

STOP BANKING ON APARTHEID

HOW DO BANKS USE OUR MONEY? IS IT AVAILABLE FOR USE WITHIN OUR COMMUNITIES?

WHO CONTROLS WHERE IT IS SPENT?

WHO BENEFITS FROM OUR DEPOSITS, SAVINGS OR RETIREMENT AND HEALTH FUNDS?

CAN WE CONTROL THESE RESOURCES?

ARE BANKS ACCOUNTABLE TO THE COMMUNITIES WITHIN WHICH THEY OPERATE?

The answers to these questions are the main issues of the North American campaign to stop banks from making loans to South Africa and from neglecting our needs at home.

WHY FOCUS ON SOUTH AFRICA?

We realize that South Africa is one of many countries affected by U.S. corporate investment, U.S. support of a minority regime, and an active struggle by the majority of its people to obtain justice and their human rights. This broad context is emphasized in our educational work. Yet South Africa is one of the clearest examples of foreign and minority domination of an entire nation. As such, the racist white regime has received world-wide condemnation.

Today in South Africa a government elected by 4.2 million whites controls the lives of 21.7 million blacks. The policy of this government is to create ethnically separate reserves which are dependent upon and regulated by white interests. This policy is called *apartheid*. To facilitate this policy and to insure the total economic, political and social dominance by white South Africans, the government has passed hundreds of laws, acts and decrees. It has dramatically increased its military spending which is conspicuously being used to suppress the widespread dissent to *apartheid*. Yet the deterioration of the South African economy is accelerating. As new, direct foreign investment slowed down after the Soweto Uprisings in 1976, foreign banks stepped in to provide the critical underpinning to the economy. North American banks dramatically increased their loans to approximately 3 billion dollars.

In order to stop support of such racist regimes, it's important that widespread pressure be exerted. By focusing on a few targets, such as bank support of *apartheid*, the effectiveness of a withdrawal campaign is heightened. And by successfully pressuring banks to stop their loans to South Africa, we can set precedents for future campaigns as well as support other like-minded actions.

ARE BANKS NEGLECTING DOMESTIC NEEDS?

Banks are closely interlinked through stock ownership of each other, by inter-locking directorates, and from debt-holdings between themselves. The larger ones control the major voting rights in the largest U.S. corporations. Their primary earnings come from large corporations and institutional investors. A substantial portion of the total earnings of the 12 largest U.S. banks comes from earnings on loans made outside the United States.

Yet the majority of banks are reluctant to invest in inner city neighborhoods or to make substantive efforts to create jobs for the people who must live in them. At the same time, most have failed to promote effective "affirmative action" for their employees or to support their right to unionize. Which makes it even more important to support those banks (generally the smaller ones) which have demonstrated a commitment to be socially accountable to the communities within which they operate.

NATIONAL CAMPAIGN

Banks granting loans to South Africa have been targeted for a withdrawal campaign by church, labor, civic and community organizations throughout the U.S. and Canada. The goal is to end loans to South Africa and to get banks to make public an explicit commitment that they will not make such loans in the future. The strategy is to persuade organizations, families and individuals to withdraw their money and place it in more socially accountable financial institutions responsive to the needs of our communities.

Withdrawals are being made in a variety of ways: accounts are being closed; pension, health and savings funds are being re-invested; stock of corporations operating in South Africa is being sold; and bonds floated by South Africa are being refused. Hundreds of millions of dollars have been committed to be withdrawn from banks and divested from corporations operating in South Africa. Some of these funds belong to the following national organizations (locals are too numerous to list):

CHURCH: American Friends Service Committee, Clergy and Laity Concerned, National Council of Churches, New York Conference of United Methodist Churches, United Church of Christ, and World Council of Churches.

COMMUNITY: American Committee on Africa, NAACP, Oxfam (Canada), Pan African Students Organization, Washington Office on Africa, YWCA (Western Region), and Women's International League for Peace and Freedom.

LABOR: AFL-CIO, Amalgamated Meat Cutters and Butcher Workers of North America, Canadian Union of Public Employees, Distributive Workers of America, the Furriers Joint Council of New York, International Longshoremen and Warehousemen, National Union of Hospital and Health Care Employees, Office and Professional Employees International Union, United Auto Workers, United Electrical Workers, United Steel Workers, and United Radio, Electrical and Machine Workers.

UNIVERSITY: While the divesture movement spreading through over 100 universities and colleges is primarily concerned with private corporate stock, and as such is not a direct part of the Campaign, banking relationships are receiving increasing emphasis.

These withdrawals are being solicited by a number of coalitions spreading throughout the U.S. and Canada: in each of Canada's Provinces, New York City, Rochester, Washington, D.C., Boston, Cambridge, Philadelphia, Milwaukee, Chicago, North Carolina, California. This pressure has already led to several banks adopting a policy of no more loans to South Africa. The First Pennsylvania Bank, Maryland National, City National Bank of Detroit, and Central National of Chicago are among them.

CALIFORNIA CAMPAIGN

STOP BANKING ON APARTHEID is the California based participant. While the Bank of America is by far the largest lender to South Africa, \$BOA recognizes the role played by four other California banks in support of *apartheid*: Crocker National, Security Pacific, United California and Wells Fargo. Their local discrimination is being publicized: redlining activities, deficient "affirmative action" practices, denial of their employees' right to unionize, and their use of public and private pension funds to support corporations operating in South Africa. \$BOA is recommending banking institutions which have a good record of serving the needs of the communities they operate within.

STOP BANKING ON APARTHEID is using a variety of methods in the campaign: educational tools (brochure, slide/tape show, an informational packet, and various pamphlets and leaflets), radio shows, written articles, workshops, press conferences, and publicity materials. Associated groups are forming throughout the State. But what is most important is gaining individuals and organizations as active supporters. We hope YOU will join in whatever capacity you can offer.

For more information write us at 2160 Lake Street, San Francisco, CA 94121 or call (415) 752-7766.