

Overture A – On Rescinding The 2014 Divestment Action

The session of Milford Presbyterian Church asks the Presbytery of Detroit to overture the 222nd General Assembly:

- to rescind the action of the 221st General Assembly (2014) which resulted in the divestment of denominational funds from three corporations (Caterpillar Inc., Hewlett-Packard, and Motorola Solutions) engaged in non-peaceful pursuits in Israel and Palestine and to resume normal investment practices with respect to these corporations; and
- to encourage and equip the local church to advocate for justice in the region.

RATIONALE

The 221st General Assembly (2014) acted to divest denominational funds from three corporations. The overture reads (in part):

Instruct the Presbyterian Foundation and the Board of Pensions of the PC(USA), to divest from Caterpillar, Inc., Hewlett-Packard, and Motorola Solutions, in accord with our church's decades-long socially responsible investment (SRI) history, and not to reinvest in these companies until the Mission Responsibility Through Investment Committee of the PC(USA) is fully satisfied that product sales and services by these companies are no longer in conflict with our church investment policy. This action on divestment is not to be construed or represented by any organization of the PC(USA) as divestment from the State of Israel, or an alignment with or endorsement of the global BDS (Boycott, Divest and Sanctions) movement.

This action is the latest chapter in a decade-long process of debate and discernment within the PC(USA), which began with the decision of the 216th General Assembly (2004) to “initiate a process of phased selective divestment in multinational corporations operating in Israel.”

The closest historical analogy for this action is our denomination's response to South Africa's apartheid policies in the 1980s. We recognized at the time that, in the face of the evil of apartheid, we had a moral obligation to do our part to seek justice in the region. The 197th General Assembly (1985) approved a process of phased selective divestment from corporations operating in South Africa with the clearly articulated goal of pressuring the selected companies to withdraw from South Africa, thus indirectly putting economic pressure on the South African government. After attempts at corporate engagement, a total of sixteen companies were targeted for divestment.

The divestment action regarding Israel which began in 2004 and has taken final concrete form in the decision of the 221st General Assembly (2014) was clearly intended to be modeled on our actions toward South Africa. In the same way that we targeted corporations operating in South Africa, the language of the 2004 overture was broad enough to signify a full-scale divestment, indicative of the desire to place indirect economic pressure on Israel, in hopes that the policies of occupation would change.

The outrage in the church was fierce and swift, resulting in the rescindment of the 2004 decision at the next General Assembly (2006), which opted instead to “urge” the PC(USA) to invest only in peaceful pursuits in the region and to affirm corporate engagement by the Mission Responsibility Through Investment (MRTI) Committee as the proper vehicle for effecting the desired change.

Divestment has two primary purposes. The first is separation. Divestment is a means of separating ourselves from enterprises or classes of enterprise which stand in direct opposition to the principles and policies of the church. In such cases, to divest is to state our unequivocal objection and to prevent ourselves from being

implicated in something with which we disagree. Divestment as separation may hope for change in the offending enterprise or class of enterprise, but effecting change is not its purpose.

The second purpose of divestment is redress. Divestment can be a means of effecting meaningful change in a situation that is deemed in conflict with biblical standards of justice. In such cases, it is not necessarily true that the church has a moral objection with selected enterprises. Rather, enterprises (or classes of enterprise) may themselves be (wittingly or not) implicated in an unjust situation or helping to support an unjust government. Selected divestment may then be deemed the appropriate tool for influencing an enterprise, a class of enterprise, or a nation to change policies or actions. Divestment as redress may in effect separate the church from enterprises or classes of enterprise with which we have a moral objection, but separation is not its purpose.

What has happened over the course of our discernment and debate on this issue is that we have transitioned from one type of divestment to the other, but failed to adjust our rationale accordingly. This process began with the proposal of divestment as redress, the targeting of companies broadly as a means of pressuring Israel to change its policies. When it became clear that the church at large was unwilling to undertake this course of action, we took a step back and gave careful scrutiny to our involvement in the region. This scrutiny revealed three corporations, named above, in which the PC(USA) has investments, and whose products are being used in non-peaceful pursuits.

It is at this point that we, in effect, made the transition from divestment as redress to divestment as separation. No longer were we aiming to place appreciable economic pressure on Israel's government. Instead, we recognized that our financial holdings, by way of three companies, were implicated in non-peaceful pursuits, and some desired that we disentangle ourselves for the sake of the ethical witness of the church.

And herein lies the problem. The original aims of divestment as redress were not achieved. Over the years, these aims have been whittled down to a very limited action that indirectly censures Israeli policies, but without the force or intent to change them. The 2014 action quite explicitly refuses to be aligned with the global BDS (Boycott, Divestment, Sanctions) movement, in spite of the fact that divestment as redress depends upon the support and participation of a wide range of actors in order to apply sufficient economic pressure. Thus, it is not an effective redress of injustice.

Neither is it a compelling act of separation. The companies selected for divestment, though their products are being used for non-peaceful pursuits, simply do not rise to the level of moral objection that would ordinarily be expected in order for the church to consider divestment. But because the process began as it did, seeking a much broader divestment action with the aim of effecting political change, we did not stop to determine—once redress was no longer a realistic consideration—what outcomes we were pursuing and what were the best means to achieve those outcomes.

The action of the 221st General Assembly (2014) represents a fundamental misunderstanding and misappropriation of the tool of divestment. In conflating the two uses of divestment, we have successfully applied neither. The church at every level needs to be given the tools to advocate for justice in the region in ways befitting local contexts and drawing on local passions. In the meantime, this action needs to be rescinded so that the Presbyterian Church (USA) can find clarity about how and when to use divestment, and so that we can be reminded of the importance, not only of addressing injustice abroad, but also of working to maintain unity at home.