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HONORING NATIONS: 2010 HONOREE
Oneida Advocacy Through Investment Holdings
Oneida Nation of Wisconsin

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Thirty years ago, most Native nations in the U.S. had few financial resources available for investment. With the passage of the Indian Self-Determination and Education Assistance Act (Public Law 93-638) in 1975, many tribes began to reclaim the governance of their nations — and with such assertions of self-determination came successful business enterprise development and thriving economies. Today, Native nations exercise their sovereignty and business savvy across a multitude of arenas, including health care, education, justice, and financial investment.

The world of capital budgeting is relatively new to most tribes. One nation, however, is charting a path for others to follow: The Oneida Nation of Wisconsin is the first tribe in the United States to develop a comprehensive socially responsible investing (SRI) program, where investment success is measured by a triple bottom line of financial, social, and environmental returns. This approach assures that the tribe's portfolio will not only grow, but will also improve corporate behavior and make a direct difference in Native communities. Oneida staff actively support companies known for their corporate responsibility and, as shareholders, campaign to advance Native American cultures, imaging, and rights.

By taking a stand that tribal assets ought to be used to improve corporate performance on social issues, the Oneida Nation participates in financial markets on its own terms. In traditional culture, those with wealth were expected to share with others as well as preserve resources for future generations. The nation uses modern tools to manage its assets in accordance with these longstanding beliefs. Its community investments and corporate advocacy have impact beyond its borders, supporting Native nations within the United States, Indigenous people throughout the world, and all those who care about promoting a healthy environment and sustaining human rights.

A Trust Fund for Seven Generations

In the 1970s, the Oneida Nation of Wisconsin received a financial sum as part of a historic settlement with the federal government. To protect and grow the funds, the nation established a trust account. Shortly thereafter, moral and ethical questions arose around investment strategies. The nation's money managers were guided by the conventional model of growing the investment as much as possible. This meant that the portfolio included companies whose stocks performed well but had poor environmental records or otherwise harmed Indigenous

peoples. Because Oneida philosophy maintains that decisions made today will have an impact on the seventh generation, making profitable investments without consideration of their long-term consequences was not an option. The Oneida Nation Trust Committee, charged with overseeing the tribe's trust monies, wanted to find ways to bring investment practices in line with their cultural values.

Initially, the nation's investment strategy was reactive. If Oneida staff heard about a company that contradicted the nation's values, they would instruct their money managers not to buy its shares. If the stock was already in the nation's portfolio, the managers were told to divest it within six months. Although this prevented Oneida Nation money from being invested in companies that did not reflect their values, the Trust Committee realized that avoidance had little impact on a corporation's long-term behavior. The nation's growing business success had led to a substantial trust fund, and the Trust Committee wanted to use the tribe's financial clout as a more active source of positive change.

Investing with Values

Under the socially responsible investing (SRI) policy formally adopted by the Oneida Nation in the 1990s, the Trust Committee must manage funds "in a manner that does not enable harm to the environment or the spiritual or cultural values of Native Americans." As one element of its strategy, the nation invests directly in Native communities, giving them much needed access to capital. The nation also takes part in shareholder advocacy, lobbying companies to change detrimental social, environmental, and governance policies. The Oneida leverages its activity by participating in the Forum for Sustainable and Responsible Investment (US SIF), a national organization whose members are committed to the principles of socially responsible investing. Taking a leadership role in the Forum, the nation co-founded the Indigenous People's Working Group and held a major conference in 2010. Through this engagement, the Oneida Nation and others were able to identify Indian Country investment opportunities and create a hotlist of companies known to damage Indigenous communities. Additionally, the nation educates its own citizens about investment advocacy by publishing a quarterly newsletter and holding monthly committee meetings. To expand the impact of SRI across Indian Country, the Oneida and the US SIF developed a guidebook focused on ways other tribes can integrate socially responsible investing into their portfolios.

Since it began socially responsible investing, the Oneida Nation has participated in more than a dozen campaigns. In one example, Honeywell Corporation downplayed its responsibility for polluting Onondaga Lake, a significant place for the Oneida Nation and other tribes of the Haudenosaunee Confederacy. The Oneida Nation used proxy shares through its network of socially responsible investors to raise the issue before the Honeywell Board of Directors. The nation also has participated in advocacy to stop companies from using the name Crazy Horse without the consent of his descendents, worked with Peabody Energy to end the practice of slurring coal with aquifer water used by the Navajo and Hopi Nations, and lobbied corporate sponsors such as FedEx about the offensiveness of the Washington National Football League franchise name.

A Voice in the Corporate World

The impact of Oneida's actions has been strengthened by extensive work with non-Native partners, particularly through the Social Investment Forum. The work of the Oneida Nation to build bridges with other financial players means that Native issues are no longer seen as a niche problem but as a key area that corporations need to consider as they develop their policies and practices. In fact, when members of the Forum are surveyed about their major concerns for corporate performance, the treatment of Indigenous peoples ranks second only to environmental concerns.

One Oneida Trust Department employee notes, “For decades the tribes needed a voice. It was not only needed on a political level but on a corporate level as well.” The viewpoints of Native nations are not usually represented at the corporate table, and so their interests can be easily misunderstood or simply overlooked. Oneida’s investment advocacy in financial arenas helps raise overall awareness and forces companies to think about their impact on Native peoples.

Bringing the Lessons Home

Tribal governments often think carefully about how to reflect their culture and values in the businesses they run and programs they offer. But in many places, investments are made without much thought about the companies that tribal assets may be supporting. As long-time outsiders to mainstream U.S. money management, many tribal nations are not making the most of their financial clout. The investment advocacy of the Oneida Nation shows that tribal funds can be put to work within the financial system to bring about corporate awareness and positive change. By using targeted investment strategies, Oneida is providing for its future without causing undue harm in the present.

Lessons

- 1** Financial freedom is an important component of self-governance and self-determination.
- 2** Indigenous nations can use their financial strength to promote their values.
- 3** Education about socially responsible investing broadens its impact on Indian Country, the investment community, and the world-at-large.

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