

## **Frequently Asked Questions: Divestment**

(Detroit, Michigan – June 20, 2014) – By a margin of seven votes, the 221st General Assembly (2014) of the Presbyterian Church (U.S.A.) approved a measure recommending that the Board of Pensions, the Foundation, and its members divest from three corporations whose products it believes contribute to the Israeli occupation of Palestine. The companies—Caterpillar, Hewlett Packard, and Motorola Solutions—are used by the Israeli government in the occupied territories and are not in compliance with the General Assembly’s policy on socially responsible investing. The PC(USA) has a decades-long history of social responsible investments. The measure also says that this action does not indicate an alignment with the overall global Boycott, Divest and Sanctions (BDS) movement. It affirms the importance of economic measures and cooperation between Israelis and Palestinians that support and advance a negotiated two-state solution, and encourages Presbyterians to travel to the Holy Land to give broad support to the Christian, Jewish, and Muslim communities throughout the Middle East. The assembly also called for a study to determine whether a two-state solution continues to be viable. Regarding *Zionism Unsettled*, the assembly declared that the publication does not represent the views of the Presbyterian Church (U.S.A.).

### **Why does the church care about Israel/Palestine?**

The Presbyterian Church (U.S.A.)’s General Assembly has long supported two viable states as a solution to the Israel Palestine conflict. The challenge has been how to respond to the human rights violations and suffering resulting from the Israeli occupation of Palestine. The church’s policy, based on General Assembly actions, includes:

- promoting a just peace in the Middle East;
- acting in solidarity with Palestinian Christian mission partners and other church partners across the Middle East;
- ending the Israeli occupation of East Jerusalem, the West Bank, and Gaza; and
- advocating for the right for Israelis and Palestinians “to live in peace within secure and recognized boundaries free from threats or acts of force.”

### **What is the point of divestment?**

For Presbyterians individually, and collectively, investments offer not only financial return, but represent a form of constructive partnership for good in the world. Divestment is always a last resort, as a matter of faithful stewardship, when it becomes apparent that an investment can no longer be part of a constructive partnership for good. Presbyterians believe firmly that their investments must be in alignment with their values.

### **What were the recommendations to the (221st) General Assembly (2014)?**

MRTI (Mission Responsibility Through Investment) has found three corporations—Caterpillar, Hewlett Packard, and Motorola Solutions—not in compliance with General Assembly policy on socially responsible investing. MRTI is a General Assembly committee that implements General Assembly policies on socially responsible investing. MRTI has repeatedly, and unsuccessfully,

reached out to these corporations and asked for resolution, but no resolution has been forthcoming. As a last resort, the General Assembly recommended divestment.

### **Why is the General Assembly focusing on these three corporations?**

The General Assembly developed criteria for corporate engagement calling on corporations to confine their business activity to peaceful pursuits and refrain from allowing their products or services facilitating or supporting violent acts by Israelis or Palestinians against innocent civilians. MRTI found these companies to be out of compliance with these criteria, as well as resistant to change and further dialogue:

- Caterpillar provides bulldozers used in the destruction of Palestinian homes and for clearing land of structures and fruit and olive tree groves in preparation for construction of the barrier wall.
- Hewlett-Packard has extensive involvement with the Israeli army and provides electronic systems at checkpoints, logistics and communications systems to support the naval blockade of the Gaza Strip, as well as business relationships with illegal settlements in the West Bank.
- Motorola Solutions provides military communications and surveillance systems in illegal Israeli settlements.

### **What actions have been considered by past General Assemblies?**

The **divestment** began at the 2004 General Assembly (GA), which instructed MRTI to initiate a process of “phased, selective divestment” related to corporations doing business in Israel. The General Assembly’s process is phased and selected because the focus is not blanket disinvestment, but rather an established process of phrased corporate engagement, with few companies, with corporate change as its goal. Divestment is the last resort, when change is no longer considered likely. Since 2004, GAs have directed MRTI to use the church’s customary corporate engagement process to ensure that church investments are made only in companies engaged in peaceful pursuits in Israel, the West Bank, Gaza, and East Jerusalem.

In 2012, the GA approved an additional layer of corporate engagement: the **boycott** of all Israeli products produced in the occupied Palestinian Territories. This is not a cultural or academic boycott, or a boycott against any product made in Israel. Instead, it is a call to recognize that factories in illegal settlements extend the occupation and prevent a just peace between Israel and Palestine.

The 2012 GA also directed the Presbyterian Foundation and the Presbyterian Mission Agency to make positive investments in Palestinian businesses to make a difference in the lives of those who are most vulnerable, to help in the development of viable infrastructure for a future Palestinian state, and to aid in job creation and economic development. Three investments have been made in solar energy, microfinance, and education.

### **What is the position of the church on Israel and Palestine?**

In 2010, the General Assembly reaffirmed its historical commitments with respect to the region and called for:

- an immediate cessation of all violence, whether perpetrated by Israelis or Palestinians;
- the reaffirmation of Israel's right to exist as a sovereign nation within secure and internationally recognized borders in accordance with United Nations resolutions;
- the end of the Israeli occupation of Palestinian territories and diversion of water resources;
- an immediate freeze both on the establishment or expansion of Israeli settlements in the West Bank and on the Israeli acquisition of Palestinian land and buildings in East Jerusalem;
- the relocation by Israel of the Separation Barrier to the 1967 border;
- the withholding of U.S. government aid to the State of Israel as long as Israel persists in creating new West Bank settlements;
- continuing corporate engagement through the Committee on Mission Responsibility Through Investment with companies profiting from the sale and use of their products for non-peaceful purposes and/or the violation of human rights;
- a shared status for Jerusalem;
- equal rights for Palestinian citizens of the State of Israel;
- the cessation of systematic violations of human rights by any party specifically,
- practices of administrative detention, collective punishment, the torture of prisoners and suspects, home demolitions and evictions, and the deportation of dissidents;
- the immediate resumption by Israel and Palestine of negotiations toward a two-state solution.

### **What have other denominations done on the issue of divestment?**

A snapshot of information:

#### **World Council of Churches**

- In 2005, the World Council of Churches passed a resolution commending the selective divestment resolution passed by the Presbyterian Church (U.S.A.) in 2004 saying that the previous resolution “in both method and manner, uses criteria rooted in faith and calls members to do the things that make for peace.”

#### **United Church of Christ**

- The United Church of Christ endorsed a range of economic leverages that included divestment, but church leaders did not commit their pension or foundation assets to a divestment plan.

#### **United Methodist Church**

- In 2012, the United Methodist Church voted to reject the divestment initiative regarding businesses that deal with Israel, including “Caterpillar, Motorola Solutions and Hewlett-Packard.”

#### **Episcopal Church**

- In 2012, the Episcopal Church adopted a resolution at its General Convention Assembly that supported “a negotiated two-state solution” and “positive investment” rather than divestment from Israel.

### **Evangelical Lutheran Church in America [updated 6/5/14]**

- In an action which underscored the call for economic initiatives with respect to Israel and Palestine that included the possibilities of 1) purchasing products from Palestinian providers and 2) exploration of the feasibility of refusing to buy products produced in Israeli settlements, the 2007 ELCA Churchwide Assembly voted to exclude the option of divestiture in the context of the church’s exploration of its investment activities.

### **Church of England**

- The General Synod has voted for disinvestment from Israel.

### **United Church of Canada [updated 5/27/14]**

- The 41st General Council in August 2012 called on United Church members to take concrete actions to support the end of the Israeli occupation of Palestinian territories. Those actions include worship, prayer, and study; economic action focused on settlement goods; and support for trust-building programs between Palestinians and Israelis.

### **What is the position of the church on anti-Semitism?**

“We condemn anti-Semitism in the strongest terms. While reaffirming our close spiritual ties with the Jewish people, we wish to state unequivocally that authentic Christianity can have no complicity in anti-Semitic attitudes or actions.” (1990)

### **What is the position of the church on Zionism?**

The General Assembly has not taken a position explicitly in regard to Zionism. The church has reaffirmed as recently as 2010, “Israel’s right to exist as a sovereign nation within secure and internationally recognized borders in accordance with United Nations resolutions,” but it has also voted to “challenge and encourage discussion of theological interpretations that confuse biblical prophecies and affirmations of covenant, promise, and land, which are predicated on justice, righteousness, and mercy, with political statehood that asserts itself through military might, repressive discrimination, abuse of human rights, and other actions that do not reveal a will to do justice, to love kindness, and to walk humbly with God,” in its 2003 paper “End the Occupation Now.”

### **What is the actual language of the divestment measure?**

#### **04-04. On Supporting Middle East Peacemaking**

The PC(USA) has a long standing commitment to peace in Israel and Palestine. We recognize the complexity of the issues, the decades-long struggle, the pain suffered and inflicted by policies and practices of both the Israeli government and Palestinian entities. We

further acknowledge and confess our own complicity in both the historic and current suffering of Israeli and Palestinian yearning for justice and reconciliation, the 221st General Assembly (2014) recommends the following:

1. Reaffirm Israel's right to exist as a sovereign nation within secure and internationally recognized borders in accordance with the United Nations resolutions.
2. Declare its commitment to a two-state solution in which a secure and universally recognized State of Israel lives alongside a free, viable, and secure state for the Palestinian people.
3. 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.
4. Reaffirm PC(USA)'s commitment to interfaith dialog and partnerships with the American Jewish, Muslim friends and Palestinian Christians and call for all presbyteries and congregations within the PC(USA) to include interfaith dialogue and relationship-building as part of their own engagement in working for a just peace.
5. Call for all foreign aid given by the U.S. government—including aid to Israel and the Palestinian Authority—to be comprehensively and transparently accounted to the American people and held to the same standards of compliance with all applicable laws.
6. Call for church advocacy for foreign-aid accountability to be directed toward its universal adherence rather than targeted for selective application to some recipients and not others.
7. Encourage Presbyterians to travel to the Holy Land, and give broad support to the Christian, Jewish, and Muslim communities throughout the Middle East.
8. Affirm the importance of economic measures and cooperation between Israelis and Palestinians that support and advance a negotiated two-state solution.
9. Urge all church institutions to give careful consideration to possible investments in Israel-Palestine that advance peace and improve the lives of Palestinians and Israelis.

### **What is the language of the measure regarding a two-state solution?**

04-01. On Reviewing General Assembly Policy Regarding the Two-State Solution in Israel Palestine—From the Presbytery of San Francisco.

“1. Instruct the Advisory Committee on Social Witness Policy (ACSWP) to do the following:

“a. Provide a comprehensive history of the establishment of General Assembly policies favoring a two-state solution in Israel Palestine.

“b. Prepare a report to the 222nd General Assembly (2016), utilizing the report of the Middle East Study Committee approved by the 219th General Assembly (2010)—*Breaking Down the Walls* (*Minutes*, 2010, Part I, pp. 1021ff); the subsequent follow-up report by the Middle East Monitoring Group to the 220th General Assembly (2012) (*Minutes*, 2012, Part I, pp. 1413ff); and relevant and recent reports by the United Nations General Assembly Human Rights Council, the World Council of Churches, other corresponding ecumenical partners, and reliable human rights organizations that achieves the following:

“(1) Provides the most up-to-date information regarding all aspects of the Israeli occupation of Palestine including

“(a) the present status and pace of illegal settlement building;

“(b) the appropriation of Palestinian land and natural resources;

“(c) the restriction of movement on Palestinian citizens in Palestine;

“(d) the extent to which human rights are denied to the Palestinian people.

“(2) Examines present General Assembly statements about the viability of a Palestinian state and honestly evaluates these statements in light of the most recent developments regarding the true facts on the ground in Palestine;

“(3) Makes a recommendation about whether the General Assembly should continue to call for a two-state solution in Israel Palestine, or take a neutral stance that seeks not to determine for Israelis and Palestinians what the right “solution” should be.

“(4) Makes other policy recommendations related to findings from this report.

“c. Consult with responsible parties representing the concerns of both Israelis and Palestinians in preparation of this report.

“d. Consult also with appropriate, official PC(USA) General Assembly entities in the preparation of this report, including staffing teams, mission networks, and national caucuses.

“2. Provide a study guide for the report to the 222nd General Assembly (2016) that will help inform the whole church of the situation on the ground in Palestine, pointing out the enormous difficulty of helping ‘in the development of a viable infrastructure for a future Palestinian state’ (action taken by the 220th General Assembly-2012). This study guide should honestly point out that:

“a. For every two-year period occurring between General Assembly meetings, Palestinians are suffering an increasing loss of their human rights, freedom, livelihoods, property, and even their lives;

“b. Simple, financial investment in a completely occupied land where the occupiers are relentless and unwavering regarding their occupation is not enough to dismantle the

matrix of that occupation or dramatically change the vast majority of communities or individual lives that are bowed and broken by systematic and intentional injustice.”

**What is the language of the regarding measure the publication *Zionism Unsettled***

04-10

“The 221st General Assembly (2014) declares that *Zionism Unsettled* does not represent the views of the Presbyterian Church (U.S.A.) and directs all Presbyterian Church (U.S.A.) entities to express this statement in all future catalogs, print or online resources.”“