

July 10, 1986

Dear Friends:

Welcome and thanks for taking time out of your busy schedules to help establish the MIT Endowment For Divestiture.

It is a time of crisis in South Africa. Unrest among South Africa's non-whites has intensified and reached into nearly every corner of the country. The majority demands political rights and a measure of social and economic justice. Their leadership--including such internationally known figures as Nobel Peace Prize recipient Bishop Desmond Tutu, African National Congress President Oliver Tambo, and the Reverend Allan Boesak--are calling for international economic sanctions and an immediate end to foreign investment in South Africa. They believe that sanctions will hasten the establishment of majority rule and reduce bloodshed during the period of conflict leading to change.

South Africa's minority white government led by P. W. Botha clings to the belief that it can restore order and that whites should continue to monopolize political power and economic privilege. In June, the government instituted another state of emergency. This declaration allows the arrest and detention of any individual for 6 months without charge. In the days preceding the tenth anniversary of the 1976 Soweto riots, an estimated 3000 anti-apartheid leaders were arrested and jailed. A massive general strike went off as planned on June 16 in spite of the arrests. New censorship regulations have imposed a near-total news blackout on the conflict but reports indicate that anti-apartheid activities remain widespread and that thousands of South Africans are still missing, presumably in police detention.

In the United States, momentum is growing for the economic isolation of South Africa and the end of President Reagan's policy of "constructive engagement". Many city, county and state governments have adopted ordinances which forbid their funds from being invested in corporations doing business in or lending to South Africa. About 100 colleges and universities have taken a first step towards ending apartheid by refusing to invest their endowments in corporations doing business in South Africa and publicly renouncing apartheid. Approximately fifty of these institutional divestitures have taken place within the last twelve months. The U.S. House of Representatives recently approved legislation which calls for the total divestiture of all South African holdings, as well as the imposition of economic sanctions.

In the face of this public outcry for action, MIT remains unyielding. The Institute currently has approximately \$150 million of its \$800 million endowment invested in corporations active in South Africa. Despite widespread community opposition to these investments, the Institute has no plans to change its investment policy.

The anti-apartheid movement at MIT, which began more than fifteen years ago, has experienced a period of rapid growth during the last year. On December 18th, at one of the best attended faculty meetings in recent years, intense debate broke out over a resolution calling for MIT's divestiture. President Paul E. Gray lead the opposition. Despite the administration's disapproval, the faculty voted 3-to-1 in favor of the resolution. The MIT Coalition Against Apartheid (CAA) introduced motions in both the Undergraduate Association and the Graduate Student Council calling for a campus-wide referendum on divestment. A little over a week before the balloting, the CAA constructed and occupied a shantytown on Kresge Oval to graphically depict the suffering of black South Africans. This sparked widespread discussion of the issue and lead to majority support for the referenda. The Endowment For Divestiture will give MIT alums a meaningful way to add their voice to the rest of the MIT Community in calling for total divestment.

We hope each of you will give a little of your time and energy to make the Endowment for Divestiture succeed. Awakening the entire MIT alumni community to the crisis in South Africa and to the role of the United States in supporting the minority government will be an important contribution to the battle against apartheid. Convincing MIT to divest will be another step on the road to freedom for all South Africans. And working to bring morality to MIT's investments policies is a special way to show concern for the health and vitality of the Institute.

Sincerely,



Howard Branz G



Alex B. Rosen '88



Kathy Stockton G

for the MIT Coalition Against Apartheid