

## ***Israel/Palestine:***

### ***Report recommends corporate engagement, positive investment***

By Matthew Davies

[ENS] The Social Responsibility in Investments (SRI) committee issued a report to the Executive Council October 3, recommending "corporate engagement" and "positive investment" practices when dealing with companies in which the Episcopal Church owns assets and shares.

The report follows a year's deliberations during which the SRI committee engaged in research and study, dialogue with many groups and individuals, visited Israel and the Palestinian territories, and observed actions from other churches and denominations dealing with similar issues.

The committee's responsibility, as noted in its report, was "not to create new policy," but to make recommendations that "advance the existing social policies of the [Episcopal] Church on Israel and Palestine," its main purpose being to promote peace and justice.

"[The report] was very carefully thought through and represents a consensus from a group that began with extremely diverse opinions on the issues," said Kim Byham, Executive Council's liaison to the SRI committee. "It also reflects the results of our studies of the issues, including our inspection visit, and numerous meetings with representatives of all points of view."

Executive Council, an elected body which oversees the mission and ministry of the Episcopal Church, will consider and discuss the report during its October 7-10 meeting in Las Vegas, Nevada.

#### **Corporate engagement**

Through "corporate engagement" the Episcopal Church would encourage companies in which it has investments to adopt socially responsible practices that advance "positive changes in Israeli government policy" that would end the Occupation, "as well as urging the Palestinian Authority to oppose violence as a means of resistance."

Furthermore, the report recommends investments that would "provide support for the development of a future Palestinian state," and also urges the Episcopal Church to "engage in dialogue or file shareholder resolutions with companies in which it owns shares."

#### **Positive investment**

With "positive investment" the Episcopal Church would join with other religious organizations, denominations and institutions in investing in the economic infrastructure of the West Bank and the Gaza Strip, as "a stable Palestinian state will make for a more secure Israel," the report says.

In particular, the report recommends that the council "seeks opportunities, with others, for making loans to loan funds in the Palestinian Territories and elsewhere that support economic justice and development in support of a future Palestinian State."

The committee noted that it was not recommending divestment because "the goal is for selected companies to change behavior resulting in a more hopeful climate for peace. If the Church simply divests, nothing positive has happened."

Brian Grieves, director of Peace and Justice Ministries and SRI committee member, emphasized that the report represents the committee's recommendations to council and not the position of the church.

"The committee has worked diligently and thoughtfully these past several months," he said, "and has struggled hard to hear and respond to varying views, while being mindful of the Church's policy positions on the conflict."

One year ago, the council charged the SRI committee with investigating what corporate actions "might be appropriate with (1) companies that contribute to the infrastructure of Israel's ongoing occupation of the West Bank and Gaza Strip and (2) companies that have connections to organizations responsible for violence against Israel."

As part of its study, a delegation from SRI and the Anglican and International Peace with Justice Concerns (AIPJC) visited Israel and the Palestinian Territories April 29-May 6.

The group met with Israeli and Palestinian peace groups, representatives of the Palestinian Authority, residents of an Israeli settlement, staff of the Episcopal hospital in Gaza, representatives of a leading pro-Israeli government Jewish organization, as well as members of the Episcopal Church in Jerusalem.

"In addition, the committee has been in contact with all the companies in our portfolio," Byham said. "This is an ongoing process and a list of companies with which to engage further has not yet been developed."

Byham explained that a number of options were examined when considering how General Convention and Executive Council resolutions could best be implemented with respect to socially responsible investment.

"We decided that the means most likely to achieve the aims set forth by = the Church would be to engage corporations in which we own stock concerning their activities in the Israeli-occupied Palestinian lands or = in supporting terrorism in Israel itself," he said. "We want to discourage such companies from being complicit in illegal or immoral = activities associated with such occupation or terrorism."

During its June 2005 meeting in Nottingham, England, the Anglican Consultative Council (ACC), the Communion's most representative decision-making body, commended the Episcopal Church's resolve "to take appropriate action where it finds that its corporate investments support the occupation of Palestinian lands or violence against innocent Israelis," and encouraged "investment strategies that support the infrastructure of a future Palestinian State."

The SRI committee has agreed "to continue research on and dialogue with other church groups, Jewish organizations, and Israeli and Palestinian organizations to build bridges of understanding and a common witness for = a just peace in the Holy Land."

*[Editor's Note: The Executive Council is composed of the Presiding Bishop, the President of the House of Deputies, 20 members elected by General Convention (four bishops, four priests or deacons and 12 laypersons) and 18 members elected by provincial synods. Officers with seat and voice include the vice president, the treasurer and the secretary of the Domestic and Foreign*

*Mission Society.*

*In the course of the three years between meetings of General Convention, known as the "triennium," the Executive Council will customarily meet once in each of the nine provinces of the Episcopal Church.*

*The Rev. Canon Kate J. Cullinane, associate dean and canon missionary of Christ Church Cathedral, Indianapolis, and chair of the SRI committee, will attend the council meeting.]*

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