IllOARD OF SUPERVISORS

FILE NO. 002118

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.

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

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

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

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

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

Supervisors Ammiano, Katz

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

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

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

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

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

WHEREAS; In 1997 the European Union revoked tariff privileges for Burma because of the pervasive and systematic use of forced labor by the ruling military junta; and
WHEREAS; The International Labor Organization has called on the international community to enact sanctions against the ruling military junta in Burma because of the junta’s pervasive and systematic violations of ILO covenants barring the use of forced labor; and

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

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

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

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

WHEREAS; On November 16, 2000, the City Council of Los Angeles unanimously adopted a motion urging the governing board of the City and County of Los Angeles’ pension and retirement system to divest from their investment portfolios all stock from companies investing in the government of Burma except for those whole sole business is in the fields of healthcare or media;
WHEREAS; On October 13, 2000, the City Council of Minneapolis voted unanimously
to divest of its stocks in companies that conduct business in Burma; and

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

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

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

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

FURTHER RESOLVED, That the Board of Supervisors urges the governing board of
the City’s pension and retirement system to divest from their investment portfolios all stock
from companies with direct investment or employees in Burma except those whose sole
business is in the fields of health care or media; and be it
FURTHER RESOVED, That the Board of Supervisors requests that the Clerk of the Board transmit copies of this resolution to the City Treasurer as well as the governing boards of the City's pension and retirement systems.

SUPERVISORS AMMIANO
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

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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.

Gloria L. Young
Clerk of the Board

Date Approved

Mayor Willie L. Brown Jr.