

1 [Divestment From Burma]

2 **URGING THE CITY TREASURER AND THE GOVERNING BOARD OF THE CITY'S**
3 **PENSION AND RETIREMENT SYSTEM TO DIVEST THE CITY'S INVESTMENT**
4 **PORTFOLIO FROM COMPANIES INVESTING IN BURMA EXCEPT THOSE WHOSE SOLE**
5 **BUSINESS IS IN THE FIELDS OF HEALTH CARE OR MEDIA.**

6 WHEREAS, In September of 1988, the military junta known as the State Peace and
7 Development Council, seized control of the government of Burma and officially changed the
8 name of the country to "Myanmar"; and

9 WHEREAS, The military junta allowed national elections to be held in 1990 and
10 immediately nullified the election results when the opposition party, National League for
11 Democracy (NLD) won the majority of seats on the national government; and

12 WHEREAS, NLD opposition leader and Nobel Peace Price winner, Aung Sann Suu Kyi
13 was placed under virtual house arrest since 1989; and

14 WHEREAS, In 1993, the military junta approved a constitution rendering Aung Sann
15 Suu Kyi ineligible to ever become Burma's head of state and in 1996, the junta officially
16 restricted Aung Sann Suu Kyi's right to travel, prohibited NLD from holding meetings and
17 public; and

18 WHEREAS, In addition, the military junta has suppressed, jailed and tortured
19 thousands of political dissidents, including NLD supporters as well as 25 ethnic minority
20 groups, and forced the expulsion and mass exodus of the Karen minority group into Thailand;
21 and

22
23
24
25 Supervisors Ammiano, Katz

1 WHEREAS, In 1988, President Reagan and the United States Congress enacted
2 legislation to suspend aid to Burma, including cessation of anti-narcotics program, suspension
3 of Burma's trade benefits under the Generalized System of Preferences (GSP), termination of
4 the US-Burma textile agreement, suspension of export-import bank loans to Burma,
5 suspension of US government insurance to US businesses operating in Burma and officially
6 opposed new loans to Burma by the World Bank, IMF and Asian Development Bank as well as
7 an informal embargo among G-7 countries and their allies; and

8 WHEREAS, In 1997, President Clinton enacted legislation prohibiting private U.S.
9 companies from making new investments in Burma and specifically prohibiting U.S. oil
10 companies from investing in new oil and natural gas projects; and

11 WHEREAS; In 1997 Senators Feinstein and Cohen sponsored HR 3610 which explicitly
12 forbids new investments in Burma if the Burmese government physically harms or re-arrests
13 Aung Sann Suu Kyi and if there is evidence of mass repression and violence against political
14 dissidents; and

15 WHEREAS; U.S. State Department reports conclude the current Burmese government
16 is involved with and profiting from the production, export and sale of heroin and opium; and

17 WHEREAS, U.S. State Department also concludes that the Burmese government has
18 refused to cooperate with the U.S. in efforts to combat the international production, sale and
19 trafficking of narcotics; and

20 WHEREAS; In 1997 the European Union revoked tariff privileges for Burma because of
21 the pervasive and systematic use of forced labor by the ruling military junta; and

1 WHEREAS; The International Labor Organization has called on the international
2 community to enact sanctions against the ruling military junta in Burma because of the junta's
3 pervasive and systematic violations of ILO covenants barring the use of forced labor; and

4 WHEREAS; In April of 1996, the Board of San Francisco unanimously adopted an
5 ordinance prohibiting the City and County of San Francisco from conducting businesses with
6 the government of Burma, private companies that conduct business with Burma as well as the
7 purchase of commodities produced in Burma; and

8 WHEREAS; Twenty five other county governments and two other states adopted similar
9 resolutions, including Massachusetts, Berkeley and Los Angeles; and

10 WHEREAS; In June 2000, the U.S. Supreme Court held in *Crosby v. National Foreign*
11 *Trade Council*, that the Massachusetts law restricting state transactions with firms conducting
12 business in Burma was preempted by federal law; and

13 WHEREAS; Although the Supreme Court views the enactment of local ordinances
14 infringes upon the right and power of the federal government to conduct foreign affairs as well
15 as violating the Foreign Commerce Clause, the number of local municipalities which have
16 passes such ordinances indicate that a great majority of U.S. citizens find that the suppression
17 of fundamental human rights and freedom of expression as well as the involvement in the sale
18 and trafficking of narcotics by the Burmese government to be repugnant and contrary to basic
19 values of freedom and democracy; and

20 WHEREAS; On November 16, 2000, the City Council of Los Angeles unanimously
21 adopted a motion urging the governing board of the City and County of Los Angeles' pension
22 and retirement system to divest from their investment portfolios all stock from companies
23 investing in the government of Burma except for those whose sole business is in the fields of
24 healthcare or media;

1 WHEREAS; On October 13, 2000, the City Council of Minneapolis voted unanimously
2 to divest of its stocks in companies that conduct business in Burma; and

3 WHEREAS; On November 13, 2000, the California Public Employees' Retirement
4 System, the largest public pension fund in the United States, adopted a policy of screening its
5 foreign emerging markets investments for compliance with human rights, environmental and
6 labor standards to protect the long term stability and profitability of the retirees' investments;
7 and

8 WHEREAS; It is the desire and objective of the City and County of San Francisco to
9 support human rights, freedom of speech and press as well as the right to free assembly
10 wherever possible so long as its actions do not contradict and interfere with federal law and
11 foreign policy objectives; and

12 WHEREAS, The citizens of San Francisco also desire to establish policies herein for
13 the purposes of stimulating public discussion, influencing the views of their fellow Americans
14 and affecting the formulation and implementation of the foreign policy of the United States
15 Congress which promotes the broadest expansion of human rights, freedom speech and press
16 and the right to free; now, therefore, be it

17 RESOLVED, That the Board of Supervisors of the City and County of San Francisco
18 urges the City Treasurer to divest from the City's investment portfolio in companies with direct
19 investment or employees in Burma except those whose sole business is in the fields of health
20 care or media; and be it

21 FURTHER RESOLVED, That the Board of Supervisors urges the governing board of
22 the City's pension and retirement system to divest from their investment portfolios all stock
23 from companies with direct investment or employees in Burma except those whose sole
24 business is in the fields of health care or media; and be it

1 FURTHER RESOVED, That the Board of Supervisors requests that the Clerk of the
2 Board transmit copies of this resolution to the City Treasurer as well as the governing boards
3 of the City's pension and retirement systems.
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

SUPERVISORS AMMIANO



City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails
Resolution

File Number: 002118

Date Passed:

Resolution urging the City Treasurer and the governing board of the City's pension and retirement system to divest the City's investment portfolio from companies investing in Burma except those whose sole business is in the fields of health care or media.

December 11, 2000 Board of Supervisors — ADOPTED

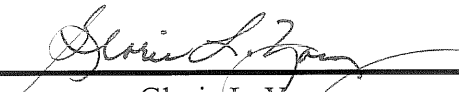
Ayes: 8 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom
Absent: 3 - Teng, Yaki, Yee

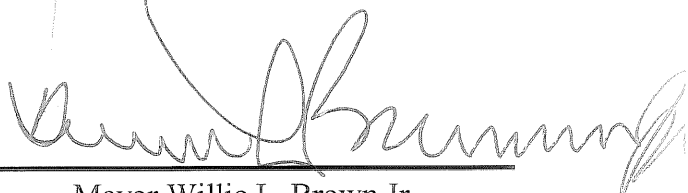
File No. 002118

I hereby certify that the foregoing Resolution was ADOPTED on December 11, 2000 by the Board of Supervisors of the City and County of San Francisco.

DEC 22 2000

Date Approved


Gloria L. Young
Clerk of the Board


Mayor Willie L. Brown Jr.