

Testimony of
Hon. Alan Butkovitz
Controller
City of Philadelphia
Before the Pennsylvania Senate
Finance Committee
November 14, 2007

Good Morning, Chairman Brown and members of the Senate Finance Committee. I am City Controller Alan Butkovitz and I am here today to testify and urge the state Senate to pass a Sudan divestment bill--prohibiting the investment of State funds in certain private business entities doing business in Sudan.

As City Controller I also am a trustee of the Philadelphia Pension Board. One of my first acts as Trustee and as City Controller was to push for a resolution requiring the Philadelphia Pension Board to divest from companies doing business in Sudan. I worked with the Sudan Divestment Task Force in drafting a resolution that would target those companies that conduct business with the Sudan government or that directly contribute to the resources needed by the Sudanese government to conduct this genocide.

As you know, it has been reported that that over 400,000 people have been murdered, thousand of villages ---90 % --- burned, women and children raped and tortured and over 2 million people uprooted from their homes and many displaced into camps in surrounding countries.

I believe that the ethnic genocide and atrocities inflicted by the Sudanese government against its own people is morally reprehensible and must be stopped. We must do everything at our disposal to put pressure on the Sudanese government to end this now.

Divestment is one key strategy which can put pressure upon the Sudanese Government to end this genocide. In April of 2006 I introduced a resolution to the Pension Board requesting that the Board divest its funds from companies doing business with Sudan and on April 27, 2006 City Council passed a resolution requesting the Pension Board to divest. On September 27, 2006 the Philadelphia Pension Board voted to divest pension funds from targeted companies doing business with Sudan. During the period from the March to September, I and my staff worked with the Sudan Divestment Task Force to construct a resolution that would directly impact those companies which are fueling the terror and genocide, while not affecting companies that provide medical and other necessary commodities and services.

On the eve of the passing of the Philadelphia Pension Board resolution, Governor Schwarzenegger signed a law requiring California state pension funds to divest from Sudan. Since September, Colorado, Iowa, Maryland, Vermont, Florida, Indiana, Kansas

along with Pittsburg and San Francisco have divested. Philadelphia remains the largest city in the United States to divest of which I am proud to have been a part. Currently, Rhode Island, Kentucky and Texas are considering divestment.

In addition Ford Corporation announced that it will end the sale of its Land Rovers in Sudan as they are used by the Sudanese government in its operations in Darfur. Rolls Royce has also announced that it would end its operations in Darfur. And pressure is increasing every day on Fidelity Funds to end Sudan-related investments. Other companies that have ceased operation or investments in Sudan include: ABB, Siemens (one of Germany's largest companies,) and numerous grant foundation and university pension funds.

Sanctions and Divestment do work. A previously successful divestment campaign against the Talisman Energy of Canada helped force the Sudanese government to negotiate with southern rebels---negotiation that ultimately resulted in the Comprehensive Peace Agreement of 2005.

In addition the world community is putting pressure on the Chinese government, the host of the 2008 Olympic to intervene with the government of Sudan to stop the genocide in Darfur. China is the purchaser of 60% of Sudan's oil ---and thus an indirect monetary provider for the means to continue this genocide. As a result of this pressure, China named a special envoy to Africa with a focus on the crisis of Sudan.

The momentum for divestment is not only growing but it is getting louder. A recent poll conducted by the Save Darfur Coalition and KRC Research found that 71% of Americans overwhelmingly support targeted divestment from countries committing genocide. As I sit here and speak, the Sudanese Government continues to renege on agreements, ignore request for world intervention while the killing and atrocities continue.

Recently a confidential United Nations Report stated that the government of Sudan is flying arms and heavy military equipment into Darfur in violation of Security Council resolutions and painting Sudanese military planes white to disguise them as United Nations or African Union aircraft

We need to demonstrate to the millions of Darfurians that Pennsylvanians, as part of the world community, will do everything possible to end this violence. We must not delay – we must not falter. The Sudanese Government has reneged on agreements, refuses to allow a substantial UN-African Union peace keeping force and turns its back to the world community every chance it gets. I believe the only method to get them to stop is to hit them economically and divestment is the tool.

I commend Chairman Brown and the members of the committee for holding these hearings and considering divestment from the Pennsylvania State Employees Retirement Fund and The State Employee Retirement Fund. I believe, Pennsylvania has an opportunity to let the world community know that we do not condone the genocide in Darfur and that we will do everything possible to pressure the Sudanese Government to

end the genocide. The question should not be if we should do it but when and I believe the answer is NOW. We must do everything in our means to end this modern day holocaust. And I pledge to you that I will do everything I can to help pass a state divestment bill.

Thank you.