

# Committee to Oppose Bank Loans to South Africa

New York Chapter

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## PRESS RELEASE

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On Saturday, February 24, the New York chapter of the national Committee to Oppose Bank Loans to South Africa (COBLSA), along with numerous other groups, including the National Council of Churches, the United Methodist Office for the U.N. and several New York unions will hold a public forum on the role of American banks in domestic and international affairs. "Runaway Banks -- The Misuse of Our Money at Home and Abroad" will bring together a wide range of people from unions and community groups to examine the U.S. banking system and the way in which it channels money out of our communities and into repressive regimes such as South Africa.

The program will be emceed by Gil Noble of the ABC television program "Like It Is." Keynote speakers will be U.S. Representative Stephen Solarz and N.Y. State Assemblyman Al Vann, both of whom are from Brooklyn districts. A study by New York COBLSA on the home mortgage loan practices of five commercial New York banks will be released at the forum.

"Those of us who are in positions of political influence must assist just struggles wherever they may be," stated Assemblyman Vann recently, when asked about the political struggle in South Africa. "The elimination of the racist regimes in South Africa and Zimbabwe is such a struggle," continued the Chairman of the State Legislative Council on Health, Education and Illness Prevention. Mr. Vann was until recently the chair of the New York State Black and Puerto Rican Legislative Caucus. As such, he frequently indicated his belief in the need for local banks to aid the development of the communities in which they are situated.

A spokesman for Representative Solarz, the newly-appointed chair of the House Subcommittee on Africa, says "Stephen Solarz thinks the situation in South Africa and in low-income neighborhoods at home is serious and American corporations have a moral responsibility to rectify those situations."

The New York COBLSA study on mortgage loan practices in five New York City communities "indicates that banks do have a lending policy which is racist. It is shown in their lending to South Africa and in their preference to lend to high and middle income white neighborhoods," claims Gene Jones, one of the authors of the study and a Ph.D. student at Union Theological Seminary in New York. The report shows that for every \$1000 deposited in Bankers Trust, Chase Manhattan, Chemical, Citibank or Manufacturers Hanover Trust by Harlem residents, that community receives \$4.61 in home mortgage loans. Yet a pervasively white, wealthier community in Brooklyn - the Flatlands - receives \$138.66 for every \$1000 deposited.