

**Letter Sent to Rev. Michael Garanzini, SJ, President of Loyola University Chicago, Other Members of the Beverage Committee and the President's Cabinet:**

We understand that your committee is scheduled to decide the fate of Coca-Cola products on the Loyola University campus. Unfortunately, while you've had the opportunity to meet with Coca-Cola representatives, you haven't been able to meet with us. In the spirit of "open dialogue," I am writing this letter to rebut some of Coke's public relations statements.

Coca-Cola has taken advantage of and exacerbated a tragic situation in Colombia. The Colombian government, multinationals like Chiquita and Coca-Cola and the paramilitary death squads all have something in common: they oppose any social movement, particularly a strong labor or human rights movement that can challenge their authority, their profits or their brutality.

In January 2004, New York City Council Member Hiram Monserrate led a fact-finding mission to Colombia to investigate allegations of intimidation, kidnapping, torture and murder of union leaders. The delegation's report concluded: "...there are troubling eyewitness accounts of paramilitaries having unrestricted access to Coke plants and of paramilitaries consorting with company managers...It is impossible to avoid the conclusion that paramilitaries in Coke's bottling plants were there with the full knowledge and/or tacit approval of the company."

The report further concluded: "The delegation found both the quantity and the nature of Coca-Cola workers' allegations shocking and compelling. It seems indisputable that Coke workers have been systematically persecuted for their union activity. It seems equally evident that the company has allowed if not itself orchestrated the human rights violations of its workers, and it has benefited economically from those violations, which have severely weakened the workers' union and their bargaining power."

In an Oct. 29, 2004 report prepared for the Human Rights Committee of the American Anthropological Assn., entitled "Labor and Human Rights: The Real Thing in Colombia," American University Professor Lesley Gill wrote: "Eighty percent of the Coca-Cola work force is now composed of non-union, temporary workers, and wages for these individuals are only a quarter of those earned by their unionized counterparts. Coca-Cola has consistently pressured unionized workers to resign...Coca-Cola is in fact a stridently anti-union company, and the destruction of SINALTRAINAL, as well as the capacity to drive wages into the ground, is one of the primary goals of the extra-judicial violence directed against workers..." Based on her research in Colombia over the past few years, Gill believes there is little evidence to suggest that The Coca-Cola Co. has substantially changed its labor practices.

Make no mistake about it, The Coca-Cola Co. has control over the labor policies of its bottlers in Colombia, including Coca-Cola FEMSA, its largest bottler and a defendant in the human rights abuse lawsuits. A *Forbes* magazine article in December 2003, "Coke's Sinful World," pointed out: "The biggest bottlers aren't subsidiaries of Coke, nor are they completely independent. Coke effectively controls them by maintaining big equity stakes and a heavy presence on their boards, and by providing their main source of business. Yet it keeps its stakes in the bottlers below 50% thereby avoiding getting hit with their piles of debt and any unpleasant liabilities." The Coca-Cola Company owns 31.6% of Coca-Cola FEMSA's capital stock and many of Coca-Cola's top executives serve as directors and alternate directors on Coca-Cola FEMSA's board.

In a *USA Today* (10/30/07) cover story, "Murder and payoffs taint business in Colombia," a photo caption stated: "Colombian labor organizer Luis Cardona protests in New York. Protesters alleged that Coca-Cola hired paramilitary death squads to terrorize labor leaders in Colombia." Cardona, given political asylum in the U.S., was witness to the murder of union leader Isidro Gil inside a Coca-Cola bottling plant.

Coke frequently defends itself against such accusations by misleading students, faculty and administrators. For example, Coke lies about the percentage of Coke workers in unions; they falsely claim 31 percent. However, Coca-Cola considers that the vast majority of Coke workers in Colombia are not employees, but “flexible,” subcontracted workers who have no chance of union representation, receive low pay and meager benefits (if any), have no job security and often are mired in poverty. Due to Coke's lobbying efforts in Colombia and the campaign of terror directed at union leaders, only about 4% of Coke's workers in Colombia belong to unions. Recently, two groups of subcontracted workers attempted to join SINALTRAINAL, the major union representing Coke employees, but were fired.

Coca-Cola, for almost two years, has claimed that the International Labor Organization (ILO) of the United Nations is investigating past and present labor practices and policies in Colombia. This is yet another public relations scam. In fact, *The Michigan Daily* reported on April 10, 2007 that The Coca-Cola Company missed all deadlines set by the University of Michigan for March 2007. Those deadlines pertained to assessment of conditions for Coke workers in Colombia and environmental issues in India. On April 30, 2007, investigation results were to be reported to the university. This could not be done, since no investigation had occurred.

The *Sydney (Australia) Morning Herald* (6/6/07) reported: "Employers led by a Coca-Cola executive [Director of Global Labor Relations Ed Potter] stopped the ILO examining violations of workplace rights in Colombia..." Potter, also the head spokesperson for the business sector of the ILO, appears to be working to shield Colombia and Coca-Cola from any scrutiny.

There are two pending human rights abuse lawsuits, filed in 2001 and 2006 against Coca-Cola and its bottlers in Colombia. The judge's questionable dismissal of the 2001 lawsuit had nothing to do with the merits of the case, but instead related to jurisdiction. However, the judge did admit violence alleged by the plaintiffs did occur. The decision is under appeal and there are demands for the judge to be recused because of conflicts of interest involving the University of Miami, his old private law firm and The Coca-Cola Company.

Coke keeps claiming that it was exonerated of human rights abuse allegations by two judicial inquiries in Colombia. But no court in Colombia has ever ruled on the human rights claims against Coca-Cola. U.S. State Department human rights reports point out that only a handful of the thousands of murders of Colombian trade unionists in recent years have ever resulted in successful prosecutions. "Cases where the instigators and perpetrators of the murders of trade union leaders are identified are practically nonexistent, as is the handing down of guilty verdicts," said the State Department. So it's not surprising that the plaintiffs cannot secure justice through Colombian courts. That's why they're seeking redress through U.S. courts in the first place and calling for public support.

The Coca-Cola Company was dropped from the Broad Market Social Index (BMSI) list of “socially responsible companies” prepared by KLD Research & Analytics, an independent investment research firm that is considered a world leader in defining corporate responsibility standards. It was reported in the *Atlanta Journal-Constitution* (7/19/06) that “KLD based its decision on a number of issues—labor and human rights in Colombia, environmental issues in India...” Subsequently, the Teachers Insurance and Annuity Association-College Retirement Equities Fund divested 1.25 million shares of Coca-Cola Co. stock and has banned further investments in its \$9 billion CREF Social Choice Account because Coke does not meet TIAA-CREF's standards as a socially responsible company. Coca-Cola Enterprises, which provides Coca-Cola beverages to Loyola University and shares directors with Coca-Cola FEMSA and The Coca-Cola Co. was also dropped from the BMSI.

Students from at least 45 colleges and universities, including Rutgers, DePaul and New York University, have spearheaded movements that kicked Coke off their campuses. Even some high schools, including St.

Peters Prep in New Jersey, kicked Coke off their campus. Smith College President Carol Christ stated in a May 2007 press release after her college decided to remove Coke from its campus: "This is not a decision reached lightly. Smith's relationship with Coca-Cola spans some five decades...As a private college with a public conscience, Smith College takes issues of human rights and environmental sustainability very seriously. Social responsibility is a core value of the college, one we aspire to reflect in our educational mission and in our campus operations. In severing our ties with the Coca-Cola Corporation, Smith joins other institutions and organizations around the world in urging Coca-Cola to take significant steps toward more responsible business practices across all realms of its operations."

Many of the nation's largest teachers' unions, including the United University Professions, New York State United Teachers and the California Federation of Teachers, have banned Coke products from their facilities and functions and called on their members to boycott Coke.

In addition, the American Anthropological Assn., representing 10,000 faculty members across the U.S., has also called for a boycott of Coke, stating that: "Investigations thus far have created a scholarly record of the operations and impact of The Coca-Cola Company through interviews with eyewitnesses; union organizers and other stakeholders field observations; and archival research. Their findings indicate that The Coca-Cola Company has not been sufficiently proactive in protecting workers and their families from intimidation and violence, that internationally recognized rights to organize unions have not been respected, and that information disclosure has been inadequate and insufficiently verified by independent sources."

Coke has claimed that they supply the threatened Coke workers with security and safety measures. Leaders of SINALTRAINAL contradict the company. William Mendoza Gomez, president of the Barrancabermeja section of SINALTRAINAL, raised this very issue at the Coke annual shareholders meeting in 2003, "I'm one of 65 members of SINALTRAINAL who are threatened with death by the paramilitaries. Bodyguards are with me all day, and some nights they stay at my house for increased security. My family has been victimized."

Mendoza and several other union leaders, including Javier Correa, president of the national union, insist that all protection made available to union members is funded by the Colombian Ministry of the Interior and partially subsidized by the U.S. government and unions in Europe and the U.S.

"Coke has virtually nothing to do with providing or paying for any of the protective measures," Correa said. "We have received some help as a result of the (legal) cases we have brought against the company...Coca-Cola wants the world to believe that the things the Ministry of the Interior has provided were given because Coca-Cola asked for them. That is completely false!"

Juan Carlos Galvis, vice president of SINALTRAINAL, emphasized the need for public support when he said to me: "If we lose this struggle against Coca-Cola, first we'll lose our union, next we'll lose our jobs and then we'll lose our lives." (You can find detailed, well-documented information that Coke does not want you to know at [www.killercoke.org/critalkpts.htm](http://www.killercoke.org/critalkpts.htm)).

In a long list of countries — including Chile, Colombia, El Salvador, Ghana, Guatemala, Haiti, India, Indonesia, Mexico, Nicaragua, Pakistan, Peru, Philippines, Russia, Turkey, and the United States — Coke has been, and continues to be, the target of much anger, criticism and protest. Only recently, accusations that The Coca-Cola Co. has benefited from the abuse of prison labor in China have surfaced (BBC News, 5/21/07).

Coke responds as it always has when confronted with evidence of labor, human rights and environmental abuses. The Company practices damage control and, like the big tobacco companies, spends billions of dollars annually to bolster an image that masks its ugly reality.

Our campaign works closely with organizations that focus upon Coke's abuses in India (see [www.indiaresource.org](http://www.indiaresource.org)). One Coke plant in Plachimada, Kerala, has been shut down since March 2004 and thousands of protestors continue to draw attention to the company's overexploitation and pollution of scarce water resources and high levels of pesticides found in its beverages.

The Environmental Law Research Center in Geneva issued a report in May 2007 concluding that "the availability of good quality water for drinking purposes and agriculture [in India] has been affected dangerously due to the activity of the Company [The Coca-Cola Co.]. Apart from that, the Company had also polluted the agricultural lands by depositing the hazardous wastes. All these point to the gross violation of the basic human rights, that is, the right to life, right to livelihood and the violation of the pollution control laws."

Loyola University can have a major impact on the way Coca-Cola is perceived and how fast the company cleans up its act. I hope we can count on your support to hasten that day.