Mr. Speaker, H.R. 180 is premised

on the assumption that. divestment,

sanctions, and other punitive measures are effective

in influencing repressive regimes, when

in fact nothing could be further from the truth.

Proponents of such methods fail to remember

that where goods cannot cross borders, troops

will. Sanctions against Cuba, Iraq, and numerous

other countries failed to topple their governments.

Rather than weakening dictators,

these sanctions strengthened their hold on

power and led to more suffering on the part of

the Cuban and Iraqi people. To the extent that

divestment effected change in South Africa, it

was brought about by private individuals working

through the market to influence others.

No one denies that the humanitarian situation

in Darfur is dire, but the United States

Government has no business entangling itself

in this situation, nor in forcing divestment on

unwilling parties. Any further divestment action

should be undertaken through voluntary

means and not by government fiat.

H.R. 180 is an interventionist piece of legislation

which will extend the power of the Federal

Government over American businesses,

force this country into yet another foreign policy

debacle, and do nothing to alleviate the

suffering of the residents of Darfur. By allowing

State and local governments to label pension

and retirement funds as State assets, the

Federal Government is giving the go-ahead for

State and local governments to play politics

with the savings upon which millions of Americans

depend for security in their old age. The

safe harbor provision opens another dangerous

loophole, allowing fund managers to

escape responsibility for any potential financial

mismanagement, and it sets a dangerous

precedent. Would the Congress offer the

same safe harbor provision to fund managers

who wish to divest from firms offering fatty

foods, growing tobacco, or doing business in

Europe?

This bill would fail in its aim of influencing

the Government of the Sudan, and would likely

result in the exact opposite of its intended

effects. The regime in Khartoum would see no

loss of oil revenues, and the civil conflict will

eventually flare up again. The unintended consequences

of this bill on American workers, investors,

and companies need to be considered

as well. Forcing American workers to divest

from companies which may only be tangentially

related to supporting the Sudanese

government could have serious economic repercussions

which need to be taken into account.