Socially Responsible Investment Coalition

Courageous Conversations: Can Inclusive Capitalism Work for the Common Good?

Annual Education Event 2021
Tuesday, April 27, 2021
ZOOM ETIQUETTE

• To help keep background noise to a minimum, your microphone will be muted during the presentation.
• Your video will be turned off.
• To minimize distractions, use the “chat” option only to type in your questions for the speakers.
• Our staff will read your questions during the Q&A portion of the program.
A PRAYER FOR OUR EARTH

All-powerful God, you are present in the whole universe and in the smallest of your creatures.
   You embrace with your tenderness all that exists.

Pour out upon us the power of your love, that we may protect life and beauty.

Fill us with peace that we may live as brothers and sisters, harming no one.

O God of the poor, help us to rescue the abandoned and forgotten of this earth,
   so precious in your eyes.

Bring healing to our lives, that we may protect the world and not prey on it, that we may sow beauty,
   not pollution and destruction.

Touch the hearts of those who look only for gain at the expense of the poor and the earth.

Teach us to discover the worth of each thing, to be filled with awe and contemplation, to recognize
   that we are profoundly united with every creature as we journey towards your infinite light.

We thank you for being with us each day.

Encourage us, we pray, in our struggle for justice, love and peace.

By Pope Francis
in Laudato Si
LEAD SPONSORS

Sisters of the Holy Spirit and Mary Immaculate
Founded in San Antonio, Texas in 1893
to be a passionate voice for justice

CONGREGATION of the
Sisters of Charity of the INCARNATE WORD
HOUSTON, TEXAS

Oblate International Pastoral Investment Trust

Sisters of Charity of the INCARNATE WORD
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• Seventh Generation Interfaith
• Wingsheung Esther Ng
Sr. Susan Mika is currently serving as Director of the Benedictine Coalition for Responsible Investment (CRI). She has been involved with SRIC since its beginning, serving as Executive Director and on its Board of Directors. She has served as Chairperson of the Board of the Interfaith Center on Corporate Responsibility (ICCR), based in New York. She was a driving force in the formation of the Coalition for Justice in the Maquiladoras which raised issues around workers' wages/safety, environmental concerns and community impacts of the U.S. corporations in Mexico. She believes this ministry of corporate accountability is essential in directing our finances on a trajectory toward a world where justice reigns.
Resolutions by Issue

- Diversity & Racial Justice: 64
- Climate Change: 54
- Human Rights: 37
- Lobbying/Political Contrib.: 25
- Corporate Governance: 23
- Environment/Water: 19
- Health: 13
- Food: 9

2021 Proxy Resolutions and Voting Guide
ICCR, 2/21/2021
OUR LIVES ON ZOOM

The work continues. Here are issues and questions we addressed:
• How did your company deal with issues of COVID?
• In what ways has your company dealt with issues of racial inequality?
• What were the pharmaceutical company’s response to vaccine issues?
  • Money for research and development
  • Individual dose pricing
  • Transparency of clinical trials
  • World-wide access
SECURITIES AND EXCHANGE COMMISSION (SEC) ACTION

The work continues. Actions we have taken include:

• Letter-writing campaign to fight proposed changes to the 14-a-8 SEC rules under which we file resolutions
• Rationale for resistance to changes to be implemented in January 2022
• Currently asking Congress under the Congressional Review Act to suspend rules published just before 2020 election
OUR WORK CELEBRATED

• ICCR 50th Anniversary: October 20, 2021
• SRIC 40th Anniversary: Spring 2022
Rev Séamus P. Finn, OMI is the Director of the Justice, Peace and Integrity of Creation (JPIC) Office of the Missionary Oblates of Mary Immaculate in Washington DC and is responsible for the Faith Consistent Investing project for the Oblate Investment Pastoral Trust (OIP Trust). The JPIC office works on advocacy on policy issues in the public sector at the national (US Congress) and international levels (World Bank, International Monetary Fund) and in the private sector through their responsible active shareholder ownership engagement with private corporations.

He represents the Missionary Oblates (OMI) at the Interfaith Center on Corporate Responsibility [www.iccr.org](http://www.iccr.org) and on a number of other national organizations with which the JPIC office partners. He is a trustee of the Forest Peoples Program [www.forestpeoples.org](http://www.forestpeoples.org) and a consultant on a number of investment committees and advises them on the alignment of their finances with their beliefs and values.
Far from being an agent of “disenchantment”, capitalism, I contend has been a regime of enchantment, a repression, displacement and a renaming of our intrinsic and inveterate longing for divinity. There is more than mere metaphor in the way we refer to the “worship” or “idolatry” of money and possessions. Even if many (if not most) of us believe in a disenchanted, desacralized cosmos—a universe devoid of spirits and other immaterial but animate beings—capitalism has assumed, in its way, the status of an enchanted world. Like the blood-sacrificial rites of nationalism that sanctify the modern state, capitalism represents what the theologian William Cavanaugh has called a “migration of the holy,” a forced march of sanctity and devotion toward new, putatively secular objects of reverence.
Council for Inclusive Capitalism: OUR MISSION IS TO HARNESS THE PRIVATE SECTOR TO CREATE A MORE INCLUSIVE, SUSTAINABLE, AND TRUSTED ECONOMIC SYSTEM

www.inclusivecapitalism.com
Resources


- Eugene McCarraher
Larry Hufford, Ph.D., joined St. Mary’s University in 1993 as a Professor of Political Science and International Relations. Previously, he taught Political Science and Peace and Justice Studies at Incarnate Word College for 20 years. He previously worked with the United Farm Workers during the Talisman Sugar Company strike in 1972 and was a VISTA volunteer in Robstown, Texas, in 1966 and 1967. In 1967 to 1968, Hufford was an Instructor of Government at Texas A&I University in Kingsville. He earned his doctorate in Political Science at the London School of Economics and Political Science, England.
SRIC ANNUAL BANQUET 2021

INCLUSIVE CAPITALISM IS NECESSARY FOR DEMOCRACY

Larry Hufford, Ph.D.
Individual initiative alone and the mere free play of competition could never assure successful development. One must avoid the risk of increasing still more the wealth of the rich and the dominion of the strong, whilst leaving the poor in their misery and adding to the servitude of the oppressed

THREE FORMS OF CAPITALISM

Raw market capitalism

Coordinated capitalism

Neoliberal/financial capitalism
RAW MARKET CAPITALISM

- Dominant in West Europe and America in the 19th century. In the US history: the Gilded Age
- The state refrains from interfering in market including labor market.
- Taxes are either extremely low or non-existent
- No welfare program or safety net
COORDINATED CAPITALISM

- Capitalism develops internal needs for a well-regulated market
- Large and small businesses find ways to cooperate with government in a search for the common good
- In the US, this form was seen in the Progressive Era, the New Deal, and the equilibrium of post-WWII (1950-1980)
- Cooperation came as a result of grassroots movements across the country
COORDINATED CAPITALISM (CONT.)

- In Scandinavia, Germany, Great Britain, and France, coordinated capitalism took the form of a social market economy.

- Coordinated capitalism is influenced by the economist John Maynard Keynes.
NEOLIBERAL/FINANCIAL CAPITALISM

- Financial capitalism is a sharp contrast to coordinated capitalism.
- Neoliberalism stresses that capitalism is self-regulating, accepting only minimal state regulations.
- 1980s to the present has been a period of deregulation, privatization, and partial-deconstruction of the welfare states.
NEOLIBERAL/FINANCIAL CAPITALISM (CONT.)

- Globalization advanced quickly with an international financial capital market

- This form emphasizes the dominance of financial capital over all other forms of capital

- The accumulation of wealth is large enough to hinder democratic politics through capitalist pressure
Financial capitalism emphasizes business that is not done through the production and exchange of goods but rather with money, conducted by brokers, banks, stock markets, investors, and the capital market.

Global capital flows increase massively with a majority not serving as investment in production but funding speculation instead. Large profits are created not matched by added value. Speculative investment capitalism becomes dominant.
Financial capitalism greatly increases its abilities to shape society. It increases inequality of wealth and income. It is also key to labor market deregulation.

Neoliberal/financial capitalism is influenced by economists Friedrich von Hayek and Milton Friedman.
THREE GROUPS OF DEMOCRACY

- Minimalist
- Middle ground
- Maximizing theory
Capitalism and democracy follow different logics. Capitalism is not democratic, and democracy is not capitalist.

The financialization of capitalism since the 1980s has broken the capitalist-democratic compromise.

Socioeconomic inequality has risen continuously and has transformed directly into political inequality.

Deregulated and globalized markets have seriously inhibited the ability of democratic governments to govern for the common good.
Today, it is not the crisis of capitalism that challenges democracy, but the neoliberal triumph.

The capitalist democracy compromise aims to realize the common good through a well-regulated market as described in Catholic Social Teaching.

A well-regulated market legitimizes and strengthens democratic institutions.

In US history, the period closest to balancing coordinated capitalism with democracy was 1950 – 1980.
The role of SRIC to hold corporations accountable is a fundamental part of the inclusive capitalism movement. SRIC’s work strengthens efforts to realize a well-regulated market that supports a stronger participatory democracy.
Competition, to be sure, is not to be excluded from commerce, but it must be kept within those limits which make it just and fair and therefore worthy of man


An inclusive capitalism that leaves no one behind, that discards none of our brothers or sisters, is a noble aspiration

~ Pope Francis, Nov. 11, 2019.
Sister Michele O’Brien, CCVI, is a Sister of Charity of the Incarnate Word of San Antonio & Development Specialist at the Friends of CHRISTUS Santa Rosa Foundation. She has spent over 50 years in healthcare in many and various positions including nurse, x-ray, community health director, advocate/lobbyist, foundation development officer, and administrator.
EQUALITY  EQUITY REALITY  LIBERATION
SOCIAL DETERMINANTS OF HEALTH: How Healthcare Impacts Health Status

- **Cost**
  - Eligibility: Who is covered?
  - Benefit: What is covered?
  - Cost Sharing: How much is covered?
  - Reimbursement: How is it paid?

- **Debt**
  - How much is owed?

- **Access**
  - Along with financial, social, and cultural barriers, healthcare coverage often determines how easily individuals obtain medical services.

- **Quality**
  - Based on health outcome, efficacy and quality of life

**The Council**

Sources: American Medical Association; “Reframing the 2020 Health Care Debate,” Progressive Policy Institute, 2019
POPULATION HEALTH VS PUBLIC HEALTH

- **Public Health** works to protect and improve the health of communities through policy recommendations, health education and outreach, and research for disease detection and injury prevention. It can be defined as what “we as a society do collectively to assure the conditions in which people can be healthy.” (Institute of Medicine, 1988)

- **Population health** provides “an opportunity for health care systems, agencies and organizations to work together in order to improve the health outcomes of the communities they serve.” (Association for Community Health Improvement)
Pat Zerega joined Mercy Investment Services as director of shareholder advocacy in 2011 and became senior director of shareholder advocacy in 2013. Pat has more than 20 years of experience in corporate social responsibility, both with the Evangelical Lutheran Church in America and as an independent consultant. She previously served as director of the AIDS Interfaith Care Teams in Pittsburgh and as director of the Christian Service Department of the Archdiocese of Detroit. She serves on the board of directors of the Interfaith Center on Corporate Responsibility, GoodWeave USA and Residential Care Services. Pat holds a bachelor's degree in psychology and a master's degree in rehabilitation counseling from West Virginia University as well as a certificate in Organizational Development from the Gestalt Institute of Cleveland.
VOICE

- To have an authentic voice one must:
  - Understand both sides of the situation;
  - seek out credible partners to develop clear, doable and fair asks;
  - be patient;
  - take time to be vulnerable and care for those impacted; and
  - be willing to engage in courageous conversations.
In the Vatican’s courageous conversations on the theme Mining for the Common Good, Pope Francis met with mining company leaders and called them “to act together to heal and rebuild our common home.” Saying, all of us are called to “cooperate as instruments of God for the care of creation, each according to his or her own culture, experience, involvements and talents” (LS 14).
Your questions answered
Thank You!

Socially Responsible Investment Coalition