



**BOSTON COMMON
ASSET MANAGEMENT**

**Testimony submitted by Boston Common Asset Management for inclusion in the
Congressional Record of the February 15, 2006 Human Rights Sub-Committee hearings on
“The Internet in China: A Tool for Freedom or Suppression”**

Boston Common Asset Management LLC is a socially responsible investment firm that represents shareholders concerned with the long-term viability and social impact of corporations in which they may invest. Of particular interest to our shareholders, who hold millions of dollars worth of US technology stocks, is the assurance that their investment portfolios do not contribute to human rights abuses. While some corporate managers may contend that their cooperation with repressive regimes has been necessary in order to preserve shareholder value, our shareholders wish to be clear that they respectfully disagree. Boston Common Asset Management is here today to empower the progressive forces within our companies to avoid sacrificing the long-term business prospects promised by a free and broadly connected Internet for short term gains in repressive markets.

An open and borderless Internet provided the necessary opportunities for Cisco, Microsoft, Yahoo, and Google to grow into the successful, multibillion dollar businesses that sit before us today. To compromise the openness of the Internet is to weaken the foundation on which this value was built. Our shareholders recognize that the long-term growth and viability of Internet technology companies depends on the faith and perception of users that the Internet is open, reliable and secure. Internet traffic creates demand for IT infrastructure, network capabilities, and user platforms. As a result, growing volumes of Internet traffic unequivocally benefit businesses such as Cisco, Microsoft, Yahoo, and Google that profit from demand for these products and services. Any action by these companies that effectively reduces traffic, such as stifling the exchange of ideas or becoming a tool in political harassment campaigns, reduces demand for products and services these companies supply. Our shareholders support management in taking a principled stand on the issue of Internet freedom and human rights and in refusing to make this long-term sacrifice.

The U.S. State Department, among others, has documented a number of countries that engage in government action to censor, monitor, isolate and jail Internet users for exercising basic human rights. In China, Saudi Arabia, Vietnam, and Tunisia connectivity is growing, but the Internet that is developing is not open or secure. Management can no longer credibly assert that they are unaware of how their company’s products and services may be used by the Chinese security apparatus. It is well documented that government authorities have consistently employed

Internet technologies to help them violate basic human rights outlined in the 1948 United Nations Universal Declaration of Human Rights (UDHR), including freedom of opinion and expression (UDHR Article 19), security of persons (UDHR Article 3), privacy (UDHR Article 12), freedom of assembly and association (UDHR Article 20), and in many cases fair and impartial criminal hearings (UDHR Article 10). Through the use of censorship, surveillance, and threats of imprisonment Internet use is being actively discouraged by the Chinese government. In a number of instances these actions are undertaken with the complicity of US technology corporations. As shareholders we are discouraged by this short-sighted strategy. To aid a government intent on restricting Internet use, especially in a country that represents the largest untapped market of users, undermines the profit maximization mission and ethical codes of conduct the companies before us today have agreed to uphold.

Our shareholders are concerned when management chooses to avoid today's uncomfortable confrontation and bows to repressive government clients at the expense of tomorrow's growth prospects and basic human freedoms. Pursuing sustainable corporate conduct allows management to choose the strategy most supportive of long-term shareholder value. Actions that serve to reduce the openness, safety and reliability of the Internet undoubtedly compromise the long-term business prospects of IT sector corporations. Engaging in short sighted business operations that undermine widely accepted human freedoms is simply not a sustainable practice. There is little excuse for such practice when it also reduces future business opportunity. Boston Common urges all the groups gathered here today to develop forward thinking, collaborative solutions that will encourage the sustainable, long term growth of IT sector companies and respect the basic human rights of all customers around the world. These goals should not be considered at odds with each other, but indeed dependent upon each other.