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FIRST CITY BANCORPORATION OF TEXAS

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e190,

Napoleon Nobay \_  
Executive Vice President  
and Regional Manager

January 30, 1991

Since last year, your son Dali and I have been in

discussions on a broad range of initiatives of a  
technical and non-political nature for Africa's  
favorite country:

South Africa.

We determined that one of the more pressing

initiatives - equal in priority and importance to the  
political initiatives, is the need for a Commercial  
Bank owned, operated and managed by the majority of the  
peoples of South Africa.

I say this with experience and personal knowledge

You and Messrs. Mandela and Sisulu Visited

of several African countries.

As you know, I come from  
a small country just a few miles north of South Africa:  
Kenya.

Kenya in the 1960s and more recently, last year.  
recall vividly and lived through the long and  
rancorous struggle of the 1950s and 60s, the years  
preceding independence of Kenya.

I

During the height of the political struggle, I

remember talking at length and with frequency, to the  
Leadership at the time, to the late Tom Mboya, James  
Gichuru and other Leaders, about the need to prepare  
for the other side of independence - economical,  
commercial and financial independence of the people,  
pari passu with the political efforts.

With that in  
mind, I suggested setting up a Kenya Bank and a network  
of rural Branch Offices to facilitate trade, commerce  
and entrepreneurship for the benefit and the service of  
the rural people of Kenya.

No one else would do it for  
us.

Kenya became politically independent in 1963 but

economically, financially and commercially it was

depended for a very long time, on all the International Agencies and the Governments of the Developed Countries.

In fact, the first Commercial Bank was by

to you that the time â\200\224 any time, that the political objectives of your Congress come to fruition (and I believe that will be soon) the you establish now will have grown out of its start-up phase, be on the move, making a contribution to the peoples of South Africa and an effective branch of the organization.

Commercial Bank that

I do hope that I can be a part of the initiative

and play a role in its formation.  
of help.

idea, I will be honoured to oblige, to advise and to support.

If there is anything I can do to further the

I hope that I can be

With kind regards.

Your sincerely,

Dr. Oliver Tambo  
President  
African National Congress  
Nomta Nda 20  
51 Alexandra Park Road  
Muswell Hill  
London N10 2DG  
U.K.

cc:

Nelson Mandela  
Deputy President

V/Walter Sisulu

Chairman, Internal Leadership

The sooner this initiative is embarked upon by the

Leadership, the better because it has the potential of gathering precious deposits - the liquid resources of 80% of the population, banking with their own institution and getting loans for acceptable, viable entrepreneurial and trade transactions from their own Bank.

getting

existent for your constituency.

I recall in Kenya, up

until 1961, we of African origin could not step into a Bank.

and sisal in our very own country.

advancement was impossible if not out of reach and economic independence postponed.

At this time, deposit placing is possible but a loan and seed money is remote if not non-

It was out-of-bounds, as was growing coffee, tea

Economic

As a banker, I see the immense potential of

I envision the

opening banking to the majority of the peoples of South Africa and for their betterment.

immediate impact that access to commercial banking will have on the citizenry.

financial institutions eager to serve your constituency, their opportunities and dreams.

establishment of a National Commercial Bank you can quickly harness the resources and initiate economic activities by the people, for their families and their neighbourhoods.

At this time I see a vacuum in

By the

I would even submit that an initiative of this

magnitude can expedite the political changes that you have so long sought and we have so long waited for.

the liquid funds (deposits) move from current privileged financial institutions to a new majority-owned African National Commercial Banking entity, I believe there will be immense economic and financial pressure and consideration for policy changes on the part of those still in power and still resisting change.

If

Lastly, let me address the question of Management:

No financial institution can succeed without a Board of Directors of wise, dedicated and selfless Members and a Management cadre of efficient and prudent officers to follow the dictates and

There will be a need to attract, recruit, train and select dedicated members for the Management Team.

objectives of the institution.

I offer this initiative because I believe it will

have a positive impact on all fronts and it will be the right step going forward.

procrastinate for a more appropriate time.

There is little reason to

I submit

Since then progress has been rapid.

way of an acquisition of a small share of a European bank in 1970.

the start was long postponed.

of the country's day-to-day banking needs.

final count,

financial well-being is related directly to the

efficiency and the services of its indigenous

commercial banking institutions.

Bank nor the people, or the Management to run it.

had to start from ground zero.

economic growth, development and

We did not have control

In the

But

We did not have a

We

I played a part and have had a share in developing

the commercial banking in Kenya.

In honour and in

dedication to the men who blessed and supported my

ideas, I prepared myself both in education and

experience, to be a banker, and with the help of

friends especially the Chairman of this Bank,

Mr. A. Robert Abboud, who over 23 years has personally

tutored me to service the opportunities and meet some

basic needs of not just Kenya but Africa and other

Developing Countries in the process.

At the risk of being presumptuous, I strongly urge

your Organization and your Leadership to consider

commercial banking in tandem with your political

efforts.

It is of equal importance and of equal

urgency.

I suggest the formation of a Commercial Bank at

the earliest possible date to be called, possibly, the African National Commercial Bank.

Leadership to set the cornerstone of this financial

phase as soon as possible, just as you laid the

framework for the political initiative many years ago.

I urge the

I believe the Bank should be independent and its

Capital should be raised from among the peoples of

South Africa so that they can identify with the Bank in

a personal way and at the same time, provide a broad

base of ownership.

I also suggest that a program be developed for

this entity, in time, to establish branches widely in

the townships of South Africa, to receive deposits and

to make loans to the Community in which they are

located and serve.

With that in mind, I envision the

establishment of a presence not only throughout South

Africa but in the neighboring Southern States, in key cities of Africa and major financial centers of the world at large.