

Socially Responsible **INVESTING**

BY SISTER MARY ELLEN GONDECK, CSJ

It may seem strange to couple investing with this issue's theme of soil and soul. Yet, corporations are often more involved with the soil and our souls than we would imagine. As stewards of the soil, our souls, and other resources, as a congregation, we need to look at how we participate in the way business is conducted in today's world.

Socially responsible investing (SRI), or Social Investment, also known as sustainable, socially conscious, "green" or ethical investing, is any investment strategy which seeks to consider both financial return and social good to bring about a social change.

THE CONGREGATION CARRIES OUT THIS RESPONSIBILITY BY:



Putting screens in place that tell our investment managers to avoid or to be more aware of certain categories of stock. These screens include: the product itself and/or policies of the company. For us some of these filters include: weapons companies, companies dealing in pornography, gambling, and companies whose practices are detrimental to the environment or human rights.



Engaging in shareholder activity in collaboration with the Interfaith Center on Corporate Responsibility (ICCR).



Investing in community development to meet human needs such as Mercy Housing, the Opportunity Resource Fund.



Investing in start-up companies who share our values.



Our shareholder activity provides us with a way to make our voices heard in corporate America. As shareholders we are part owner in many corporations. We are very small owners. We work with other small owners to advocate for changes in policies or advocate for new evolving policies that make these values part of the company culture and operation.

In this role, we write letters to management, file shareholder resolutions, dialogue with company management, and attend shareholder meetings. This is our way of dealing directly with companies and their decision makers. We do this jointly with other shareholders in order to make our companies more attentive to their impact on people – and all of creation – and to hold them to fulfilling the responsibilities of their corporate or business charter.

The charter details core values, goals and specifics about the company's operations. It often serves as a guide or mission statement for company executives to conduct strategic planning and assessments. For example, if the company's goals surround putting health and safety first by committing to being environmentally responsible, executives typically refer to this goal when detailing safety policies within the workplace and mandatory recycling and water preservation strategies.

An example is the mission statement of Starbucks which is literally "to inspire and nurture the human spirit – one person, one cup and one neighborhood at a time." The company hinges its mission on a number of principles,



▲ *The Fair Food Act, initiated by the Coalition of Immokalee Workers, advocates for just wages and the fair treatment of all farm workers.*

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including offering high-quality, ethically produced coffee, treating employees and customers with respect, offering stores that foster human connection and becoming part of each community in which it is present. But despite admirable mission statements, there are times when a lot of pressures and circumstances direct management more to the bottom line than to the values stated in the business charter.

It is here that shareholder activity becomes important. As a congregation we depend on dividends from our limited investments for our ministries and our retirement needs. Yet we know that we have a responsibility to see that our values are represented in

the policies and the actions of those companies.

A company with whom we are currently engaged is Wendy's. On the website, the company says: "Wendy's is a leader in the development and execution of quality processes and initiatives that are focused intensely on a safe and wholesome food supply – from our suppliers' farms to the customer's table. Since we opened the first Wendy's in 1969, we have been proud to source most of our food from American farmers and ranchers. It's a partnership built on mutual respect with an unwavering commitment to quality." Yet, we believe the reality of how Wendy's does business today does not reflect its

stated mission. Wendy's workers in Immokalee, Florida, who had harvested tomatoes and other produce for the company, were not earning a just wage and were not working in safe conditions. When the workers asked for better conditions, the company switched its source of produce to growers in Mexico with a reputation for "slave labor." As shareholders we are asking the company to adopt the Fair Food Program initiated by the Coalition of Immokalee Workers (CIW) and to again source their produce from them. The company certainly lives up to much of its vision, but it seems it is not treating these workers fairly.

This is one example of how we are bringing our investments to the soil of our earth and to our responsibility as owners in the company to treat the workers in the supply chain with respect and dignity.

Some of the companies we own shares in directly impact the soil. Mining companies are one example. Mountain top removal to mine coal not only destroys part of the landscape (the mountain), but the process puts a lot of coal particles, chemicals, and waste into bodies of water sharing the same landscape. The end result impacts plant, animal, and human life both near and far depending on where the waterways lead. Our response as owners has been to engage in dialogue with these companies. Some of these companies are located in West Virginia. The dilemma is that if the companies do not change their policies and practices and are forced into bankruptcy and closure, it has a direct impact on the workers and their families in the area. How do we

protect both the soil and the livelihoods of families as well as challenge the integrity of the company?

The extractive industry focusing on oil and gas also produces some of the same results. The process of fracking makes an impact in people's homes. Water contaminated with chemicals and gas is the same water being used for cooking, cleaning and bathing. Again, our response as owners has been to file shareholder resolutions, dialogue, and advocate for laws to enforce compliance with regulations designed for the safety of the water and the people.

The dilemmas continue. Some of the seed and chemical industry directly impacts the soil with herbicides and pesticides that are harmful both to the soil and humans. Soil is organic, living. Its life is severely damaged, just as human life is severely damaged, when foreign substances are introduced into its life cycle. When organisms in the soil that support the growth of food are contaminated with poisonous substances, they transmit those substances to those who eat the food. The weapons industry makes and sells products that destroy and contaminate soil making it unusable, either because of contamination or by leaving

unexploded ordnance on land where farmers can no longer grow food for fear of detonating the shells. Many companies overuse and contaminate water. Some are removing water from our Great Lakes and aquifers and selling it as bottled water. These bodies of water are being consumed in greater and greater amounts. To these and other issues that arise, our response as owners will continue to be to file shareholder resolutions, to remain in conversation and to advocate for regulations that uphold what is safe for our Earth.

Most of the people with whom we engage as socially responsible investors profess the same values that we support. They love their families; want to be good citizens, work to support their neighbors, their schools, their religious families. And for the most part they struggle with the larger picture of "the system" just as we do.

Much of what we have reflected on here deals with the soil on which we walk and in which our food is grown, the air we breathe and the water we drink. But we are also called by God and the gospels to act as responsible and thoughtful investors and work to be part of unifying the world to be and act as one. ■



Sister Mary Ellen Gondeck, CSJ, is a member of the Peace and Justice Team of the Congregation of St. Joseph and has served as a representative of the congregation at the Interfaith Center for Corporate Responsibility and the Conference for Social Responsibility Indiana Michigan doing shareholder ministry.