

Alaskan Iran Divestiture 2010

Dear Fellow American:

The United States, along with The West, is under attack by radical Islam. Terror incidents occur around the world, and virtually all of these are born of a radical Islamic agenda of achieving political ends through violence. Recent arrests in Houston, Denver and Brooklyn these last few months alone, along with the Fort Hood massacre, and now the Christmas Day thwarted airline suicide attempt, reveal that such acts of violence continue even here at home.

At the heart of the radical Islamic movement, and the most dangerous, is the Islamic Republic of Iran. The combination of their vast oil wealth controlled by a radical, ideological regime determined to develop nuclear weapons has propelled Iran to the forefront of the United States national security concerns. Iran is today dangerously close to completing a decades-long march to establish itself as a nuclear power. The prospects of a nuclear Iran, capable of launching ballistic missiles as far away as Europe, with Israel clearly in its sights, would permanently strategically destabilize the region.

The likelihood of Iran providing weapons to their allies, along with the certainty of provoking a nuclear arms race in the region, all has to be weighed against the far reaching negative consequences should military action need to be used to derail Iran's nuclear weapons ambitions. The only potentially positive outcome is convincing Iran to change their behavior beforehand by convincing Iran's regime that having a nuclear weapon will cost them more than not having one. This is the reason, and probably the only reason that Iran's radical leadership will abandon nuclear weapons development.

President Obama has embarked on a policy of diplomatic engagement with the regime, only to be rebuffed time and again. Included in the U.S. diplomatic arsenal are real and effective sanctions, including Iran divestment. Diplomacy alone hasn't and isn't likely to work. Divestment efforts by states can support and enhance sanctions, making a broad and effective sanctions regime a better, more effective tool at this time. This then is a peaceful approach, but one that can have a real impact on the policy options of Iran.

The hope is that a collection of enhanced sanctions, including State divestitures, and the passage of the Iran Refined Petroleum Sanctions Act, or IRPSA, will establish this mechanism. These efforts enjoy wide support at the Federal level, and are intended to impact an already weak and vulnerable Iranian economy. As a result of the falsified Iranian election last June, this is a period of intense internal public pressure on the regime, and a greater international awareness on the brutality of Iran's rulers than ever before. This is an extraordinary opportunity to influence Iran's actions positively, and hopefully avoid the need for a discussion about military options.[Please see the attached Wall Street Journal Op-Ed piece.]

As a respected state legislator, you are most often taken up with requests from constituents, groups, and colleagues, and even more so during a shortened legislative session. Seldom, however, are you asked to grapple with national issues or international affairs. But today is different. Today you have the opportunity to join forces with freedom-loving people around the world, and all our men and women in uniform who are engaged in the war against radical Islam and their tactics of terror. Nineteen states and the District of Columbia have already directed their public funds to divest from international companies that have invested \$20 million or more in Iranian oil and gas development. It is already illegal for American companies to participate in the development of Iran's oil and gas sector.

We respectfully ask for your support of legislation calling for the divestiture of stocks within the Permanent Fund and State Retirement Programs that have been "Scrutinized" and identified by credible sources as commercial collaborators with Iran in their oil and gas development, to be monitored by the Commissioner of Revenue.

These divestment and reporting mechanisms are complex, but have been done elsewhere in the U.S. quite effectively. We strongly suggest piggybacking on a technical approach adopted by other jurisdictions such as Florida, where it already works. As contemplated in this legislation, The Commissioner would be required every 90 days to identify companies that, according to credible sources, have been "Scrutinized" as having exceeded the \$20 million threshold investment in Iran, and therefore qualify as divestment candidates. After which, should any State portfolios contain candidate companies, the Commissioner shall notify said candidates of the designation, offering them 90 days to defend and or cure. He or she will also instruct the State's asset managers who have such companies in State portfolios to divest said companies in the event the company fails to cure or successfully defend. The legislation will have no other impact on any other state or commercial activity that may be occurring among any of the parties or others inside or outside the State of Alaska, other than stocks may be sold. From an investment point of view, stepping out of the way of potentially falling stocks where institutional selling has been mandated, would be prudent in itself.

In defense of America, in support of our troops, and for the cause of liberty in general, we make this special request. It is one truly meaningful thing you can do to join the fight in the war against terrorism. We thank you in advance for your support, and are available to answer questions you may have.

Sincerely;.....David Gottstein 907-230-1031