

Congress of the United States

House of Representatives

Washington, DC 20515

June 17, 1985

Dear Colleague:

On May 21, 1985, I (with Mr. Clay, Mr. Fauntroy, and Mr. Mitchell) introduced H.R. 2567, a bill that would prohibit the Smithsonian Institution from making loans and investments in the Republic of South Africa.

The Smithsonian Institution receives approximately 90% of its funding from the Federal Government, (directly through appropriations and indirectly through Federal grants and contracts).

The Smithsonian Institution has a sizeable investment portfolio, in excess of \$140 million. Thirty percent is invested in "global initiatives" while the remainder is invested in stocks, etc. The ten largest common stock holdings reveal significant foreign investment in firms engaged in business in South Africa.

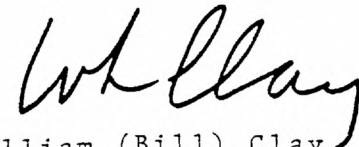
Due to the fact that American taxpayers provide the majority of the funding for the Smithsonian and because the Congress is empowered with oversight responsibilities of the Institution, we believe that the Smithsonian has a moral and financial responsibility to reject the anti-democratic system of apartheid in South Africa. Further, the Smithsonian should refrain from any investitures in that country which help support the economy of that country.

This bill is in keeping with the current legislation in the House and Senate that would ban and restrict American investments in South Africa since U.S. investments, bank loans and trade play a significant role in the South African economy. At the end of 1983, individual and institutional U.S. investors owned about \$13 billion worth of shares in South African companies and about 20% of all shares traded on the Johannesburg Stock Exchange. U.S. investors own approximately 8% of all South Africa's fixed capital investments. U.S. investors have had an impact on the "pace and direction of social and political change in South Africa". Therefore, we feel that this bill will be a clear message to the Government of South Africa that American taxpayer's dollars, which support the major part of the budget of the Smithsonian Institution, are not utilized to help support the South African economy.

On Thursday, June 20, 1985, at 10:30 A.M. in 2257 RHOB, the Task Force on Libraries and Memorials will hold a hearing on H.R. 2567. We urge your support by cosponsoring this important legislation. If you need further information, please contact Peggy Mathna at 6-7641.

Sincerely,


Mary Rose Oakar
Member of Congress


William (Bill) Clay
Member of Congress

ADDITIONAL COSPONSORS TO H.R. 2567

Hon. Major Owens
Hon. Charles Hayes
Hon. Ron Dellums
Hon. John Conyers
Hon. Mervyn Dymally
Hon. William Gray
Hon. Ron de Lugo
Hon. Mickey Leland
Hon. Barney Frank
Hon. Marcy Kaptur
Hon. Ted Weiss
Hon. Joseph Addabbo
Hon. Alan Wheat
Hon. Cardiss Collins
Hon. Gary Ackerman
Hon. Charles Schumer
Hon. Albert Bustamanta
Hon. Charles Rangel
Hon. Vic Fazio
Hon. Dennis Eckart
Hon. Edolphus Towns
Hon. Julian Dixon
Hon. Robert Kastenmeier

Hon. Peter Kostmayer
Hon. Tom Lantos
Hon. Robert Matsui
Hon. Sam Gejdenson