

AMERICAN COMMITTEE ON AFRICA
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Bank Campaign UPDATE

December 19, 1974

Virginia:

A delegation sponsored by the Central Atlantic Conference, ~~United Church~~ of Christ, also including representatives of the United Virginia Bankshares and Campaign and ACOA met with the President of United Virginia Bank, Richard Dilworth and the International Vice President, Thomas Carr in mid-October. Following the meeting, Mr. Dilworth sent a letter to the CAC conference minister, Sidney Lovett noting:

(1) "Since the controversy surrounding this loan arose, have not made any new loans to the Republic of South Africa, although we have been offered opportunities to do so; and

(2) We have never indicated any intent to renew the present loan...."

Philadelphia

A delegation of persons representing local churches, community groups and ACOA met with First Pennsylvania Bank Chairman James Bunting December 3. Mr. Bunting confirmed the bank's new policy of no future loans to South Africa, for businesses there or the South African government. He noted the bank had \$13 million in outstanding loans, most to corporations such as General Motors for business operations in South Africa. He noted that he would be surprised if four other major Philadelphia banks did not hold similar loans.

New York

A delegation sponsored by the National Council of Churches, including national church and ACOA representatives, met with the Chairman and Vice Chairman of the European American Banking Corporation, Harry Ekblom and Klaus Jacobs, respectively, on December 12. European American recently acquired the bankrupt Franklin National Bank of New York, the largest on Long Island, N.Y...

The bank confirmed new involvements in loans to the government-owned S.A. Iron and Steel Corporation for huge expansion of the Saldhana Bay complex. The representatives denied knowledge of the money lent intended for Rhodesia's Iron and Steel Corporation (RISCO) and noted the treasury Department sent a representative to investigate the sanctions violation. They noted the sharp downturn in the Euro-dollar market was decreasing their involvement in South African and other loans, while competition for these loans is increasing. The bank does not intend to change its position on these loans, though they noted they are responsive to public interest, (e.g. they are making large loans to Long Island).

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