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Congregation for Reconciliation, ITT BOYCOTT NEWSLETTER Vol. 1, No. 4

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Box 123, D.V. Sta., Dayton, Ohio 45406 * Phone (513) 276-4077

NEW POSTER AND LEAFLET A new poster picturing black South Africans in protest inside a map of Africa calls for the BOYCOTT of HOSTESS and other ITT products. Enclosed is a two page sheet on ITT in South Africa.

MORE MATERIALS NEXT MAILING The committee is preparing an Introductory Packet which will sell for \$2.50 and will include all basic material for action. Included will be specific action materials on HOSTESS AND strategy.

POST OFFICE REVERSES RULING Our appeal of the postmaster's ruling which stopped our ITT mailing from being congregation mailings was won. They recognized the boycott action as the bonified "world mission" of our congregation's "religious activity." Hurrah!

THANKS FOR YOUR LETTERS AND MONEY Last month we announced our need to charge for mailings to those who don't actively work on the boycott. We appreciate your membership contributions. Your letters are encouraging. Tell us what you are doing. One housebound supporter bought 25 leaflets to send to her friends. Duke students are at it!

CARTER SHOWS HIS COLORS WHILE AFRICANS CONTINUE TO PROTEST Carter announced his southern Africa policy in South Africa's FINANCIAL MAIL one day after the election instead of to other African nations or to Americans. He charges Russia with "sponsoring aggression." Carter announced "an aggressive policy for peace" by urging more American investment in South Africa and opposing economic sanctions. He's a Kissinger follower! (For a copy of the interview write Washington Office on Africa, 110 Maryland Ave NE, Washington, D.C. 20002)

***** CLIP OFF AND MAIL *****

LEAFLETS - 1 FREE, 10 for 30¢, 100 for \$2.00, bulk rates (includes postage)

_____ Information Sheet on IT&T (general) and on South Africa

_____ "Don't Buy IT&T" - a basic information flyer with quotes on back

_____ "IT&T in South Africa" - 2 pages on IT&T subsidiaries in SA

_____ Apartheid Quiz, 54 pages - (85¢) 75 most asked questions answered

_____ South Africa: The Imprisoned Society (\$1.25) - includes injust laws

_____ "AFRICA-AMERICA" poster (25¢, 5 for \$1.00) - 11x18 - Boycott HOSTESS

Enclosed is \$ _____ for my order & \$ _____ for a contribution.

Name _____ Address _____

City _____ State _____ Zip _____ Phone _____

ITT&T Boycott Comm., Box 123, D.V.Sta., Dayton, Ohio 45406 * Phone (513)276-4077

IT&T BOARD MEMBER CHALLENGED

One Southerner made it to the presidency. Another, Terry Sanford tried but had to settle for remaining the President of Duke University and accepting a position on the Board of Directors of International Telephone and Telegraph (IT&T). Now Sanford is in the soup at his university. In December, 342 Duke students petitioned Sanford to resign from the IT&T board. Sanford refused in a letter to the four Radical Academic Union leaders and their petitioners.

The students provided three reasons for Sanford's resignation: 1) IT&T's intervention in the affairs of Chile; 2) IT&T's support of and profiting from the racist apartheid regime of South Africa; and 3) Sanford's inappropriate acceptance to serve on a large corporation board. In rejecting resignation, Sanford affirmed himself as a 'defender of our American economic system.' Barry Rigby, a spokesman for the students, didn't expect Sanford's resignation. "If Sanford thinks the whole thing is now closed, he has another think coming," replied the optimistic Rigby. Students are planning a boycott of HOSTESS and other IT&T products along with other campus programs. The Dayton-based IT&T Boycott (Box 123 DV Station, Dayton, Ohio 45406) hailed the student action and pledged support of the student actions.

Sanford traveled to New York to meet with IT&T officials before students presented the petition. He refused to receive the students but instead wrote his private letter after most students had left for Christmas vacation.

Sanford mouthed IT&T's current propaganda line rather than developing his own independent position. On Chile he "found no evidence that IT&T was involved in the destabilization of Chile!" A rather preposterous claim. On South Africa, Sanford even indirectly praised IT&T for "staying on in South Africa to continue the jobs for the black majority." He used IT&T's favorite commendation phrase from the Presbyterian's Clinton Marsh of IT&T's "moral leadership" which Marsh used to sweeten up a strong challenge to IT&T at their 1973 annual meeting.

Finally Sanford claimed his board membership was appropriate and mentioned the Duke trustees blessing of it. Sanford's actions fit James Ridgeway's classic book's (THE CLOSED CORPORATION: AMERICAN UNIVERSITIES IN CRISIS) conclusion that America's great universities are controlled by big business. "University administrators," wrote Ridgeway, "in particular their presidents, should be directed to run the affairs of the university; they are paid well to do so. They should be prohibited from sitting on the boards of directors of any company, foundation, government agency, or any other group. As Yale President Kingman Brewster observed, these relationships are more apt to raise competing interests and are a waste of time." (p196) For sure, Sanford's rubbing elbows with IT&T's notorious President, Harold Geneen, New York financial wizard, Felix Rohatyn, and former CIA Director, John McCone will not improve the Duke President's "Mr. Clean" image.

IT&T's arrogant claim to moral leadership in South Africa needs attacking. As the only US manufacturer willing to build a plant on a homeland and as a company hiring less than 10% Africans in their STC subsidiary 2000-person work force, IT&T has certainly proven the conclusion of the Presbyterian sponsored study that IT&T "is in no position to effect any basic changes in South African society." Because 70% of STC/IT&T's business is with the government, the IT&T Boycott Committee calls for a stop of investment by IT&T in South Africa now!

IT&T IN SOUTH AFRICA

With sales of \$11,367,647,000 ITT ranked #11 in 1975 among US industrials (#15 of world corporations). They rank 3rd in the US (4th in world) in sales by non-auto/oil companies. Their 376,000 employees bring them #3 US ranking behind GM & Ford. Their \$70 million investment in South African telecommunications and electronics technology makes them America's #1 corporation supporting apartheid and oppressive minority rule.

ITT Related Companies in South Africa ITT has disclosed their "principal subsidiaries" as Standard Telephones and Cables (SA) Limited; Supersonic Radio & TV Co. (PYY.) Limited; Maister Directory (Pty.) Limited; Alfred Teves Engineering (SA) (Pty.) Limited; a minority involvement in African Telephone Cables (Pty) Limited; and "certain licensed and franchised operations." The Spro-cas Report states a connection of ITT also to Millers Electrical Line (Pty.) Ltd.; Speedwriting and Houghton Commercial College; South African Cable Co.; Chalmers Wholesale Electrical Suppliers (Pty) Ltd.; Impulse Merchandising (pty) Ltd.; Karl Hubsch; Airconcor; Norman Yorker; Yorke Royston; Sheraton; Contact Electrical Lines; and African Electric (Pty) Ltd.

Standard Telephones & Cables (STC) - "manufacture and sale of telecommunication systems and associated equipment, components, cables and wire" STC stated. "We are the only company in South Africa manufacturing transistors from the defusion of silica stage; We are the third biggest manufacturers of quartz crystal components in the world. South Africa's biggest producer of micro-wave telecommunications and television equipment. Participant in the world's largest submarine cable project." STC claims its "ITT Partnership is important to South Africa, because it enables us to share in the tremendous progress being made in world-wide telecommunications and electronics." STC contributes to South Africa's economy by leading the telecommunications and electronics industry; exporting; employing 1500 people; and saving foreign exchange. "Technology is probably STC's greatest contribution to the maintenance of SA's 'way of life'." STC started in 1925 importing goods from London's STC (ITT). In 1958 the first factory was built in Boksburg. Sales tripled from 1966 to 1971 of \$42 million and were over \$57 million by 1975. Profits were \$1.225 million in 1970 and were expected to reach \$1.5 million by 1972 based upon a 12% annual growth rate. Barbara Rogers writes that "ITT's military expertise is clearly applied in South Africa" including components and services for the Silvermine "automated battlefield". ITT claims no intention to bid on military or police contracts but doesn't deny negotiated military sales.

Supersonic Radio and RV Co. - This company is engaged in the manufacture of radios and hi-fi equipment for South African and export markets. One of its two locations and principal plants is in the Black Homeland of Lebowa. It is the only major plant of a US owned corporation in a South African Bantustan. As the only major US manufacturer in a homeland ITT affronts UN General Assembly resolutions which urge all to refrain from any dealings with Bantustans. As the only US corporation willing to build in a "homeland" as urged by the government's decentralization policy to reduce urban black movement, one can confirm the Spro-cas Report's conclusion, "ITT's dependency on the South African government as purchaser must inevitably make it very sensitive to that government." and "in no position to effect any basic changes in that society." (pf 14,41) The National Council of Churches Corporate Information Center states that "From the government's point of view, ITT could not have done better: the \$650,000 project supports apartheid policy by its location, saves foreign exchange by replacing imports (from Supersonic Rhodesia), and stimulates other industries by purchasing 100% local content material."

Maister Directories - IT&T has owned 75% of this company since 1969. By 1976 Maister was responsible for the sale of advertising in all 18 official telephone directories in SA. IT&T lets South African "fingers do the walking" through the Yellow Pages.

African Telephone Cables - STC-London-IT&T is the "principal shareholder" with a 30% holding. The cable & wire factory is on a 32-acre site, including a 4½ acre plot currently being completed as the main Post Office cable depot for the Transvaal, Natl. and the Orange Free State of South Africa. The firm's electric wire supplied 350 miles of wire for electrical installations and control circuitry at recently completed oil refinery near Sasolburg.

Alfred Teves Engineering - This is the South African subsidiary of the German company Alfred Teves GmbH, which merged with IT&T in 1967. Teves-South Africa manufactures and sells brakes, braking systems, and related automotive equipment.

Speedwriting and Houghton Commercial College - not in IT&T 1976 report but NCR report says, "Speedwriting Inc. (including the Nancy Taylor Finishing School), a 1968 IT&T purchase, owns Houghton and Speedwriting - two related Johannesburg secretarial schools which only accept white students."

IT&T purchased in c. 1970 Miller's Electrical Lines, a wholesale distributor of industrial and general electrical installation material cables, switchgear, motors, domestic appliances and hardware, and switchboards. In 1971 STC/IT&T took over Chalmers Wholesale Electrical Supplies. South Atlantic Cable Co. played a major role in construction of the Cape Town to Luanda cable link.

Notes: Information on the huge operations of IT&T in South Africa is incomplete because of the lack of any requirements by US or SA government requiring disclosure. Nevertheless through the efforts of the Presbyterian Church and the National Council of Churches important information has been released by IT&T.

The primary sources through the National Council of Churches are IT&T-Apartheid & Business in Southern Africa, 1972, 37 pages and Church Investments, Corporations & Southern Africa, 1973, pages 108-117. The Spro-cas report was sponsored by the Presbyterian Church and is called A People Company: Report on an Investigation into STC, 1973, 70 pages. IT&T has made two major responses: "IT&T and South Africa," 1973, 39 pages and "IT&T in South Africa," 1976, 13 pages.

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