



Resource Guide to Socially Responsible Investing and Native American & Indigenous Peoples' Issues

Terminology and Resources

Many investors seek ways to invest their money without sacrificing their values. This is especially true of Native American tribes that seek competitive rates of return from investments consistent with their ethical or moral principles. We call this social justice based on Native American Values.

The investment world has changed dramatically in the past ten years, and it is now easier for individuals and organizations to invest in ways that do not violate their integrity while receiving a good return. Some mutual funds and money management firms offer professional investment services that earn market rates of return while pursuing social as well as financial objectives.

Some Common Socially Responsible Investing (SRI) Terminology

“Negative Screening” is the term applied to the strategy of avoiding stock ownership in corporations that make harmful products (such as alcohol) or that have patterns of egregious behavior (e.g. “sweatshop” suppliers, excessive pollution, degradation of the environment, or abusive labor practices). This form of SRI first became widespread when many investors boycotted companies doing business in South Africa before the dismantling of apartheid, and it is still important today. Native American investors can screen out companies with poor records in handling indigenous rights, in addressing site selection on sacred lands and those companies that use racist or offensive language in their product marketing.

A second form of SRI is called **“Positive Screening.”** This is the practice of proactively investing in firms known for corporate responsibility or positive contributions to society or the environment. Examples are companies that have progressive policies on equal opportunity, affirmative action, employee ownership, or that have adopted beneficial environmental standards. Examples of positive screens for Native Americans would include companies with progressive site procurement policies. Screening for those companies with the best social profiles in each industry is termed to be investing in the “Best in Class” companies.

“Shareowner Advocacy” is an increasingly effective means of SRI. Some SRI programs seek to change corporate behavior through proposing and representing resolutions at annual stockholder meetings. A number of US religious organizations, as well as Native American tribes work together through the **Interfaith Center on Corporate Responsibility** to influence corporate behavior in this manner. These actions have highlighted the need for diversified boards of directors, non-discriminatory employment practices, and an end to predatory lending programs, and reasonable pricing of medications essential for the treatment of AIDS and other conditions. They have also brought press and public attention to the exploitation of Third-World women and children working in cruel labor conditions. Examples of successful corporate engagement on Native American concerns include gaining commitments from banks to increase banking services to Native groups and from energy companies to not extract resources from indigenous lands. Land procurement policies on sacred sites and negative marketing images are other areas of active engagement among SRI investors.

“Community Investing” is another important form of SRI. Investors can designate part of their portfolio for community development credit unions, banks, loan funds, and other emerging investment vehicles that make loans to people and enterprises in underserved, low-income communities. Such institutions and organizations provide capital, training and technical assistance to communities that are often under-served by traditional lenders. Affordable housing, small and minority-owned businesses and community facilities are often the beneficiaries of community investing. There are over 44 certified Native Community Development Financing Institutions (CDFI's) focusing on Native American, Native Hawaiian and Alaska Native populations

in the United States. Native CDFIs are currently one of the most effective tools for stimulating Native economies. They create local entrepreneurs, homeowners, and tribal businesses as well as develop the infrastructure and knowledge that lead to solid and culturally appropriate governance, legal systems, commercial practices and community-focused financial management.

Native SRI Resources and Community Development Information

Indigenous Rights Screen – (www.calvert.com/sri_IBIndigenousPeoplesRights.html)
Comprehensive example

Site Procurement/Sacred Site Issues - (www.sacredland.org)
Excellent report on Corporate Responsibility and Sacred Sites

Native American Corporate Engagement Strategy - (www.firstpeoples.org)
Principals for Ethical Business Relations with Indigenous Peoples. - First Peoples Worldwide

First Nations Oweesta - (www.oweesta.org)
Oweesta is the only certified Native CDFI intermediary in the country. Its main focus is helping develop Native Assets for indigenous peoples living on reservations, traditional Indian lands, Hawaiian homelands, and in Alaska Native villages through the creation of Native CDFIs, entrepreneurship development systems, and financial education and asset building programs.

Social Investment Forum's Indigenous Peoples' Working Group -
(<http://www.socialinvest.org/projects/indigenous.cfm>)
Information sharing and advocacy on Native SRI issues. For more information contact Susan White, Director, Oneida Trust Committee of the Oneida Tribe of Indians of Wisconsin at swhite@oneidation.org.

Our Native Circle - (www.ournativecircle.org)
Our Native Circle is an online Native Community Development Resource Center. It provides comprehensive information regarding Native community economic development including a chat room, downloadable documents, forms and presentations, and a community calendar among other features. It is designed to be a one-stop shop for anyone interested in Native economic development including funders, investors, Native organizations, individuals and tribes. Our Native Circle is an initiative of Oweesta.

Native American Bank - (www.nabna.com)
Native American Bank, National Association (NAB) is a federally chartered bank (CDs are FDIC insured) that is owned by Native American Bancorporation, a bank holding company that has been organized by a group of Tribal Nations and Alaska Native Corporations. With a mission statement of "Pooling Indian Economic Resources to Increase Indian Economic Independence", NAB's broad vision is to (1) be a powerful engine for Indian economic development, (2) establish a significant Indian presence in the financial marketplace, and (3) project the growing economic power of tribes and Indian businesses onto the national scene.

Native American Capital (NAC) - (www.nativeamericancapital.com)
NAC fosters and promotes business and economic development in Indian Country through investment of private equity capital in promising new and developing high growth businesses in Native American and Alaskan Native communities. NAC also provides the technical assistance necessary to ensure the growth, development and profitability of these enterprises.

Lakota Funds - (www.lakotafund.org)
The Lakota Fund was the first Native CDFI in the country. It was established over 20 years ago on the Pine Ridge Reservation in South Dakota and continues to provide capital, training and technical assistance to the Oglala Lakota people for business and community development.

Native American Investment Group – (www.naig.us)

NAIG is a newly formed investment group whose purpose is to assist in the capitalization of larger business enterprises in Native communities. It will provide loan packaging and deal making services and will build capacity at the local level for larger projects.

General SRI and Community Development Information

Social Investment Forum (www.socialinvest.org)

The Social Investment Forum site offers comprehensive information, contacts & resources on socially responsible investing. Also, for more SRI information on Native issues the Social Investment Forum has an Indigenous Peoples' Working Group, which has a Native Advocacy subcommittee. For more information contact Susan White, Director, Oneida Trust Committee of the Oneida Tribe of Indians of Wisconsin at swhite@oneidanation.org.

Social Funds (www.socialfunds.com)

Leading website for information on SRI mutual funds.

SRI News (www.srinews.com)

News on socially responsible investing.

Opportunity Finance Network (OFN) (www.opportunityfinance.net)

OFN is a national CFDI membership organization whose mission is to lead the community development finance system to scale through capital formation, policy and capacity development.

Community Investing Center (www.communityinvest.org)

Community investing is capital from investors that is directed to communities underserved by traditional financial services. It provides access to credit, equity, capital, and basic banking products that these communities would otherwise not have, making it possible for local organizations to provide financial services to low-income individuals, and to supply capital for small businesses and vital community services, such as child care and healthcare.

Co-op America (www.coopamerica.org)

Practical suggestions for using your consuming and investor power for social change – includes excellent Community Development information

SRI Studies (www.sristudies.org)

Reviews and bibliography of academic studies of socially responsible investing and business.

Interfaith Center on Corporate Responsibility (ICCR) (www.iccr.org)

For 35 years the Interfaith Center on Corporate Responsibility (ICCR) has been a leader of the corporate social responsibility movement. ICCR and its members press companies to be socially and environmentally responsible. Each year ICCR- member religious institutional investors sponsor over 200 shareholder resolutions on major social and environmental issues.

A Reference List of Socially Responsible Mutual Funds Companies with net assets over \$600 million

Ariel Mutual Funds	www.arielmutualfunds.com
The Calvert Group	www.calvertgroup.com
Citizens Funds	www.citizensfunds.com
Domini Social Investments	www.domini.com
Parnassus	www.parnassus.com
Pax World Funds	www.paxfund.com

Native Corporate/Shareowner Advocacy

Social Investment Forum's Indigenous Peoples' Task Force – Advocacy sub committee - a clearinghouse for information related to SRI advocacy and issues faced by indigenous peoples. Monthly strategy calls on the third Monday of each month at 3pm eastern. To participate contact Steven Heim, Director of Social Research, Boston Common Asset Management at: sheim@bostoncommonasset.com.

Strategic Issues:

Free, prior, and informed consent – extraction of resources from indigenous lands

Stereotyping, negative, racist images – examples include retailers such Halloween Express, apparel manufacturers and retailers selling brands such as Crazy Horse (Liz Claiborne). Fed-Ex (stadium naming rights for Washington Redskins, its PAC also supports the team).

Native land title

Site development – one example was advocacy focused on Costco and its destruction of sacred site in Cuernavaca, Mexico.

Environmental Justice - Oil & gas, mining, other extractives, nuclear power companies – examples such as Peabody Coal and coal slurring; impact of aquifers and water waster for mining. Campaigns to oppose drilling in Arctic National Wildlife Refuge. Campaign to pressure Chevron to take responsibility for contaminating large areas of Ecuadorian rainforest. Honeywell and pollution of Lake Onondaga.

Intellectual property