

# **PUBLIC INVESTMENT AND SOUTH AFRICA**

The American Committee on Africa  
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NEWSLETTER

January 1982

Dear Friends:

We produced this newsletter to keep you informed of actions that are continuing to take place on public investment and South Africa. Since the national conference attended by 200 state and municipal legislators, church leaders, union officials, community activists and academics was held in New York in June '81, a number of follow-up actions have taken place. Legislation has been introduced in several states and cities.

In the fall, I visited 10 states, California, Connecticut, Maine, Wisconsin, Maryland, Michigan, Minnesota, Oregon, Pennsylvania and Washington. In Oregon, I visited with Clay Myers, State Treasurer, who had initially opposed a divestment bill last year. But he expressed strong interest in supporting a new bill introduced in 1982. In California, there is talk of possible hearings and a dinner this spring to help pass a bill introduced by Assemblywoman Maxine Waters. Details are still being worked out.

In Baltimore, Maryland, Randall Robinson of TransAfrica and I addressed a workshop on divestment chaired by Representative Virgil Smith of Michigan at the annual conference of the National Black Caucus of State Legislators. The conference passed a unanimous resolution calling on their members in 42 states to introduce divestment legislation this year.

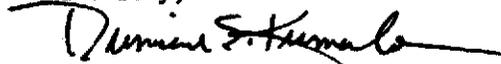
In October, Jerry Herman of the American Friends Service Committee reports that he led a delegation to several southeastern states, Alabama, Florida, Georgia, Louisiana, Mississippi and North Carolina. He was accompanied by Jean Sindab of the Washington Office on Africa, Carole Collins of the Campaign to Oppose Bank Loans to South Africa, Wilfred Grenville-Grey of International Defense and Aid, Rebecca Matlou of the South West Africa Peoples Organization of Namibia and Lindiwe Mabuza of the African National Congress of South Africa. They met with state and city legislators and addressed many public meetings about divestment.

Judging by the flurry of actions that have taken place in the last six months, there is no doubt that the legislative campaign against public investment in South Africa is going strong. But 1982 may pose special problems for bills aimed at divesting public funds from South Africa. This is an election year and many legislators will be focussing on their campaigns and unable to devote undivided attention to this legislation.

As with any newsletter, there are bound to be some actions that should have been covered. Please forward any news, clips, information or suggestions for future issues.

A post-paid envelope is enclosed for returning the coupon on the back page and ordering additional copies of this newsletter, "South Africa: Questions and Answers on Divestment" and indicating your desire to receive future newsletters on Public Investment and South Africa.

Sincerely,



Dumisani S. Kumalo  
Projects Director, ACOA

CONNECTICUT: On November 6 Governor William O'Neill and Bishop Arthur Walmsley of the Episcopal Diocese of Connecticut hosted a meeting at which a multi-racial South African delegation visiting the church met with legislators, business executives and members of the Connecticut Anti-Apartheid Committee. In July, Governor O'Neill vetoed a bill that was to end investment of public pension funds in banks and corporations dealing with South Africa. The South African delegation was invited to share its views on divestment. However, they refused, explaining that under the Terrorism Act, anyone publicly supporting divestment can be sentenced to a minimum of five years to death by hanging. "It is illegal for any South African to advocate disinvestment. We prefer not to have to deal with that question in the public media," Father Simeon Nkoane, dean of St. Mary's Cathedral in Johannesburg said in a press conference. The delegation also made it quite clear that the Sullivan Principles, a code of conduct signed by some American corporations in South Africa, was useless. That argument supported the Connecticut Anti-Apartheid Committee which had testified to that effect before the legislature. Further, this argument was timely because Governor O'Neill had vetoed the divestment bill because it failed to include the Sullivan Principles.

NOTE: ACOA will be issuing a case study of the Connecticut campaign by the Connecticut Anti-Apartheid Committee in the near future. You can order copies in advance.

MARYLAND: City Councilmember Norman V.A. Reeves of Baltimore introduced a resolution in the City Council that called for the condemnation of apartheid and urged "the cessation of all military, economic and cultural ties with South Africa." The resolution was passed and a copy sent to President Reagan and the Maryland delegation in Congress. Meanwhile in the state legislature, Delegates Sylvania Woods and Walter Dean have collaborated in introducing a bill that will end the investment of state funds in banks and corporations in South Africa. No action has yet been taken on it.

MASSACHUSETTS: Mass Divest, a coalition of trade unions and community groups, worked hard again this year to mobilize support for a bill aimed at ending the investment of public pension funds in firms and banks doing business with South Africa. They lobbied the legislators, testified in committees and issued pamphlets that gave reasons why the bill was to be supported. "Massachusetts workers are being increasingly threatened by 'runaway shops'--firms which leave the state and take advantage of the low wages and anti-union climates in places like South Africa. Goodyear (New Bedford), Westinghouse (Springfield) and American Can (Needham) are just three examples of companies which closed plants in Massachusetts since 1970 and all have operations in South Africa," stated the pamphlet. The Senate Ways and Means Committee passed the bill by a vote of 23-7. The bill was then referred to the Committee on Bills for the Third Reading, where it officially died because it expired when the legislature adjourned at the end of the year. This means that the bill has to be re-introduced again for the 1982 session.

MICHIGAN: In January 1981 the Michigan legislatures passed a bill that prohibited the investment of state funds in banks that made loans to South Africa. Governor William J. Miliken signed it into law a few months later. Representative Perry Bullard then introduced another bill to end the investment of educational funds in banks and corporations doing business in South Africa and Rep. Virgil Smith drafted another bill dealing with public pension funds. Both these bills are still before the Michigan legislature. The education bill is expected to come before the

Committee on Civil Rights soon. Both laws are strongly supported by a variety of campus, community and church organizations scattered all over the state. In August, 40 representatives of different groups from all over the state met and discussed the strategy of pressuring legislators at district level. That method worked very well in places like Grand Rapids where strong grassroot support for these bills was grounded. Three of the Republican supporters of the banking bill came from the Grand Rapids area. Groups at the University of Michigan, Western Michigan, Wayne State, Eastern Michigan, Michigan State, and other campuses gave critical support to these bills.

MINNESOTA: The Minnesota Anti-Apartheid Legislative Support Coalition is an umbrella organization that includes trade unionists, church representatives, community activists and students. It also includes legislators like Senator Allan Spear, Karen Clark and Randy Staten. Last year, Senator Spear introduced a bill that called for the end of investment of public pension funds in countries that did not support human rights. That bill got bogged down in committee. This year another bill aimed at no more investments of public funds in South Africa has been introduced and hearings will be held in the House on February 11 and in the Senate the following day.

PENNSYLVANIA: Philadelphia Councilman John Street has introduced a bill that calls for the divestment of \$35 million from banks and corporations dealing with South Africa. Hearings are scheduled for some time in February. Meanwhile, Representative David Richardson has introduced a bill on divestment in the state legislature. It is expected that hearings may be held this year for this bill as well.

WISCONSIN: In August, Rep. Marcia Coggs introduced a divestment bill before the Committee on Aging, Women and Minorities. It was co-sponsored by 50 members in both houses, who make up one third of the legislature. Hearings were held and over 40 witnesses testified. They included trade unionists, academics, local activists and church representatives. Among them were Father Michael Crosby of the Capuchin Brothers and Walter Owensby of the United Presbyterian Church, both representing the Interfaith Center on Corporate Responsibility. The Committee passed the bill by a vote of 5-4. It is now expected to come before the full legislature this year.

OTHER NEWS: New York City Councilmember Ruth Messinger has introduced a resolution on divestment in the New York City Council. The finance committee will be holding hearings soon and we will keep you informed.

Kansas Representative Norman Justice who attended the conference in New York, reported back to a well attended community meeting held at the University of Kansas, at Lawrence. He has been joined by Rep. Theo Cribbs in introducing legislation that will be considered this year. Interest in divestment legislation has also been expressed by Rep. James McKinney of Georgia, Rep. Henry Kirksey of Mississippi, Mayor Randy Primas of Camden, New Jersey, Mayor Richard Arrington of Birmingham, Alabama, David Welch, City Councilmember of St. Petersburg, Florida, Bob Walton, City Councilmember of Charlotte, North Carolina, and Portland's Public Safety Commissioner, Charles Jordan.

RESOURCES: The California Governor's Public Investment Task Force, chaired by John Harrington, was formed to investigate the state's public funds and also report on a possibility for alternative ways to invest such funds. In October last year the Task Force issued its final report. It can be ordered from General Services, Publications P.O. Box 1015 North Highlands, CA 95660.

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