

# TACTIC DIVESTMENT

Withdrawing your investment from a company can be a powerful form of economic pressure on an industry or state that is profiting from injustice and destruction.

## CONTRIBUTED BY

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**“WHILE THE CORE FOCUS OF A DIVESTMENT CAMPAIGNS IS TO BRING DIRECT AND INDIRECT ECONOMIC PRESSURE ON A TARGET, THE CAMPAIGN’S MOST IMPORTANT FUNCTION IS OFTEN MORE BROADLY MORAL AND POLITICAL.”**

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“The logic of divestment couldn't be simpler: If it's wrong to wreck the climate, it's wrong to profit from that wreckage.”

—Bill McKibben

“Those who invest in South Africa should not think they are doing us a favour; they are here for what they get out of our cheap and abundant labour, and they should know that they are buttressing one of the most vicious systems.”

—Archbishop Desmond Tutu

A divestment campaign is an effective way to apply economic pressure on an industry or state that is profiting from injustice and destruction. The idea is that stock sell-offs, cancelled contracts, and the like will scare off potential investors and create enough economic pressure to compel the target to comply with your demands. A divestment campaign helps to politically isolate the target and limit its ability to act with impunity.

The tactic became prominent in the 1980s, when it was used to bring concentrated economic pressure on the government of South Africa, helping to force it to abolish its racist policy and crime of apartheid. The tactic has most recently been taken up by Palestine solidarity activists and by the global climate justice movement. Both campaigns have shed light on the power and versatility of a divestment strategy.

The global climate justice movement has chosen to target the fossil fuel industry, identifying it as the main obstacle blocking serious

## POTENTIAL RISKS

Targets will often try to deflate your enthusiasm, momentum, or anger by making misleading statements and false promises. Divestment is a long-term campaign that requires patience and persistence. The pressure must continue until the actual goal is achieved.

## RELATED TOOLS

### Stories

- Dump Veolia Campaign
- Stolen Beauty
- Taco Bell Boycott

### Tactics

- Consumer boycott
- Debt strike
- Distributed action

### Principles

- Choose your target wisely

action on climate change. The 2015 climate talks in Paris saw 500 institutions commit to divest their capital from fossil fuel companies, while many students have launched campaigns pressuring the universities they attend to divest. So far, the movement has won pledges to divest \$3.4 trillion — a sign that the tide of public opinion is turning against the fossil fuel industry.

Often, a divestment campaign will focus on *secondary targets* because the *primary target* is too powerful or too removed from your supporters' daily lives to be directly pressured (see: TACTIC: Consumer boycott). This is how the Palestinian-led Boycott, Divestment, and Sanctions (BDS) movement has operated. In 2008, for instance, the BDS movement called for divestment from Veolia, a French multinational company that was involved in building a light rail system in Palestine that would connect Jerusalem with illegal settlements, thereby contravening international law and Palestinian human rights. After mounting pressure from people of conscience across the world and having lost billions of dollars worth of global contracts, in 2015 Veolia officially declared that it would end all its business in Israel's occupation of Palestine (see: STORY: Dump Veolia Campaign). Through many similar victories against businesses that profit from Israel's regime of colonialism, occupation, and apartheid, the BDS movement is mounting significant pressure on Israel to comply with international law — far more than it could have brought to bear by focusing only on its primary target.

Potentially, any company or institution can become a target of a divestment campaign, but it is absolutely critical that the target is chosen strategically (see: PRINCIPLE: Choose your target wisely). Once a target is chosen, power map the web of relationships around that target. In weighing the range of primary and secondary targets, organizers should consider the degree of involvement of each potential target in the violations at hand, and how vulnerable the target might be to pressure or persuasion.

While the core focus of a divestment campaigns is to bring direct or indirect economic pressure on a target, the campaign's most important function is often more broadly political and moral. The South African divestment campaign helped to politically isolate the apartheid regime. The BDS movement is successfully forcing wider and wider sectors of global public opinion to confront the criminality of Israel's occupation and colonization of historic Palestine. From museums, to college campuses, to investment firms, the global fossil fuel divestment movement is successfully turning the fossil fuel sector into a rogue industry and revoking its social license. Furthermore, because these divestment campaigns simultaneously draw a clear ethical line in the sand and offer many local targets, and therefore create many points of entry, they have been particularly effective at deepening and broadening the movements they're part of.

Almost all entities being lobbied to divest will initially resist or

- Create many points of entry
- Escalate strategically
- If you're not uncomfortable, your coalition is too small
- Personalize and polarize
- Solidarity, not aid
- The threat is usually more terrifying than the thing itself

### Theories

- Capitalism
- Cultural hegemony
- Floating signifier
- Intersectionality
- The Global South

### Methodologies

- Pillars of power
- Points of intervention
- Power mapping
- Spectrum of allies
- Theory of change

### TAGS

Climate justice, Campaign strategy, Capitalism, Communications, Colonialism, Direct action, Energy, Environment, Human rights, International solidarity, Movement building, Policy, Student activism

ignore your call. It is thus important to remain persistent and have an escalation plan you can stick to until your target concedes to your demands (see: PRINCIPLE: Escalate strategically). Remember: A divestment campaign is only one piece of a long-term, multi-pronged strategy, and the breakthrough will come only after a trickle of small successes that continue to accumulate until the last straw breaks the camel's back — and you win.

## **LEARN MORE**

Interview: The Man Behind the BDS Movement

Rami Younis, +972 Magazine, 2015

<http://972mag.com/interview-the-man-behind-the-bds-movement/107771/>

The Case for Fossil Fuel Divestment

Bill McKibben, Rolling Stone, 2013

<http://www.rollingstone.com/politics/news/the-case-for-fossil-fuel-divestment-20130222>

What is Fossil Fuel Divestment?

Go Fossil Free

<http://gofossilfree.org/what-is-fossil-fuel-divestment/>

Private Prison Divestment Campaign Resources

ENLACE: Organizing for racial and economic justice

<http://www.enlaceintl.org/#!resources/c1km9>