

Commentary:

# The high cost of boycotting Israel



Rep. Sara Feigenholtz, D-Chicago, seen in 2012, has been a leader in an effort to pass a bill divesting from foreign companies boycotting Israel. (E. Jason Wambsgans, Chicago Tribune)

**By Jay Tcath**

Illinois is right to require the state's pension system to shun companies that boycott Israel.

[A recent Tribune editorial](#) correctly applauds the Illinois legislature for having divested pension funds from companies doing business with Sudan (for its genocide in Darfur) or with Iran (for its illicit nuclear program). That divestment approach was also justified with apartheid South Africa.



Boycott the Israel boycotters?

Thus, it is only natural that the General Assembly — with leadership provided by Sen. Ira Silverstein, D-Chicago, and Rep. Sara Feigenholtz, D-Chicago — has passed a bill to synchronize our state's investment policies with our values: divesting from foreign companies boycotting Israel.

Despite the partisan rancor often paralyzing Springfield, the bill passed the Senate and the House without a single dissenting vote. Gov. Bruce Rauner, who has championed the effort, is expected to sign it. Illinois will be the first state to compel foreign boycotters to make a choice:

You are free to profit from our investment dollars. You are also free to boycott Israel. But in this state you will no longer be free to do both. If you choose the boycott avenue, we are free to cash in our investment. You — the foreign company — do not have U.S. or Illinois constitutional rights to our discretionary investment dollars.

Why should foreign companies have the right to politicize, in a blatantly discriminatory manner, their business choices while Illinois must sit passively on its hands, powerless to do anything other than continue to fund that foreign company?



Does Northwestern student group aim to respect Palestine or demonize Israel?

Contrary to the headline on the Tribune's editorial, the bill doesn't "boycott the boycotters." Foreign companies boycotting Israel remain free to not only conduct business in Illinois but even to secure contracts with the state itself.

The status quo actually puts U.S. companies at a competitive disadvantage. For 40 years, federal law has criminalized participation by American firms in the Arab economic boycott of Israel. In fact, the first to plead guilty for violating that law was an Illinois company that paid the maximum \$500,000 fine.

Why should U.S. firms be fined while foreign companies would not only be held harmless, but could even get a continuous stream of capital investments from Illinois taxpayers?

Beyond fixing that anomaly, the bill supports our nation's closest, most stable, and only democratic ally — Israel — in the volatile Middle East. Illinois has strong economic, scientific, academic and cultural ties with Israel, ties that bring jobs, commerce and other benefits to our citizens.

The bill also adds a clause that actually reduces costs Illinois incurs to enforce the Sudan and Iran divestment laws. By creating the Illinois Investment Policy Board, compliance with all divestment directives will now be administered from one consolidated list.

The boycotters of Israel have two priorities.

- First, stop all direct trade with Israeli companies.
- Second, boycott and divest from companies, typically American ones, doing business in Israel. Often at the very top of that roster are Illinois companies where tens of thousands of our neighbors, families and friends are employed: Caterpillar, Motorola Solutions, Baxter, Abbott, McDonald's, Boeing, ADM and John Deere, to name just a few.

Illinois is doing the right thing by requiring the state's pension system to shun companies that refuse to do business with Israel. Many other states will likely follow suit.

In politically polarized Springfield, this bill enjoys uncommon common ground. Its sponsors represent both political parties, urban and rural districts and include Latino, African-American and Arab-American legislators. It allows Illinois to stand with our ally, align our values with our investments and level the playing field for American companies competing with foreign counterparts.

Who wants to boycott that?

*Jay Tcath is executive vice president of the Jewish United Fund of Metropolitan Chicago.*

Copyright © 2015, [Chicago Tribune](#)