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FAX COVER

James Marc Leas

DATE: 12/16/90

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TO:

Tebogo Mafole

COMPANY:

African National Congress U.N. Mission

FROM:

James Marc Leas

COMPANY:

IBM Employees against apartheid

COMMENTS

Tebogo Mafole,
We would like to ask your help in asking for the support of
Nelson Mandela and the rest of the ANC leadership for our
campaign to get our company, IBM, to stop sales to South Africa.
Enclosed is the letter and support materials. Could you please let
me know whether you can pass this on them? Thank you and best
wishes.

James Leas

My day phone number is 703 367 1687

5718 Wilson Lane Bethesda, MD 20817 December 15, 1990 703 367-1687 (day) 301 320-3329 (eve or FAX)

Nelson Mandela Deputy President African National Congress 1st Floor, Portland Place 37 Jorissen Street Braamfonein 2017 Johannesberg, South Africa

Dear Mr. Mandela:

Please add your name as an endorser of the IBM employee and church sponsored stockholder resolution calling on IBM to END SALES TO SOUTH AFRICA. So far this year, 475 IBM employees from Europe, Japan, and the United States have cosponsored or endorsed the resolution.

We would very much like to have your support and that of the entire ANC leadership for our resolution--I believe your support would encourage all IBM employees and put added pressure on IBM management.

Attached you will find a copy of the stockholder resolution and a news release describing the current status of the campaign. Could we please have your response to this note saying whether you would endorse the campaign? Would it be possible to also have other members of the ANC leadership endorse? We would very much appreciate any comments you might care to make as well. Best wishes.

Sincerely,

Staff engineer at IBM and author of the IBM stockholder resolution on South Africa.

1991 IBM Stockholder Resolution on South Africa
This resolution is supported by IBM employees and religious organizations. In 1988,
6 IBMers cosponsored a similar stockholder resolution. In 1989, 91 IBMers
cosponsored or endorsed. In 1990, 368 IBMers from Europe, Japan, and the United
States cosponsored or endorsed the resolution.

Upon emerging from prison after 27 years, Nelson Mandela called on the
international community "to continue the campaign to isolate the apartheid regime."

Upon emerging from prison after 27 years, Nelson Mandela called on the international community "to continue the campaign to isolate the apartheid regime." He said, "to relax our efforts now would be a mistake which generations to come will not be able to forgive: While in the US Mandela said, "sanctions must be intensified".

IBM has sold more computers to South Africa than any other company, and IBM has acknowledged that nearly all its customers in South Africa are white.

IBM's reply to the 1989 stockholder resolution further acknowledged that technology shipments strengthen the South African economy to the point where South Africa can be "competitive with other industrialized nations." In other words, technology shipments help overcome existing sanctions and the inefficiencies of apartheid.

IBM's customers include major military contractors in South Africa: Grinaker Electronics, Plessy, Dorbyl, and Phillips. Technology helped South Africa overcome a worldwide arms embargo and build a sophisticated armaments industry. The weapons have been used to repress dissent and attack neighboring states. Arms are now South Africa's largest manufactured export item.

IBM also supplied computers to run production at two South African oil refineries that supply fuel for military vehicles and that help South Africa overcome the impact of the worldwide oil embargo.

IBM further assists Pretoria by leading the campaign against local government laws restricting purchases from companies dealing with South Africa. IBM's campaign is less than forthright:

- 1. IBM tells local government officials that it cannot sell to the South African military or police--but IBM omits mentioning that it legally sells to South African companies that design and build weapons for the South African military.
- 2. IBM advertises its donations for education as if donations were its main activity in South Africa. Leaving aside the fact that the donations support segregated schools, the truth is that the donations are tiny compared to IBM sales to the apartheid rulers.

Despite IBM's campaign, large US cities, including New York and Chicago, have passed laws restricting municipal purchases from IBM and other companies that sell to South Africa.

By selling to South Africa, IBM is hurting its image and risking legitimate business in the United States, a market for IBM products at least 100 times larger than South Africa. A tiny percentage of sales or reputation risked in the U.S., Europe, Japan and elsewhere could cost IBM more than its total sales to South Africa.

We believe the bottom line is this: IBM's sales to South Africa strengthen apartheid, put human lives at risk, make IBM tacitly complicit with apartheid rule, and jeopardize IBM's reputation and profits.

Resolved, shareholders request that IBM proceed immediately, within the law, to stop all direct or indirect sales and services to South Africa until apartheid ends.

FOR IMMEDIATE RELEASE contact: James Leas November 16, 1990 301 320-3329 471 IBM EMPLOYEES SIGN RESOLUTION CALLING ON IBM TO END SALES TO SOUTH AFRICA Capping 4 years of steadily growing protest, 471 IBM employees from 7 countries are supporting a shareholder resolution calling on IBM to "stop all direct or indirect sales and services to South Africa." The IBMers are from France (3), Germany (6), Great Britain (9), Italy (306), Japan (78), Switzerland (5), and the United States (64). 225 forms of stock-owning employees were submitted to IBM today, the deadline established in accordance with SEC rules. This is the largest employee protest movement in IBM history. The resolution notes: RAMAPHOSA, RICHARD TRUMKA, WILLIAM LUCY, REV. BENJAMIN CHAVIS, DR. ARIE BROUWER, DICK GREGORY, NOAM CHOMSKY, DAVE DELLINGER, ROBERT EDGAR, THE AFRICAN NATIONAL CONGRESS OF SOUTH AFRICA, THE NATIONAL BLACK WORKERS ALLIANCE OF IBM EMPLOYEES, IBM UNION LEADERS IN EUROPE AND JAPAN, AND THE BRITISH TRADES UNION CONGRESS. It is Center on Corporate Responsibility.