

HOW TO TALK TO ADULTS ABOUT DIVESTMENT

AN EARTH GUARDIANS RESOURCE
FOR YOUNG CLIMATE LEADERS



**EARTH
GUARDIANS**

1. EXPLAIN WHAT DIVESTMENT IS.

Divestment is the opposite of investment. When a person or organization sells off stocks, bonds, and investments funds tied up in unethical businesses, they are divesting.

When investing, a company or individual buys stocks and bonds with the purpose of generating financial returns. When someone invests in the fossil fuel industry, they are quite literally profiting from ecosystem destruction, human rights violations, pollution, and climate change.

2. BE READY TO ANSWER FOLLOW-UP QUESTIONS.

Q: Which companies should divest from the fossil fuel industry?

A: Any banks or companies with investments in fossil fuels.

This includes universities, teacher pension funds, and banks. Chase Bank, BlackRock, and Liberty Mutual Insurance have the largest investments in fossil fuels.



- **Chase Bank** is the largest funder of fossil fuels in the world. Since 2016, when the Paris Climate Agreement was signed, Chase alone has invested \$269 billion in the fossil fuel industry.
- **Liberty Mutual** is the largest insurer of fossil fuel companies.
- **BlackRock**, the world's largest asset manager, is the world's largest investor in both the fossil fuel industry and deforestation.

From 2016 to 2019, 35 banks have together invested \$2.7 trillion in fossil fuels, financing projects like coal mines, tar sand pipelines, deepwater drilling, and fracking wells. Nationwide, public pension funds control more than \$4 trillion in assets, and nearly all of them have investments in fossil fuels.

University divestment campaigns are active across the country and have been successful in divesting trillions of dollars from fossil fuels. Among those that have divested include University of Syracuse, Georgetown, the University of California system, and Harvard. Individuals should also divest their assets. This can look like moving your money out of these banks or choosing to support local businesses instead of mainstream companies.

Q: What can we divest from?

A: Anything that you invest in can be divested from.

People and companies typically divest from unethical institutions, such as fossil fuels, prisons, chemical companies, and military operations.

The injustices in society are **intersectional**, which means that they are all connected. It is important to address all of them together, rather than separately. There is no climate justice without racial justice, justice for immigrants, justice for indigenous communities, justice for women, justice for LGBTQIA+ people. The list goes on. When talking about fossil fuel divestment, we can't neglect to talk about and include social injustices in our activism. Not only does the moral high ground give us power, but we won't be successful in our endeavors if we fail to be intersectional.

Q: Why is fossil fuel divestment so important?

A: The financial sector is funding, insuring, and investing in the climate crisis. If we are going to address climate change with the aggression and urgency it deserves, we must divest from the companies that are causing it.

We must employ every method we have to fight climate change, and divestment is a vital one. We must hit fossil fuel companies at their core, to loosen their hold on the government and the financial market. Fossil fuel companies and those who invest in them are complicit in mass deforestation, pollution, and exploitation of Indigenous communities. The fossil fuel industry's business model requires that they emit 6x more carbon into the atmosphere than humanity and the planet can handle.

The wave of the future will be away from fossil fuels. In the last decade, profits have been on a continuous decline. It is no longer financially lucrative to invest in the fossil fuel industry. In other words, they are not garnering economic returns, due to the growing transition towards renewables. This is referred to as a stranded asset. When companies see large institutions moving their money away from fossil fuels, they are more likely to question the viability of the fossil fuel industry's business model. Divestment from harmful industries builds momentum for moving money into local community development, clean energy projects, and sustainable companies.

Q: Is it difficult for companies to divest?

A: Sometimes. Many companies choose **passive investment** strategies, matching their investments to an index that likely contains fossil fuel companies. This is the simpler and safer method of investment for them, but it allows them to ignore the moral imperative of divestment. However, if companies switch to a form of **active investment**, they will have a direct say in where they invest their assets and it will be easier for them to divest.

Q: Does divestment really make a difference? Even if we divest, won't someone else just buy those stocks?

A: Divestment is both a symbolic moral stance and a powerful vehicle for change when done collectively. Think of it like voting—we tell people to vote because collective action is vital to influencing positive change. A mass movement for divestment—where trillions of dollars are taken out of immoral industries—will impact fossil fuel companies financially, just like lots of people voting for a candidate will determine who gets elected. The more we can make climate change a moral issue, the more we can push society toward action. We must make it clear that if destroying the planet is wrong, then profiting off of that destruction is also wrong.



Divesting from Apartheid South Africa

Apartheid in South Africa is an excellent example of a successful divestment movement where morality became a key factor.

Divestment from South Africa began in the 1960s to pressure the government to dismantle the Apartheid system. In the beginning, the movement in America failed to garner support from the U.S. government, so organizers responded by pressuring individual companies to end their involvement with the Apartheid state on principles of corporate social responsibility. A set of principles were written up for companies to adopt, stating that they would only do business with groups that ensured integration and equal rights for all employees.

Divestment in America reached critical mass after Black political resistance to the 1983 South African Constitution. By 1990, over 200 companies severed ties with South Africa, resulting in a \$1 billion loss of investment. 26 states governments, 22 countries, and 90 cities divested from multinational corporations that did business in South Africa. Additionally, universities such as Harvard and the UC system divested, with students in both the United States and South Africa playing a vital role in dismantling the Apartheid government—demonstrating, not for the first time, that youth hold revolutionary power.

3.

TALK ABOUT HOW INDIVIDUALS CAN ENGAGE IN DIVESTMENT.

Q: Who should I move my money from?

A: Any group that has its money invested in fossil fuels.

This includes most big banks like Chase, Citibank, and Wells Fargo. More information can be found at stopthemoneypipeline.com.

Q: Where should I move my money to?

A: Groups that don't invest in fossil fuels.

Beneficial State Bank and Aspiration Bank are two banks that do not invest in climate destruction. Local Credit Unions are also a good option, as many of them invest in local community development as opposed to the destruction of the planet.

Q: What actions can I take to urge banks to divest?

A: Move your money and join the movement.

Move your money out of banks that fund fossil fuel companies. When you leave, write a letter or email urging them to divest and explaining the reason for your departure. Then, get involved with a campaign like Stop the Money Pipeline, which is actively working to push banks like Chase to divest. Take part in a phone banking event for calling the board of directors and/or join another form of direct action like a march, rally, sit-in, or art installation.

Q: What actions can I take to urge my university to divest?

A: Join or start an on-campus divestment campaign.

Over 100 universities in the United States have divestment campaigns on their campuses. If one already exists at your school, you can join one. If not, reach out to DivestED to find out how to start one. Also, if you reach out to a local environmental organization, you will likely find others who are interested in getting involved. Remember, universities have varying financial structures, so make sure to do your research and find the right people to talk to in the administration.

Q: How can I further empower the movement?

A: Take the following 5 steps.

- Educate your friends and family
- Participate in social media campaigns
- Do further research
- Sign petitions of support and pledges of commitment
- Reach out to an organization that is doing divestment work the resonates with you to get involved in one the ground organizing

4. EXPLAIN WHY DIVESTMENT IS IMPORTANT TO YOU.

Your family, teachers, and friends want to hear about the things you are passionate about. Tell them why you care about divestment, the climate crisis, the future of the planet, and the people who are most at risk for experiencing the greatest impacts of climate change. Share your experiences, fears, and hopes. These can be more powerful than anything else.

5. USE THESE TIPS TO GET YOUR POINTS ACROSS SMOOTHLY.

- **Try to avoid being alarmist and remain calm.** These topics can elicit a lot of passion, which is good, but it is important to be relaxed so that the other person feels comfortable.
- **Avoid being argumentative at all costs.** It's okay to engage in a debate, but make sure both parties are listening to each other's points and providing rational responses. Yelling or accusations will shut a person down to discussion immediately.
- **Be relatable and use accessible language.** Don't use big words or acronyms without first explaining what they mean, and don't act like people should already know what you are referring to. Though you are talking to an adult, they may have never been exposed to this subject before.
- **Be patient.** You may need to explain things multiple times or in different ways to get the point across.
- **Don't talk down to anyone because you know more on this topic than they do.** Engage in a discussion as equals.
- **Be open to hearing new ideas.** The people you talk to have valuable life experience and wisdom that may help you see things in new ways. If they offer up pieces of knowledge they have, engage, ask questions, and relate their ideas to something you may have experienced.