

MAY 18, 1977

NEWS STORY ON CHURCH SHAREHOLDER ACTIVITY AT THE BANK OF AMERICA'S ANNUAL MEETING, APRIL 22, 1977

by Jody Parsons, NC-ICCR staff

The 1977 annual shareholders' meeting of BankAmerica Corporation was the scene of church and community protests against the Bank's recent participation in loans to Chile and South Africa.

A demonstration against loans to the repressive Vorster and Pinochet regimes was held outside the Masonic Auditorium in San Francisco, world headquarters of the Bank of America, during which church and community leaders spoke, and the Women's International League for Peace and Freedom distributed a letter to all shareholders as they entered the meeting. That day, an open letter to the Bank of America signed by 30 Northern California religious leaders was released, calling for an end to Bank of America's loans to Chile and South Africa.

The Northern California Interfaith Committee on Corporate Responsibility (NC-ICCR) held a press conference at the Episcopal church's Grace Cathedral before the meeting to draw attention to human rights violations in Chile and South Africa and to give the background for the churches' concern with bank loans to these countries. Media response to the event was excellent.

Sr. Barbara Blake, Religious Sisters of Mercy, Province of Chicago, members of the Interfaith Center on Corporate Responsibility in New York, presented a resolution to the Bank which her order had filed, calling for no more loan guarantees or credit to the government of Chile or any of its agencies or instrumentalities. Chairman of the Board, Chauncey Medberry, responded that the Bank of America believes

"that the standard of living and that employment and other things are greatly helped by lending activities (in Chile)... and it would be, in fact, derelict of us to abandon the people that get the benefit of that." He continued, "If we pull out of every country where human rights are somehow being denigrated, we might pull out of two-thirds of the countries in which we operate..." Sr. Blake reiterated that politics and economics cannot be separated, and that money lent to a country run by a military dictatorship will be used to continue its repressive tactics.

Sr. Jean Hartman, Presentation Sisters of San Francisco, who are members of NC-ICCR, seconded the resolution and asked, "Would the Bank of America have extended lines of credit to support the economy of the Third Reich of Adolph Hitler had it known about the ovens of Dachau?" (Mr. Medberry immediately replied, "No.")

After a half hour discussion on the floor, the resolution was brought to a vote. Shares voted in favor totaled 5.9%, and those abstaining, 2.74%. The percentage of shareholders voting in favor totaled 11.86%, and those abstaining, .19%. Church shareholders view this vote as a victory, since 3% of the vote is necessary in order to bring the same issue before the company next year.

Bank of America's recent participation in a \$110 million loan to the Vorster government was addressed by Ms. Jean Hendrickse, a black woman from the Republic of South Africa, on the proxy of the Sisters of the Holy Family, NC-ICCR members. Ms. Hendrickse said,

Our loans give the lifeblood to the apartheid economy, to fund their army...their police, and state-owned industries...The winds of change and justice are blowing in the Republic of South Africa. Where is the treasure and the heart of the Bank of America? Is it simply profit by all means and cost? Or is it concerned with human dignity and justice?

She then asked if the Bank would institute a policy of restricting loans to the Republic of South Africa similar to the Chase Manhattan policy which was recently announced. Ms. Hendrickse's impassioned speech drew the attention of the 1,500 shareholders present and evoked an immediate, personal response from Bank President Tom Clausen, who responded that he would have "no objection whatever in accepting the philosophy to restrict our loans, say, to the country of South Africa to where there is no direct identifiable tie-in with the movement that we know of as 'apartheid'."

Members of NC-ICCR have since met with Bank of America management and are monitoring their current South African loan policy review. In addition to this positive action, NC-ICCR is encouraged by the numerous Northern California church individuals and organizations who supported these shareholder actions by their presence at the annual meeting, previous and continuing dialogue with Bank management, and petitions and letters written to the Bank calling for an end to loans to Chile and South Africa.

Church and community groups in Northern California are also actively pursuing a withdrawal campaign from banks making loans to South Africa and Chile, including the Bank of America.

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