



## Divestment FAQ

### **Isn't it hypocritical to divest of investments in fossil fuel companies on one hand, but keep driving our gas powered cars on the other?**

Actually, this question goes right to the heart of why many of us have decided to take the step of divestment. First, the point should be made that we do not believe that divestment by itself will change everything. Of course we will still need to demand changes in our transportation energy options. Since time is of the essence, and many of us do not have the financial means to go buy an electric car, we determined that making a public statement by divesting is a practical measure that can be taken right now. It is true that many of us will still need to use transportation that burns fossil fuels, for the time being. However, by divesting we as Friends also state, as Friends, that we can no longer in good conscience profit from an industry that produces a product which is destroying the ecosphere, while that industry has denied for at least a quarter of a century that there is any real problem created by pollution from their product, and has actively fought against any significant changes in our energy use. Many have stated correctly that there is no single "silver bullet" when it comes to addressing the issue of human induced climate disruption. There is, however, "silver buckshot", in an array of changes that we need to make. Some we have already done. Divestment is possible now. And we will continue to work toward and demand the other pieces of "silver buckshot".

### **Our investments in fossil fuel companies have done very well. We do not want to divest.**

We are in agreement that in monetary terms, investments in oil companies have been good investments. It would be foolish to say otherwise. However, knowing what we know now about the effects of emissions from the burning of fossil fuels, and seeing no significant action on the parts of leading oil and coal companies to effect change, we can no longer, as Friends, in good conscience profit from this industry.

That said, if we see a large company such as ExxonMobil clearly making a sincere, significant business out of diversifying their energy offerings, we would want to support that. Additionally, if a company develops the technology that would prevent harmful greenhouse gases from being sent into the atmosphere at an ever increasing rate, we would be supportive of that. However, there have been more than a quarter century's worth of discussion on this matter, and all we've heard from, say, Rex Tillerson, president and CEO of ExxonMobil, is that oil production and usage will increase on into the future. He did say he would be in favor of a carbon tax, but I am not alone in my doubts about his sincerity on that matter because surely he knows that advocating such a tax is political suicide for any candidate or office holder. Finally, in a recent statement, Tillerson acknowledged climate change as real, but then claimed that all we need to do to address it is to change the regions in which large scale agriculture takes place.

### **Divesting from fossil fuel companies won't have any impact.**

Regarding the sale of fossil fuel company holdings having little or no impact, that is true if we are unable to get an organized, principled, public movement going. An otherwise silent divestment by a small scale investor will absolutely go unnoticed, so if the method is to have any significant effect, it must be public, and it must grow beyond a few individuals.

After the Exxon Valdez oil spill, many Exxon credit card holders began to cut up their cards and publicly boycott the company. After awhile, then president and CEO of the company, Lawrence Rawl, got in front of national media and said, basically, "If some of our credit card holders cut up their cards and boycott us, it doesn't matter-- we're too big. It won't hurt us." The media blitz was quite effective in taking the wind out of the boycott's sails. Come to find out as years of litigation around the oil spill took place, through company documents entered in various phases and other related cases, the whole point of Rawl getting in front of national media to make his defiant announcement was a strategy to try and defuse the movement. Exxon officials had, in fact, been very concerned that if the boycott continued to grow, it would cut into their bottom line significantly.





### **Shouldn't we as Friends try to work with the decision makers at fossil fuel companies?**

Working with companies as a shareholder is a good thing to try to do. However: First, within that context, only the largest of shareholders has a prayer of having any impact on a giant company's policies. We believe that only a statement made with a language that is understood by these companies, i.e., the language of money, will be understood, but even the divestment statement will only be heard if we are organized, growing, publicly vocal, and persistent.

Another question regarding the idea of "working with" fossil fuel companies is the question of whether those of us who hold or have held fossil fuel companies have actually taken the initiative and lobbied the companies. Obviously I have no way of knowing what others' efforts have been, but I have had some first hand exposure to shareholders trying to get business owners to listen. In the summer of 2006, I went to the ExxonMobil shareholders' meeting in Dallas. Even then the topic that was raised by people at the microphone the most by far was getting the company to take the issue of climate change seriously. The new President and CEO of the company that year was Rex Tillerson. He was much more polite than former President and CEO Lee Raymond. In a way, that made the difficulty of reasoning with Tillerson all the more difficult because he politely dismissed the concerns of shareholders and fund managers, leaving them feeling as though maybe there was some hope for next year. There has been no hope. After years of attempting to talk with these companies about changes, I still see them doing nothing of any significance.

And that is where those of us who have decided to try and build a movement around divestment come in. There has been years of trying to speak the language of science, the language of environmental concerns, and the language of morality with people in high positions at fossil fuel companies. They have not taken heed, nor will they, unless it reaches a point where it pays more for them to take heed than it does to ignore us.

For many years it was possible to believe that polluting the air was a nuisance at times, but not an insurmountable problem. A filter here, an efficiency increase there, and the air quality would improve. Climate change is something different. But we have been talking about viable solutions for years, now, and to this moment we do not see these enormously powerful fossil fuel companies doing anything of any significance about the situation. Divesting, and encouraging others to join in, to grow a voice that will be heard is a practical thing that we can do now.

### **Are other faith groups discussing Divest and Reinvest?**

Yes. Discussions are underway among many faith communities including Methodists, Episcopalians, Jewish congregations, Baptists, Lutherans and others. The United Church of Christ (UCC) passed the first national level faith based resolution. The Unitarian-Universalists have also sold a significant number of their fossil fuel stocks in the last 6 months and passed a statement of conscience at their General Assembly in the summer of 2013. For sample resolutions visit Green Faith at <http://greenfaith.org/programs/divest-and-reinvest/religious-resources-on-divestment-and-reinvestment>

### **Once we divest, then what?**

We take to heart the words of Faith and Practice: "Good stewardship of economic resources consists both in avoidance of those evils and in actions that advance peace, simple living, justice, and a healthy ecosystem." We wish to encourage Friends' institutions to divest from/screen out fossil fuel companies and reinvest in a greener economy. This may take the form of reducing our facilities carbon footprint, reinvesting in community development funds, the green energy sector or other sectors that better reflect our values.

### **Are there fossil free funds we could re-invest in?**

There are other options. While we are not in a position to recommend any particular fund or fund manager, we urge you to learn more about the alternatives – and they are growing quickly.

Online, you can get information on alternative investments through



- Green America <http://www.greenamerica.org/fossilfree/>
- As You Sow (see the pdf of their Reinvestment Handbook) [http://www.asyousow.org/health\\_safety/investment-math.shtml](http://www.asyousow.org/health_safety/investment-math.shtml)

Quaker resources include:

- SosteNica, a micro lending institution, with over two decades of experience providing micro-credit in Nicaragua <http://www.sostenica.org/>
- Joyce Moore Financial Services <http://www.jmfs.com/>

## Short responses to the letter to the editor in Friends Journal

Which, if any, of our investments do not depend on fossil fuel? Is it consistent to divest of fossil fuel producers while supporting major fossil fuel consumers? Is a holding in dairy products fossil fuel neutral?

All of these questions go to the idea that unless we divest of everything, we are still connected with the fossil fuel industry whether we like it or not.

"Is it conscionable to claim to divest while still being significant consumers ourselves? Owning homes dependent on fossil fuel heating and cooling? Eating food reliant on fossil fuel resources? Flying to Friends conferences? Are we and our Meetings willing to discern and enforce appropriate discipline in these matters? If not, how is this divestiture consonant with a testimony of integrity?"

This is a very puzzling query for me. It isn't that I don't have a response for it. I have several, which I'll get to in a minute. What I find really disturbing about the first query in this group is that it tries to use guilt and implications of hypocrisy to get people to drop the divestment idea. The question can easily be turned on its head; Is it possible for Friends to have a serious conversation about climate change if we're not divested? There is a difference between being captive to a system that keeps us using fossil fuels, and willfully profiting from investments in that industry. So, the first question, for me, smacks of the kind of cynicism that I have been hearing for years from the shells that fossil fuel companies have funded and which media has quoted-- the so called experts, or "skeptics" of climate change.

The other thing that this group of queries implies is that if we cannot do all the different things we need to do to address the issue of climate change, and do them either before or simultaneously with divestment, then we should not bother with divestment. The fact is, there are many things we must do to address the problem of climate change. Some people have the means to do those things more quickly than others. If you can afford to have a house that is off the grid, but it doesn't have to be a cardboard box under a bridge, that's great. If you can afford an electric car, that is wonderful. In the meantime, we all go from where we are with any given issue of concern.

"Have we engaged deeply with experts on the issue, with Friends who may be connected to the industry and with communities dependent on that industry? Are we able to stand with and/or offer hope to the rural farmer dependent on the system for access to markets and for whom oil and gas leasing is currently a tremendous relief from debt?"

Here again, we have a disturbing first question. I am not sure if the writer is asking whether "we" (all Quakers? Me personally? Dover Friends Meeting?) have engaged with experts (experts on what? Divestment? Investment? Fossil Fuels? Or what is really the most pressing issue here; climate scientists. And if it is the latter as it should be, I can answer with a resounding yes. I have interviewed...

How about farmers who have started profiting from wind farming? Using solar? Geothermal?

"Is it time to divest or invest? Is our role a quietist one of separating from the hopeless world or a prophetic role, using our time and energy to call toward worthy alternatives? In the past, Quaker testimony included raising up whole new industries along with generations of scientists and



entrepreneurs who helped make major changes in the world's institutions. Why is that no longer an option?"

It's time to invest in renewable energy, but not in the stock market. The best bet for investing in renewable energy at this point in time is to take the money from divestitures, and create a green micro lending or coop style fund. Any Meeting can do this, and it helps the Meeting community to green their community which serves as a prophetic witness in itself, and the Meeting has a relatively stable investment on which they can get a return of 5 or 6 %. Individual members of the Meeting can invest in the fund as well and receive a % back on their investment.

Ironically, the last part of this letter to the editor describes what we are trying to do. It is an obvious sign of cynicism that the writer tries to turn this around and say that we are trying to do the opposite by encouraging divestment.

For answers to other commonly asked questions, you can also view these two campus information sheets.

University of California <http://eab.as.ucsb.edu/files/2013/06/Handout-for-Faculty-Senate.pdf>

McGill University <http://divestmcgill.com/about/faq/>

[Fossil Free Friends](#) [1]

[Friends' History of Investing with Integrity](#) [2]

[Is it Time for a Screen for Fossil Fuel Companies? Suggested Queries](#) [3]

[Divestment as a Strategy of Hope](#) [4]

[Starting the Climate Change Conversation: First Steps for Friends' Communities](#) [5]

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