

Divestment advice not ready for Presbyterians: PCUSA panel needs more time

by [ENI news](#)

This article appears in the [March 7, 2006](#) issue.

A church investments panel said it needs more time before it can recommend whether the Presbyterian Church (U.S.A.) should pull assets from five companies operating in the Middle East.

The church's General Assembly voted in 2004 to pursue "phased, selective divestment" in companies with ties to the Israeli-Palestinian conflict and later named five companies that will be targeted for stockholder action.

After meeting with leaders of Citigroup and ITT Industries February 3, the church's Mission Responsibility Through Investment committee said it will not recommend divestment to the denomination's General Assembly meeting in mid-June.

"Because corporate engagement is a phased, deliberate process requiring extensive dialogue and shareholder activity prior to a specific divestment recommendation, MRTI does not anticipate recommending any divestment action" in June, the panel said in a statement.

The panel overseeing the church's \$7 billion investment portfolio has also named Motorola, Caterpillar and United Technologies for possible divestment. The PCUSA assembly voted to study divestment out of concern that church funds are being used to continue the Israeli occupation or are being channeled to militant Palestinians to hurt Israeli citizens.

In London, however, the Church of England's general synod voted on the same day for the divestment of Anglican church funds from companies profiting from Israel's "illegal occupation" of the Palestinian territories.

The main target of the nonbinding action will be Caterpillar, which has supplied vehicles used by Israel to demolish Palestinian homes, according to the Ekklesia Web site. The Internet site also noted that the company insists that it has provided the earth movers not directly to Israel but to the U.S. military, which sold them.

The synod said it was heeding “the call from our sister church, the Episcopal Church in Jerusalem and the Middle East, for morally responsible investment in the Palestinian occupied territories and, in particular, to divest from companies profiting from the illegal occupation.”

The Presbyterian decision two years ago to move toward divestment prompted expressions of anger from many Jewish groups, who said the church was singling out Israel for punishment without applying equal sanction to the Palestinians. So far, the denomination has vowed to stay the course.

The committee said it is concerned that money is being funneled through Citigroup to Arab banks that make payments to the families of Palestinian suicide bombers. It is also concerned about ITT Industries technology and equipment that is used by the Israeli army. *-Religion News Service, Ecumenical News International*