

COMMITTEE TO OPPOSE BANK LOANS TO SOUTH AFRICA

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Bank boycott...

Charging that the American government and U.S. banks are placing "a priority on money over morality," members and supporters of Clergy and Laity Organized picket the First National Bank of Chicago. Both First National and Continental, declared the group, have provided huge loans to South Africa and have refused to stop the practice, despite that nation's racist posture. The picketers urged the public to withdraw deposits from both banks as a protest. (Photo by Cornelius Sinclair)

Picket 2 banks here over S. Africa

Some 100 persons picketed at two Loop banks Tuesday to protest the banks' loans to South Africa.

The protesters handed leaflets to passersby at the First National Bank, Dearborn and Madison, and the Continental Bank, 231 S. La Salle, asking them to withdraw their accounts from the banks until the institutions stop making loans in the white minority-ruled country.

The picketers, members of the Chicago Coalition on South-

ern Africa and Clergy and Laity Concerned, also oppose the banks' sale of Kruggerands, South African gold coins. A South African government advertising campaign dubs the coin "a gift of love."

The United States, along with France and Britain, Monday vetoed a United Nations Security Council resolution to bar investments and loans in South Africa, and the protesting groups said the U.S. vote was to protect \$1.5 billion in U.S. corporate investments

and more than \$2 billion in American bank loans.

Continental Bank officials said its current policy is consistent with that of Citibank and Chase Manhattan Bank, both of New York. Those banks, the nation's second and third largest, said Tuesday they will use their loan regulations to try to prod South Africa to change its white supremacist policies.

First National is known to be reconsidering its stance toward South Africa.

In a press release, they called on President Carter and Andrew Young, the U.S. ambassador to the UN, to reverse the veto decision. "Otherwise... for Jimmy Carter, morality stops at the back," they said.

Ron Freund of Clergy and Laity Concerned said the two banks lent \$110 million to the South African government last year, and will not release the figures for this year. They also lent money to two government agencies and to South African businesses and U.S. businesses in that country, he said.

Chicago Sun-Times, Wednesday, Nov. 2, 1977

Those who profess to favor freedom and yet depreciate agitation, are men who want crops without ploughing the ground; they want rain without thunder and lightning; they want the ocean without the roar of its many waters. The struggle may be a moral one, or it may be

a physical one, or it may be both. But it must be a struggle. Power concedes nothing without a demand; it never has and it never will. Men may not get all they pay for in this world, but they must certainly pay for all they get.

Frederick Douglass

Banks, Firms Blamed in Death of Biko

By MICHAEL G. LOONEY

The recent death of Steven Biko, South Africa's most influential black leader, cannot be blamed solely on white South Africans, says a black American anti-apartheid leader.

"The guilt in the murder of Biko, and the many other black South Africans, must also rest upon the 400 or so American corporations and banks whose investments and loans provide the foundation for the South African apartheid system," said Prexy Nesbitt, associate director of the New York-based American Committee on Africa (ACOA).

Nesbitt, also national coordinator of the Committee to Oppose Bank Loans to South Africa, was recently in the Bay Area to help to enlist support for the committee's nationwide campaign against U.S. banks that make loans to white-ruled South Africa.

According to Nesbitt, the current value of U.S. bank loans to South Africa is around \$3 billion — nearly twice the amount of American corporate investments in the racially troubled country.

Nesbitt, during an interview, said the American public is not aware of the large bank loans going to South Africa. According to ACOA, there are eight giant U.S. loan-makers to South Africa, including the Bank of America, whose loans to South Africa total \$188 million.

The ACOA also mentioned two other California banks, Crocker National and Wells Fargo, among the more than 40 smaller lending institutions that make loans to South Africa.

Nesbitt said loans to South Africa are kept secret by U.S. banks. However, ACOA was able to obtain some information through export-import bank loan guarantee lists.

Spokesmen for the Bank of America, Crocker and Wells Fargo, confirmed that these lending institutions do have outstanding loans to South Africa. Officials for the three banks said their loans to South Africa represent only a tiny portion of the banks' total loans.

"Bank of America loans to South Africa have been diminishing," said Sue Taha, public relations officer for foreign affairs. She said, "The bank's portfolios to South Africa represent less than one-

half of 1 per cent of the total bank loans outstanding."

Ms. Taha refused to confirm or deny that Bank of America's total outstanding loans to South Africa are currently around \$188 million. She said, "We don't release that kind of information. It is not fit and proper for a bank to release its portfolio on any country."

On the other hand, Nesbitt said the \$188 million from Bank of America and the approximately \$3 billion from all U.S. banks is just the amount going directly to the South African government and does not include millions of dollars lent to private South African firms.

He called the U.S. bank loans "critical" to the survival of white-minority rule in that country, in as much as the funds go toward oil technology, steel production, uranium exploration and other strategically economic areas rather than humanitarian needs.

"The money is also used to strengthen the police and defense capabilities of the South African government," Nesbitt added. "In essence, Americans are financing South Africa in arming itself."

Bank officials deny this.

According to Ms. Taha, Bank of America loans to South Africa are trade-related. She said, "The money is not used for military and defense purposes. We have a policy against that anywhere in the world."

Terry McInnes, public affairs officer for Crocker National Bank, said Crocker's loans to South Africa are not for military purposes, but in the areas of industrial development and export-import financing.

He also said, "The bank cannot disclose the amount of loans. We have to protect the privacy of the customer as required by California law."

But at Wells Fargo, George Caulfield, vice president of public relations, said his bank has outstanding loans to South Africa totaling \$11 million.

He also said this was a small amount compared to other international portfolios, and furthermore, the bank is not contemplating any additional loans to South Africa. Caulfield didn't elaborate.

The bank vice president did say that



(Tribune photo by RUSS REED)

BLACK LEADER PREXY NESBITT Opposes loans to South Africa

Wells Fargo's current South Africa loans include two major portfolios; one for financing the sale of Boeing aircraft to South Africa, and the other for construction of railway and unloading facilities to be used for exporting coal and iron ore to Europe and Japan.

Caulfield also referred to an official Wells Fargo Bank policy statement that said:

"Wells Fargo Bank thoroughly abhors the principals of racial discrimination practiced by the South African government, but does not believe that by undertaking normal commercial banking transactions, we are expressing endorsement of such policies."

Nevertheless, Nesbitt and others charge that banks doing business with South Africa are "racists." Nesbitt said, "These banks refuse to support projects in black communities of this country, yet support white racism in South Africa."

"The Bank of America has directly loaned \$188 million to South Africa, and says they don't have any money for local communities like East Oakland," remarked Miloanne Hecathorn, a member of Stop Banking on Apartheid, a San Francisco organization located at 2160 Lake St.

"We abhor apartheid," Ms. Taha said. "However," she added, "we're a bank and we only involve ourselves in lending."

On the other side, Stop Banking on Apartheid is readying a Bay Area campaign to have customers withdraw their funds from banks making loans to South Africa.