

## **Exclude Government Debt of Countries Involved in Prolonged Occupations**

*Resolution submitted to the United Methodist General Conference 2020 by UMKR*

WHEREAS Amos 5:24 says “But let justice roll down like waters, and righteousness like an ever-flowing stream” and Psalm 103:6 says “The Lord works righteousness and justice for all who are oppressed,” and

WHEREAS The United Methodist Church, through its general agencies and annual conferences, has endeavored to be accountable to our Social Principles through screening against investment in military occupations,<sup>1</sup> and

WHEREAS The United Methodist Church’s Social Principles state “...we endorse the United Nations, its related bodies, the International Court of Justice and the International Criminal Court as the best instruments now in existence to achieve a world of justice and law,”<sup>2</sup> and

WHEREAS three nations have held subject populations under prolonged military occupation: Israel has occupied the Palestinian territories since 1967, Turkey has occupied Northern Cyprus since 1974, and Morocco has occupied Western Sahara since 1976, thus denying the subject populations their self-determination in violation of the system established by the Charter of the United Nations and International Law in general, and

WHEREAS the above-named occupying powers have been named in United Nations Security Council resolutions and/or International Court of Justice rulings as having engaged in prolonged military occupations and are thereby violators of international law and are responsible for human rights abuses, generally including reduction of food assistance to refugees, failure to protect civilian persons, land confiscation, home demolition, and violence against civilians,<sup>3</sup> and

WHEREAS government debt (also called sovereign debt), especially that held in bonds denominated in foreign currencies,<sup>4</sup> is unrestricted funds that a government uses at its own discretion and without any formal mechanism for advocacy by the bond holder, unlike stocks which represent an ownership interest in a corporation and provide a platform to advocate for change, and

WHEREAS holders of the government debt of countries complicit in prolonged military occupations are effectively financing the high military expenditures of those governments that are necessitated by that military occupation and holders of that debt are therefore earning money in the form of interest payments from the human rights abuses and violations of international law of those countries, and

WHEREAS Wespath Benefits and Investments, the holder of United Methodist pension funds (formally named the General Board of Pension and Health Benefits), in their Human Rights investment guideline says “Wespath also may exclude from investment the sovereign debt of any country demonstrating a prolonged and systematic pattern of human rights abuses,”

THEREFORE, BE IT RESOLVED that \_\_\_\_\_ Conference prayerfully calls upon the boards and agencies throughout the connection and its own investment managers to add to their human rights guidelines explicit language with regard to governmental debt so as to exclude those

governments<sup>5</sup> maintaining a prolonged military occupation that have been the subject of United Nations Security Council resolutions and/or International Court of Justice rulings, and to align their portfolios accordingly, avoiding the governmental debt of each such country until the time when each government ends their military occupation, and

FURTHER, BE IT RESOLVED that \_\_\_\_\_ Conference submit this resolution to General Conference 2020.

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## FOOTNOTES

1. <https://mondoweiss.net/2017/07/united-methodists-boycott/>;  
[https://www.kairosresponse.org/pressrel\\_umc\\_divests\\_g4s.html](https://www.kairosresponse.org/pressrel_umc_divests_g4s.html)
  2. [https://www.kairosresponse.org/pr\\_umc\\_divests\\_israeli\\_banks\\_jan2016.html](https://www.kairosresponse.org/pr_umc_divests_israeli_banks_jan2016.html);  
[https://www.kairosresponse.org/pr\\_acs\\_divestment\\_2015.html](https://www.kairosresponse.org/pr_acs_divestment_2015.html);  
[https://www.kairosresponse.org/annual\\_conference\\_successes\\_2017.html](https://www.kairosresponse.org/annual_conference_successes_2017.html)
  3. The United Methodist Social Principles, ¶ 165.D <http://www.umc.org/what-we-believe/the-world-community>
  4. For example: <https://news.un.org/en/story/2004/07/108912-international-court-justice-finds-israeli-barrier-palestinian-territory-illegal#.WItesTLMzfY>; [http://undocs.org/S/RES/2430\(2018\)](http://undocs.org/S/RES/2430(2018)); [http://undocs.org/S/RES/2414\(2018\)](http://undocs.org/S/RES/2414(2018)); [http://undocs.org/S/RES/2334\(2016\)](http://undocs.org/S/RES/2334(2016)); <https://tinyurl.com/ya48dl45>
  5. <http://www.businessdictionary.com/definition/sovereign-debt.html>;  
[https://www.wespath.com/investment\\_philosophy/human-rights/guideline/](https://www.wespath.com/investment_philosophy/human-rights/guideline/)
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## **Petition to Amend United Methodist Book of Discipline, Paragraph 717: “Sustainable and Socially Responsible Investments”**

*Underlined text to be added, text that is struck through to be deleted.*

Amend ¶ 717: In the investment of money, it shall be the policy of The United Methodist Church that all general boards and agencies, including the General Board of Pension and Health Benefits, and all administrative agencies and institutions, including hospitals, homes, educational institutions, annual conferences, foundations, and local churches, make a conscious effort to invest in institutions, companies, corporations, governments, or funds with policies and practices that are socially responsible, consistent with the goals outlined in the Social Principles. All United Methodist institutions shall endeavor to seek investments in institutions, companies, corporations, governments, or funds that promote racial and gender justice, protect human rights, prevent the use of sweatshop or forced labor, avoid human suffering, and preserve the natural world, including mitigating the effects of climate change. In addition, United Methodist

institutions shall endeavor to avoid investments in companies engaged in core business activities that are not aligned with the Social Principles through their direct or indirect involvement with the production of anti-personnel weapons and armaments (both nuclear and conventional weapons), alcoholic beverages or tobacco; or that are involved in privately operated correctional facilities, gambling, pornography or other forms of exploitative adult entertainment. United Methodist institutions should similarly not hold sovereign or government debt in states conducting prolonged military occupations as they violate international law and human rights standards. The boards and agencies are to give careful consideration to environmental, social, and governance factors when making investment decisions and actively exercise their responsibility as owners of the companies in which they invest. This includes engaging with companies to create positive change and hold them accountable for their actions, while also considering exclusion if companies fail to act responsibly.