

Even Churches Invest in Unethical Behaviour¹

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Churches which invest pension and other funds in North America's financial system are not putting their money where their mouth is, says a missionary to Africa.

Rev. John Boer, who works with the Nigerian Council of Churches, says church investments often work at cross purposes to the work which churches are trying to do.

Boer faced that dilemma years ago, after moving to Nigeria where he was a missionary for the Christian Reformed Church. A nasty civil war was underway, and it became apparent that at least one major multinational corporation was making good bucks on it.

To Boer's distress, he found that he, through a small investment in a mutual fund and through his church's pension fund, was in one sense a shareholder of the company which was working against the very people to whom he had been sent as a missionary.

In another case, his church established training programs for Filipinos who had recently moved to urban areas from their small farms. They had been pushed off their land by a large corporation which wanted to grow crops for export on the land which they had farmed for generations.

"I wrote and asked the agency if they weren't dealing with the symptoms of the problem rather than with the problem itself. Shouldn't they, in addition to training people, try to do something about empowering those people so they wouldn't be so easily kicked off their land?"

¹ CC, 29 Jan/1988 (3 pp.). Based on a pre-publication draft of *Caught in the Middle: Christians in Transnational Corporations* (1993) and on an interview. *Every Square Inch*, vol. 2, pp. 297-298.

“They said that maybe they would look at it. Some time.”

Impossible tangle

Boer says the capital markets of the developed world are so “incestuous” that it is impossible to make investments without becoming part of the problem. Even the “social responsibility” or “ethical” investment funds which purport to avoid investments in some companies (such as those involved in military production, South Africa, and oppression of workers), cannot avoid the tightly woven net of capital markets. Companies who own each others’ stocks, mutual funds and pension funds, invest in a wide variety of companies and it is simply impossible to make significant investments without investing in unethical behaviour at some stage.

The basic problem, Boer says, is the “priority of profits.” “There’s nothing wrong with profits, but it’s the priority of profits which forces corporations to distort and twist whatever good can come out of their work.”

Although some may write Boer off as just another capitalism basher, he says some of the fundamental institutions of the Western economy, such as the free enterprise system and corporations themselves, are morally sound.

“Private enterprise is a very beautiful thing. It makes room for freedom and creativity and imagination. And the structure of a corporation is like the church itself, where people who don’t know each other pool their resources with people all over the world.”

But when the profit line in the corporate balance sheet becomes the ultimate measure of corporate success, ethical treatment of workers, customers and suppliers becomes secondary, Boer suggests.

Invest in service

He admits he’s not a businessman, but Boer sees some solutions to the problem. He would like to see Christians, who represent a significant portion of the North

American population, invest in companies which are formed specifically to provide services without treading on others.

He cites the case of a Michigan company which purchases dilapidated inner-city homes, employs inner-city people in their restoration, and then sells them to the poor at well below their new market value. The firm removes blighted homes, provides housing for the poor and trains and employs workers. And it makes a profit, Boer says.

An ethical, service-oriented corporate mentality could take the economy down unforeseen paths, Boer believes. "There you have a different soul, and when you have a different soul you have a different life."