

## Op-Ed | **Advocacy group: N.J. right to take stand against boycott of Israeli businesses**

It is the correct decision for the state of New Jersey to join nine other states and enact S1923/A925, legislation calling for the divestment of state pension funds from companies engaged in a boycott of Israel and Israeli business.

The legislation serves both as an important anti-discrimination provision, and it protects and promotes New Jersey's robust trade partnership with Israel. This is clearly within the self-interest of New Jersey and its citizens.

Boycott of Israeli companies does not punish these business enterprises because of conduct, but because of status. It is, as such, a form of discrimination based on national origin or association.

By accepted practice, New Jersey is right to refuse to support those who harm its own interests or policies. This bill effectuates the state interest in nondiscrimination. Would-be contractors — or those businesses the state would invest in through pension or annuity funds — are entitled to their viewpoints, but the state can legislate when it comes to wrongful business practices.

Even if the state cannot prohibit companies from engaging in boycotts, it may avail itself of mechanisms to express disagreement with a boycott based on discriminatory factors, such as religion, color of skin, status as LGBT, or association with Israel.

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**Bill would cut pension ties with businesses boycotting Israel.**  
*The bill would prohibit the government worker pension fund from investing in companies that boycott Israel.*

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Multiple state and federal laws and court precedents support the rights of government entities to place conditions on those contracting with them. Anti-discrimination conditions in government contracts have been especially commonplace and are widely accepted.

Further, the bill is inherently worthwhile since it maintains the viability of a trading partnership between New Jersey and Israel that has grown to almost \$1.8 billion. It is important to note that this partnership is rooted in the long history of mutual friendship based on economic, cultural and intellectual cooperation and exchange.

As trading partners, New Jersey and Israel continue to explore new cooperative strategies to reap mutual economic benefit, thereby, improving the competitive capabilities in global markets for both states in areas as diverse as technology, homeland security, manufacturing, renewable energy, agriculture and health and life sciences.

Boycotts, divestments, and sanctions place economic and political pressure on business entities, and other organizations and institutions, so as to influence their behavior against Israel.

In the face of this illegitimate pressure, it is proper that the state of New Jersey reaffirm its interest in viable trade and exchange with an ally of the United States and a vibrant economic partner of the state.

The reality of the inter-connectivity of national and international markets means that the competitiveness of New Jersey companies is impacted if viable trading partners are victim to discriminatory boycotts. Boycotts close viable markets, curtail economic opportunity and stifle innovation and progress in developing international trade.

The Star-Ledger's claim that the legislation is "taking Big Brother to the extreme," in its First Amendment-based attack

on the legislation, is itself extreme. There are no sanctions in the bill against those who voice their opinions. A company can engage in speech critical of Israel and not trigger any provisions of the proposed law.

A business's decision to boycott Israeli companies is not itself protected speech. Even though a business may engage in political speech, decisions about with whom to do business are not generally regarded as speech under the First Amendment. What matters is that the conduct does not represent an ordinary business decision of the company.

Simply put, criticism of Israel is OK; we may not agree with it, but it is protected speech. Boycott against Israel and Israeli businesses is not OK; boycotts are wrongful conduct and not protected under the First Amendment.

New Jersey laws requiring divestment from companies linked to Iran, South Africa or Sudan have for years resulted

in the creation of lists, without protest. A rule or legislation that prohibits pension funds from investing in certain kinds of companies requires them to identify those companies.

The bottom line here is that the boycotters don't want to be boycotted and they want their unjust double standard to prevail.

We thank the state legislators who seek to leverage the state's investment authority to hold to account those perpetrating discriminatory boycotts based on status — not judging on merit but on association.

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