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The Church
makes
a Decision



on
South Africa/
Banks



ECSA EPISCOPAL CHURCHMEN FOR SOUTH AFRICA

1969

EPISCOPAL CHURCHMEN for SOUTH AFRICA

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An organization of Episcopal laypeople founded in 1956 to support the work and witness of the Anglican Church of the Province of South Africa, particularly as it faces the doctrine and practice of apartheid.

ONCE TO EVERY MAN AND NATION

Friday, May 23rd, was another of the handsome days that made New York's 1969 spring the best in years. The Episcopal Church Center, a mini-skyscraper among grander neighbors in the heart of Manhattan, shown brightly in the morning sun. 815 Second Avenue was to be that day the scene of one of the more decisive moments in recent Church history.

The quarterly meeting of the Executive Council of the Episcopal Church had ended at Seabury House in nearby Greenwich, Connecticut, the evening before and this Friday had been set aside for a hearing of the powerful Executive and Finance Committee at which its 14 members were to decide what to do about the Church's involvement with American banks forming a consortium extending a revolving credit to the government of the Republic of South Africa.

The Episcopal Church had conferred about, messed around with, passed resolutions on the issue of Southern Africa since 1958 - with greater frequency and growing seriousness. Several devoted staff members had worked for years at 815, while autonomous groups kept the issue alive before the Church public. The 1967 Creighton Committee had fluffed a constructive examination of the Church and Southern Africa and its findings were never published.

In 1968, a Committee for the Study of the Church's Financial Relationship with Southern Africa was created and Bishop William H. Marmion (Southwestern Virginia) appointed its chairman. The Marmion Committee, consisting of a dozen lawyers, bankers, and academicians, made considerable progress and worked out the text of four resolutions which were adopted almost verbatim by Executive Council at its mid-December meeting.

After more maneuvering at its February meeting, Council scheduled the May 23rd hearing at which the three consortium banks the Church is directly associated with would testify: Chase Manhattan Bank, First National City Bank and Morgan Guaranty Trust Company.

Concern had been mounting all along about whether the Church meant this time really to come to grips with its banks/Southern Africa attachments. The Episcopal Society for Cultural and Racial Unity early in January called on Council "to assume the 'cost of discipleship' by immediately withdrawing its investments with banks and companies which continue to support the racist regimes of Southern Africa". ESCRU's executive director, the Rev. A.R. Dreisbach, Jr., viewed "the phrase 'within a reasonable time' (appearing in Resolution II) as a foot-dragging mechanism similar to the 'with all deliberate speed' proviso of the 1954 Supreme Court decision."

A prime consideration was that opinions other than those of the bankers be presented. ESCRU and ECSA circularized their memberships for letters to the Presiding Bishop - chairman of the Executive and Finance Committee - urging that this crucial hearing accept the widest range of testimony. ECSA alerted outstanding Africa experts; many wrote Bishop Hines.

We submitted a carefully chosen list of 30 people, deeply involved with and fully knowledgeable of Southern Africa: American Churchmen who had served in that region; members of the American black community; university professors and students; representatives of Southern African liberation movements; others, including legislators.

We recorded our belief that the Committee should "hold in mind that there are people of the utmost veracity and with the deepest experience of life in the Republic of South Africa and other areas of Southern Africa who should be present to testify but who are prevented from doing so because of the nature of South African society".

We were convinced that this hearing by a major church body was a unique opportunity for the poorly known situation in Southern Africa to be aired, an occasion for making aware not only Episcopalians but all Americans of the threat our involvement with Southern African regimes holds for the Christian Church and for the United States.

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But a sub-committee for arrangements of the Executive and Finance Committee limited testimony to one hour each for the three banks, with a single hour for a departed Anglican bishop and two South Africans, one black, one white, to put forth opposing views. (They were eventually granted almost another hour.)

In the latter part of April we learned that the May 23rd hearing would be open to the public. Inquiries to double-check this led to an incredible month of conflicting reports, rumors, evasions and mystery. The Presiding Bishop was out of the country and no one at 815 seemed to be able to speak with certainty. One report had it that the hearing would be open from 2 p.m., that is, after the bankers had testified. Others argued that the meeting was to be open in its entirety. One member of the Committee maintained that the banks had been assured privacy. Another firmly denied that any such undertaking had been made. Decision on the matter was variously stated as being in the province of: the Presiding Bishop; the chairman of the sub-committee on arrangements; the full four-member sub-committee; the entire Executive and Finance Committee.

A week before the hearing, a high official at 815 messaged that the sub-committee had recommended "negatively on a meeting open to the public because of spatial limitations". Yet it was separately reported that the four members had split evenly - two for and two against an open hearing. The matter was finally decided - with at least a small but strong dissent - at a pre-hearing session of the Executive and Finance Committee on May 20th. A series of phone calls drew out this information from an authoritative source at 815:

It was to be "a typical Anglican solution - neither open or closed". It was open to members of Executive Council, to those testifying, to members and consultants of the Marmion Committee. "Any church public will not be admitted. It's not that kind of meeting."

A word about spatial limitations. The 9th floor theatre, where the hearing was conducted, seats 90. There were 12 members of the Committee present; a 'counsel'; the bankers in their order; two of the three opposing witnesses; Bishop Marmion and a consultant; several 815 staff people - never more than 25 at any time during the bankers' presentations. Even allowing for an arrangement of tables, there was ample space for observers. This was proven in the afternoon when, after the last banker had testified, the 9th floor theatre was thrown open and 20 of the "church public" were seated with room to spare.

Television newscasts come to mind, where on important occasions - except for those involving high national security - Congressional hearing chambers are depicted, with every seat filled, with throngs of standees, and where every word is heard.

As May 23rd drew nearer, country-wide focus was centered on the hearing. People from as

far afield as Hawaii planned to attend. Some were prepared to speak ad lib, others read formal statements, a few were determined to enter the hearing room. A telegram to the Presiding Bishop protested the closed door decision as an "affront to concerned Churchpeople - whose money is involved, whose Church it is, who are distressed by racism in South Africa and our American complicity therein".



ESCRU, the Episcopal Peace Fellowship and ECSA issued invitations to churchpeople and friends who had shown long and vital interest in Southern Africa to attend a Churchmen's Open Hearing to coincide with the closed hearing at 815. The gleaming lobby of the Episcopal Church Center provided a suitable if unconventional site.

As is customary with all our demonstrations ECSA notified the New York City Police Department, and two patrolmen, at once blase and puzzled, were stationed outside the building throughout the day. Headquarters decreed a coffee cart for us. A very high personage upstairs had offered us the use of the Chapel of Christ the Lord, off to one side of the lobby ("the marshmallow approach", someone commented), but we preferred our location, where staff, incidental callers and those admitted to the hearing on the 9th floor had to pass through the gantlet of those assembled.

The bankers were somewhat taken aback, from bouncy Mr. William Beatty of Chase Manhattan to the three grim-faced representatives of First National City. 815 security was on hand and the Church Center officials, wary of any demonstration, particularly after the recent appearance on the church scene of Mr. James Forman, expected almost anything, even taking the precaution of locking up certain files in upper offices.

But their fears were groundless. Several of our crowd went to the 9th floor theatre early in the morning; they were politely tossed out and they politely returned to the lobby. We were a peaceable lot, some 35 to 50 priests, students, press reporters, lay people from all walks of life, standing or sitting against the walls on both sides of the lobby, holding posters, listening, applauding. One after another addressed the assembly, standing alongside 815's rubber tree in its tub, o'ershadowed by the giant ceramic mural of the world, its continents, seas, mighty cities, its great whales.



It was a serious, intent, spirited gathering. We heard from Mr. Phillip Hallen and the Rev. Ivan Backer, both of whom had the approval of their bishops to attend the Executive and Finance Committee's hearing and both of whom had been refused entrance to the hearing room.

Father Robert Chapman, an Episcopal priest on the staff of the National Council of Churches, spoke: "...After resolving to determine whether or not a given bank or business is 'making credit available to, or doing business in South Africa', if the answer should be affirmative, the Executive Council of the Episcopal Church has resolved to determine how significant is this involvement!

"Let it be said that to raise the question of significance of involvement is to suggest that a limited degree of involvement in sin is acceptable, while only a larger degree of involvement in sin is to be condemned. Although there may be circumstances under which this could be true, it can in no case be true when that 'limited degree of involvement in sin' is conscious and deliberate, premeditated and calculated. The Church, therefore, is compromising her Christ."

The Rev. Ted Lockwood of ESCRU scrutinized the Church's intricate relationships with business and banks and cast a look into the future. (His remarks, updated after the event, appear on pages 10 - 13.)

We heard next from a black South African college student who told us that "the logical consequence of what is happening in South Africa is revolution", and that "the Church which is contributing to exploitation" has "got to decide right now which side it is on".

Tim Smith of the United Church of Christ, an early protagonist in the campaign to withdraw from those banks supporting the South African government, took time off from his participation at Union Theological Seminary in negotiations on the reparations issue stemming from the Black Manifesto, to describe student efforts to face the banks and churches up to Southern Africa. He disclosed Chemical Bank's involvements in South Africa and the presence of a branch at the United Nations building. Tim spoke also for Mrs. Gail Morlan, chairman of the Southern Africa Committee of the University Christian Movement, who had had to leave our gathering earlier.



Hidipo Hamutenya, deputy representative of the South West Africa Peoples' Organization to the USA and the UN spoke of his country's (Namibia) situation under the domination of South Africa and how crucial is the Church's role in awakening people of the USA to this fact.

At noon, Father Chapman phoned the 9th floor to ask if the Committee would allow him to go upstairs for the purpose of inviting the persons at the meeting to come and pray with us at the noonday chapel service. The answer was, sorry, no.

The Right Rev. C. Edward Crowther, formerly Bishop of Kimberley & Kuruman in South Africa, who was deported by the South African government in 1967, a consultant to the Marmion Committee and who had been invited to testify at the closed hearing, came to the lobby and spoke.

"I think it is absolutely appalling that you have not been allowed to go in there, and I fully intend to represent you because I feel my identity is with you rather than with upstairs. I want to make absolutely clear that I believe that this clandestine way of dealing with an issue of such international proportions, as our participation in apartheid, our partnership in apartheid, our profit from apartheid, is deplorable. I think you all know my own interest in what is going on upstairs. I think I'm the only person upstairs who has been deported from South Africa, and I know what apartheid means. I lived in it, and in a sense I suffered from it, like many, many other people. I admire you for being here. I hope you will stick around for a long, long time."



The Rev. J. Metz Rollins, Jr., executive director of the National Committee of Black Churchmen, spoke of his conviction that those who seek change and who are faithful to the Church, are faced with becoming "genuinely and truly revolutionary" in dealing with the current Church establishment.



That part of the Church which determines financial involvement both in South Africa and the USA must be changed to work within a framework of reference to Christian stewardship and the Church's concern for justice.

Mrs. Elizabeth Landis, an American attorney and authority on South African laws, and then Mr. Gottfried H. Geingob, representative of the South West Africa Peoples' Organization in this country and at the UN, focused on the South African occupation of Namibia (South West Africa) and the endless controversy over that at the United Nations just a block away from 815.

During the course of the day, we implored the bankers - as they came and went from the elevators - to stop and speak to our assembly in the lobby.

Only one would do so; all the rest cut and run.

Meanwhile, upstairs, the closed hearing had

got underway with a report by Bishop Mar-mion, head of the 1968 Study Committee.

The bishop was followed by the Rev. George M. Houser, executive director of the American Committee on Africa.

Mr. Houser, an old Africa hand, stressed the twin developments in South Africa since the 1948 accession to power of the Nationalist Party: a huge influx of foreign economic involvement and the intensification of apartheid laws and political repression. During that same period apartheid was extended, African political movements have been banned, etc.

Investments by USA companies rose from \$148 million to the present level of about \$800 million. Mr. Houser pointed out that it would do very little harm to the USA to disengage economically from South Africa because less than 1% of our total overseas involvement is present there. An emphasis on the banks was important in that both individuals and organizations could take action to show their disapproval of the white government's exploitation of the mass of the population.

Mr. Houser, a Methodist clergyman, stated that the moral issue was very clear, and that this was a time for the church to show courage.

If private enterprise is to retain any real degree of autonomy...it will have to play a creative role in society - it will have to accept heavy social responsibilities.

- David Rockefeller, Chairman of the Board of Chase Manhattan Bank, at the annual meeting of the Irish Management Institute, April 26, 1969.

Then spoke Mr. William Beatty of Chase Manhattan Bank (vice president, Africa South of the Sahara), who had served on the Mar-mion Committee and who is the author of the imperishable phrase "the catholic nature of international banking institutions".

Mr. Beatty said Chase Manhattan has no direct branches in South Africa but is associated with Standard Bank (next to Barclays the most widespread bank in the Republic). He disclosed that Standard has offices in four African townships and eight branches in the Transkei Bantustan.

He illustrated Standard Bank's contribution to racial understanding by relating how it employs an African woman to lecture African people on how to save money. He remarked that Chase did not consider their participation in the consortium as support of the government, and indicated that disengagement would jeopardize relations with Standard, and with all it is trying to do in Africa.

Mr. Beatty throughout employed the term "Bantu" when speaking of Africans; "Bantu" is the approved usage in the lexicon of apartheid.

The First National City Bank triad offered these insights: Citibank's purpose abroad is to serve Americans; it has six branches in the Republic; South Africa hasn't drawn on the loan for years; Citibank is a guest and cannot interfere in local politics; an attempt to boycott South Africa would make the situation worse; and, the presence in South Africa of "free people", i.e., Americans, is to be preferred to their absence. They were unaware that their bank had made a loan of \$5 million to South Africa in 1961 independent of the consortium.



Chase Manhattan banker William Beatty declines to speak at Churchmen's Open Hearing.

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OVER NIGHT TELEGRAM
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22 MAY 1969

None of the bankers would state his house's contribution to the \$40 million consortium loan, but it has been learned that First National City's is \$5 million, while Morgan Guaranty puts in a reputed \$2-1/2 million. Another member, Chemical Bank, antes up \$3-1/2 million.

Answer: ...Well, we are not political creatures...Our government recognizes South Africa...Our philosophy...is that in due course changes of an evolutionary nature

AT HEARING

FRIDAY MAY 23RD STOP WE STRONGLY PROTEST THEIR EXCLUSION AND THE LIMITING OF TESTIMONY STOP ONE CONSULTANT NEVER EVEN NOTIFIED HE COULD ATTEND OTHERS NOT ADVISED THEY COULD REMAIN AFTER REPORTING STOP WE DEMAND FULL TRANSCRIPT PROCEEDINGS OF CLOSED HEARING STOP WHOSE RIGHTS HOLD PRECEDENCE THE BANKS OR THE PEOPLES?

ECSA and ESCRU had both submitted to the Committee in advance lists of probing questions to be put to the bankers. It was reported that these were not asked, although assurance had been given that they would be.

come from trade and commerce to some extent. And if the door can be kept open, there's an exchange of people and views. In our opinion it's much better to continue to do that rather than close the door tight.

By pre-arrangement, the bankers had been supplied with these questions before the meeting, but they did not volunteer any answers at the meeting. The members of the Committee did ask questions, some of which were vaguely related to those that we had drawn up, but they did not bring out the point blank answers that should have been insisted upon. ECSA had provided for each Committee member packets of the most recent, authoritative material.

Question: Sir, that is the point. The door has been kept open since the revolving loan was begun, and repression has grown. ...We would like to know specifically if this credit loan arrangement could be used by the government of South Africa for the purchase of armaments, say in France - make it possible to purchase Mirage fighters - and Japan?

The bankers' presentations were not effective: the recurrent theme was that a prosperous South Africa is a South Africa that is going to get rid of apartheid.

Answer: As you probably know, our government has not given a license, as far as I know, nor do they intend to give a license, to permit the shipment of armaments to South Africa.

The chairman of the Board of Morgan Guaranty, Mr. John M. Meyer, Jr., testified in the afternoon, and alone of the bankers, granted an interview to the people gathered at the Churchmen's Open Hearing. Here is part of the ensuing exchange:

Question: We know that - -

Question: Do you see any difference between the church's view of the situation in South Africa and the banks?

Answer: South Africa today has reserves and has been very prosperous economically. Their gold and foreign exchange reserves are about a billion, six hundred million dollars. Economically they are sound and solvent. They are die-hards, they have enough money to go.

Answer: There are a good many facets of the church and a good many people in the church.individuals all with varying views.

Question: As I understand it, they are seeking loans this moment.

Question: ...Someone said the onus of proof that increased capital has made things better for blacks in South Africa is on the banks. What is your position there?

Answer: That I don't know.

Answer: I'm not sure I would agree with that when you say that it's on the banks. Perhaps some of you have the advantage over me, I've never been to South Africa. So the information and whatever knowledge I have comes from reading and talking with people such as yourself.

Question: The question comes up as to whether the money that they have would be used for the purchase of armaments in, say, France, or something like that, and that they would buy it from a French manufacturer, and the French manufacturer would have an account in America and the bank credit could be used that way.

Question: ...Somebody in the banks must know about South Africa to pass judgment. Somebody in your bank must take a professional point of view to put your dollars in an investment.

Answer: First of all, the South African government has been acquiring certain armaments, but offset against that, I think you must realize that this credit has been used very infrequently and then only for short periods of time. Originally it was set up to effect exchange stability.

Question:I think that South Africa needs money now at this particular moment

because there are freedom fighters who are operating near South Africa. I've got these figures from the DAILY TELEGRAPH of London that alone two million six hundred thousand pounds are spent on what they call security, which is actually just aimed at the intelligence service to fight against what they call terrorism. Now they also need money to buy weapons, advanced weapons, to fight the freedom fighters. The money you are going to give there, you aren't going to know whether it is going to be used for this purpose. How are you going to distinguish?

Answer: I don't know.

Question: So if you don't know now, what are you planning to do? That's what we are saying to you - is that you are supporting apartheid on the one hand -

Answer: No.

Question: You are, because you say you don't know what it is going to be used for.

Answer: I guess you don't agree with me.

Question: ...Are there any restrictions on the use of the revolving credit? Who determines the restrictions?

Answer: That was done by negotiation - the investment banking firm of Dillon, Reed was employed to negotiate on behalf of the South Africans.

Question: Who may determine the criteria of the credit?

Answer: The participants.

Question: The banks?

Answer: Yes.

Question: How about the South African government?

Answer: Yes, if they are acceptable.... You see, it's a matter of negotiation.

Question: But South Africa doesn't have unfettered use of the credit?

Answer: Well, as I say, this credit was set up years ago - we got into it nine years ago, I think - and the original concept of it still exists as far as I know - a foreign exchange stabilization credit.

Question: Applies only to the Republic?

Answer: Yes.

Question: But it would have to apply in South West Africa?

Answer: Yes, that's right.

Question: You could use it in South West Africa?

Answer: I suppose they could.

Question: There's nothing stated, though?

Answer: No.

Question: The South African government may use it?

Answer: They may use it, period.

Question: They could use it for armaments in Rhodesia, or Mozambique, where they have troops?

Answer: I think they could.

Question: Or in the territory (South West Africa)?

Answer: I suppose they could.

Question: Has this ever been turned loose on the American public?

Answer: I think they've been made public. The South African government has what's called a 'white paper' where I think all this is published.



The Rev. George Houser (r) and Mrs. Elizabeth Franklin (with handbag) at Churchmen's Open Hearing.

Mrs. Elizabeth Franklin from South Africa spoke to the Committee. A former official of the Defence and Aid Fund, she spoke out of her deep personal experience in her native land, and with the anguish which she felt there and does here.

Mrs. Franklin's factual presentation of the life of Africans under apartheid were amply illustrated by instances she had encountered time and time again.

Bishop C. Edward Crowther testified to his belief that it was the creditability of the Church which was at stake in considering the matter before the Committee.

He expressed concern over the witness of the Church for right and justice. "The time now is when it is totally impossible any longer to separate what is going on in the United States and what is going on in South Africa."

The third witness to testify in contradiction to the bankers was the Rev. Gladstone Ntlabati, South African Methodist minister and director of the Chief Albert Lutuli Memorial Fund in Atlanta:

I really think that the question that is confronting the Episcopal Church today is an issue of conscience, whether the Episcopal Church



is going to continue to finance the murder, the exploitation, the destruction, of black people in South Africa. Or whether the Episcopal Church today will make a decision to stop doing this. I really do not think that any words would describe what is happening to black people in South Africa, and this is being done by the South African government. So that any loan of money directly to the South African government is actually financing the dehumanization, the humiliation, the degradation of black people in South Africa.

...We have been made to believe - as Africans - by the Christian Church, that the Christian Church has a conscience, that the Christian Church is not concerned about making profits, that the Christian Church is concerned about what is moral and what is good. That is why we are coming to you as the Church, saying to you, we've tried everything in South Africa. We've tried non-violence, and every non-violent, Christian action, and others, has been met with blood and iron. Thousands of our people have died at the behest of the gods of white racism. For me as a clergyman, the question I am asking you as clergymen and as Christians, is whether there are any people in the world who have a conscience who can say 'no' to racism in South Africa?

We have appealed to the United Nations and the UN condemned South Africa in the same way which the Episcopal Church in statements has condemned South Africa. What is going to change the situation in South Africa is not statements, but action. Therefore, all I can say to you this afternoon is that if you acted and made a decision to withdraw money from the banks that finance racism in South Africa, you will give the Christian hope to millions of black South Africans and to many white South Africans who have a conscience.

...Maybe we have awakened the Church very rudely to what the churches' responsibility is. I really think that this Church and no Church has any business to be trading with institutions that finance the destruction and the murder of people. I do not believe that this Church would have been justified

during the last War in doing business or investing in businesses that were producing gas in Nazi Germany. That is exactly what the Episcopal Church is doing today in South Africa. As a Christian, perhaps as a Christian who is well-trained, I do not believe that it is a question of whether somebody benefits from your trading with South Africa and doing business with the banks. I do not believe that the blacks benefit from it; whites benefit from it. But more than anything else, this Church is participating in the destruction of my people.

You must realize that your decision will have no bearing on our freedom. Our freedom is going to be brought about by ourselves. We as the liberation movements of Southern Africa are the only people who are going to free the blacks in Southern Africa. We are now involved in it. There are blacks and whites who are fighting in Southern Africa today. The whole of Southern Africa has now become one theatre of struggle. There are 30 million blacks in Southern Africa and 4 million whites. We will continue to have our faith in God and in our Lord Jesus Christ and we know we will win.

...It is my opinion that the liberation movements of Southern Africa have become the confessing church in Southern Africa. It is they who are giving up their lives for others. The institutional church in Southern Africa has become demonic. It is the liberation movements who have been forced outside the gates to embrace death and suffering and it is they who keep alive the truly human in us. That is the remnant; the liberation movements are that remnant. They are not building the temple in Babylon but I am sure they will be recalled to the land and their birthright will be restored. I only hope that the Episcopal Church in the United States will identify with them and not remain alienated from them.

...I as a black South African and as a churchman would recommend the following:

- that the Episcopal Church withdraw its investments from those banks doing business with South Africa, and make it known to the banks why it is doing so.
- that the Episcopal Church give material and moral support to the liberation movements in Southern Africa, and to organizations, for example, the American Committee on Africa, the Chief Albert Lutuli Memorial Fund and all organizations concerned about humanization programs in the whole situation within Southern Africa.

...I call for more support to organizations like ours and the American Committee on Africa, organizations concerned about getting information made available to the American public. Not only start action but strengthen Episcopalians. Like, for example, the Episcopal Churchmen for South Africa. I really feel that organization should be stronger than it is, particularly being a concern of your own Church. This is your own organization - Episcopal Churchmen for South Africa. I really feel that for an organization like that, being Episcopalian and concerned about one of the burning issues of our time, that it should have enough money to do the work it would like to do.

The Executive and Finance Committee went into executive session about 4 p.m. Just before 6 o'clock word seeped out of the 9th floor theatre that a resolution calling for withdrawal from the banks had been approved. There was no negative vote, although one member, a banker, had abstained. The resolution's text appears on page 15.

A press embargo until noon on Saturday, May 24, "in order to notify the bankers", was placed on news of the decision, to the great perturbation of the reporters and

SOME REFLECTIONS ON THE EXECUTIVE COUNCIL'S ACTION

by a Sceptical South African Churchman

The action of the Executive Council of the Episcopal Church is a very small event in the life of the Church; it is an even smaller pinprick to the socio-political dinosaur and moral monstrosity known as apartheid. But when the plusses and minusses are added up, they are more encouraging than discouraging to me, even after setting the whole into the perspective of "objective" reality.

I have been talking with American churches for about six years regarding their share of responsibility in Southern Africa. One of the predictable things I have learnt more about has been what Paul Lehmann has called the "brightness and stupidity" of the Church. For example, the churches are bright enough to know and to say that it is clearly wrong to profit from apartheid or to aid and abet it in any way. But they are stupid enough to then continue to indirectly profit from, and to aid and abet, apartheid by investing their money and prestige in banks and corporations that are directly linked to apartheid. Indeed, some of them even try to evade, obfuscate or defend these indefensible practices. So they have to be pressured and publicly embarrassed into doing what is obviously right and necessary.

In short, the "bank campaign" has clearly exposed the glory and the shame of the Church. Its shame is that it does not practice what it professes to be God's just demands and even tries to rationalize the contradiction between its rhetoric and its actions when called to account. Its glory is that, with all its shame, the Church is still the bearer of the Word of God's judgment and grace and will itself sometimes heed that Word.

Although the Methodists moved more money (a ten million dollar portfolio) from a consortium bank (First National City) in a public protest last year, the Executive Council's action is the most radical step taken by a national church body, as far as I know; it will withdraw all portfolios as well as operating accounts from the three consortium banks it deals with if they renew their credit to the apartheid government in January.

of fuming rewrite men who had the thankless task of trying to locate for comment bankers on a bonny weekend in May.

Bishop Robert L. DeWitt (Pennsylvania), a Committee member, commented: "The more the bankers talked, the more it became clear to me that the only basis for not withdrawing the money would be that 'business is business, politics is politics, and religion is religion, and never the three shall meet'. Incarnational theology can't go along with that."

However, for this clear, concise and commendable action to have full integrity and to make the maximum impact, some kind of context, continuity and consistency are necessary. For example, there should be close concern for racist and exploitative attitudes and actions (like investments!) in other areas of the church's and the nation's life; information explaining conditions in South Africa and the reasons for withdrawal from the banks should be readily available to church members and the general public; next steps must be planned - and taken.

In short, this action must not be merely an embarrassed and isolated moral shuffle taken under public pressure. It must be, and be seen as, a serious commitment by the church to set its own life in order so that it may with integrity address itself to the life of the world.

The Council's action has considerable symbolic value for South Africans. For a great majority (who are poor and oppressed because they are black or identify with the blacks), it is another sign of hope, a sign that there are some beyond South Africa's borders who will not forget them and will not compromise with apartheid. Just because it grows stronger, richer and more relentless.

For the privileged minority, it is another warning that apartheid, despite its slick disguises and successes, is still recognized as a flagrant violation of fundamental human rights and an absolute contradiction of the most basic teachings and demands of biblical faith and practice. And it is a sign that, one day, the international community may begin to back up its righteous rhetoric with commensurate actions.

South African born Rev. Kenneth N. Carstens is a member of the staff of the National Division of the United Methodist Board of Missions in New York City.

He has worked as a consultant to the Unit on Apartheid at the United Nations and was a Marmion Committee consultant.

Photographs in this issue are by: JO-ANN PRICE BAEHR, and by ECSA

The Gospel According to Standard & Poor

THE GOSPEL FOR THE POOR

Some reflections on the Episcopal Church's relations with the New York banks by

THE REV. EDGAR LOCKWOOD

Chairman of the Task Force on Investment and Economic Policy
of the EPISCOPAL SOCIETY FOR RACIAL AND CULTURAL UNITY

We were and are, of course, overwhelmed with a sense of relief, joy, surprise and gratitude that the Executive and Finance Committee of the Executive Council voted to disinvest its funds from banks which continue to participate in lending money to the South African government. But in this mood, we are apt to forget that this happy result was not fortuitous; we had to fight for it and if it is to be implemented, we need to understand the powers at work which will tend to make for inertia and abortive implementation unless we carry the fight forward.

A few comments are in order about the way in which the proceedings were organized. We were accused of damaging the image of the church unnecessarily and of impugning the motives of the Executive and Finance Committee. From our point of view, we have felt that the church only seems to move when the spotlight of public scrutiny is on its proceedings.

We are not blaming any one in the 815 bureaucracy for desiring to have a favorable public image if the good public image is deserved. We did not impugn the motives of the Committee. We charged, however, that to give three hours of private, unchallenged testimony to the banks gave the bankers an unfair advantage and amounted to subservience to their interests rather than those of ordinary church folks whose contributions and pensions are involved in the investment of funds. Morgan Guaranty Trust Company, the custodian of the Church Pension Funds, was allowed to testify for the space of a full hour, but concerned churchpeople were not only barred from testimony but excluded from the room.

Questions which we had submitted to be asked through the chairman of the Committee were not in fact used. We understood the Committee's reluctance to risk the banks' withdrawal from the hearings because of their alleged prior understanding that the hearings would be closed to all but the Executive Council. However, we question the necessity in the first instance of discussing a public issue without public participation by those whose lives are affected by the decisions. Even if the banks had refused to participate, the church could have held a hearing and determined the issue on such testimony as was forthcoming.

The men whom the Executive and Finance Committee invited to testify represented three of the most powerful banking organizations in the world. As of June 29, 1968, there were some fourteen thousand banks in the United States with assets of \$527 billion. The three banks invited hold \$49 billion, or ten per cent of those assets. First National City and Chase have been virtually tied for second and third rank nationally for the last two years while Morgan Guaranty,



about half the size of these two super-giants, is still number five nationally.

Banking is a profitable business. First National City has earned nine per cent on its capital funds for 1968 but it was topped by Chase and Morgan Guaranty, which earned 11.8 and 11.3 per cent respectively. Their earnings per share have grown steadily at close to ten per cent per year.

It is thus apparent that the banks do not need the profit from South African government loans to survive as profit-making institutions. It is also apparent that a loan of \$40 million to the South African government is not of itself a very significant amount when viewed in the perspective of such huge amounts of money and resources. In monetary terms, the loan is neither so profitable or costly as to make a significant difference in the banks' earnings.

Why then are the banks so resistant to disengaging from doing business in and with South Africa?

Free-enterprise seems to require relationships of mutual support and harmony between customers and suppliers. While there is much current talk about a social dimension to business decisions or corporate responsibility for society, it must be interpreted within the larger context of overall profit-making. Very rarely do businesses like banks alienate their largest customers by making "moral" decisions. "Moral" decisions can only be made if they are also, at least in the long run, enhancing the profit of the company.

The role of huge banks in fulfilling the capital needs of the giant American automobile industry requires no documentation. General Motors, Chrysler and Ford are

giant consumers of capital. At the same time, they are expanding their operations in other parts of the world. This pattern naturally obtains in South Africa, where cheap labor provides a source of profit not readily attainable elsewhere.

Thus the three major American companies have increased their investments in South African auto production as follows:

		Total
GENERAL MOTORS (1963-1966)	\$33 million	\$125 million
CHRYSLER (1964-1966)	\$35 million	\$60 million
FORD (post 1962)	\$17 million	\$60 million

The three companies together account for approximately sixty per cent of all automotive and truck production in South Africa. The board of directors of each of these companies includes men prominent on the boards of the three banks. Thus on the Ford board of directors sits Paul C. Cabot, the Bostonian financier who singlehandedly manages State Street Investors, Harvard's billion-dollar endowment and at the same time acts as a member of the executive committee of the Morgan Guaranty Trust Company.

Charles Mortimer and Robert S. Oelman are First National City directors. General Motors is closely tied to Morgan Guaranty. They share the services of Henry Alexander, Howard J. Morgens and Thomas L. Perkins. Perkins is also on the executive committee of the bank. But other banks are not unrepresented. John T. Connor of Chase's board and Albert L. Williams of First National City also sit on the councils of GM. Chrysler's board is tied closely to Manufacturers Hanover; in fact, the chairman of the executive committee of each serves on the other's board. Morgan Guaranty shares a co-director on Chrysler's team, Mr. L. F. McCollum.

We suggest that the banks' loan to the South African government is intended to secure the stability of the regime in order to preserve the enterprises like the auto makers who are good customers of the banks and whose needs and requirements and plans are well known through interlocking directorates. While it is true that the revolving credit has not been much used, its continuance after the Sharpeville incident in 1960 secured the country's rulers against an exodus of capital and provided a measure of financial flexibility.

Profits are of great importance to South Africans and one would assume that American investment capital is there for the same reason. On March 5, 1965, the Hon. H.L.T. Taswell, South African ambassador to the United States boasted that American investment in South Africa was yielding a whopping seventeen percent. "Is there any other country in the world where you can get a better return?" he crowed. What he neglected to say was that these profits are built on the labor of black men who are paid between a fourth and a tenth of what white men are paid for similar jobs.

CREDIT ENCOURAGES SOUTH AFRICAN ECONOMY

The credit arrangement is intended to make American dollar credits available so that

the South African regime can balance its overseas accounts, enabling South Africa to buy industrial machinery in America. It might also be used to pay the expenses of European purchases such as jet planes for the South African air force, notwithstanding the American embargo on arms purchases. When we pressed Mr. Meyer, the chairman of Morgan Guaranty, on this point, he was unable to deny that this might be done.

The credit arrangement does not stand alone. After the Sharpeville incident, when dozens of peaceful demonstrators were shot, at a moment when world opinion was outraged and businessmen were talking of withdrawing, the First National City Bank advanced money to the government's Industrial Development Corporation to reassure business and stay the flight of capital.

EFFECT OF THE PRESENCE AND INVOLVEMENT OF THE BANKS ON THE WELFARE OF SOUTH AFRICANS

At the December, 1968, meeting of the Executive Council, Mr. Charles Bound, with the backing of the Presiding Bishop, argued successfully that banks such as his (Morgan Guaranty) should stand in no worse case than other corporations that do business in South Africa. Lending money was simply the business they were in. Thus the Executive and Finance Committee was faced with the absurd task of weighing whether a direct loan to an oppressor regime would promote the education, family life, labor-management relations, collective bargaining, increased skills, integration, equalized wage scales, pensions, social security, hospitalization and the breaking down of the pass law system and other restrictions and thus be "positive"! To devote three hours to hearing how this could be true must have been truly a feat of endurance.

Actually, two of the three banks do a growing banking business in South Africa. Chase owns a substantial share in the prominent chain of Standard Bank and First National City has its own subsidiary which operates six branches in cities of Apartheidland. For this reason, in view of the agreed criteria, these banks could have been pressed for details of their operations in South Africa which were pertinent to the welfare of black South Africans as established by the criteria set by the Council. Friendly observers told us that the Committee's questioning of the banks was not probing in this fashion. The banks' representatives were not asked for the details of black employment in their South African ventures. They proceeded to justify their involvement on the grounds of prosperity as a liberating factor.

Such arguments are at best a rationalization. It is, of course, true that where a shortage of skilled labor exists the Job Reservation rules may be circumvented or ignored. But these temporary respites have not led to any permanent change in the general legal structure which insures white privilege, black exploitation and a profit-oriented economy. Apartheid may not make economic sense in terms of long-range profits but that argument is hard to hear when one can make seventeen per cent profit, or greater. Meanwhile the forces that make for black revolution grow stronger and Afri-

can leaders like President Kenneth Kaunda of Zambia predict race war as inevitable. So it is bootless to argue that prosperity will free the black race in the long run, just as it was highly debatable to argue that slavery in our own South might have collapsed of its economic insanity. Black people are no longer willing to wait.

WHAT IS THE CHURCH'S INVESTMENT IN THE BANKS?

The Church maintains a payroll account at the Chase and an overseas remittance account at First National City. Amounts vary from time to time with fluctuations in payments and requirements. Probably these two together work out to something like a million and a half dollars in checking and in time deposits.

The Episcopal Church's central endowment trust funds have shown a continued increase in investment in New York banks within the past two years. Notwithstanding the serious questions and criticisms raised by the Creighton Committee, the Committee on Trust Funds increased its holdings in securities of New York banks from five per cent of the total portfolio to 7.6 per cent in the period December 31, 1966 - December 31, 1968. It added 5,500 shares of Bankers Trust Company, another participant in the consortium arrangement, added shares of Morgan Guaranty and increased its ownership of capital notes of both Chase and National City. Nothing could better illustrate the way in which social policy and debate is divorced from the decision-making process in making investments, which is in the hands of investment men who understand only the prudential acquisition of more money for the sake of the church's program.

As of December 31, 1968, the investment of the Episcopal Church's trust funds in consortium-loan-participant banks was as follows:

	<u>Market Value</u>
250,000 Chase Manhattan Bank (capital note 4.6%)	\$200,000
500,000 Chase Manhattan Bank (conv. capital 4-7/8%)	552,500
200,000 First National City (cv. cap. notes 4%)	220,000
TOTAL BONDS	\$972,500
<u>Shares</u>	
5,500 Bankers Trust New York Corporation, common	- \$448,250
4,344 Chase Manhattan Bank National Association	- 351,864
4,428 First National City Corporation	- 327,118
265 Morgan Guaranty Trust Company of New York	- 33,655
4,300 Morgan Guaranty Trust Company of New York	- 546,100
	\$1,706,987
GRAND TOTAL	\$2,679,487

Current prices are probably ten to fifteen per cent less than the above, reflecting the decline in stock and bond prices generally since January.

Question must now be raised by concerned groups, particularly clergy, as to whether the Executive and Finance Committee's

courageous action will be implemented by other elements in the church structure:

- Does the decision cover Bankers Trust stock?
- Will the Church Pension Fund do anything about its holdings?

As we have seen, there is a Berlin Wall between social-liberal rhetoric and the investment process and their respective managers.

Potentially, the Church Pension Fund with its \$180 million portfolio presents a much greater point of leverage on the banks than the trust funds directly under the supervision of the Executive Council. But there is as yet no sign that the Presiding Bishop, the Council or the officials of the Pension Fund intend to take the initiative in this matter. They will respond to carefully articulated protest and pressure, but it seems to take just that plus the light of publicity to get them to move.

These are the current holdings of the Pension Fund as of December 31, 1968, to which the policy of disinvestment ought to be applied:

	<u>Market Value</u>
\$1,800,000 Chemical Bank New York Trust Company, capital notes, 5-7/8% of 1992	- \$1,494,000
\$1,050,000 First National City Bank N.Y. cv. cap. notes 4% of 1990	- 1,155,000
12,000 shares Chase Manhat- tan Bank	- 972,000
	\$3,621,000

Not only are these holdings involved; there are other entanglements. The Morgan Guaranty Trust Company acts as custodian and investment supervisor for the Church Pension Fund, at a fee which neither Mr. Bound nor Mr. Meyer, the chairman of the board of the bank, could discuss. The annual report of the Fund does not disclose the fee. In all probability it is around 1/2 of one per cent of the Fund, or \$900,000.

The Fund's investment committee includes such prominent bank-connected men as Avery Rockefeller of Dominick and Dominick; Daniel P. Davison, vice-president of Morgan Guaranty and others with "sound financial" backgrounds. The investment committee meets at the offices of Morgan Guaranty.

Bishop William Lawrence, the proponent of the original pension fund scheme, did not dare to propose the scheme to the General Convention of 1910 until he had won the backing of J.P. Morgan. J.P. Morgan's son, J. Pierpont Morgan, was appointed the Fund's first treasurer.

"This policy of appointing leading outside businessmen to help guide the Fund's activities continues to this day. At present, the Fund's trustees include men prominent in law, industry, insurance and investments." (1967 Annual Report of Church Pension Fund)

It is no wonder that the church is reluctant to press the question of the social morality of South African investment when the very management of its funds is in the hands of the financial power elite which underwrites South African capital investment.

THE ISSUES

What difference will it make to the banks that the church has raised the issue of loans to South Africa?

The amount of the church's holdings is a tiny fraction of the outstanding equities or bonds of any of these banks; its custodian fees make it a fairly large institutional customer but the church is only one of many such. Nevertheless, large financial institutions do pay attention to the discontents of their customers when they represent the views of a large number of other customers. To have the church opposing the bank puts the question mark before all of the publicity about Corporate Good Guys who Give a Damn by opening street academies in Harlem and whose rate of hiring minority groups is somewhat better than the 100 major corporations of national prominence who make their headquarters in New York. (Neither one is anything spectacular).

The banks are well aware that bad publicity is bad for business and that is precisely why they did not want to have an open hearing with the press present. The church, far from capitalizing on this leverage, bent over backwards not to reveal its decision on May 23rd and imposed a news blackout until noon the next day so that the banks could be notified by telegram.

The ostensible reason for the blackout was to enable the decision to be telegraphed to the banks. However, the banks being closed on Saturday, it was hard to see how any one would have read them until Monday or why a telephone call would not have been just as courteous. Thus an opportunity for effective publicity was not fully captured.

The decision nevertheless had an encouraging effect on other groups. The United Church of Christ joined the Episcopal Church within a month of its decision in threatening to withdraw funds. Methodists who had joined with us at 815 to support our demands were able to make stronger arguments when their Board of Missions met.

The banks involved may very well not pull out of their consortium loan agreement. Nevertheless, our church has played its role of watchman who sees the coming events, the race war coming as a result of injustice and the denial of humanity to blacks and who prophesies to the powers that be. The issue is not whether the church should be pure: she is impure being part of an impure world, dependent upon exploitative structures for her money.

Yet she has tried by this action to break down the partition between her moral values and the investments she holds. If the banks will not listen, then the church must go to government to seek changes which will discourage investment in apartheid.

Most importantly, the decision of the church will have an impact in Africa. Black South Africans will recognize and respond to this signal that if their revolutionary struggle begins, there will be those who have already faced the issues and are prepared to fight American intervention. Black churchmen there will know that there is hope within their own brotherhood.

The mission of Jesus is continued in this decision. Rhetoric has been implemented by act, a prophetic parable, proclaiming that men shall be freed from indignity, that those who put money first as of ultimate importance will lose.

THE DECISION COULD LEAD TO GREATER CHANGES

Now that the decision has been reached, it remains to be implemented. This will not come about without pressure on bishops, on diocesan councils and financial committees to utilize the criteria developed by the Executive Council in selecting investments, in disinvesting publicly from banks, etc. The national staff could supply material that they were directed to furnish last December. The Executive and Finance Committee's action should provide the lead.

Secondly, the Executive Council should be pressed to extend the criteria adopted to analyze South African operations. It is a little ludicrous to ask for data on the welfare of black South Africans as affected by employment patterns of companies in South Africa without asking for similar data from domestic corporations. The United Church of Christ and the Presbyterians have adopted such criteria. Project Equality has data. Pressure which the individual cannot exert could be exerted on the government to give data on companies such as Dan River Mills, Burlington Industries, the many southern utilities now in our portfolio, U.S. Steel and Bethlehem Steel, and others. Refusal of companies to give detailed data should be prima facie evidence of discriminatory practices.

Thirdly, church people need to support the principle of reparations for the economically exploited. The facts of poverty are now so well documented that they need no further exposition. What has been lacking so far is any concerted willingness to turn over a portion of the church's unquestioned wealth. Episcopal parishes have over \$300 million in endowment funds. Exact figures are not available for real estate holdings but a high official of our church estimates that Trinity Parish in New York City alone holds as much in real estate as the value of the foregoing endowments. One authority has estimated total Protestant real property holdings at \$28 billion. Surely not all of this is needed for vital religious work.

We agree with the World Council of Churches statement made in London this May:

"We urge religious institutions to divest themselves of their excessive material wealth by immediately allocating a significant portion of their total resources, without employing any mechanism of control, to organizations of the racially oppressed."

Resolutions pertaining to

THE CHURCH'S INVESTMENTS IN SOUTHERN AFRICA

as adopted by the Executive Council
December 11 and 12, 1968



EXECUTIVE COUNCIL OF THE EPISCOPAL CHURCH
815 SECOND AVENUE, NEW YORK, N.Y. 10017 (212) 867-8400

- I. Resolved, That the Executive and Finance Committee, on behalf of the Executive Council, examine and apply, in relation to the investments of the said Executive Council in companies and banks doing business in southern Africa, the following criteria:
 - (a) Is the bank or business making credit available to or doing business in southern Africa, especially including South Africa, South West Africa, Rhodesia, Angola and/or Mozambique?
 - (b) If so, how significant is this involvement in the economy of the southern African country?
 - (c) If the involvement is significant, what is the effect in promoting such things as: Education of Africans; Development of family life; Labor-management relations and the collective bargaining process; Increased skills of the African labor force and integration into higher levels of leadership; Equalization of wage scales, pension provisions and social security; Hospitalization and other benefits; Breaking down of the pass law system and other restrictions;

and be it further

Resolved, That, wherever the answers to criteria (a) and (b) are positive, then decision as to whether the Council invest and/or deposit the Church's funds or continue to invest and/or deposit in such companies and banks be dependent on how positive is the answer to criterion (c); and be it further

Resolved, That, nonetheless, where feasible in promoting the welfare or education of all people of southern Africa without regard to race, the Council consider investments in such companies or banks promoting such projects.

- II. Resolved, That the Executive Council direct the Executive and Finance Committee to consult with the banks in which the said Council has deposits or investments, and which are members of the consortium extending credit to the government of South Africa; and that, unless the said Executive and Finance Committee concludes that the involvement of the said banks is positive in respect of helping to promote the activities listed in Section (c) of Resolution I, the Treasurer be directed to terminate the Council's involvement with such banks within a reasonable period of time; and that the Executive and Finance Committee report its findings and actions to the Executive Council.
- III. Resolved, That the Executive Council report its action on the above Resolutions to the Committee on Trust Funds and request them to examine their investments and to take appropriate action along similar lines and request that the Committee report its actions to the Council as soon as possible.
- IV. Resolved, That the Executive Council shall report its action on the above resolutions to the dioceses and parishes and request them to examine their own investments and to take appropriate action along similar lines. To accomplish this the Council shall send the resolutions to the dioceses along with appropriate background materials and request the dioceses to draw these actions and materials to the attention of the parishes and other groups in their jurisdictions in the implementation of the 1967 General Convention "Resolution on Apartheid".

* * * * *

From the RESOLUTION ON APARTHEID, General Convention of the Episcopal Church, September, 1967:

Resolved, that this General Convention call upon the officials of this Church at all levels to review the Church's economic involvement in banks and corporations which do business in the following countries: The Republic of South Africa, Rhodesia, Mozambique, Angola and South West Africa; and urge the above-mentioned officials and the Executive Council of the Episcopal Church to exercise responsible stewardship over the funds entrusted to their care; and be it further

Resolved, that the Executive Council implement this action and report to the 63rd General Convention of the appropriate steps taken.

* * * * *

The ten American banks of the consortium providing a revolving credit to the government of South Africa are:

- New York - First National City; Chase Manhattan; Manufacturers Hanover Trust; Chemical Bank New York Trust; Morgan Guaranty Trust; Bankers Trust; Irving Trust.
- Chicago - Continental Illinois National Bank and Trust; First National.
- San Francisco - Bank of America.

"Resolved, That this Executive and Finance Committee does not conclude that the involvement of the banks participating in the Consortium Credit to the Republic of South Africa is positive in respect of helping to promote the activities listed below:

Education of Africans; Development of family life; Labor-Management relations and the collective bargaining process; Increased skills of the African labor force and integration into higher levels of leadership; Equalization of wage scales, pension provisions and social security; Hospitalization and other benefits; Breaking down of the pass law system and other restrictions

and therefore directs the Treasurer of the Executive Council to terminate the involvement of this Council with the said banks (except overseas missionary accounts, and those only until other media of exchange can be found); and be it further

Resolved, That with respect to any bank participating in the Consortium, this action by the Executive and Finance Committee shall take effect immediately after the next annual renewal date of the line of credit in question, provided that such bank shall continue its participation in such line of credit thereafter; and be it further

Resolved, That the Executive and Finance Committee offer all assistance in its power which may aid the banks to understand the significance of the proposed action in the eyes of this Church and the profound concern which led to it."

THE CHALLENGE —

The decision of the Executive and Finance Committee of the Episcopal Church to set a deadline on its relationships with banks of the consortium supporting the South African government is barely scratching the surface of the huge and unavoidable job which faces the Church - which has been demanding on the Church for years; each passing day presses the matter more urgently.

Surely no concerned Christian can read Mr. Ntlabati's words and not be awakened, "rudely", as he puts it, to the state of affairs in Southern Africa. History has pretty well run out on the Church, which still lingers, with the "brightness and stupidity" Mr. Carstens speaks of, over an association with institutions like banks whose values are distinct from those of the Church's.

The Church has now, as Father Lockwood stresses, to judge its connections with corporate business; it must consider the involvements of the Church Pension Fund. And the Church at large, each diocese, parish, individual, will have to face the problem of Southern Africa.

The Episcopal Church has so far two basic approaches to Southern Africa. There is the time-honored missionary endeavor, in this case a relatively new thing for the American Church. MRI "shopping list" projects, diocesan companionships, Americans working at scattered posts, with a high-level visit to American installations, are the order of the day.

With the decision of May 23, the Episcopal Church took a new tack, one which holds promise in moving churches of this country and others further along towards an honest grappling with one of the major issues facing Western Christendom.

Unwittingly the Executive and Finance Committee, acting in response to pressures in our nation, both specific and general, and with perhaps equal measures of compunction and conscience, parted company with their peers in the Anglican Church of South Africa, for whom bank withdrawals are not their glass of sherry. The door is at the least ajar for our Church to reach the restless, desperate, partially submerged Church in South Africa which is composed of young clergy and laity, black, brown and white - a majority in numbers, a fraction in power.

The question is: Will our Church now begin to crystallize its thinking and chart a strategy consistent with reality? The effort will require redirected devotion and tenacity by those who control the affairs of the Church, those who are politically, economically and psychologically bound up in a world, which while endowed with great residual strength, has grown stale.

Can they embark upon a path which admits of the revolutionary - both in relating to the liberation movements and to those within the Church in Southern Africa?

Revolution is needed in Southern Africa. Revolution is what is coming there.

Episcopal Churchmen for South Africa is independent of the Episcopal Church structure and exists to inform Episcopalians and other Americans about Southern Africa and to provide help for those caught up in that merciless situation. We invite your support.

I enclose \$ _____ for the work of EPISCOPAL CHURCHMEN FOR SOUTH AFRICA

NAME: _____

STREET: _____

CITY: _____ STATE: _____ ZIP CODE: _____

(Contributions to ECSA are deductible for Federal Income Tax purposes)

23 MAY
ONCE TO EVERY

FRIDAY



sever its ties with American bank

Meanwhile, upstairs

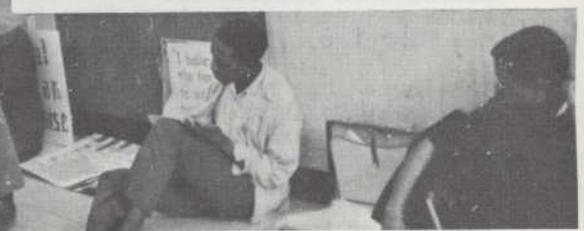
We demand that the Episcopal Church sever its ties with American banks supporting apartheid and racism.

We, at the CHURCHMEN'S OPEN HEARING, whose money is involved, whose complicity therein, protest the affront of the Executive and Finance Committee's decision to bar the public.

MAN AND

At issue are the Church's multi-million dollar deposits

NATION



EPISCOPAL CHURCHMEN for SOUTH AFRICA

14 West 11th Street
New York, N. Y. 10011

Address Correction Requested