Divestment – Other Information

**2022 March: Healthcare Workers Call on Hospitals and Medical Institutions to Divest From Fossil Fuels:** This article’s first paragraph says: “A coalition of healthcare professionals and climate finance organizations are calling on hospitals to divest their pension and retirement funds from fossil fuels, citing the severe public health hazards from climate change.” Read the article at this link: [**https://www.desmog.com/2022/03/14/healthcare-workers-hospitals-medical-institutions-divest-fossil-fuels/**](https://www.desmog.com/2022/03/14/healthcare-workers-hospitals-medical-institutions-divest-fossil-fuels/)

**2020 October: Bill McKibben’s article “Climate Crunch Time” urges divestment:** [**https://www.project-syndicate.org/magazine/climate-activism-divesting-from-fossil-fuels-by-bill-mckibben-and-elmira-bayrasli-2020-09?barrier=accesspaylog**](https://www.project-syndicate.org/magazine/climate-activism-divesting-from-fossil-fuels-by-bill-mckibben-and-elmira-bayrasli-2020-09?barrier=accesspaylog)

**2020 August: The U.S. Department of Labor and the Securities and Exchange Commission planned to undermine the fossil fuel divestment movement.** Under the federal Employee Retirement and Income Security Act (ERISA) the Department of Labor has had rules to safeguard investments of employee pension funds. ERISA and Trump’s Department of Labor were planning to modify the investment rules to undermine fossil fuel divestment requirements: [**Sustainability Matters: Overwhelming Opposition to Proposed Regulation Limiting the Use of ESG in Retirement Plans**](https://www.morningstar.com/articles/998787/sustainability-matters-overwhelming-opposition-to-proposed-regulation-limiting-the-use-of-esg-in-retirement-plans)

**2019 February: While mainstream investment companies invest in fossil fuels, some ethical mutual funds, etc., refuse to put their people’s money into businesses that hurt the environment or climate (or make weapons, etc.).** I am not endorsing any particular company, but I invite anyone interested to explore “socially responsible” and “ethical” investment alternatives.

**2018 February: I wrote this about divesting from fossil fuels:**

We Must Divest from Fossil Fuel Investments

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We all know the familiar advice to “put your money where your mouth is.” We need to manage our finances consistently with the values we express. This implies taking our money away from activities that violate our values.

Strategically, we should also take additional actions to cut off larger money supplies from activities that are bad morally or ethically. Divestment is obviously moral and ethical – just like the divestment campaign that pressured giant business corporations to stop supporting South Africa’s apartheid.

But beyond morality and ethics, we need to promote fiduciary responsibility – responsibility to protect money from being lost through careless investments. We need to divest from activities that seriously endanger our money and the money of other people who have entrusted professionals to manage their money. Some of those experts are failing us!

So besides paying attention to our own investments – any stocks, bonds, mutual funds, and other assets we might own – we must also pay attention to our pension funds, the investments owned by our non-profit organizations, our local and national religious bodies, our university endowment funds, and so forth.

Managers of those investments have not only moral and ethical responsibilities but also fiduciary responsibilities: legal responsibilities to intelligently and prudently manage these funds. Unfortunately, many of these financial managers are not paying attention to the hard, risky realities of the climate crisis.

**Fossil fuel companies used to be considered safe, high quality “blue chip” investments, but now they are doomed to crashing – and crashing sooner rather than later.**

Why we must divest now

The world’s most expert climate scientists share a consensus that the earth is almost certain to exceed the CO2 limit and cause global catastrophe. The additional amounts of CO2 that are expected for our atmosphere are **more than five times the amount that our atmosphere can accommodate** without extremely serious damage to the climate and human beings.

When the world’s people and governments recognize the hard scientific realities they will be forced to **sharply limit the extraction and burning** of the underground reserves of coal, oil and natural gas. The world will be forced to **PROHIBIT** fossil fuel companies from extracting and selling about **80% of their underground reserves** of coal, oil and natural gas. This means that **about $20 TRILLION worth of underground assets** that **will suddenly have ZERO value.** REPEAT: **About $20 TRILLION worth of underground assets that will suddenly have ZERO value.**

**When this happens, their stock prices will plummet and investors – perhaps YOU and your pension fund and your other investments – will suffer huge losses.**

**We must recognize the train wreck coming our way, and divest promptly from the increasingly risky investments related to fossil fuels! Sell off before the bubble bursts!**

🡪 Show and offer to e-mail the first 14 pages of the article Jim Lazar provided: “This is how Big Oil will die.”

**Despite the propaganda that oil and coal companies tell the public, oil and coal companies really do recognize this crisis.** Savvy financial analysts are recognizing that drilling and extracting oil are costing oil companies very much more money, but they are getting less oil from these increasingly expensive efforts. Oil is becoming even more capital-intensive. About 4 years ago Chevron’s CEO called the oil industry **“a growing capital black hole.”**

Several years ago many estimates of shale oil reserves were sharply written off. The Energy Information Agency stated that California’s Monterrey Shale has only 4% of previous estimates. They wrote off 96% of what had been previously claimed.

Several years ago another analyst wrote: “All new oil is going to be less plentiful and more expensive. It is going to take increasing amounts of money both to find and bring to the surface. The once mighty oil companies that strode across the global landscape like giants are going to increasingly shrink in stature and power.”

The 7 paragraphs I read to you just now I had researched and written 3 ½ years ago in 2014. Smart investors have already been selling off for a number of years! Will **you** and **your pension fund** get left holding an empty bag?

Also the investments by many non-profit organizations, religious bodies, universities, and other good entities include fossil fuel companies’ stocks and bonds. Will these organizations that you care about suffer serious losses when underground fossil fuel assets become useless and their value is written down to zero and the fossil fuel bubble bursts?

More Information

“$5.6 Trillion has been withdrawn from investments in fossil fuels worldwide in just 5 years.” (For details see [**www.gofossilfree.org**](http://www.gofossilfree.org)**.**)

The “Carbon Bubble” has already burst for coal. It is also beginning to burst for oil. Wind and solar are rapidly increasing as sources for our electricity needs. They are replacing oil for buildings, industry, and transportation.

**2014: Information Resources about Divesting from Fossil Fuels**

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**I compiled this list of easy-to-read factual resources in 2014. Many more exist now.**

* An easy-to-read article explains why to divest from investments in fossil fuels and the rapid growth of this divestment movement.  The article also urges investing in alternatives.  See [**http://tinyurl.com/m639zfp**](http://tinyurl.com/m639zfp)This article also mentions a website, [**www.gofossilfree.org**](http://www.gofossilfree.org)
* Bill Moyers produced a TV program about divesting from fossil fuels:  See [**http://billmoyers.com/episode/putting-the-freeze-on-global-warming/**](http://billmoyers.com/episode/putting-the-freeze-on-global-warming/)
* Canadian tar sands might be too risky for investing:  Even if investors don’t care about the environment and climate, they should care about avoiding unnecessary economic risk.  This new report wants to alert investors that Canadian tar sands can be far too risky for economically sensible investment.  This report can help our efforts to promote divestment from fossil fuels:  [**http://tinyurl.com/oygmazn**](http://tinyurl.com/oygmazn)
* The top banks are divesting from coal:  [**http://ecowatch.com/2014/04/21/banks-investment-coal/**](http://ecowatch.com/2014/04/21/banks-investment-coal/)
* The Natural Resources Defense Council (NRDC) took the lead in showing how to exclude fossil fuels from investment portfolios:  See  [**http://ecowatch.com/2014/04/29/nrdc-stock-index-fossil-fuel/**](http://ecowatch.com/2014/04/29/nrdc-stock-index-fossil-fuel/)
* A big campaign by students convinced Stanford University’s board of trustees to decide to divest its $18.7 billion endowment from coal stock:  Stanford University’s policy about investing tells the board of trustees to maximize potential returns, but it also allows trustees to factor in the possibility of those investments causing social injury.  See[**http://ecowatch.com/2014/05/07/stanford-divestment-coal/**](http://ecowatch.com/2014/05/07/stanford-divestment-coal/)and  [**http://tinyurl.com/mq2x56l**](http://tinyurl.com/mq2x56l)

**You want to be alert to financial risks, so I implore you to recognize these red flags:**

Already by 2014, a growing number of universities, governments, and investment houses are expressing alarm and divesting themselves from fossil fuel companies before that bubble bursts.

I strongly urge you to read Bill McKibben’s powerful article titled **“Global Warming’s Terrifying New Math,”** at this link:  [**www.rollingstone.com/politics/news/global-warmings-terrifying-new-math-20120719?print=true**](http://www.rollingstone.com/politics/news/global-warmings-terrifying-new-math-20120719?print=true)This powerful article was published by ***Rolling Stone*** on July 19, 2012.

Bill McKibben’s “terrifying new math” article (immediately above) alerted many people to the problem way back in 2012.  Beyond that, we must **recognize the hard math that proves that selling and burning even 20% of the known fossil fuel reserves would be extremely catastrophic.  The hard truth is that at least 80% of the coal, oil and natural gas must be left in the ground and those current assets will become worthless, causing a crash in prices of their stocks and bonds.**  Therefore, the hard truth is that fossil fuel companies – and other companies related to extracting and selling and burning fossil fuels – are dinosaurs that endanger their stockholders.

Additional information exists from many reliable organizations, including the Post Carbon Institute ([**www.postcarbon.org**](http://www.postcarbon.org)),  Oil Change International ([**www.priceofoil.org**](http://www.priceofoil.org)), and 350.org ([**www.350.org**](http://www.350.org)).