

Peace Research and Education Project
of Students for a Democratic Society
1100 E. Washington
Ann Arbor, Michigan

MARCH 19 STUDENT ACTION AGAINST AMERICAN

ECONOMIC SUPPORT OF SOUTH AFRICAN APARTHEID

U.S. Involvement in the South African Economy

The role of U.S. corporations and financial institutions in the South African economy is great, but hard to quantify with precision. These roles have been particularly significant in maintaining the South African regime since 1960. After the Sharpeville massacre of March 1960 and the subsequent South African withdrawal from the British Commonwealth, foreign capital began to flee the country. It looked for a while in 1961 as if the economy was on the verge of collapse. But as Africa Today, the magazine of the American Committee on Africa, has said, "The United States came to the rescue." The U.S. Atomic Energy Commission negotiated for a new six-year contract for South African uranium, improving the Republic's trade balance. But equally significant, the eighty U.S. companies with investments in South Africa increased their investments in 1961 alone by \$23 million; and \$150 million in dollar loans was extended to the South African government from U.S.-dominated financial institutions (\$38 million, International Monetary Fund; \$28 million, World Bank and its affiliates), from U.S. lenders not publicly identified (\$70 million) and from two major U.S. banks--\$10 million from the Chase Manhattan Bank, \$5 million from the First National City Bank of New York.

Since 1961 as well, this pattern of U.S. public and private support of the South African economy has continued unabated. Where there were, in 1960, eighty U.S. corporations with investments in South Africa, there are now about 200, including many corporate giants (General Motors, Ford,

Chrysler, Firestone, Goodyear, Armstrong, Eastman Kodak, Dow Chemical, Rexall, Pepsi-Cola, Coca-Cola, Olin Mathieson, etc., etc.). In 1963, eleven U.S. banks (Chase Manhattan, First National City, and nine others not publicly identified) extended \$40 million in revolving credit to the South African Treasury. A revolving credit amounts to a loan that is automatically re-lent after the principal is repaid; except for the (low) interest, in other words, it is tantamount to a grant.

In short, both U.S. banks and U.S. corporations have been influential in underwriting South African apartheid, a system so brutal, unjust and universally condemned that it need not be gone into in detail here. But little public attention has been drawn to these "private" initiatives; and the U.S. government has not discouraged these loans and investments.

A Direct Action Proposal

With the fifth anniversary of the Sharpeville massacre approaching on March 21, 1965, Students for a Democratic Society does not want the occasion to pass without calling attention to the major role played by U.S. economic institutions in supporting a social system that institutionalizes the brutality and injustice of Sharpeville. Traditionally, American protests against apartheid have been content with unpointed condemnation of the Verwoerd regime; they have left the impression that apartheid is a system "way off there over the ocean", rather than a system tied intimately to hidden American interests.

Believing that the most effective way to draw attention to these links is through the use of direct action, SDS proposes to conduct a sit-in at the Chase Manhattan Bank on Friday, March 19, 1965. In preparation, a letter of demands has been sent to the major offices of the Bank. SDS leadership, prominent individuals in the academy and the professions, representatives of the thirty-five SDS chapters across the country (with heavy participation from Northeastern chapters), and participants in the community organizations with which SDS works will take part in the sit-in with the largest possible representation from civil rights

and peace groups which are currently being invited to participate. CORE and SNCC have already endorsed the action. The participants will urge the bank to discontinue its support of the South African government, and urge depositors to cancel their accounts until that decision is made. At a rally in New York the evening of the sit-in, the follow-up program will be announced; for a one-shot, while valuable, does not exhaust our capabilities, or our duty in the face of apartheid.

On the same day, SDS chapters and other far-flung groups will demonstrate at the home and branch offices of the non-financial corporations that invest in South Africa. These offices are scattered in almost every state and major city in the country. These supporting demonstrations could simply be educational, or might seek to halt the operations of the offices involved. Attempts will be made to involve workers at the factories concerned. Emphasis will be on a single particularly offending corporation, although each group should choose its targets with a sense of the resources at hand. Information on these companies is available from the above address.

Publicity surrounding each demonstration will clarify the nature of the link-ups between the U.S. and South African economies. Some of the demonstrators at the Chase Manhattan Bank should expect to be arrested for trespassing and/or obstructing business. The logistics are being worked out.

Implications

The proposed sit-in and supporting demonstration would set a number of important precedents for foreign policy action in the United States.

1. It would establish the possibility of visible, pointed action against specific targets.
2. It would establish a working relationship among peace, student and civil rights groups on peace issues.
3. It would for the first time make visible, to some extent, the role of the American economy in injustice and repression abroad.

To bring home these implications in a sustained and systematic way is the major problem posed by the proposed action. A large-scale educational program on U.S. partnership in apartheid, in cooperation with the Consultative Committee on South Africa is one possible follow-up. Another would be a campaign for Congressional restriction on the now uninhibited behavior of U.S. corporations abroad. (The State Department now says, "We respect the right of Americans to invest where they want to invest.") And in various ways pressure will be kept up on the companies, on the Chase Manhattan Bank, and on those who support their immorality.

If not now, when?

February 19, 1965

Continuation

The proposed action is not a simple demonstration which would be a matter of

important precedents for future policy under to the United States.

1. It would establish the possibility of similar, perhaps better organized

specific targets.

2. It would establish a working relationship with groups, unions and other

rights groups on peace issues.

3. It would for the first time make it clear to the public, the role of the

American company in apartheid and its support in Africa.

U.S. CORPORATIONS WITH INVESTMENTS IN SOUTH AFRICA

Abbott Laborstudies (North Chicago, Ill.)
Addressograph-Multigraph Corporation (Cleveland, O.)
Aetna Life Insurance, Co. (Hartford, Conn.)
Allied Chemical (New York, N.Y.)
Allis Chalmers International (Milwaukee, Wis.)
American Bank Note Co. (New York, N.Y.)
American Chicle Co. (Long Island City, N.Y.)
American Cyanamid Corp. (New York, N.Y.)
American Express Co. (New York, N.Y.)
American Foreign Insurance Assoc. (New York, N.Y.)
American Steel Foundries (Chicago, Ill.)
American Home Products Corp. (New York, N.Y.)
American Metal Climax Inc. (New York, N.Y.)
Ardmore Products (Northbrook, Ill.)
Armco Steel Corp. (Middletown, O.)
Armstrong Cork (Lancaster, Pa.)
Baxter Laboratories (Morton Grove, Ill.)
Beech-Nut Life Savers Inc. (Canajoharie, N.Y.)
Berkshire Knitting Mills (Reading, Penn.)
Birdsboro Corp. (Birdsboro, Penn.)
Black and Decker Manufacturing Co. (Towson, Md.)
Borden Co. (New York, N.Y.) (Chicago, Ill.)
Bristol Laboratories International Corp. (Syracuse, N.Y.)
Bristol-Myers Co. (New York, N.Y.)
Buchen Advertising Inc. (Chicago, Ill.)
Budd Co. (Philadelphia, Penn.)
Burlington Industries, Inc. (Greensboro, N.C.)
Burroughs Corp. (Detroit, Mich.)
California Texas Oil Corp.
 Standard Oil of Calif. (San Francisco, Cal.)
 Texaco Inc. (New York, N.Y.)
Carborundum Co. (Niagara Falls, N.Y.)
Carnation Co. (Los Angeles, Calif.)
Carrier Corp. (New York, N.Y.)
Case Company (Racine, Wisc.)
Champion Spark Plugs Co. (Toledo, Ohio)
Chase Manhattan Overseas Banking Corp. (New York, N.Y.)
Chesebrough-Ponds Inc. (New York, N.Y.)
Chicago Pneumatic Tool Co. (New York, N.Y.)
Chrysler Corp. (Highland Park, Mich.)
Ciba Pharmaceutical Co. (Summit, N.J.)
Coca-Cola Export Corp. (New York, N.Y.)
Colgate Palmolive Co. (New York, N.Y.)
Columbus McKinnon Corp. (Tonawanda, N.Y.)
Combustion Engineering (Windsor, Conn.)
Corn Products Co. (New York, N.Y.)
Crane Co. (New York, N.Y.)
Crown Cork and Seal Company Inc. (Philadelphia, Penn.)
Crown-Zellerbach Co. (San Francisco, Calif.)
Cyanamid Overseas Corp. (Wayne, N.J.)
Deere and Co. (Moline, Ill.)

- Denver Equipment Co. (Denver, Colo.)
- Dodge and Seymour Limited (New York, N.Y.)
- Dorr-Oliver Inc. (Stanford, Conn.)
- Dow Chemical International Corp. (Midland, Mich.)
- Dunn and Bradstreet Co. (New York, N.Y.)
- Duriron Co. (Dayton, O.)
- Eastman Kodak Co. (Rochester, N.Y.)
- Electric Storage Battery Co. (Philadelphia, Penn.)
- ELLIS Co., (Home Office not listed)
- Englehard Hanovia Inc. (Newark, N.J.)
- Extectic Welding Alloys Corp. (Flushing, N.Y.)
- Factor and Company (Hollywood, Calif.)
- Farrell Lines Inc. (New York, N.Y.)
- Ferro Corp (Cleveland, Ohio)
- Firestone Tire and Rubber Co. (Akron, O.)
- First National City Bank of New York (New York, N.Y.)
- Ford Machinery and Chemical Corp (San Jose, Calif.)
- Ford Motor Co. (Dearborn, Michigan)
- Friden Incorp. (San Leandro, Calif.)
- Galigher Co. (Salt Lake City, Utah)
- Gardner-Denver Co. (Quincy, Ill.)
- General Electric Co. (New York, N.Y.)
- General Foods Corp. (White Plains, N.Y.)
- General Motors Acceptance Corp. (Delaware)
- General Motors Corp. (Detroit, Mich.)
- General Tire and Rubber Co. (Akron, O.)
- Gerrard and Co. (Des Plains, Ill.)
- Gillette Safety Razor (Boston, Mass.)
- Gold Seal Co. (Camden, N.J.)
- B.F. Goodrich Co. (Akron, O.)
- Goodyear-International Corp. (Akron, O.)
- Grace and Company Overseas Chemical Division (Cambridge, Mass.)
- Grant Advertising Inc. (Chicago, Ill.)
- Harnischfeger International Corp. (Milwaukee, Wisc.)
- Harsco Corp. (Harrisburg, Pa.)
- Hewitt-Robins Inc. (Stanford, Conn.)
- Heywood Wakefield Co. (Gardner, Mass.)
- Humphreys Engineering Co. (Denver, Colo.)
- IBM World Trade Corp. (New York, N.Y.)
- Infilco Inc. (Tucson, Ariz.)
- Ingersoll-Rand Co. (New York, N.Y.)
- Insurance Company of North America (Philadelphia, Pa.)
- Interchemical Corp. (New York, N.Y.)
- International Business Machines (New York, N.Y.)
- International Harvester Corp. (Chicago, Ill.)
- International Packers Limited (Chicago, Ill.)
- International Paper Co. (New York, N.Y.)
- International Telephone and Telegraph (New York, N.Y.)
- Interpublic Inc. (New York, N.Y.)
- Jeffrey Manufacturing Co. (Home Office not listed)
- Johnson and Johnson (New Brunswick, N.J.)

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Joy Manufacturing Co. (Pittsburgh, Pa.)
Kellogg Co. (Battlecreek, Mich.)
Kelly-Springfield Tire Co. (Cumberland, Md.)
Kendall Co. (Boston, Mass.)
Kimberly Clark (Neenal, Wis.)
Kirsch Co. (Sturgis, Mich.)
Le Tourneau-Westinghouse Co. (Peoria, Ill.)
Lilly Laboratories (Home Office not listed)
Lincoln Engineering Co. (St. Louis, Missouri)
Link-Belt Co. (Chicago, Ill.)
Lykes Bros. Steamship Co. Inc. (New Orleans, La.)
Masonite Corp. (Chicago, Ill.)
Merck Sharp and Dohme International (Rahway, N.J.)
Merrell-National (Overseas) Laboratories (New York, N.Y.)
Metro Goldwyn Mayer Inc. (New York, N.Y.)
Meyers Brothers (Home Office not listed)
Mine Safety Appliances Co. (Pittsburgh, Pa.)
Mine and Smelter Supply Co. (Denver, Colo.)
Minnesota Mining and Manufacturing Co. (St. Paul, Minn.)
Mobil Petroleum Co. Inc. (New York, N.Y.)
Moore-McCormack Lines Inc. (New York, N.Y.)
Muller and Phipps Limited (New York, N.Y.)
National Carbon Co. Inc. (Home Office not listed)
National Cash Register Co. (Dayton, O.)
National Standard (Niles, Mich.)
Neptune Meter Co. (New York, N.Y.)
Newmont Mining Corp. (New York, N.Y.)
Nordberg Manufacturing Co. (Milwaukee, Wis.)
Norton Co. (Worcester, Mass.)
Ohio Brass Co. (Mansfield, O.)
Olin Mathieson Chemical Corp. (New York, N.Y.)
Otil Elevator Co. (New York, N.Y.)
Owen-Corning Fiberglass Corp. (Toledo, O.)
Pan-American World Airways Inc. (New York, N.Y.)
Parke-Davis and Co. (Detroit, Mich.)
Parker Pen Co. (Janesville, Wis.)
Pepsi-Cola International (New York, N.Y.)
Pfizer International Corp. (New York, N.Y.)
Phillips Petroleum Co. (Bartlesville, Oklahoma)
Procter and Gamble Co. (Cincinnati, O.)
Revlon Inc. (New York, N.Y.)
Rexall Drugs and Chemical Co. (Los Angeles, Calif.)
Richardson-Merrell Inc. (New York, N.Y.)
Schering Corp. (Bloumfield, N.J.)
Scholl Manufacturing Co. (Chicago, Ill.)
Seaway Associates Incorp. (Ann Arbor, Mich.)
Seven-Up Export Corp. (New York, N.Y.)
Simoniz Co. (Chicago, Ill.)
Singer Manufacturing Co. (New York, N.Y.)

Smith International Corp. (Milwaukee, Wis.)
Smith, Kline, and French Labs (Philadelphia, Pa.)
Smith Standard Oil Co. (New York, N.Y.)
Socony Mobil Oil Company Inc. (New York, N.Y.)
Sperry Rand Corp. (New York, N.Y.)
Standard Brands Inc. (New York, N.Y.)
Standard Oil of California (Cleveland, O.)
Sterling Drug Inc. (New York, N.Y.)
Studebaker Corp. (South Bend, Ind.)
Symington Wayne Corp. (Salisbury, Md.)
Timkin Roller Bearing Co. (Canton, O.)
Titan Industrial Corp. (New York, N.Y.)
Trans-World Airlines Inc. (Kansas City, Missouri)
Twentieth Century Fox Film Corp. (New York, N.Y.)
Underwood Corp. (New York, N.Y.)
Union Carbide International Co. (New York, N.Y.)
Union Tank Car Co. (Chicago, Ill.)
United Artists Corp. (New York, N.Y.)
United Cargo Corp. (New York, N.Y.)
United States Rubber Co. (New York, N.Y.)
United Shoe Machinery Corp. (Boston, Mass.)
United States Steel Co. (New York, N.Y.)
Upjohn Co. (Kalamazoo, Mich.)
Vick Chemical Co. (New York, N.Y.)
Warner Bros. Pictures International Corp. (New York, N.Y.)
Warner-Lambert Pharmaceutical Co. (Morris Plains, N.J.)
Western States Machine Co. (Hamilton, O.)
Westinghouse Electric International Co. (New York, N.Y.)
Westrex Co. (Home Office not listed.)
Wilbur Ellis Co. (San Francisco, Calif.)
Willard Storage Battery Co. (Philadelphia, Pa.)
Willys Motors Inc. (Toledo, O.)
Xerox Corp. (Rochester, N.Y.)

SOURCES:

U.S. Department of Commerce Trade List, American Firms, Subsidiaries and
Affiliates, Republic of South Africa (1963)

Juvenal L. Angel, Directory of American Firms Operating in Foreign Countries
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