

THE UNIVERSITY OF WISCONSIN - AND SOUTH AFRICA

The University of Wisconsin holds stock in, amongst others, the following companies:

Chase Manhattan Bank	3,300 stock valued at	\$262,350
General Motors	5,429	\$434,320
Kimberley-Clark	3,000	\$220,000
Mobil Oil	4,850	\$286,150
Standard Oil, New Jersey	2,356	\$135,460
Standard Oil, Indiana	9,496	\$653,070

(The stockholdings are as at June 30 1968, the values as at March 1969)

This constitutes about 20% of the Universities stock holdings. What is the significance of these particular companies?

Chase Manhattan Bank is a member of a consortium of 10 US banks which has made available to the South African Government a revolving credit of \$40 million. This credit makes it possible for South Africa to pay overseas debts in US dollars, and to be able to do so at any time. This is particularly significant on occasions when the South African economy experiences some kind of financial emergency. This credit thus encourages confidence in the South African economy, and allows the South African Government the freedom to continue its racist apartheid policies secure in the knowledge that no action by the South African peoples can disrupt the economy.

General Motors has invested \$125 million in South Africa and is contributing to South Africa's self-sufficiency in the motor industry. A South African newspaper in June 1966 stated, regarding General Motors and Ford, that, in "in times of emergency, or war, each could be turned over rapidly to the production of weapons and other strategic requirements for the defense of South Africa" (The Financial Gazette, June 17 1966)

Mobil Oil is one of a group of companies prospecting for oil off South Africa's continental shelf. The finding of independent oil supplies for South Africa would release one of that country's major dependencies on the outside world, rendering meaningless any future economic sanctions which might be imposed.

Standard Oil subsidiaries are also involved in the above exploration. In addition Standard Esso has recently shown its confidence in South Africa's economy by building a \$10 million fertiliser plant.

Kimberley-Clark is one of a number of companies which have established and expanded plants in South Africa since the introduction of police state laws, ensuring the "stability" of the country. The UW's connections with Kimberley-Clark are not only financial - a recent President of the company is on the Wisconsin Research Alumni Foundation.

Allis-Chalmers is a Wisconsin-based firm in trouble. In 1967-8 the company lost \$54 million and plans to lay off 5,000 corporate personnel this year. It does have some profitable ventures, however. One is the building of South Africa's first nuclear reactor. Another is a contract worth \$230,000 to build on UW-Milwaukee campus. In addition, one of Allis-Chalmers' vice-

presidents sits on the UW-Madison School of Business Special Advisory Committee.

UW Faculty. One UW Extension faculty member recently returned from South Africa where he had "helped to make Bantu (black) education relevant to their needs". This involved perpetuating the South African regime's concept of separate and inferior education for black South Africans. A UW School of Business professor is currently in South Africa, teaching at the (white) University of Cape Town, and conducting management sessions in Durban and Johannesburg.

It is impossible to work in South Africa and maintain any independence from the apartheid regime. There are many South Africans, black and white, and former residents of the country, who can vouch for that. The apartheid system, and the police state structure which supports it, ensure that. Thus to work there, to invest money there, imply support for the regime. This regime has been condemned on many occasions by the United States Government and by all democratic nations of the world. If the University of Wisconsin is the friend of democracy and freedom, and believes in liberal, non-violent resolution of conflicts, let it prove it by breaking all ties with the South African regime.