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National ethical investment week

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Britain's third National Ethical Investment Week is underway with talks and seminars around the country promoting the cause of responsible investment.

National Ethical Investment Week (NEIW) aims to ensure that everyone knows that they have green and ethical options when it comes to their finance and investment decisions.

The event, however, has thrown up challenges and moral dilemmas for religious groups and individual investors.

NEIW has run from 7 to 13 November with events including a House of Commons reception, a panel discussion in Newcastle about faith and money and an ethical 'Dragon's Den' in Norwich where investors will be able to judge forestry energy and environmental investments.

UK Sustainable Investment and Finance (UKSIF), whose members include businesses, NGOs and the Joseph Rowntree Charitable Trust, coordinate Ethical Investment Week.

UKSIF chief executive Penny Shepherd said: "By all of us shouting at the same time, we can have more impact than by each of us shouting individually."

She told the Friend that the week aims 'to shift the focus towards how green and ethical investment and finance can make a positive difference in the world'. This means 'moving on from the focus on just what to avoid'.

The Ecumenical Council for Corporate Responsibility (ECCR) has backed the week with an action guide for churches with resources for displays and worship and advice on contacting local media.

But Ruth Tanner of the anti-poverty group War on Want criticised high street banks that have joined UKSIF. She told the Friend that: 'The endorsement of Ethical Investment Week by Barclays and HSBC demonstrates their hypocrisy on corporate social responsibility'. She added that Barclays had £7.3bn worth of shares invested in the arms trade when examined in 2008.

Questioned about the banks, Shepherd maintained that it is better to encourage ethical aspects of a company than to dismiss it because of unethical elements. She said: 'Barclays is an example of a financial services business that integrates ethical and sustainable concerns'.

In contrast, Kate Blagojevic of the World Development Movement (WDM) insisted: 'Tokenistic ethical investment by an unethical company does not detoxify the brand'.

Miles Litvinoff of ECCR struck a middle note about banks. He told the Friend: 'It's good that they're aligning with Ethical Investment Week, but, of course, there is a risk that the values underlying it will be obscured'.

The campaigning group Fair Pensions has taken the opportunity to encourage people to question the funds that hold their shares. The group's Duncan Exley told the Friend that the pharmaceutical company Novartis dropped a court case, which would have reduced access to generic medicines, after pressure from investors backed by Fair Pensions.

Britain Yearly Meeting (BYM), the organisation of Quakers in England, Scotland and Wales, has a

policy of ethical investment but some of its decisions have been challenged.

WDM recently encouraged BYM to consider ditching its investment of over half a million pounds in oil giant BP.

Today Ron Barden, clerk of Quaker Finance and Property Central Committee, said, 'BYM has instructed our discretionary fund managers to dispose of our shareholding in BP.'

BYM's policies rule out direct investment in arms companies, but one of its largest holdings is in HSBC. War on Want found that HSBC in 2008 had shares worth around £450 million in the arms trade, gives loans to arms companies and acts as principal banker to multinational arms firm BAE Systems.

War on Want told the Friend, 'Disinvestment can be a powerful campaigning tool for ordinary people and institutions to use.'