

Investors Against Genocide

Draw the line at investing in genocide

Presentation at the TIAA-CREF shareholder meeting on July 15, 2008

My name is Eric Cohen, chairperson of Investors Against Genocide.

Customers, as well as the public at large, have high expectations of TIAA-CREF. That's why I wrote the article, recently published in The Chronicle for Higher Education, asking customers to tell TIAA-CREF that they do not want their retirement money to support genocide.

These are the facts.

- With hundreds of thousands killed and millions displaced, the Darfur genocide is now in its sixth year.
- The oil industry is the Sudanese government's primary source of income, and up to 70 percent of those petrodollars are used to arm and support the military and militias that carry out the government's genocidal policies.
- The Sudanese government's four main oil partners have been widely identified as the worst offenders helping to support the genocide – PetroChina along with its closely related parent CNPC, Sinopec, Petronas, and ONGC.
- TIAA-CREF has been one of the few large financial institutions in the world to have investments in all of those companies.
- TIAA-CREF steadfastly refuses to divest from these problem companies, preferring to continue its policy of engagement with these worst offenders for years, even when those efforts produce no results.
- We asked, "At what point does weak engagement become the equivalent of doing nothing in the face of genocide?"
- You had an opportunity to let shareholders at this meeting vote on whether they preferred genocide-free investing, but you hid behind a procedural shield.

TIAA-CREF's response to the article repeated its longstanding position that "by pursuing a policy of corporate engagement, we are helping to achieve social change and financial results over the long term." The response also noted that the engagement strategy has had some successes. However, the response could claim no progress for the very worst offenders, because there has been no progress..

The response misses the point, so I am here today to raise the issue in person. The question is not whether engagement is worth trying. The question is what to do when engagement does not work. Years of fruitless engagement with the very worst player, PetroChina, is too long for the people of Darfur. Continuing to hold and continuing to buy new shares in PetroChina, despite your professed concerns, in the face of PetroChina's unresponsiveness to engagement and complicity with genocide is unacceptable. Continuing to hold shares in the very worst offending companies involved with Sudan connects your customers against their will to the genocide in Darfur.

So, I ask you today, will you make a commitment to genocide-free investing? If you will not take this step forward on your own, then I ask, will you at least get the opinion of your shareholders and let them tell you the right thing to do? Please, lose no more time. Time is of the essence as the genocide continues.