

## **TAKE BACK YOUR POWER—YOUR ECONOMIC POWER!**

**(And use it for the good of community and environment.)**

**By Sanjen Miedzinski, Ph.D.**

If you look squarely into the driving forces behind greenhouse gas emissions, toxic pollution, and the squandering of our natural resources, you will come face to face with the corporate powers that commit these behaviors, often without much interference from our state or national governments.

Frequently, our response to learning this is to feel helpless against such “mighty” forces, forgetting that **they depend for their continued existence on our financial support. We are, after all, their clients and customers.** We may be unconsciously supporting corporations that are acting badly by buying their products, or by investing in their stocks or bonds, or funds that include these companies in their portfolios.

Furthermore, we may be supporting the big banks that finance these industries by depositing our money in their CDs, checking or saving accounts, or by using their credit cards, or turning to them for our loans.

**In fact, we are as responsible for what they do as they are. We give them the power they have.** No matter what your level of wealth, you are in a position to pull the rug out from under this power structure. In brief, this is what you can do:

- **Take your money out of the big banks.**
- **Move it to community banks and credit unions.**
- **Use a credit card that builds community.**
- **Divest from any stocks, bonds, index funds, or mutual funds that have fossil fuel companies in their holdings.**
- **Invest your money in socially and environmentally responsible companies.**
- **Consider loaning directly to individuals or businesses you respect.**
- **Buy products and services in accord with your values. Support “B” (Benefit) corporations.**
- **Pressure your organizations to divest from fossil fuel companies and re-invest responsibly**
- **Become a shareholder activist, and change corporate goals and objectives from within.**
- **Pressure the managers of any mutual fund or exchange-traded fund (ETF) you own to divest from fossil fuel companies.**

## Here's how and why:

(Note: Links longer than one line often don't work in pdf files so click on the shorter web address where indicated.)

### **1. Take your money out of the big banks.**

Why? First and foremost: because they are “bankrolling” the fossil fuel industry. When you bank with them, you are supporting the fossil fuel industry.

In 2011 BankTrack and the Rainforest Collective issued a major report on who is financing climate change revealing that of the 93 banks worldwide investing in coal, JPMorgan Chase, Citi, and Bank of America topped the list in amount of investment. Also in the top 20 were Goldman Sachs, HSBC and Wells Fargo. See [http://www.banktrack.org/manage/ems\\_files/download/bankrolling\\_climate\\_change/climatekillerbanks\\_final\\_o.pdf](http://www.banktrack.org/manage/ems_files/download/bankrolling_climate_change/climatekillerbanks_final_o.pdf)

They continued to follow the banking world's investment in coal and issued an update in 2015:

[http://www.banktrack.org/manage/ems\\_files/download/the\\_end\\_of\\_coal\\_2015\\_pdf/the\\_end\\_of\\_coal\\_2015\\_o.pdf](http://www.banktrack.org/manage/ems_files/download/the_end_of_coal_2015_pdf/the_end_of_coal_2015_o.pdf)

Yet another reason to divest from the big banks—one important to your pocketbook—is that they may be financially unstable. By investing in the fossil fuel companies, the big banks are participating in a “carbon bubble.” See:

<http://www.carbontracker.org/report/carbon-bubble/>

Energy companies count coal, oil and gas reserves in the ground as part of the assets on their balance sheets. It is estimated that approximately 70% of these assets are “unburnable” if we want to have a livable planet.

The banks are also still investing heavily in the unregulated derivatives market that played a major role in why we had to “bail out” these banks in 2008. See the Forbes online article showing that even a presumably “safe” bank such as Wells Fargo is heavily invested in derivatives:

<http://www.forbes.com/sites/stevedenning/2013/01/08/five-years-after-the-financial-meltdown-the-water-is-still-full-of-big-sharks/> Click here: <https://bit.ly/2U6htbJ>

In addition to viewing the “bankrolling” report listed above, BankTrack at <http://www.banktrack.org> can also provide you with more detailed information about your bank's investments.

As an example, on this site I found out that both Wells Fargo and Bank of America were invested not just in coal mining, but specifically in mountaintop removal coal mining operations, widely considered the most destructive form of mining.

## **2. Move your money to a credit union or a community development bank.**

Credit unions are member owned, and therefore you receive dividends from their profits and can participate in their governance. Typically, they are focused on supporting the local community. Very often, they pay higher interest rates on deposits and CDs and charge less for loans than the banks.

Be assured, just as the FDIC insures up to \$250,000 for deposits in banks, credit unions are backed by our government's National Credit Union Administration for the same amount.

<http://www.ncua.gov/Pages/default.aspx>

A great deal of information is available on their site including a credit union locator.

In considering moving to a smaller bank, note that there is a difference between a local bank that serves its community in general, and a community development bank which has specific social goals such as creating local jobs, encouraging housing development, and providing loans to underserved populations.

To understand how to use your money for good by moving it to a credit union or community development bank, see Green America's *Guide to Community Investing*.

<http://www.greenamerica.org/PDF/GuideInvestCommunities.pdf>

As you consider moving your funds, be sure to investigate the soundness of any bank or credit union. Visit Banktracker, a project of American University's Investigative Reporting Workshop. <http://banktracker.investigativereportingworkshop.org> They provide useful information, including the troubled asset ratio of the bank you are checking. (Note that Banktracker and BankTrack, which was mentioned above, are two different organizations.)

Also visit the websites [bankrate.com](http://bankrate.com) and [bauerfinancial.com](http://bauerfinancial.com). Together these sites can give you a pretty good picture of how the bank or credit union you are investigating is doing financially—providing you with overall star ratings, plus many details about the bank's assets, deposits, loans, loans past due, reserves, liquidity etc.

As an example, Amalgamated Bank in San Francisco is a certified B corporation (see below) and it engages in socially and environmentally responsible investing.

## **3. Use a credit card that builds community.**

Many of the smaller banks and credit unions offer their own credit cards. If you are just searching for a "green" credit card, in addition to the one offered by your bank, Green America has posted an in-depth article on responsible credit cards. It discusses the problems with using the cards offered by the big banks and provides a list of

some of the more “green” credit cards.

<http://www.greenamerica.org/livinggreen/2013-Responsible-Credit-Cards.cfm>

#### **4. Divest from any investment you hold in fossil fuel companies.**

Not only are these companies damaging our planet, they are a bad investment as discussed above. If you own stocks in any of these companies, sell them. Use the money to support a better future.

However, you may not even realize that you are invested in fossil fuel companies if you own index or mutual funds and haven’t looked at the portfolio of companies they include. To see what’s in your funds go to <http://finance.yahoo.com> or [www.morningstar.com](http://www.morningstar.com) and look at the “holdings” of your investments. Sell funds that have an investment in fossil fuels, and if you want to go further, in weapons, tobacco, certain drugs, etc.

You might also investigate any pension fund that your organization has chosen and pressure administrators to divest from fossil fuel holdings.

#### **5. Invest your money in socially and environmentally responsible companies.**

Visit The Forum for Sustainable and Responsible Investment <http://www.ussif.org>. They maintain a large list of green mutual funds. On one page you can see how each fund has done financially over the last ten years. On the next page you can look at that fund’s investments in terms of social and environmental responsibility. For example you can see whether the fund includes companies invested in fossil fuels or in alternative energy, as well as whether it has investments in tobacco, weapons, alcohol, or gambling.

You can also get information about the fund’s employment practices, how they are governed, their stand on human rights, and other social issues. (While all funds on this site have been specially chosen, they do differ on some of these issues.)

Yet another page gives you access to the voting records on shareholder resolutions to see how the managers of these funds have voted. (See below for more about shareholder activism.)

Finally, this website has a whole section devoted to helping you divest from companies you don’t want to support and invest in greener alternatives, as well as relevant ongoing news articles and conferences.

Another important source of help in investing is the *Guide to Sustainable and Socially Responsible Investing*. It's published by Green America and is available for free if you become a member, or for a small fee.

<https://www.greenamerica.org/magazine/special-issue-guide-social-investing-and-better-banking> Click here: <https://bit.ly/2Hh9TGX>

Indeed, Green America <http://www.greenamerica.org/> is a veritable goldmine of information. You can find much more on their website including their Green Business Network, their National Green Pages, a list of green businesses, etc.

Perhaps the easiest way to invest responsibly is to find a financial advisor who is oriented toward “green” investments. Someone you trust can be a great help in making the switch to socially and environmentally responsible investing.

Often, they have at their command many ways to screen investments not only for how sound they are, but also for their social and environmental responsibility.

## **6. If you have money to invest, consider loaning directly to an individual or an enterprise you respect.**

You could, of course, simply make a loan agreement with an individual or an enterprise that you believe in and wish to support. If you do so, make sure you understand and can tolerate the level of risk involved, and the potential effects on personal relationships.

There are also micro-lending programs. Consider [www.kiva.org](http://www.kiva.org), which is an online lending platform through which you can offer small loans to low-income entrepreneurs and students in 86 countries. These loans can have a significant impact such as enabling an African farmer to buy a bicycle she can use to bring her produce to market. Even a loan as small as \$25 can change a life.

There are now many crowd-funding sites on the Internet such as Indiegogo <https://www.indiegogo.com/>, where you can support a project that makes sense to you. Also see the article listing crowdfunding websites at: <http://www.webdistortion.com/2010/07/18/9-crowdfunding-websites-to-help-you-change-the-world/>.

For more security, you can join one of a number of community development loan funds administered by various nonprofit organizations. These provide low-cost financing to individuals, cooperatives, and nonprofit organizations in developing urban and rural areas in the U.S. and around the world. See Green America's *Community Investing Guide*.

<http://www.greenamerica.org/PDF/GuideInvestCommunities.pdf>

And, if you are working with a “green” bank, you may be able to select CDs (really loan funds) that are invested in alternative energy, organic farming, or non-profits.

There are also business organizations such as RSF Social Finance <http://rsfsocialfinance.org/>, an investment firm inspired by Rudolph Steiner, the spiritual educator. They offer CDs with a focus on food and agriculture, education and the arts, or ecological stewardship. In contrast with the typical impersonal investment, RSF sponsors quarterly events at which investors and entrepreneurs come together to discuss their joint projects. Find such a firm that feels right to you.

## **7. Buy in accord with your values.**

### **Use Renewable Power**

First, if possible, get solar panels for your home. There are programs now that enable you to buy or lease at a cost, including your utility payments, that is lower than what you are currently paying per month in utility bills. There are national, state, and local rebate programs that can lower the cost.

Buy an all-electric car or a plug-in hybrid if walking, biking and public transportation aren't sufficient to meet your needs. As with solar, there are national and state programs that offer rebates on cleaner air vehicles.

However, if your electric car is getting its power from a local utility company the source of that energy could be fossil fuels. Fortunately, some utility companies get their power from a mixture of sources, and you can select renewable energy for your household and in so doing, support their movement toward alternatives.

A more powerful move is on the horizon: Community Choice Aggregation (CCA). CCA was adopted into law in several states including New York and California. It enables a city or county to have control over their energy. Individual consumers combine their buying power within a jurisdiction to secure alternative energy supply contracts. Marin Clean Energy <http://www.mcecleanenergy.org/> just north of San Francisco, is one of the first CCAs.

### **Buy Green Products**

There are now many opportunities to choose healthier and more socially and environmentally responsible products.

Green America offers the *National Green Pages* <http://www.greenpages.org/> that lists all the companies they have certified, enabling you to choose a green product or service.

Also invaluable is GoodGuide <http://www.goodguide.com> that rates personal care, household, and baby/kid products on a 0-10 scale on health, environmental and social

impacts. They also have a mobile app <http://www.goodguide.com/about/mobile> for both iPhone and Android so that you can “shop your values, anytime, anywhere.” It’s free.

Finally, the Environmental Working Group (EWG) <http://www.ewg.org> provides an overview of many environmental issues in relationship to consumer products, energy, farming, food, and water. However, they also carefully evaluate many specific, everyday products and provide detailed information about their health and safety.

At their Skin Deep guide <http://www.ewg.org/skindeep/> you can find a safety rating for most personal care products on the market, as well as a list of chemicals used in that product and their known effects on your health. In addition, for each type of product, they maintain a list of the healthiest alternatives, in order of their safety rating. You could search the shampoo that you are now using and if it is poorly rated you can find a healthier alternative. There is now a mobile app for Skin Deep, so you can have this information at your fingertips as you shop.

EWG also maintains a guide to household cleaning products <http://www.ewg.org/guides/cleaners>, and a guide to foods that are grown responsibly and without toxins <http://www.ewg.org/foodscores>.

## **8. Reward B Corps and Benefit corporations for “People, Planet and Profit.”**

Rather than focusing only on profit and on shareholders, these companies hold themselves accountable for social and environmental benefits—i.e. to “stakeholders.” While similar in concept, there are important differences between them. B Corp is the term used for any for-profit entity that is certified by the nonprofit B Lab as voluntarily meeting higher standards of transparency, accountability, and performance. It’s like a Good Housekeeping Seal of Approval for businesses voluntarily trying to do well by doing good. By contrast, a Benefit Corporation is a type of corporation recognized in 27 states (as of 2015) with legally protected requirements of higher purpose, accountability, and transparency.

To become a B Corp, any company can declare its intentions and submit to certification by the third party non-profit, B Lab, Inc. They are then evaluated regularly in terms of the quality of their products and services, the support they provide to the community, and the organization’s commitment to environmental concerns. Participation is voluntary and can be discontinued at any time.

A Benefit corporation takes it one step further and actually creates a corporate structure that incorporates these values as a legal requirement. They are required to consider stakeholders, not just shareholders, as an important part of the legal

structure. The Benefit corporation structure is valuable based on its own merits, regardless of whether a company decides to pursue B Corp certification. Indeed, the best way for a B Corp to ensure that they meet the legal requirements for their certification is to make use of the Benefit corporation legal structure.

Both types must factor in the impact of all of their activities on their customers, community, employees, and environment. Find out more about these two forms at <https://consciouscompanymedia.com/sustainable-business/whats-the-difference-between-a-b-corp-and-a-benefit-corporation/>

To check if a company you use is a B Corp, to look at a list of B Corps, or to learn how to convert your business to a B Corp: <https://bcorporation.net/directory/find-a-b-corp>

For a partial listing and to find a Benefit corporation go to: <https://benefitcorp.net/businesses/find-a-benefit-corp>

## **9. Pressure your organizations to divest-invest.**

Many organizations have pension funds and other financial instruments that contain fossil fuel investments. Pressure your university, school, church, workplace, county, and state government to divest from fossil fuel holdings as well as other negative investments, and reinvest in socially responsible businesses.

Valuable information prepared for institutional asset owners and their investment managers is available at *Ceres Blueprint for Sustainable Investing* <https://www.ceres.org/investor-network/>. Ceres is a coalition of US investors and environmental and public interest organizations working to address sustainability issues.

## **10. Become a shareholder activist.**

If you own individual stocks or bonds (not mutual funds), you are a part owner of the company and have a right to go to meetings, to voice your opinion, to generate a shareholder resolution, and to vote on those and other resolutions.

If you own shares in a company make sure you are getting the information (proxy notices) about upcoming shareholder meetings and key issues that will be brought to a vote and when—either by snail mail or email. Your financial advisor may be receiving these and voting on your behalf. Unless he or she has a responsibility focus, you want to get them yourself and make your own decisions. Open those proxy materials you get in the mail and VOTE!

Any shareholder who owns \$2,000 worth of a company's stock for a year or more can introduce a shareholder resolution. However, it's often best for individual investors

to team up with investor coalitions or organizations. These cooperative efforts can wield billions of dollars of company shares. It may actually be worth your while to buy stock in a company whose goals and objectives you don't believe in, in order to gain access to these shareholder resolutions and votes.

Green America's 2015 Shareholder Resolution Focus

<http://www.greenamerica.org/socialinvesting/shareholderaction/>

highlights dozens of resolutions throughout the year on topics such as carbon pollution, renewable energy, human rights, GMOs, deforestation, sustainability, recycling, and more. "Your" company may be on their list, along with resolutions that will be up for a vote at their next meeting. Add your support if the resolution makes sense to you.

Need more help understanding this and knowing what to do? See Green America's article "FAQs about Shareholder Activism."

<https://www.greenamerica.org/shareholder-activism/faqs-about-shareholder-activism>

Consult their Action Center:

<https://www.greenamerica.org/take-action-our-current-green-economy-campaigns>

for current action campaigns that you can support.

In addition to consulting Green America, you can find a comprehensive database of current social resolutions (issues such as tobacco marketing, sweatshops, weapons, etc.), as well as annual meeting voting results, by visiting the Interfaith Center on Corporate Responsibility: <http://www.iccr.org/> The Forum for Sustainable and Responsible Investment <http://www.ussif.org> mentioned above has a page that reveals a company's shareholder resolution voting records.

Ceres, the organization mentioned above, can provide more guidance on votes coming before companies you own. You can visit their site and search by company or by issue to see shareholder resolutions coming to an important vote related to environmental or social concerns.

<https://www.ceres.org/resources/tools/climate-and-sustainability-shareholder-resolutions-database> Click here: <https://bit.ly/33XefvA>

The UN-backed Principles for Responsible Investment can also be useful in orienting you to social and environmental considerations to integrate into your investment decisions. <http://www.oecd.org/investment/mne/38783873.pdf>

### ***11. Pressure the managers of the mutual funds, ETFs, or index funds you own to divest from fossil fuel companies and reinvest responsibly.***

If you don't own individual stocks but instead own mutual funds, an index fund, or an Exchange Traded Fund (ETF) that contains fossil fuel investments, there is an

alternative to simply selling them. Exert influence on the managers of these funds, asking them to pay attention to social and environmental issues.

Index funds and exchange-traded funds mimic the market's movements, are run by software programs, and their managers typically take little interest in how the firms within them are run. Similarly, managers of conventional mutual funds and pension funds with diversified portfolios often avoid becoming deeply involved in the management of the companies contained within them.

In addition to going directly to the managers of the funds themselves, if your money is invested in a public, labor, or private pension fund that includes these ETFs, mutual funds, or index funds, encourage your organization's fund managers to get involved in shareholder activism.

Write letters or call and ask managers to disclose how they are voting their proxies. When you're not pleased with their votes, be sure to let them know. Gather support of coworkers or others who are invested in the same fund and approach fund managers together, asking them to support social and environmental resolutions.

### **Further Resources**

While all the changes discussed above are very important, we also need to get the larger picture of how our current economic system actually requires "growth" in order to meet personal, business and governmental debt. This growth implies unlimited resources, yet we live on a finite planet.

There are many alternative ways to set up our economy and we need to work towards them. Here are some resources:

*This Changes Everything: Capitalism vs. the Climate*, by Naomi Klein

*Sacred Economics*, by Charles Eisenstein

*Money and Sustainability: The Missing Link*, by Bernard Lietaer, et al.

*Agenda for a New Economy: From Phantom Wealth to Real Wealth*, by David Korten

*America Beyond Capitalism*, by Gar Alperovitz

#### **Visit the following websites:**

Living Economies Forum: <https://davidkorten.org>

Positive Money: <http://positivemoney.org>

Democracy Collaborative: <http://democracycollaborative.org/>

Defining a Steady State Economy: <https://steadystate.org/>

Divesting from fossil fuels: <https://www.fossilbanks.org>

**View the film:** *Money and Life* at <https://moneyandlifemovie.com>

## About the Author

**Sanjen Miedzinski, B.S. Biochemistry, Ph.D. Clinical Psychology** (formerly known as Susan Schneier) is a systems thinker, deeply interested in how different areas of knowledge shed light on each other. Her long career includes working as a biochemist at the National Institute of Health; as an editor and publications manager for leading-edge software companies and the Association of Computing Machinery; as a psychologist working with individuals, couples and organizations; as the editor for the Journal of the California Child Youth and Family Coalition and author of numerous articles on the relationship between social and economic issues; as Acting Dean of the Graduate School of Consciousness Studies and Director of the M.A. Transpersonal Counseling Psychology Program at JFK University; and as co-founder and core faculty of the M.A. Expressive Arts Counseling Psychology program at the California Institute of Integral Studies. Currently, she is a teacher of the Diamond Approach and the Director of the Earth Rising Action Network.

### Additional Publications Include:

*Citizen's Guide to Climate Change, What Causes It, And What To Do About It*

*What You Can Do To Meet The Climate Challenge*

*Assessing Climate Plans*

*Films: Powerful Documentaries to Learn About the Climate Crisis*

To request a copy of the above or for further information:

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