

HOW SOCIALLY RESPONSIBLE INVESTING IS EXERCISED

1600s →	1967 →	1969 →	1970 →	1972 →	1973 →	1981 →
The “Puritan” Approach	Beginning of Corporate Accountability Movement	Beginning to track actions of corporations on various issues	Beginning of socially responsible mutual funds	Building joint strategies: ICCR created among major Protestant groups	Catholic institutions join ICCR Creating alternative investment opportunities	The Social Investment Forum is founded
Developing “screens” Don’t invest/ Divest	Using one’s investments selectively	Monitoring corporate performance beyond fiscal issues	Limited screening Selected issues screened	Using SRI as investment strategy “Buying a pulpit”	Investing proactively	Linking faith-based and other SRIs
Avoiding evil	Being held accountable for investing	Accepting responsibility as shareholders for the actions of a company	Being politically correct but only on the surface, if it only involves screens	Working to change corporate practices Targeted way of preaching	Doing good	Joining forces Cooperation on issues
Can never be “totally clean”	Overly-limited approach Loopholes	Implies “knowing is doing”	With screens on some, what about other companies with problems	Limited success with votes Moral persuasion	The investments of these groups also need monitoring	Possibility of being used by companies when involved in their “CR”

Michael H. Crosby, OFM/Cap.
WIM/CRI
1015 North Ninth Street
Milwaukee, WI 53233
414.406.1265
www.michaelcrosby.net
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