GLC Scandal erupts

Ever since the GLC came to power in 1981, various spokespeople have been promising to disinvest its 630,000 shares in RTZ. Finally on April 26th 1985, an official GLC announcement committed the Council to shedding its holding - largely because of RTZ's operations in Namibia and South Africa.

Five months later, and South Africa is on the brink of revolution. Feeling the blasts of change, US companies pull out - even some British ones diminish their involvement. Sanctions are the order of the hour.

RTZ indicates no desire to withdraw; on the contrary it pleads that its investment is only a minor part of its total assets, so it wouldn't make any difference if it did get out. This - notwithstanding RTZ is the only foreign owner of strategic South African mine (Palabora) and manages the world's second largest uranium mine in Namibia.

But the hypocrisy of RTZ is a legend in its own right. What of the GLC?

Despite letters and phone calls from Partizans, it has refused even to predict when its much-trumpeted disinvestment from RTZ will take place.

"Good men" customarily excuse themselves from acting decisively, by claiming the "time is not yet ripe."

If it is not "ripe" for the GLC to disinvest in South Africa now, then it will never be.

TAKEOVER

Attempts to merge the steel operations of two huge Western German companies, Krupp Stahl and Kloeckner Werke, with some of CRA's have fallen on stony ground, after the West German government refused to come up with finance, and "West German Unions" "Greens" and others protested vehemently.

However, RTZ's aggressive programme of rationalisation and diversification, as mapped out earlier this by company supremo, Alistair "Flashgordon" Frame, continues in other areas.

In August, RTZ announced the completion of its acquisition of 49% of Portugal's biggest mine, Naves Corvo, at what the Financial Times calls "a very reasonable price of £63.7 million."

In North America, the company's US and Canadian subsidiaries have been spreading around their ill-gotten liquidity like chaff before the wind.

US Borax acquired the Pennsylvania Glass Sound Corp. for a mere $80 million in September, and a little later, Rio Algom bought out 88% of the common shares of the Potash Company of America.

Back home, RTZ Chemicals entrenched its own US interests with the purchase of Walsh Chemical Corp. of North Carolina for an undisclosed sum.

And Rio Tinto has bought the oil and gas subsidiary of Tarmac (notorious for their assistance in the building of the cruise missile sites at Greenham), for £26 million.

Where it's at – turn left at RTZ

By Peter Osborne

THE AGM of Rio Tinto Zinc is an important date in the diary of the fringe Left – if not the Ascot, then the Henley of its social agenda. It is as important to see and be seen at this annual event as it is to be arrested on a picket line.

The occasion is organised by the Partizans group with the aim of limiting ‘the depredations and power of RTZ.’

Members make small purchases of RTZ shares, enabling them to attend and disrupt the company’s AGM.

1983 was an especially good year, with banners unfurled and the meeting ending at upstart.

At last week’s AGM, at Grosvenor House, the Partizans generously distributed an alternative annual report, which proudly proclaimed that it had been funded by the GLC, and that its aims were supported by, among numerous other groupings, the Dublin Anti-Uranium Group, the Forest and Bird Society and the Hull Students Union.

Placing themselves in strategic places up and down the well-filled room, the Partizans presented a strange and colourful contrast to other shareholders, particularly those ladies in hats, perhaps from Tunbridge Wells, who sat silently upright in their chairs, awaiting the honeyed words of wisdom to drop from the silken tongue of Sir Alastair Frame.

In contrast, the Partizans brought back, making loud and disrespectful noises about the appearance of certain members of the board.

They put up a ritual opposition to proposals relating to share option schemes, director’s remuneration and the rest. Their moment came when the chairman invited questions from the floor.

Every Partizan, it appeared, had at least one question relating to an area of RTZ’s international activities, whether it be aborigines in Australia, Indian tribes in Peru or uranium mining in Namibia. As often as not, the question was rhetorical – and tediously long.

Sir Alastair retained his air of patrician calm to the end, answering all questions with great courtesy.

Using great skill, he brought the meeting to a close at 4.30 pm, after it had been going for more than two hours. The ladies in hats removed themselves and we were left to take tea in the hotel before catching the train home, while the Partizans remained behind to set up a ‘proxy’ board meeting.

Perhaps it’s just as well that the ‘Henley’ of the left is not the norm for company AGM’s.

June 7-June 13 1985  FINANCIAL WEEKLY

Uranium Institute

It was "all out" for Partizans, Greenpeace (unlimited) and other activists on September 5th as delegates to the Uranium Institute’s tenth annual conference ended their three-day stint trying to boost uranium sales and pour out onto the street outside the ISS in Savoy Place, London.

There they were confronted with a dozen demonstrators, occupying the steps, who presented them with little yellow cakes each containing a poignant message on the deleterious effects of their industry.

Although luminaries of the meeting like Western Mining’s Hugh ("Aborigines are pagan...mining is a sacred activity") Morgan must have left by a backdoor, others were more than happy to debate issues with the anti’s.

Two BP men talked for more than an hour with one demonstrator ("I’ve definitely not violated any sacred sites.") American corporate reps seemed most concerned to project a benign image: the French beat a hasty retreat, the Japanese were bemused. At least the English were hungry.

Two unassuming gents were glimpsed partway along the pavement avidly biting into their saffron cakes, as they made their way to the Lord Mayor’s banquet.

210 DAYS TO DISINVEST

The Greater London Council was in the headlines again in April this year when they finally decided to sell their ‘wet’ holding in Rio Tinto Zinco. The sale of its shares, worth over £4 million, had previously been thought impossible as there legally had to be economic, rather than moral reasons for selling.

In April, John McDonald then Chair of Finance, took legal advice and found justifiable economic reasons for selling the shares in the world’s second biggest mining corporation. At the same time the GLC gave a grant to People Against RTZ (PARENTZ) and financed the production of an “alternative” annual report. This report summarized RTZ’s activities, ranging from mining uranium in the occupied territory of Namibia to exploiting for diamonds in Aboriginal sacred land in Australia.

However, despite this apparent opposition to RTZ, the GLC have still not sold their shares, and show no sign of doing so in the near future. Officially they fudge questions, claiming that financially it isn’t a good time to sell up. Unofficially it is rumoured that the finance officials are happy to sit back and not sell, knowing the orders will be reversed when the GLC is abolished next year. Meanwhile, the Councillors, now unaccountable, have given the orders, appeased their consciences and packed their bags for Westminster.

ISLINGTON GUTTER PRESS (Sept 1985)

24 St Pauls Road
London NW
There is some money from the G.L.C. grant for our meeting. Suggest we have it this side of Christmas can we all get together in a few weeks and work out where and when. Can you contact me if you are interested on 969 5590 or 609 1852 and leave your name there. It would be good to make it very visual.

Love Angie

A Dam Disaster!

The recent dam disaster in Italy had nothing to do with 'nature' and everything to do with the state of disrepair in the tailings dam, owned by Prealpi Minerria. They increased the height of the "unclassified" (i.e., improper) tailings used in the retaining wall, and it was this which burst last July, thundering onto a lower dam which duly collapsed, killing 300 people. The Mining Journal commented at the time that the monitoring system for such dams "leaves much to be desired" and it quoted similar collapses at Aberfan, South Wales, in 1966; Musina, Zambia, 1970 and Inpals, South Africa, 1974, as further example of a needless "tragic loss of life". Readers may remember that, when the Mark Kathleen Uranium mine closed in Queensland in 1982, RT-Z (through MKU) decided to merely fill-in the tailings dams with rock, instead of the clay usually considered the most appropriate covering for uranium waste. In the light of what happened at Aberfan, one must ask if 'proper information on tailings disposal' has been adequately disseminated to the mining industry at large... "asks the Mining Journal (26/7/83). Indeed!

(PS. RT-Z shareholders may remember that directors of the company shocked the 1984 AGM by professing not to know of the existence of the US Mill Tailings Act of 1981 which embraces the highest "state of the art" in uranium waste disposal.)

The Tiwai point aluminium smelter owned by Consolco (RT-Z: 35.4%, CRA: 67%) has been a focus of massive controversy in New Zealand since 1960. The flooding of Lake Manapouri, the pollution and, above all, the ridiculously low price paid for electric power, at the expense of the ordinary New Zealand consumer - all these have figures in both national and international debates on the project.

Recently Consolco claimed it was suffering from high prices, while the New Zealand government was laughing all the way to the bank. This article shows the boot seems to be firmly on the other foot. Once again, Consolco has been lying through its little aluminium teeth.

Tiwai profit $1 billion

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NUT Investments

The National Teachers Union (NUT) is one of the few unions which prides itself on taking action to restrict its equity holdings in companies with South African interests. (See Financial Times 5/9/85, quoting work done by BIRIS.) But there are many benches in the NUT's backroom. A Partizan's supporter has sent us the latest annual report of Capital Investment Bond, an innocuous sounding outfit but whose £12 million portfolio of investments includes substantial holdings in RTZ, Barclays Bank, BP, Shell, BAT, and other companies working in the apartheid state.

CIB is part of Teachers' Assurance and Teachers' Assurance is part of the National Union of Teachers. Although operating independently as a financial outfit, all directors are NUT members including two nominated by the NUT Executive and the NUT General Secretary.

We thought our NUT supporters might like to know whose wheels their substantial insurance funds are calling. (They might also think twice about punishing the 12 year old smoking behind the playground bogs.)

CGF at home likes keeping its public image clean. As well as contributing to Tory party funds, it recently set up a £500,000 trust to look after the ecology surrounding East Anglian wildfowl, the Goldfields Environment Trust.

Meanwhile, its South African subsidiary, GFSA, has patented a rubber bullet for use in crowd (ie workers') control which is claimed to be "effective but less harmful than others in use".

It is marketed, along with other death-dealing devices by the CGP/GFSA subsidiary Gold Fields Security.


METHODIST EMBARRASSMENT

The Methodist Missionary Society recently inherited some RTZ shares as a legacy. However this caused them considerable embarrassment and they were sold as soon as possible! Is there anyone from the G.L.C. out there?

ACTION

CANUC has produced a three page leaflet about direct action in protest against the use of Namibian uranium. They suggest taking some action to get arrested and then use the court appearance to get publicity about the issue.

The leaflet has an outline of the relevant laws and how RTZ, BNFL and others are breaching them. Available in return for a SAE from CANUC, P.O. Box 16, LONDON NW5

LITTLE KNOWN FACTS No. 6

The spoon bending Uri Geller has been given a test of his psychic powers by RTZ. The chair tested his powers for prospecting by burying some precious metals on Majorca which he located. Geller has since been employed by Anglo Transvaal in South Africa to find coal. (source: Sunday Times 17-4-85)
Sigrid Shayer reports: Women demonstrated every Friday lunchtime for two months outside RT-Z's Bristol HQ and intermittently outside BP's offices down the road, this summer. The aim: to focus attention on these British multinationals' involvement in the uranium industry.

The demonstrations followed an action on May 24th (international women's day for disarmament) - when 100 women gathered between the two offices to make the links between the power of the one's, racism and the nuclear industry. Judging from reactions from "city people" there is some concern about BP with its 49% stake in the Roxby Downs copper and uranium mine in South Australia (Speculation earlier this year that BP might withdraw from this project seems to have diminished). Joan Wingfield, a Kokatha woman, whose peoples' land is being desecrated by the mining operations, has written to say that they are desperately in need of money to employ a male and female anthropologist, a lawyer, and to set up an office.

This is to enable the Kokatha to campaign effectively for comprehensive land rights legislation. At the moment, thanks to the Burke government in Western Australia, the limited aboriginal veto has been removed from the "model" legislation. (RTZ's Argyle diamond mine is also in Western Australia.)

Responding to a letter from Bristol women, BP London informs us that they "...in all aspects of the development to ensure...that Aboriginal communities are adequately informed and consulted" and that "the involvement of a BP company in the development would bring a measure of reassurance to society as a whole, rather than the reverse." (Ha!)

Joan is suggesting that BP be asked whether they agree that the Kokatha should get compensation for sites destroyed at Roxby. Summer has seen a dearth of enthusiasm for a regular demonstration. However, Bristol University has shares in RT-Z (so, it is rumoured, does Bristol Evening Post.) RT-Z won't be forgotten.

INDONESIA GOLD

New interest has been shown in gold deposits in Indonesia, due to promising initial finds, favourable tax changes and revisions to the foreign investment code. Previously prospecting was only done on a local scale but now big companies are moving in and RTZ is one of them. Rio Tinto Indonesia is exploring on Kalimantan at Kelian where gold bearing gravels (alluvial), their shallow depths and the "low labour costs" could make operations profitable even with low level ore grades. Sound all too familiar? (Mining Journal 19/7/85)

Customary pithy stuff from the always-vigorous End Loans to South Africa group. Concentrates wholly on Barclays investments, labour practices and unsavoury support for the apartheid regimes in South Africa and Namibia.

Barclays remains the largest foreign investor of any in South Africa. It also provides full banking services to the Rossing mine, has contributed some $40,000 to the spurious Rossing Foundation and, like RTZ, boasts Anthony Tuke as a key director.


Tower Hamlets International Solidarity (THIS) was set up a couple of years ago to forge links between local communities and workers, women, and others struggling overseas. This super little pamphlet couldn't be more timely. It clearly delineates the responsibility of British companies for continued oppression in South Africa and names names. It deals adequately with the threadbare, self-seeking argument that disinvestment will hurt black and coloured South Africans more than whites and demolishes the EEC "Code of Conduct" as anything like a moral yardstick.

Some of its data is outdated, but the chapters which look at Pension fund responsibilities, disinvestment strategies, and shareholder actions, sum up the state-of-the-campaigning-art very well.

Partizans AGM actions are also given a pat on the back: "...Rio Tinto Zinc whose annual meeting has become almost a prosecution submission against the company's activities in Namibia and elsewhere! Like it!"

IAEA SANCTIONS

Sanctions against South Africa have been agreed by members of the IAEA (International Atomic Energy Agency) at their annual meeting in Vienna during September. A resolution, passed by an overwhelming majority of 88 votes (19 abstentions, none against) commits member states to "exclude South African participation from...all panels, conferences, seminars, etc. where such participation can assist South Africa to persist with its exploitation of Namibian uranium". It also makes mandatory a resolution passed at 1984's conference, requiring member states to take action against companies involved in nuclear cooperation with South Africa, including of course, uranium mining.

Britain abstained from the September resolution. Will it now continue to ignore a mandate to take action against RTZ for the continuing mining and export of both Namibian and South African uranium?
Barclays
BARCLAYS SUPPORTING INDIANS?

While assisting in the clobbering of Southern Africa's indigenous people, Barclays Bank has been quietly putting money into the takeover by Laco du Flambeau Chippewa of Simpson Electric, an Illinois's best equipment manufacturer. Barclays investment of $16 million was laundered through TAM, Tribal Assets Management of Portland, Maine. (Well Barclays should know a thing or two about "tribal assets management" from its experience in the banana trade of South Africa.)

source: Financial Times 19/8/85

CRA

Earlier this year CRA, RTZ's major Australian subsidiary was reported by the Aboriginal Kimberley Land Council (KLC) to have dropped a number of its claims in the Turkey Creek region of Western Australia (site of the notorious Argyle diamond mine) and the Drysdale River National Park.

Nonetheless, it is still exploring extensively in other areas. Comments the KLC newsletter for June 1985: 'CRA are still proving to be a difficult company to deal with, intent on blasing Aboriginal people for any interruptions to their exploration programs, even when these interruptions are clearly caused by external market conditions'.

(We have a few copies of the KLC NEWSLETTER at 81. It contains an excellent summary of the current land rights struggle in Australia.)

THE CORNISH TIMES 11/6/83, 13

PLEASE DISINVEST IN RIO TINTO ZINC

"The Diocese does indeed hold shares in RTZ, it has been decided that in due course these should be disposed of as representing a company in whose profits we do not wish to participate." Archdiocese of Westminster 1981. Why? Because RTZ has an appalling record of contempt for native communities and their environments all over the world.

FOR MORE DETAILS CONTACT PARTIZANS.
218, LIVERPOOL ROAD, LONDON N1

Orkney: according to our Orkney correspondent, the Island's Policy and Resources Committee held a brief discussion recently on disinvesting their 7,000 odd shares (they increased their holding by more than 1,000 shares in 1983/84). The Chief Executive stated that uranium mining was only a small part of the company's activities and it didn't justify offloading the investment. "Marry, m'lad, it was only a small bullet that killed 'im!" We wonder if that would have been the conclusion had RTZ started mining in Orkney, as was predicted some years ago.

WOMEN TIME OFF FOR WOMEN TIME OFF FOR WOMEN

Our sisters at the International Wages for Housework Campaign have asked us to publicise the international "Time off for women" day on October 24th which commemorates the 10th anniversary of the Iceland women's general strike. More info: Kin'S Cross Women's Centre 71 Tonbridge St., London W1 (01 837 7509)

WILL YOU HEAR FROM US AGAIN?

We are trying to sort out our mailing list, and to this end reluctantly we MUST delete erstwhile supporters who haven't contacted us since 1983. If this is the case and we don't hear from you within the next month (with your sub., if you want PC) you will be expunged from our files. Painful for both of us, so you know what to do!
RTZ GOOD THING!

As Partizans supporters will know, RTZ chair, Alistair Frame, at this year’s AGM appeared to offer an open meeting between directors and objectors to discuss issues raised at successive AGMs - much to the embarrassment of a line of directors and chairpersons.

Although our transcript of the AGM makes clear that Frame rejected a televised discussion he was ambiguous about other media being present and the degree to which the meeting he was proposing should be open to the public.

On July 17th Roger Moody wrote to Frame, agreeing his offer and suggesting that, to preserve strict fairness and avoid the propagandising typical of AGM’s (from both sides), a meeting should be hosted by a third-party chair on neutral grounds (ie Commonwealth Institute or Royal Society of International Affairs).

Frame has rejected this reasonable proposal with the following “argument”:

“...we believe the proposal you...make (suggesting an ‘independent chair’, ‘witnesses’, ‘press and media facilities’, ‘presentation of documentation’ etc., etc.) could not possibly achieve the objectives we appear to share for such a meeting”

He then goes on to propose a discussion “on areas of concern of your choosing under my chairmanship”.

Though finding this counter-proposal completely unacceptable (and more akin to a re-run of the AGM but even more securely under Frame’s direction), we did not want to reject it out of hand.

On August 24th, Roger wrote again, saying Partizans was prepared to consider even a non-public meeting, provided Frame relinquished the chair to a party chosen by both sides.

On September 12th Frame rejected this.

RTZ has on a few occasions offered to meet dissidents (and indeed did meet three Aborigines in 1978). Frame is therefore offering absolutely nothing new.

The “breakthrough”, greeted by the press after May’s AGM, is thus a sham.

EMPEROR’S NEW CLOTHES

In early October the Guardian published on its financial pages a 3,000 word eulogy of the company’s exploits. It was written in response to criticisms by Frame et al. of the Guardian’s “hostile attitude” to RTZ and the paper’s refusal to act as an extension of the PR office at 6 St James Square. We won’t bore our readers with extracts: there was absolutely no new defence of RTZ’s activities, a scarcely-disguised irritation that the company’s humanitarianism wasn’t universally acknowledged and a desperate attempt to project a new, more aggressive (yea gods, is that possible?) efficient, no-nonsense image. Image re-construction is clearly the order of the day.

Wrote Guardian reporter Andrew Cornish:

The message is certainly being put about that RTZ in both dynamic and caring, but the City and the protest groups have so far failed to notice.

So watch for some further dramatic moves from the group in its quest for a brighter image. A new corporate public relations campaign perhaps? Or a takeover which sets the city alight?

Now what about an offer to meet protestors in a public forum, under the spotlight of TV cameras, and an independent chair? That would be better than a dozen PR campaigns Sir Alistair, and it might even set the city on fire if you pronounced the opposition like you say you can:

Guardian October 8th 1985 (“RTZ has power but it would like a little respect too”)

PARTING COMPANY is the newsletter of PARTIZANS (People against Rio Tinto Zinc and Subsidiaries). If you want to receive it regularly, send us this:

Name................................................
Address...........................................
....................................................
tel..................................................

I enclose £________ to join Partizans and receive mailings (inc Parting Company) regularly. (Minimum £5 year)

PARTIZANS, 218 Liverpool Rd, London NW1