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HEADLINE: Some students seek **socially responsible** investments

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BODY:

Emily Tissier, a **University** of Minnesota natural resources junior, wanted to invest for her future.

After getting her tax rebate more than a year ago, she opened an individual retirement account. She figured \$ 50 per month now would prevent a crunch later. She felt good knowing she was making a smart decision until she realized where her money was going. That's when she began her search for an alternative.

"The company that caught my eye straight off was Phillip Morris," Tissier said of one of the stocks in her portfolio. "And I kind of got hung up on that."

She said she mentioned her concerns about the company's business conduct to her financial planner, who replied, "This is the best deal I found for you."

But her mind wasn't eased.

"I didn't want to be owning any of the stocks for those companies. I didn't want to be supporting them," she said. "I'd rather not retire off money that wasn't supporting a good cause."

She wanted an alternative, and that's when she found out about **socially-responsible** investments.

These types of stock portfolios only include companies that fund managers deem ethical and responsibly operated, and they might be outperforming more traditional choices.

The managers of **socially responsible** investments consider issues such as environmental policy, racial diversity and excessive frills for upper management when choosing companies' stocks for their fund.

Tissier decided to move her money into a **socially-responsible** investment. She didn't think she'd make as much money, but that wasn't her priority.

"I feel it's a small price to pay to know I'll be supporting good companies," she said. "There is not really a price on your conscience."

Socially-responsible investors don't always have to sacrifice profit. An October article in Smart Money magazine stated that these investments were largely unaffected by the recent accounting scandals, while several other stocks tanked.

The business practices of many of the now-defunct companies disqualified them from some **socially responsible** investment funds, according to the article.

For example, the large bonus paid to former WorldCom CEO Bernard Ebbers was a red flag to some **socially responsible** fund managers. And when the company collapsed, **socially responsible** investments were shielded from direct financial impact.

The **University** doesn't have a policy of only investing in **socially responsible** funds, said Sheila Warness, asset management director. She said the school invests based on what will be the most financially beneficial.

However, the **University's** Social Concerns Committee has taken issue with some investments. In October 1998, the committee ruled to ban the **University** from holding stock in Total Oil because of the company's involvement in Myanmar, then known as Burma.

The country's government was dislocating indigenous people and harming the environment to put in an oil pipeline.

Tissier said supporting **socially responsible** investments tells companies, "I don't like how you're running your businesses and where you're making your money, and therefore I choose to support people I agree with ethically."

She said if enough people invest in these kinds of investments, unscrupulous companies will get the message.

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