

NEWS FROM UAW

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~~INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA~~

UAW WILL WITHDRAW FUNDS FROM BANKS

MAKING LOANS TO RACIST SOUTH AFRICAN REGIME

UAW President Douglas A. Fraser today (Friday, March 3) said the International Union will withdraw its funds from banks and financial institutions that participate in loans to South Africa, because of that country's racist, undemocratic political and economic practices.

The UAW intends to urge banks at which it maintains accounts to publicly pledge not to make direct or indirect loans to support the present South African government or economy, Fraser said.

Speaking at the Detroit Athletic Club, Fraser also urged President Carter to take a number of steps to discourage U. S. investment in South Africa, including an end to all export-import loan guarantees for exports to South Africa.

"The government of South Africa continues to brutally suppress blacks and other non-whites who make up 80 percent of the population," he said. "It is a racist society that refuses to allow black workers even the most basic human rights."

"We in the UAW don't believe that the hard-earned dues money of our 1.5 million members should wind up being used directly or indirectly to aid a country that practices such racist, repressive and undemocratic policies,"

Fraser said.

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The UAW president said the union was in sound financial shape because of the careful fiscal policies practiced for many years. The decision to refuse to do business with banks that make loans to South Africa is a logical, consistent step in the direction of careful stewardship of UAW funds, he said.

"We will be asking the banks the International Union has accounts with if they are participating directly or through subsidiaries in providing loans or other funds to South Africa," Fraser said. "We'll ask those that are not to declare publicly that they will not lend money or guarantee loans to South Africa until it changes its racist policies."

A number of banks have previously agreed to such a position, including City National Bank of Detroit, Maryland National Bank, First Pennsylvania of Philadelphia, and Central National Bank of Chicago.

Fraser said he will urge that the Carter Administration take the following steps:

1. End all Export-Import Bank insurance, loan guarantees and discount loans in support of exports to South Africa.
2. Withdraw all U.S. government services that provide information, encouragement and assistance to U.S. business trading with or investing in South Africa.
3. End all DISC benefits for corporations dealing with South Africa.
4. End all forms of nuclear collaboration with South Africa.

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5. Study and present to Congress concrete proposals as promised in the Democratic Party Platform for tax disincentives to discourage investment and loans to South Africa.

6. Using The European Economic Community's Code of Conduct as a point of departure, draw up official guidelines on investments and fair employment practices for the approximately 300 U.S. companies that have invested over \$1.6 billion in South Africa over the past two decades.

7. Instruct the U.S. directors of such international financial institutions as the World Bank and International Monetary Fund to strongly urge that human rights conditions be set by these institutions on their loans to South Africa.

Fraser said that "the free trade unions in the world are beginning an intensive effort to lift the banning orders imposed on African trade unionists and those assisting African unions--and we are assisting in the establishment of trade union and human rights for the African majority."

"The UAW will request that U.S. companies divulge what they are doing to abide by the guidelines which they promulgate for their activities in South Africa," he said. "Periodically, we hope to send a UAW delegation to South Africa to determine the extent of their proclaimed conformity."

In cooperation with the International Metalworkers Federation, the UAW is planning to expand assistance in the area of trade union education and organizational support for black metalworkers, and to further use influence on the multinational parent companies to help gain full, meaningful recognition of the black unions in their South African subsidiaries, Fraser said.

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"The policy of the South African government will have to be evaluated over the next few years specifically in terms of the progress made towards equality of training opportunities, equality in the organized representation of workers' interest, and in the fields of remuneration, working conditions, social services and social security," he said.

"I hope that the U.S. corporations with investments in South Africa and the U.S. banks which have loaned \$2.2 billion to that country will pursue a course of enlightened self-interest," Fraser said. "They must recognize that the present policies of the Vorster government can only lead eventually to broad-scale economic boycotts, more repression and finally massive violent destruction."

"In cooperation with a growing number of labor unions, churches, civil rights organizations and human rights groups, we are prepared to wage and lead a campaign to win public and Congressional support for concrete actions against apartheid," Fraser said. "With the International Metalworkers Federation we are setting aside March 13 to March 21, in commemoration of Sharpeville Day, as a period of intensified campaigning against apartheid on an international basis."

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