

(Excerpt from article by Nancy Currid, Institute For Christian Worldview Research, Inc., June 2006, www.stewardshippartners.com)

Biblically Responsible Investing

For several decades there has been a movement within the investment community called Socially Responsible Investing (SRI). Broadly speaking, SRI is an attempt by an investor to align his investment decisions with his personal belief system and convictions. Traditionally this has been accomplished in three ways:

1. Identifying and then avoiding investments in companies that are engaged in objectionable activities.
2. Identifying and then purposefully investing in companies that are engaged in activities deemed to be laudable.
3. Holding investments in companies that are engaged in objectionable activities and utilizing shareholder rights (shareholder resolutions, proxy votes) to effect change in corporate policy.
4. Until recently Socially Responsible Investing has been the domain of social liberals. They have been the single largest group to conform their portfolios, to any significant degree, to their world views. Advocates of SRI typically avoided investments in the alcohol, gaming, tobacco, nuclear power and weapons/defense industries. Conversely, they were attracted to companies that supported such issues as worker's rights, women's rights, environmental protection, gay/lesbian rights, fair lending practices and low income housing.
5. However Christians, to their credit, have begun to wrestle with the issue of investing according to their convictions. In particular, Christians are striving to align their portfolios to Scriptural principles. Because the Christian's underlying presuppositions about God, man, creation, and truth are rooted in the Bible and are so different from the social liberal's, Christian investors have embraced the term Biblically Responsible Investing (instead of using the phrase Socially Responsible Investing).
6. Thus adherents to Biblically Responsible Investing (BRI) are asking, "If all of life, including business enterprises and financial markets, is under the lordship of Jesus Christ, how is He to be glorified in these spheres? If all of life is an act of worship, how are His people to honor Him with even their substance (Proverbs 3:9)?"

The following is excerpted from Christian News & Research, April 25, 2007

Biblically Responsible Investing: *Putting our money where our values are.* By Rob Moll

Fighting moral decay through Christian organizations is vital Christian work. Preaching the gospel is a necessity. Operating in the political sphere is also important. And giving to churches, ministries, and Christian lobby groups is a way of putting our money where our values are.

Yet many times the money locked up in our 401(k)s, mutual funds, and IRAs far outnumber what we might give to ministries. And too often our invested money supports organizations that oppose our values.

Investigating those investments can reveal value violations, (www.ctlibrary.com/6633) as Mary Nabor found. "Upon closer inspection of my own mutual fund, I discovered that my Lord's money was partially invested in

General Motors, which sells more hard-core sex videos (through its Hughes Electronics subsidiary, which owns DIRECTV) than *Hustler Magazine Inc.* each year.”

Nabor wasn't alone. “After Beverly LaHaye hosted [Scott] Fehrenbacher on her radio show and first learned of ethical investing, she immediately called her financial adviser. She learned that ‘20-28 cents of every dollar invested in Concerned Women of America retirement funds were in things we fight against.’ LaHaye did not hesitate to change funds.”

As Raymond Albrektson writes, “God has given us assets for which we will ultimately face an accounting. We should invest those assets wisely, (www.ctlibrary.com/ct/2000/october23/38.120.html) yet the owner of those assets remains God, not us.” When we think of God as the owner of our assets, we'll change how we view our portfolios.

Investing responsibly

Christians have long been corporate activists. In 1996, *CT* reported, “Through the use of product boycotts, shareholder campaigns, and public shaming, Christian activists (www.ctlibrary.com/ct/1996/october28/6tc076.html) aim to motivate corporate executives to be more family-friendly, scrupulous, and responsible.”

Four years later, *CT* reported on Christian shareholders who opposed AT&T's growing involvement in the porn business. “A group of eight religious institutional investors, led by Mennonite Mutual Aid, have filed a proxy resolution with AT&T asking the company ‘to provide a report on a variety of factors related to AT&T's growing involvement in the pornography industry.’”

But corporate activism isn't the only way to influence Wall Street. Another way to (ethically) put money to work is to make sure investments aren't in businesses that profit from immorality. Several companies, (www.ctlibrary.com/ct/1999/september6/9ta028.html) begun in the 1990s, help investors make sure their money supports only companies that share their values. “Scripture says a lot about responsibility, stewardship, and the money God has entrusted to us,” says Arthur Ally, president of the Timothy Plan, based in Winter Park, Florida.

“Evangelical churches, nonprofit organizations, and foundations should adopt official ethical guidelines for their retirement, endowment, and other investments,” says Nabor, “or risk undermining the integrity of their entire ministry by supporting the cultural problems (www.ctlibrary.com/ct/2001/september3/11.86.html) they seek to remedy.”

One fund manager, who says he practices “biblically responsible investing,” complained to me recently that it's extremely difficult to persuade Christian organizations to put their money into biblically responsible investment vehicles. He says nearly all the largest denominations and parachurch ministries continue to invest in companies that oppose their Christian missions.

It could do wonders for the kingdom if individual Christians and church institutions were to restrict the billions of dollars they invest to companies that supported their values. My fund manager friend tells me it would likely do more to arrest moral decay than any amount of political involvement.