REPORT ON U.S. BANK CAMPAIGN ACTIVITIES TO THE

SEMINAR ON INTERNATIONAL BANKING LINKS WITH

SOUTH AFRICA HELD IN GENEVA ON JULY 4, 1980

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REPORT ON US BANK CAMPAIGN ACTIVITIES TO THE SEMINAR ON
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The US bank campaign as organized in March 1979, is in a period of transition. One group among the twelve has withdrawn through successful action against the US National Bank of Oregon which publicly agreed to end loans in South Africa and promised to sell its stock from the Private Export Fund Corporation (PEFCO), a government agency involved in making loans to South Africa.

Some groups that were highly active and visible in the past are in various stages of dormancy, such as New York City COBLSA and Minnesota Clergy and Laity Concerned. The Rochester Coalition has decided to focus on Eastman Kodak's involvement in South Africa. Kodak is headquartered in Rochester.

New groups have arisen in Philadelphia, Detroit, Connecticut, Seattle and Washington DC. The Seattle action is linked with the trade union boycott of Seattle First National Bank and the one in DC is also focused on bank loans to Chile as well. The groups in Boston, Chicago and San Francisco have shifted focus to new constituencies. Less work is done in direct actions and with students. More has been done focusing on local and statewide legislative actions. For example, a bank withdrawal bill was proposed in Illinois, successful referenda were held for bank withdrawals in Cambridge, Massachusetts and Berkley, California and divestment legislation became law in Massachusetts.

Groups not formally incorporated in the COBLSA structure have also taken significant action, such as the Lutheran regional districts acting in response to the Lutheran Coalition on Southern Africa; state legislative action begun by the Connecticut Anti-Apartheid Committee; state legislation adopted by the Michigan legislature, in part urged by new groups in Detroit and Ann Arbor; and actions against the banks in southern California by the Southern Africa Solidarity Committee.

The national COBLSA office is also in a state of transition. Dumi-Sani Kumalo indicated his intentions to move on after one year as of May 31. The two sponsors, CALC and ACOA indicated that they were unable to continue the level of fundraising indefinitely without new sources. (A one year budget of about $18,000 was raised
and spent, not including other services provided). But CALC through addition of Mark Harrison to their national staff and ACOA, through the addition of Dumisani Kumalo, will both be active in this and other areas of southern Africa campaigning. Decisions on new staff and other structures for national coordination await meetings of the implementation committee which in turn has decided to await response to outstanding funding proposals, but should meet in July or August.

Here is group by group report:

BOSTON: The Boston Coalition for the Liberation of Southern Africa is active. Early this year it joined with the Clamshell Alliance, an anti-nuke group that is also very active in this area. Both groups have targeted First Boston for financing the US-SA nuclear collaboration. At the April shareholder meeting of First Boston, over 250 demonstrators turned up at the meeting despite stormy and rainy weather. The introduction of a bill calling for divestment of Massachusetts state pension funds from corporations investing in South Africa, brought in other grassroots organizations and unions. The state Senate passed it with a lopsided majority.

CHICAGO: The Chicago Coalition on Southern Africa is an umbrella body for organizations working on South Africa. However, Clergy and Laity Concerned, which is also affiliated with the Coalition, has also done some work on the side. The banks targeted are First National Bank of Chicago and Continental Illinois Bank. Late last year a bill calling for bank withdrawal was proposed in the Illinois legislature. A Finance Sub-Committee heard evidence from different people and groups and then voted unanimously for withdrawal. The banks had been invited to testify but they declined. When the bill came before the Financial Institutions Committee, it was outvoted. However it can be still be brought up again at the next session. This was after the banks had issued press statements claiming that the only loans made were trade related and involved Illinois companies.

WASHINGTON DC: The District of Columbia is focusing on Riggs National Bank. It is working closely with the Chilean groups which are also calling for end of loans to the junta. Because of the kind of city Washington DC is, the campaign has been able to generate a fairly substantial publicity. A significant breakthrough came in April after the campaign had opposed the opening of a branch because of its redlining activities. The Comptroller of the Currency announced that the mortgage lending policy of the Riggs Bank would be investigated to see if it discriminated on mortgage loans as alleged. It is unusual that a major bank is investigated in this manner.
MINNESOTA: Clergy and Laity Concerned is dormant. However, a staff person for southern Africa was recently appointed. Nevertheless the issue has been kept alive by the bank withdrawals of the local United Church of Christ and the Lutheran Synod.

NEW YORK: Again the New York COBLSA is also dormant. However, the withdrawal of funds from Citibank by the National Council of Churches and the Lutheran Synod has kept the issue going.

ROCHESTER: The Rochester Coalition for Justice in Southern Africa is concentrating its resources on getting Kodak out of South Africa or at least preventing its sales from the government. Since Kodak is headquartered in Rochester, this is the biggest issue here.

EUGENE: People for Southern Africa Freedom has not been doing any bank campaign work since their victory when the US National Bank of Oregon announced that it was no longer going to make any loans and would sell its stock from the Private Export Fund, a government agency involved in making loans to South Africa. However some members of the group are getting anxious because US National has not sold its stock after several months.

SEATTLE: Perhaps the Seattle COBLSA has the widest coalition of all the groups. There are 109 local unions and 48 social organizations that have joined to put pressure on Seattle First National Bank. There are three issues at stake: (i) loans to South Africa; (ii) recognition of a union of bank employees; (iii) an end of loans to Chile. The weapon employed by these groups has been withdrawal of funds. In less than one year nearly $200 million has been taken out of Seafirst. The bank has felt pressure enough to try and make a deal with a church council committee which has been promised a statement from Seafirst announcing an end of loans to South Africa. The statement is not out yet and the unions have won another round in court for recognition.

SAN FRANCISCO: The Stop Banking on Apartheid group has widened its focus to include city and state actions. This follows a successful referendum in Berkley and Davis. The Northern California Council of Churches has recently announced that it would fund a full-time person to work on Chilean and South African bank loans. Governor Jerry Brown has also appointed a Task Force to investigate alternative ways of investing California pension funds other than in South Africa or Nuclear related industries.

PHILADELPHIA: The Philadelphia COBLSA is still in its formative stages. It is still trying to build up a city-wide network and a list of alternative banks. Rev. Leon Sullivan of the so called "Sullivan Principles" lives here and has a powerful base. He has tried to steal the thunder from the campaign by announcing that he would oppose loans to the government but would encourage loans
to any other group or business in South Africa.

LUTHERAN COALITION ON SOUTHERN AFRICA: This organization is coordinated in Chicago and does its work exclusively within the Lutheran Churches. It has been very successful in getting different Lutheran synods to divest stocks from banks financing apartheid. Presently, the synods of Western North Dakota, Pacific, Northwest, Nebraska, Iowa, New York, and South West Minnesota have voted for withdrawal. The Coalition is pressing for opposition of apartheid as a status confessionis (an article of faith). Perhaps a Nebraska elder summed up the mood among Lutherans when he said: "If my pension money is coming from profits made from such an ungodly system of apartheid which exists in South Africa, I would rather not have the money..."