WRITTEN AND DISTRIBUTED. PLEASE CONTRIBUTE.

MAKE YOUR CHECKS, MONEY ORDERS OUT TO:

"NEW YORK-COBSA"
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DRAWING FOR 5 EXCITING PRIZES

THIS EVENING ONLY!!

RAFFLE TICKETS - $1.00 each or a book of 6 for $5.00
PRIZES ON DISPLAY AT REAR OF AUDITORIUM. All ushers have tickets.

- 1ST PRIZE: ORIGINAL IVORY COAST GURO FERTILITY MASK
- 2ND PRIZE: TOILE de KORHOGO-IVORY COAST SENUFO - WALL TAPESTRY
- 3RD PRIZE: ORIGINAL ANTI-APARTHEID POSTER ART "New York Times" theme donated by the artist Charles Bankhoff
- 4TH PRIZE: Original poster "APARTHEID DEFACES HUMANITY" Donated by the artist David G. Bragin.
- 5TH PRIZE: "VOICES FOR AFRICAN FREEDOM" Rare recording done inside South Africa in 1954. George Houser interviews Walter Sisulu now imprisoned on Robben Island, Chief Albert Luthuli Nobel Peace Prize Winner, Manilal Gandhi, interview with Steve Biko shortly before his death.

1979 SOUTH AFRICA FREEDOM CALENDAR
12 Vivid Posters $5.00 - On Sale
At Rear of Auditorium.

Original Anti-Apartheid Poster Art
12 Outstanding posters from nationwide competition have been selected for display and sale.

ORIGINAL ART $50.00 ea. At Rear of Auditorium.

All Prizes donated. All Art donated by the Artists.

All Proceeds to the programs, activities and projects of the American Committee on Africa

On Display and for sale:
Rare 19th Century Cameroon
African Headdress - Price $2500.00
(See Program Description)

NOTE: After November 30, 1978, The Offices of The American Committee on Africa will be located at:
198 Broadway(Fulton Street & Broadway. Accessible via IND & IRT Subway Lines)