

**MEETING RECORD**  
**Committee on Mission Responsibility Through Investment**  
**November 8-10, 2007**  
**Los Angeles, California**

**THURSDAY, NOVEMBER 8, 2007**

**MRTI Introductory Business**

Following dinner, the meeting was called to order by Chairperson Carol Hylkema at the Covenant Presbyterian Church. In attendance were:

**Members Present:** Brian Ellison (Board of Pensions), Shelly Wood (At-Large), Adele Langworthy (Board of Pensions), Jerri Rodewald (ACWC), George Rue [PC(USA) Foundation Staff], Lois Clark [PC(USA) Foundation], Jacquie Lyman (ACREC) Bernice McIntyre (At-Large) Liz Letzler (At-Large) Lynwood Battle (New Covenant Trust), Carol Hylkema (GAC), Gary Skinner (GAC), Bill Somplatsky-Jarman (GAC staff), Ron Kernaghan (ACSWP), Judy Freyer (Board of Pensions Staff), Martha Bettis Gee, GAC staff in Child Advocacy joined the meeting the following day.

**Guests and Observers:** Isaiah Jones (former member of MRTI), John Lind (CANICCOR), Jim Roberts (Committee to End Divestment Now), and Ann Hayman (Mary Magdalene Project).

**Press representatives:** Toya Hill, Presbyterian News Service, Jim Berkeley (Institute for Religion and Democracy)

**Opening Meditation:** The opening meditation was led by Brian Ellison and focused on the theme of stewardship with Bible readings from Psalm 16 and Luke 20.

**Joys and Concerns:** Special appreciation was expressed at Isaiah's presence and good health. The death of Joe Eschbach, spouse of former MRTI member MaryAnn Eschbach, was noted. Regrets from former MRTI member Clare McDonald were received. A schedule conflict prevented her from joining MRTI at the meeting.

**Reports from Member Groups**

**GAC:** Gary Skinner reported that GAC approved the Sudan recommendations and requests for authorization to file shareholder resolutions from MRTI. The GAC is still in a process of transition and adapting to a new organizational pattern with new leadership. A task force has been appointed to address issues raised regarding the possible incorporation of Presbyterian Disaster Assistance. He also indicated that the GAC received an update from the GA Form of Government Task Force.

**Board of Pensions:** Judy Freyer reported that portfolio performance had been positive through October but that so far November was a very problematic month. Brian Ellison

and Adele Langworthy also reported that there had been a lively discussion at the recent Board meeting related to socially responsible investments. The concern they were asked to bring to MRTI was for more attention to be given to helping pastors and congregations understand the MRTI process of progressive engagement with corporations.

**PC(USA) Foundation:** George Rue said that portfolio performance had basically been positive the first three quarters but significant fluctuations in the market was making the current situation problematic and unpredictable.

**ACSWP:** Ron Kernaghan reported on major policy papers and/or projects underway: energy use, homelessness, voting rights, serious mental illness and pay equity

### **Presentation by John Lind, Executive Director of CANICCOR**

Dr. Lind made a presentation on research done by CANICCOR related to sub-prime loans, and ecumenical engagement of banks. He noted that the major banks had tightened their lending criteria in recent months, but the investment side of the banks had become increasingly involved in marketing or investing in investment instruments backed by sub-prime mortgages. This precipitated their large losses. He observed that the ecumenical community would need to shift its emphasis to the institutions serving the mortgages to make sure that proper controls and programs are in place to minimize foreclosures.

MRTI recessed for the evening.

### **FRIDAY, NOVEMBER 9, 2008**

MRTI reconvened with a meditation led by Lois Clarke focusing on the theme of “people who have touched our lives” and the challenge facing caregivers.

### **Approval of Meeting Records**

Draft MRTI Meeting Records of June 1-2, 2007 and August 21, 2007 and were **APPROVED** with the deletion of paragraph on page 6 of the June 1-2, 2007 minutes.

**ACWC:** Jerri Rodewald reported (cf. “orange” report) that ACWC would be joining with ACSWP on a pay-equity report going to GA. ACWC has focused on proposals coming from the GA Form of Government Task Force and will be presenting suggestions for change. The meeting in Mexico was a joint meeting of ACWC and ACREC members and included a visit to the seminary in Mexico. The people visited were gracious and generous in their hospitality.

**ACREC** - Jacquie Lyman reported (cf. Latino Immigrants, Remittances and Banking report plus Jacquie’s comments) and asked MRTI to look into concerns related to Western Union and its practices related to the transfer of migrant worker funds from the US to their families in Mexico. ACREC held its recent meeting in the Yucatan

specifically for the purpose of learning the issues and challenges facing immigrants. Another concern facing immigrants has to do with the care of deceased loved ones who die while trying to immigrate to the US. ACREC is asking to include in its 2008 work plan an investigation of the issues related to the transfer of funds by immigrant workers.

### **Conversation with Michelle Crozier of Time Warner**

Michelle Crozier representing Time-Warner met with MRTI to discuss the company's guidelines for monitoring human rights and other issues related to products produced for Time-Warner by vendors and factories worldwide. Time-Warner is taking steps to improve its monitoring procedures including the hiring of additional staff, contracting with third-party auditors and the working with other companies on establishing common standards for auditing.

Break

### **Israel/Palestine Issues**

Seminar Proposal for Seminar on Pro-Active Investment – There was discussion related to the purpose of the proposed seminar and particularly the cover letter indicating the seminar was sponsored by the Presbyterian Church (USA).

*Motion:* Gary Skinner moved and Bernice McIntyre seconded that MRTI send a letter to Peggy Griffiths thanking her for her efforts in organizing the Palestine Investment Conference and respectfully requesting the cover-sheet be modified to read “Sponsored by the Israel/Palestine Mission Network of the Presbyterian Church (USA)”. Motion **PASSED**.

Israel-Palestine Corporate Engagement Update – Bill S-J reported on a June dialogue with Motorola. Participants included the ELCA, Episcopal Church, United Methodist General Board of Pensions, United Methodist General Board of Global Ministry, and Mercy Asset Management. The dialogue focused on human rights standards and international law. Motorola denied any responsibility for the use of their products in the Israeli occupation. The consensus of the ecumenical participants was that a shareholder resolution should be filed. Regarding Caterpillar, the Rachel Corrie case has not been upheld in the federal appeals court. The company had been citing this litigation as a reason why they could not discuss the Israel-Palestine situation. Citigroup has made progress on the issues related to money-laundering and a good faith effort to move ahead.

*Motion:* Adele Langworthy moved and Bernice McIntyre seconded that Citigroup be removed from the list of corporations MRTI is consulting in response to the action of the 2004 (216<sup>th</sup>) General Assembly. Motion **PASSED**.

MRTI was recessed for lunch with prayer led by Shelly Wood.

Meeting was reconvened at 1:00 p.m.

**Burma:** *Motion:* Adele Langworthy moved and Bernice seconded that MRTI send a letter of support to the efforts of the U.S. Campaign for Burma. (cf. attached blue sheet) Motion **PASSED**.

### **Reports from MRTI Partners**

**ICCR:** Bill S-J reported that because of conflicting dates with GAC he had been unable to attend the last meeting of ICCR. He did report that ICCR is moving forward with the leadership of the new Executive Director. The next meeting will be in February 2008.

**Ceres:** The Ceres annual report was distributed. Bill S-J reported that he now serves on stakeholder teams with Timberland, McDonald's, Coca-Cola and Sun Microsystems.

**Investor Network on Climate Risk:** A third United Nations Summit on Climate Risk has been scheduled for February 14, 2008.

**National Labor Committee:** Bill S-J distributed a copy of "Toys of Misery", a report prepared by the National Labor Committee. This report is based on research done for the Xin Yi Factory in China related to Mattel and Thomas and Friends toys.

**Coalition for Justice in the Maquiladoras:** This coalition has been getting less attention in recent times, although it has been heavily involved in several major labor rights struggles in border factories.

### **MRTI 2007-2008 Priority Issues Work Plan**

*Motion:* Gary Skinner moved and Liz Letzler seconded that Rural Farm Crisis be dropped from the work plan. Motion **PASSED**.

*Suggestion:* Change "Access to Health Care" to "Health Care" was **APPROVED** by consensus

1. *Motion:* Jacquie Lyman moved and Liz Letzler seconded that the section on "Access to Capital" be modified to include a primary focus for dialogues with banks and other financial institutions to be on avoidance of foreclosures, and the addition of the issue of remittances at Western Union. Motion **PASSED**.

*Motion:* Adele Langworthy moved and Brian Ellison seconded that the proposed 2007-2008 Work Plan be approved with the above amendments and suggestions. Motion **PASSED**.

### **Child Trafficking and Violent Video Games:**

Martha Bettis Gee of the PC(USA) met with MRTI for an open discussion regarding child trafficking issues. Martha's area of expertise is education and advocacy. She began by talking about violence in video-games and referred to an updated resource available through the PC(USA) related to violent video games. Research indicates the 87 percent of children are playing video games and 14 percent of eighth and ninth graders are addicted to video games. Often these young people are engaged in video games six to eight hours a day. 73 percent of ten year olds play video games one to two hours a day. Video games are very good teachers but the content of many of the games are too violent. Often many of these young people are engaged in playing video games in groups – not just as a solitary activity. Negative learnings, however, include increased insensitivity to violence, increase in aggressive behavior, fear of becoming a victim of violence, and belief that violence is a way to resolve conflicts. The Federal courts are not helping with this issue. Seven states have passed laws prohibiting the sale of violent video games to children. In every case the laws have all been struck down by the courts on the basis of alleging that these laws are denying first amendment rights of children.

An important part of her work is related to children-at-risk. Formerly, children-at-risk were considered the children faced with poverty, children in third-world countries, etc. but now it is clear that children-at-risk are those of middle income and affluent backgrounds because of their exposure to video games.

Dealing with children and their use of video games is a major challenge facing parents today. Teaching children how to evaluate video games and make good decisions is a part of the challenge. Where in the church do we teach children or adults about making wise choices?

### **Upcoming Meetings**

**ICCR** – February 5-8, 2008 – New York City

**MRTI** – Conference Call on Tuesday, January 22, 2008 to develop proxy voting recommendations.

**MRTI** – Spring meeting April 17-18 with travel on April 16 and April 20 – location to be determined.

### **Adjournment**

Following a briefing on the seminar on trafficking of children for sexual exploitation, MRTI adjourned.

### **SATURDAY, NOVEMBER 10, 2007**

MRTI sponsored a seminar on child sex trafficking. Keynote addresses were given by Carol Smolenski of ECPAT-USA, and Ann Hayman of the Mary Magdalene Project. Panels explored various strategies for addressing the issue, and discussion time allowed participants to plan possible actions in their own congregations and communities.

Respectfully submitted,

Gary Skinner  
Recorder

**APPROVED: April 17, 2008**